

Translation

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Summary of Consolidated Financial Results for the Three Months Ended December 31, 2014 (Based on Japanese GAAP)

February 5, 2015

Company name: NISHIO RENT ALL CO., LTD.
 Stock exchange listing: Tokyo
 Stock code: 9699 URL <http://www.nishio-rent.co.jp/>
 Representative: PRESIDENT MASASHI NISHIO
 MANAGING DIRECTOR, managing
 Inquiries: Administrative Divisions KAZUSO NITTA TEL 06-6251-7302
 in Head Quarters
 Scheduled date to file Quarterly Securities Report: February 6, 2015
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on quarterly financial results: No
 Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended December 31, 2014 (from October 1, 2014 to December 31, 2014)

(1) Consolidated financial results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended December 31, 2014	29,455	8.6	4,333	(4.6)	4,540	(4.4)	2,716	(2.2)
Three months ended December 31, 2013	27,132	14.2	4,544	58.0	4,749	50.5	2,775	61.1

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended December 31, 2014	101.61	101.54
Three months ended December 31, 2013	103.85	103.78

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2014	145,104	63,839	42.6	2,309.98
As of September 30, 2014	137,987	62,275	43.7	2,254.83

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended September 30, 2014	–	0.00	–	50.00	50.00
Year ending September 30, 2015	–				
Year ending September 30, 2015 (Forecast)		0.00	–	40.00	40.00

3. Forecast of consolidated financial results for the year ending September 30, 2015 (from October 1, 2014 to September 30, 2015)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending March 31, 2015	61,093	10.8	10,733	10.7	10,671	8.3	6,369	11.0	238.29
Full year	114,011	9.5	15,299	9.0	14,949	4.3	8,982	1.1	336.04

4. Notes

- (1) Changes in significant subsidiaries during the three months ended December 31, 2014
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
 - Changes in accounting policies due to other reasons: No
 - Changes in accounting estimates: No
 - Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2014	27,089,764 shares	As of September 30, 2014	27,089,764 shares
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Number of treasury shares at the end of the period

As of December 31, 2014	358,553 shares	As of September 30, 2014	360,868 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended December 31, 2014	26,729,117 shares	Three months ended December 31, 2013	26,730,099 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of September 30, 2014	As of December 31, 2014
Assets		
Current assets		
Cash and deposits	28,905	25,679
Notes and accounts receivable - trade	29,733	33,191
Securities	1,000	1,000
Merchandise and finished goods	620	565
Work in process	926	783
Raw materials and supplies	776	811
Other	6,773	7,794
Allowance for doubtful accounts	(380)	(409)
Total current assets	68,356	69,415
Non-current assets		
Property, plant and equipment		
Assets for rent, net	38,987	43,729
Land	18,618	19,438
Other, net	8,185	8,579
Total property, plant and equipment	65,791	71,747
Intangible assets		
Goodwill	58	52
Other	459	427
Total intangible assets	518	480
Investments and other assets		
Other	3,689	3,828
Allowance for doubtful accounts	(368)	(367)
Total investments and other assets	3,321	3,460
Total non-current assets	69,631	75,688
Total assets	137,987	145,104
Liabilities		
Current liabilities		
Notes and accounts payable - trade	15,886	17,257
Short-term loans payable	2,480	2,493
Current portion of long-term loans payable	4,334	2,259
Current portion of bonds	1,011	999
Lease obligations	6,286	7,125
Income taxes payable	2,959	1,163
Provision for bonuses	1,746	928
Provision for directors' bonuses	113	50
Asset retirement obligations	–	1
Other	13,543	16,954
Total current liabilities	48,362	49,233

(Millions of yen)

	As of September 30, 2014	As of December 31, 2014
Non-current liabilities		
Bonds payable	3,314	3,474
Long-term loans payable	4,824	7,142
Lease obligations	17,761	19,991
Provision for directors' retirement benefits	127	130
Net defined benefit liability	527	530
Asset retirement obligations	403	403
Other	390	358
Total non-current liabilities	27,349	32,030
Total liabilities	75,712	81,264
Net assets		
Shareholders' equity		
Capital stock	6,045	6,045
Capital surplus	7,355	7,355
Retained earnings	47,451	48,827
Treasury shares	(678)	(674)
Total shareholders' equity	60,174	61,554
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	119	137
Deferred gains or losses on hedges	(5)	(18)
Foreign currency translation adjustment	(18)	74
Total accumulated other comprehensive income	94	193
Subscription rights to shares	17	24
Minority interests	1,989	2,065
Total net assets	62,275	63,839
Total liabilities and net assets	137,987	145,104

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

	Three months ended December 31, 2013	Three months ended December 31, 2014
Net sales	27,132	29,455
Cost of sales	14,960	16,610
Gross profit	12,172	12,845
Selling, general and administrative expenses		
Provision of allowance for doubtful accounts	–	25
Salaries and bonuses	2,585	2,933
Provision for bonuses	788	863
Provision for directors' bonuses	44	50
Retirement benefit expenses	68	75
Provision for directors' retirement benefits	4	4
Other	4,136	4,558
Total selling, general and administrative expenses	7,628	8,511
Operating income	4,544	4,333
Non-operating income		
Interest income	12	13
Dividend income	2	14
Share of profit of entities accounted for using equity method	59	–
Foreign exchange gains	135	217
Other	154	128
Total non-operating income	364	373
Non-operating expenses		
Interest expenses	146	148
Other	12	17
Total non-operating expenses	159	166
Ordinary income	4,749	4,540
Extraordinary income		
Gain on sales of non-current assets	4	8
Total extraordinary income	4	8
Extraordinary losses		
Loss on sales and retirement of non-current assets	20	12
Total extraordinary losses	20	12
Income before income taxes and minority interests	4,733	4,536
Income taxes - current	1,563	1,271
Income taxes - deferred	289	451
Total income taxes	1,853	1,723
Income before minority interests	2,879	2,812
Minority interests in income	103	96
Net income	2,775	2,716

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended December 31, 2013	Three months ended December 31, 2014
Income before minority interests	2,879	2,812
Other comprehensive income		
Valuation difference on available-for-sale securities	14	18
Deferred gains or losses on hedges	–	(12)
Foreign currency translation adjustment	(148)	136
Share of other comprehensive income of entities accounted for using equity method	2	–
Total other comprehensive income	(130)	142
Comprehensive income	2,748	2,955
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,697	2,815
Comprehensive income attributable to minority interests	51	140