

Translation

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## Summary of Consolidated Financial Results for the Nine Months Ended June 30, 2018 (Based on Japanese GAAP)

August 2, 2018

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: August 6, 2018  
 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, 2018 (from October 1, 2017 to June 30, 2018)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended June 30, 2018	100,423	8.7	10,794	24.1	10,636	23.0	6,582	23.1
Nine months ended June 30, 2017	92,402	6.2	8,698	(9.0)	8,647	(5.7)	5,346	(4.9)

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended June 30, 2018	247.68		247.48	
Nine months ended June 30, 2017	204.35		204.17	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2018	183,630	90,281	47.2
As of September 30, 2017	159,413	77,017	46.4

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, 2017	–	0.00	–	57.00	57.00
Year ending September 30, 2018	–	0.00	–		
Year ending September 30, 2018 (Forecast)				61.00	61.00

3. Forecast of consolidated financial results for the year ending September 30, 2018 (from October 1, 2017 to September 30, 2018)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	132,840	7.5	13,750	23.6	13,330	21.0	8,270	15.3	295.01

4. Notes

- (1) Changes in significant subsidiaries during the nine months ended June 30, 2018  
 (changes in specified subsidiaries resulting in the change in scope of consolidation): Yes
- (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: Yes
- 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, 2018	28,391,464 shares	As of September 30, 2017	27,091,364 shares
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Number of treasury shares at the end of the period

As of June 30, 2018	358,282 shares	As of September 30, 2017	1,559,617 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, 2018	26,577,761 shares	Nine months ended June 30, 2017	26,164,450 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of September 30, 2017	As of June 30, 2018
<b>Assets</b>		
Current assets		
Cash and deposits	21,481	26,393
Notes and accounts receivable - trade	35,136	37,252
Merchandise and finished goods	741	1,881
Work in process	1,193	1,819
Raw materials and supplies	923	1,132
Other	7,353	12,906
Allowance for doubtful accounts	(214)	(214)
Total current assets	66,616	81,171
Non-current assets		
Property, plant and equipment		
Assets for rent, net	52,363	58,323
Land	23,835	24,215
Other, net	11,949	13,206
Total property, plant and equipment	88,148	95,745
Intangible assets		
Goodwill	390	1,771
Other	465	1,168
Total intangible assets	855	2,940
Investments and other assets		
Other	4,031	4,050
Allowance for doubtful accounts	(238)	(277)
Total investments and other assets	3,793	3,772
Total non-current assets	92,797	102,458
Total assets	159,413	183,630
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	18,451	21,117
Short-term loans payable	2,906	2,481
Current portion of long-term loans payable	2,621	3,485
Current portion of bonds	1,498	589
Lease obligations	9,928	10,530
Income taxes payable	2,299	1,642
Provision for bonuses	2,011	1,427
Provision for directors' bonuses	115	106
Other	15,748	18,461
Total current liabilities	55,582	59,842

(Millions of yen)

	As of September 30, 2017	As of June 30, 2018
Non-current liabilities		
Bonds payable	847	1,116
Long-term loans payable	4,306	7,495
Lease obligations	19,440	22,315
Provision for directors' retirement benefits	204	209
Net defined benefit liability	710	698
Asset retirement obligations	704	736
Other	602	932
Total non-current liabilities	26,814	33,505
Total liabilities	82,396	93,348
Net assets		
Shareholders' equity		
Capital stock	6,048	8,100
Capital surplus	7,331	9,605
Retained earnings	64,910	70,037
Treasury shares	(4,637)	(1,065)
Total shareholders' equity	73,652	86,678
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	217	176
Deferred gains or losses on hedges	40	(1)
Foreign currency translation adjustment	28	(181)
Total accumulated other comprehensive income	286	(5)
Subscription rights to shares	31	30
Non-controlling interests	3,047	3,577
Total net assets	77,017	90,281
Total liabilities and net assets	159,413	183,630

**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, 2017	Nine months ended June 30, 2018
Net sales	92,402	100,423
Cost of sales	54,870	58,521
Gross profit	37,531	41,902
Selling, general and administrative expenses		
Provision of allowance for doubtful accounts	36	70
Salaries and bonuses	11,478	12,237
Provision for bonuses	1,237	1,368
Provision for directors' bonuses	89	106
Retirement benefit expenses	256	295
Provision for directors' retirement benefits	17	22
Other	15,717	17,007
Total selling, general and administrative expenses	28,833	31,107
Operating profit	8,698	10,794
Non-operating income		
Interest income	40	34
Dividend income	15	13
Share of profit of entities accounted for using equity method	8	–
Foreign exchange gains	42	–
Other	356	406
Total non-operating income	463	454
Non-operating expenses		
Interest expenses	464	509
Foreign exchange losses	–	43
Other	48	58
Total non-operating expenses	513	611
Ordinary profit	8,647	10,636
Extraordinary income		
Gain on sales of non-current assets	36	17
Gain on sales of investment securities	11	–
Total extraordinary income	47	17
Extraordinary losses		
Loss on sales and retirement of non-current assets	42	73
Total extraordinary losses	42	73
Profit before income taxes	8,652	10,581
Income taxes - current	2,989	3,532
Income taxes - deferred	126	155
Total income taxes	3,115	3,687
Profit	5,536	6,893
Profit attributable to non-controlling interests	189	310
Profit attributable to owners of parent	5,346	6,582

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

(Millions of yen)

	Nine months ended June 30, 2017	Nine months ended June 30, 2018
Profit	5,536	6,893
Other comprehensive income		
Valuation difference on available-for-sale securities	96	(40)
Deferred gains or losses on hedges	33	(41)
Foreign currency translation adjustment	286	(218)
Total other comprehensive income	416	(300)
Comprehensive income	5,953	6,592
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	5,687	6,291
Comprehensive income attributable to non-controlling interests	265	301