

Translation

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**Summary of Consolidated Financial Results
for the Three Months Ended December 31, 2018
(Based on Japanese GAAP)**

February 6, 2019

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
 Director, managing Administrative Divisions
 Inquiries: in Head Quarters. KAZUO YOTSUMOTO TEL 06(6251)7302
 President's office
 Scheduled date to file Quarterly Securities Report: February 8, 2019
 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, 2018 (from October 1, 2018 to December 31, 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	%
Three months ended December 31, 2018	39,399	12.8	4,965	7.7	4,826	3.5	3,060	2.4
Three months ended December 31, 2017	34,940	9.1	4,609	29.0	4,662	31.0	2,989	40.7

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended December 31, 2018	109.19		109.11	
Three months ended December 31, 2017	117.08		116.98	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2018	194,203	94,043	46.7
As of September 30, 2018	188,224	92,819	47.5

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, 2018	–	0.00	–	70.00	70.00
Year ending September 30, 2019	–	–	–	–	–
Year ending September 30, 2019 (Forecast)	–	0.00	–	70.00	70.00

3. Forecast of consolidated financial results for the year ending September 30, 2019 (from October 1, 2018 to September 30, 2019)

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
Six months ending March 31, 2019	78,200	12.9	9,690	7.6	9,400	4.6	5,850	2.9	208.68
Full year	147,860	8.2	15,880	7.5	15,500	7.0	9,600	3.0	342.45

4. Notes

- (1) Changes in significant subsidiaries during the three months ended December 31, 2018
(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, 2018	28,391,464 shares	As of September 30, 2018	28,391,464 shares
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Number of treasury shares at the end of the period

As of December 31, 2018	355,780 shares	As of September 30, 2018	358,362 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, 2018	28,033,443 shares	Three months ended December 31, 2017	25,531,709 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of September 30, 2018	As of December 31, 2018
Assets		
Current assets		
Cash and deposits	28,902	26,199
Notes and accounts receivable - trade	39,660	41,642
Merchandise and finished goods	1,420	1,580
Work in process	1,548	2,803
Raw materials and supplies	994	1,047
Other	7,895	8,870
Allowance for doubtful accounts	(257)	(278)
Total current assets	80,165	81,863
Non-current assets		
Property, plant and equipment		
Assets for rent, net	60,703	63,400
Land	24,208	25,240
Other, net	14,380	15,497
Total property, plant and equipment	99,293	104,138
Intangible assets		
Goodwill	2,122	2,011
Other	1,159	1,196
Total intangible assets	3,281	3,207
Investments and other assets		
Other	5,807	5,305
Allowance for doubtful accounts	(323)	(312)
Total investments and other assets	5,483	4,993
Total non-current assets	108,058	112,339
Total assets	188,224	194,203
Liabilities		
Current liabilities		
Notes and accounts payable - trade	21,400	24,130
Short-term loans payable	2,731	3,191
Current portion of long-term loans payable	2,901	4,034
Current portion of bonds	993	993
Lease obligations	10,574	10,780
Income taxes payable	3,020	1,237
Provision for bonuses	2,235	1,114
Provision for directors' bonuses	147	51
Other	18,280	21,068
Total current liabilities	62,285	66,602

(Millions of yen)

	As of September 30, 2018	As of December 31, 2018
Non-current liabilities		
Bonds payable	437	417
Long-term loans payable	7,411	6,509
Lease obligations	22,907	24,265
Provision for directors' retirement benefits	219	199
Net defined benefit liability	709	729
Asset retirement obligations	751	784
Other	681	650
Total non-current liabilities	33,118	33,557
Total liabilities	95,404	100,159
Net assets		
Shareholders' equity		
Capital stock	8,100	8,100
Capital surplus	9,629	9,575
Retained earnings	72,778	73,877
Treasury shares	(1,065)	(1,058)
Total shareholders' equity	89,443	90,495
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	211	150
Deferred gains or losses on hedges	0	(1)
Foreign currency translation adjustment	(275)	(4)
Total accumulated other comprehensive income	(64)	143
Share acquisition rights	30	30
Non-controlling interests	3,409	3,374
Total net assets	92,819	94,043
Total liabilities and net assets	188,224	194,203

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, 2017	Three months ended December 31, 2018
Net sales	34,940	39,399
Cost of sales	19,964	22,649
Gross profit	14,976	16,750
Selling, general and administrative expenses		
Provision of allowance for doubtful accounts	8	33
Salaries and bonuses	3,601	4,155
Provision for bonuses	984	1,049
Provision for directors' bonuses	52	51
Retirement benefit expenses	98	109
Provision for directors' retirement benefits	7	5
Other	5,614	6,379
Total selling, general and administrative expenses	10,366	11,785
Operating profit	4,609	4,965
Non-operating income		
Interest income	11	16
Dividend income	3	4
Foreign exchange gains	49	–
Other	166	183
Total non-operating income	231	204
Non-operating expenses		
Interest expenses	158	194
Foreign exchange losses	–	119
Other	20	28
Total non-operating expenses	178	343
Ordinary profit	4,662	4,826
Extraordinary income		
Gain on sales of non-current assets	1	4
Total extraordinary income	1	4
Extraordinary losses		
Loss on sales and retirement of non-current assets	23	7
Total extraordinary losses	23	7
Profit before income taxes	4,640	4,823
Income taxes - current	1,190	1,202
Income taxes - deferred	359	436
Total income taxes	1,550	1,639
Profit	3,090	3,184
Profit attributable to non-controlling interests	101	123
Profit attributable to owners of parent	2,989	3,060

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Three months ended December 31, 2017	Three months ended December 31, 2018
Profit	3,090	3,184
Other comprehensive income		
Valuation difference on available-for-sale securities	28	(61)
Deferred gains or losses on hedges	(31)	(0)
Foreign currency translation adjustment	133	353
Total other comprehensive income	130	290
Comprehensive income	3,220	3,474
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,098	3,268
Comprehensive income attributable to non-controlling interests	121	205