

Translation

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## Summary of Consolidated Financial Results for the Nine Months Ended June 30, 2017 (Based on Japanese GAAP)

August 3, 2017

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: August 7, 2017  
 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 nine months ended June 30, 2017 (from October 1, 2016 to June 30, 2017)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended June 30, 2017	92,402	6.2	8,698	(9.0)	8,647	(5.7)	5,346	(4.9)
Nine months ended June 30, 2016	87,000	3.5	9,558	(6.1)	9,174	(11.2)	5,622	(7.9)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended June 30, 2017	204.35		204.17	
Nine months ended June 30, 2016	210.34		210.17	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2017	156,364	74,925	46.1	2,822.02
As of September 30, 2016	150,630	74,536	47.7	2,687.91

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended September 30, 2016	–	0.00	–	57.00	57.00
Year ending September 30, 2017	–	0.00	–		
Year ending September 30, 2017 (Forecast)				57.00	57.00

3. Forecast of consolidated financial results for the year ending September 30, 2017 (from October 1, 2016 to September 30, 2017)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	123,800	6.8	12,430	5.3	12,000	6.3	7,690	11.1	287.68

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended June 30, 2017  
 (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: Yes
- 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 June 30, 2017	27,091,364 shares	As of September 30, 2016	27,089,764 shares
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Number of treasury shares at the end of the period

As of June 30, 2017	1,559,518 shares	As of September 30, 2016	359,058 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended June 30, 2017	26,164,450 shares	Nine months ended June 30, 2016	26,730,899 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of September 30, 2016	As of June 30, 2017
<b>Assets</b>		
Current assets		
Cash and deposits	22,241	20,389
Notes and accounts receivable - trade	32,790	32,910
Merchandise and finished goods	635	619
Work in process	785	925
Raw materials and supplies	898	976
Other	5,140	9,062
Allowance for doubtful accounts	(240)	(213)
Total current assets	62,252	64,670
Non-current assets		
Property, plant and equipment		
Assets for rent, net	48,610	51,475
Land	23,744	23,787
Other, net	11,447	11,790
Total property, plant and equipment	83,802	87,053
Intangible assets		
Goodwill	451	417
Other	388	453
Total intangible assets	840	870
Investments and other assets		
Other	3,973	4,027
Allowance for doubtful accounts	(238)	(257)
Total investments and other assets	3,734	3,769
Total non-current assets	88,378	91,693
Total assets	150,630	156,364
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	17,112	18,459
Short-term loans payable	2,329	2,862
Current portion of long-term loans payable	2,160	2,167
Current portion of bonds	1,092	1,878
Lease obligations	8,911	9,847
Income taxes payable	1,828	1,212
Provision for bonuses	1,928	1,299
Provision for directors' bonuses	111	89
Other	13,365	15,569
Total current liabilities	48,842	53,386

(Millions of yen)

	As of September 30, 2016	As of June 30, 2017
Non-current liabilities		
Bonds payable	2,178	1,006
Long-term loans payable	5,346	5,041
Lease obligations	17,924	19,940
Provision for directors' retirement benefits	168	181
Net defined benefit liability	610	647
Asset retirement obligations	625	663
Other	396	571
Total non-current liabilities	27,251	28,051
Total liabilities	76,093	81,438
Net assets		
Shareholders' equity		
Capital stock	6,045	6,048
Capital surplus	7,335	7,331
Retained earnings	59,261	63,084
Treasury shares	(675)	(4,637)
Total shareholders' equity	71,967	71,827
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	108	204
Deferred gains or losses on hedges	(41)	(8)
Foreign currency translation adjustment	(184)	26
Total accumulated other comprehensive income	(117)	223
Subscription rights to shares	29	31
Non-controlling interests	2,657	2,842
Total net assets	74,536	74,925
Total liabilities and net assets	150,630	156,364

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

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Nine months ended June 30, 2016	Nine months ended June 30, 2017
Net sales	87,000	92,402
Cost of sales	50,804	54,870
Gross profit	36,196	37,531
Selling, general and administrative expenses		
Provision of allowance for doubtful accounts	28	36
Salaries and bonuses	10,621	11,478
Provision for bonuses	1,233	1,237
Provision for directors' bonuses	89	89
Retirement benefit expenses	244	256
Provision for directors' retirement benefits	18	17
Other	14,401	15,717
Total selling, general and administrative expenses	26,637	28,833
Operating income	9,558	8,698
Non-operating income		
Interest income	65	40
Dividend income	8	15
Share of profit of entities accounted for using equity method	–	8
Foreign exchange gains	–	42
Other	385	356
Total non-operating income	459	463
Non-operating expenses		
Interest expenses	434	464
Foreign exchange losses	292	–
Other	117	48
Total non-operating expenses	843	513
Ordinary income	9,174	8,647
Extraordinary income		
Gain on sales of non-current assets	30	36
Gain on sales of investment securities	–	11
Total extraordinary income	30	47
Extraordinary losses		
Loss on sales and retirement of non-current assets	62	42
Total extraordinary losses	62	42
Profit before income taxes	9,142	8,652
Income taxes - current	3,071	2,989
Income taxes - deferred	311	126
Total income taxes	3,383	3,115
Profit	5,759	5,536
Profit attributable to non-controlling interests	136	189
Profit attributable to owners of parent	5,622	5,346

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Nine months ended June 30, 2016	Nine months ended June 30, 2017
Profit	5,759	5,536
Other comprehensive income		
Valuation difference on available-for-sale securities	(52)	96
Deferred gains or losses on hedges	(51)	33
Foreign currency translation adjustment	(174)	286
Total other comprehensive income	(278)	416
Comprehensive income	5,480	5,953
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,439	5,687
Comprehensive income attributable to non-controlling interests	41	265