

Translation

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**Summary of Consolidated Financial Results
for the Six Months Ended March 31, 2015
(Based on Japanese GAAP)**

May 13, 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
 Inquiries: MANAGING DIRECTOR, managing KAZUSO NITTA TEL 06-6251-7302
 Administrative Divisions in Head Quarters
 Scheduled date to file Quarterly Securities Report: May 13, 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 six months ended March 31, 2015 (from October 1, 2014 to March 31, 2015)

(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	%
Six months ended March 31, 2015	59,217	7.4	9,077	(6.4)	9,228	(6.4)	5,561	(3.1)
Six months ended March 31, 2014	55,154	14.1	9,699	46.7	9,857	38.2	5,737	38.8

	Net income per share		Diluted net income per share	
	Yen		Yen	
Six months ended March 31, 2015	208.07		207.92	
Six months ended March 31, 2014	214.66		214.51	

(2) Consolidated financial position

	Total assets		Net assets		Equity ratio		Net assets per share	
	Millions of yen		Millions of yen		%		Yen	
As of March 31, 2015	152,342		67,138		42.5		2,424.67	
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
Year ended September 30, 2014	Yen –	Yen 0.00	Yen –	Yen 50.00	Yen 50.00
Year ending September 30, 2015	–	0.00			
Year ending September 30, 2015 (Forecast)			–	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	
Full year	111,487	7.1	13,463	(4.1)	13,329	(7.0)	7,832	(11.8)	293.00	

4. Notes

- (1) Changes in significant subsidiaries during the six months ended March 31, 2015
 (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 March 31, 2015	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 March 31, 2015	358,648 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)

Six months ended March 31, 2015	26,730,136 shares	Six months ended March 31, 2014	26,729,884 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of September 30, 2014	As of March 31, 2015
Assets		
Current assets		
Cash and deposits	28,905	23,355
Notes and accounts receivable - trade	29,733	34,482
Securities	1,000	1,000
Merchandise and finished goods	620	642
Work in process	926	670
Raw materials and supplies	776	770
Other	6,773	10,606
Allowance for doubtful accounts	(380)	(388)
Total current assets	68,356	71,138
Non-current assets		
Property, plant and equipment		
Assets for rent, net	38,987	46,344
Land	18,618	21,921
Other, net	8,185	9,078
Total property, plant and equipment	65,791	77,344
Intangible assets		
Goodwill	58	46
Other	459	407
Total intangible assets	518	454
Investments and other assets		
Other	3,689	3,703
Allowance for doubtful accounts	(368)	(297)
Total investments and other assets	3,321	3,405
Total non-current assets	69,631	81,204
Total assets	137,987	152,342
Liabilities		
Current liabilities		
Notes and accounts payable - trade	15,886	17,981
Short-term loans payable	2,480	2,406
Current portion of long-term loans payable	4,334	1,342
Current portion of bonds	1,011	1,048
Lease obligations	6,286	7,749
Income taxes payable	2,959	3,228
Provision for bonuses	1,746	1,803
Provision for directors' bonuses	113	92
Other	13,543	16,121
Total current liabilities	48,362	51,773

(Millions of yen)

	As of September 30, 2014	As of March 31, 2015
Non-current liabilities		
Bonds payable	3,314	3,328
Long-term loans payable	4,824	7,352
Lease obligations	17,761	21,297
Provision for directors' retirement benefits	127	134
Net defined benefit liability	527	533
Asset retirement obligations	403	434
Other	390	350
Total non-current liabilities	27,349	33,430
Total liabilities	75,712	85,204
Net assets		
Shareholders' equity		
Capital stock	6,045	6,045
Capital surplus	7,355	7,355
Retained earnings	47,451	51,673
Treasury shares	(678)	(674)
Total shareholders' equity	60,174	64,400
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	119	150
Deferred gains or losses on hedges	(5)	(8)
Foreign currency translation adjustment	(18)	271
Total accumulated other comprehensive income	94	413
Subscription rights to shares	17	25
Minority interests	1,989	2,299
Total net assets	62,275	67,138
Total liabilities and net assets	137,987	152,342

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended March 31, 2014	Six months ended March 31, 2015
Net sales	55,154	59,217
Cost of sales	30,341	33,270
Gross profit	24,812	25,946
Selling, general and administrative expenses		
Provision of allowance for doubtful accounts	32	–
Salaries and bonuses	5,128	5,816
Provision for bonuses	1,603	1,753
Provision for directors' bonuses	83	91
Retirement benefit expenses	127	151
Provision for directors' retirement benefits	8	9
Other	8,129	9,046
Total selling, general and administrative expenses	15,113	16,869
Operating income	9,699	9,077
Non-operating income		
Interest income	24	27
Dividend income	2	14
Share of profit of entities accounted for using equity method	89	–
Foreign exchange gains	76	176
Other	293	278
Total non-operating income	486	497
Non-operating expenses		
Interest expenses	299	299
Other	27	46
Total non-operating expenses	327	346
Ordinary income	9,857	9,228
Extraordinary income		
Gain on sales of non-current assets	6	15
Compensation income	11	–
Total extraordinary income	17	15
Extraordinary losses		
Loss on sales and retirement of non-current assets	49	50
Loss on liquidation of subsidiaries and associates	44	–
Total extraordinary losses	93	50
Income before income taxes and minority interests	9,781	9,193
Income taxes - current	4,111	3,342
Income taxes - deferred	(296)	57
Total income taxes	3,814	3,399
Income before minority interests	5,967	5,794
Minority interests in income	229	232
Net income	5,737	5,561

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended March 31, 2014	Six months ended March 31, 2015
Income before minority interests	5,967	5,794
Other comprehensive income		
Valuation difference on available-for-sale securities	10	31
Deferred gains or losses on hedges	–	(2)
Foreign currency translation adjustment	61	431
Share of other comprehensive income of entities accounted for using equity method	1	–
Total other comprehensive income	74	460
Comprehensive income	6,041	6,254
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,807	5,881
Comprehensive income attributable to minority interests	233	373

Consolidated statements of cash flows

(Millions of yen)

	Six months ended March 31, 2014	Six months ended March 31, 2015
Cash flows from operating activities		
Income before income taxes and minority interests	9,781	9,193
Depreciation	6,645	8,193
Amortization of goodwill	10	11
Increase (decrease) in allowance for doubtful accounts	(17)	(90)
Increase (decrease) in provision for bonuses	153	50
Increase (decrease) in provision for directors' bonuses	6	(21)
Increase (decrease) in provision for retirement benefits	17	–
Increase (decrease) in net defined benefit liability	–	1
Increase (decrease) in provision for directors' retirement benefits	(2)	6
Interest and dividend income	(27)	(42)
Interest expenses	299	299
Share of (profit) loss of entities accounted for using equity method	(89)	–
Loss (gain) on sales and retirement of non-current assets	43	35
Transfer cost from sales of assets for rent	97	76
Purchase of assets for lease	(4,525)	(6,868)
Decrease (increase) in notes and accounts receivable - trade	(6,224)	(4,563)
Decrease (increase) in inventories	(71)	245
Increase (decrease) in notes and accounts payable - trade	3,042	2,075
Other, net	(459)	(904)
Subtotal	8,681	7,699
Interest and dividend income received	26	42
Interest expenses paid	(299)	(287)
Income taxes paid	(2,636)	(2,939)
Net cash provided by (used in) operating activities	5,772	4,515
Cash flows from investing activities		
Payments into time deposits	(13)	(13)
Proceeds from withdrawal of time deposits	10	10
Decrease (increase) in short-term loans receivable	(102)	(172)
Purchase of property, plant and equipment	(583)	(4,466)
Proceeds from sales of property, plant and equipment	27	13
Purchase of intangible assets	(50)	(29)
Payments for transfer of business	(31)	(31)
Purchase of investment securities	(21)	(3)
Payments for investments in capital of subsidiaries and associates	(20)	–
Purchase of shares of subsidiaries and associates	–	(12)
Purchase of investments in subsidiaries from minority shareholders	(1)	–
Payments of long-term loans receivable	(51)	(80)
Collection of long-term loans receivable	13	62
Payments for lease and guarantee deposits	(63)	(96)
Proceeds from collection of lease and guarantee deposits	25	43
Other, net	0	(0)
Net cash provided by (used in) investing activities	(863)	(4,777)

(Millions of yen)

	Six months ended March 31, 2014	Six months ended March 31, 2015
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	(130)	(73)
Proceeds from long-term loans payable	1,200	3,440
Repayments of long-term loans payable	(1,124)	(3,904)
Proceeds from issuance of bonds	198	594
Redemption of bonds	(557)	(549)
Repayments of lease obligations	(2,459)	(3,373)
Repayments of installment payables	(8)	(7)
Cash dividends paid	(801)	(1,336)
Cash dividends paid to minority shareholders	(87)	(82)
Other, net	(2)	(0)
Net cash provided by (used in) financing activities	(3,773)	(5,292)
Effect of exchange rate change on cash and cash equivalents	(17)	0
Net increase (decrease) in cash and cash equivalents	1,117	(5,554)
Cash and cash equivalents at beginning of period	21,830	29,895
Cash and cash equivalents at end of period	22,948	24,340