

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended June 30, 2019 (Based on Japanese GAAP)

August 1, 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: August 5, 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 nine months ended June 30, 2019 (from October 1, 2018 to June 30, 2019)

(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, 2019	113,882	13.4	11,740	8.8	11,298	6.2	7,107	8.0
Nine months ended June 30, 2018	100,423	8.7	10,794	24.1	10,636	23.0	6,582	23.1

	Earnings per share		Diluted earnings per share	
	Yen		Yen	
Nine months ended June 30, 2019	253.56		253.38	
Nine months ended June 30, 2018	247.68		247.48	

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2019	215,446	97,560	43.7
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	Yen	Yen	Yen	Yen
Year ended September 30, 2018	–	0.00	–	70.00	70.00
Year ending September 30, 2019	–	0.00	–		
Year ending September 30, 2019 (Forecast)				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
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 nine months ended June 30, 2019
(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: 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 June 30, 2019	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 June 30, 2019	487,507 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)

Nine months ended June 30, 2019	28,028,931 shares	Nine months ended June 30, 2018	26,577,761 shares
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Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of September 30, 2018	As of June 30, 2019
Assets		
Current assets		
Cash and deposits	28,902	33,505
Notes and accounts receivable - trade	39,660	40,308
Merchandise and finished goods	1,420	2,196
Work in process	1,548	1,870
Raw materials and supplies	994	1,195
Other	7,895	12,498
Allowance for doubtful accounts	(257)	(367)
Total current assets	80,165	91,207
Non-current assets		
Property, plant and equipment		
Assets for rent, net	60,703	71,096
Land	24,208	25,807
Other, net	14,380	17,103
Total property, plant and equipment	99,293	114,008
Intangible assets		
Goodwill	2,122	3,639
Other	1,159	1,120
Total intangible assets	3,281	4,760
Investments and other assets		
Other	5,807	5,824
Allowance for doubtful accounts	(323)	(353)
Total investments and other assets	5,483	5,470
Total non-current assets	108,058	124,239
Total assets	188,224	215,446
Liabilities		
Current liabilities		
Notes and accounts payable - trade	21,400	22,668
Short-term loans payable	2,731	4,744
Current portion of long-term loans payable	2,901	5,197
Current portion of bonds	993	1,029
Lease obligations	10,574	11,599
Income taxes payable	3,020	1,467
Provision for bonuses	2,235	1,521
Provision for directors' bonuses	147	120
Other	18,280	24,499
Total current liabilities	62,285	72,849

(Millions of yen)

	As of September 30, 2018	As of June 30, 2019
Non-current liabilities		
Bonds payable	437	1,586
Long-term loans payable	7,411	13,277
Lease obligations	22,907	27,578
Provision for directors' retirement benefits	219	213
Net defined benefit liability	709	760
Asset retirement obligations	751	856
Other	681	762
Total non-current liabilities	33,118	45,036
Total liabilities	95,404	117,885
Net assets		
Shareholders' equity		
Capital stock	8,100	8,100
Capital surplus	9,629	9,565
Retained earnings	72,778	77,923
Treasury shares	(1,065)	(1,445)
Total shareholders' equity	89,443	94,144
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	211	161
Deferred gains or losses on hedges	0	5
Foreign currency translation adjustment	(275)	(226)
Total accumulated other comprehensive income	(64)	(59)
Share acquisition rights	30	30
Non-controlling interests	3,409	3,446
Total net assets	92,819	97,560
Total liabilities and net assets	188,224	215,446

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, 2018	Nine months ended June 30, 2019
Net sales	100,423	113,882
Cost of sales	58,521	67,592
Gross profit	41,902	46,289
Selling, general and administrative expenses		
Provision of allowance for doubtful accounts	70	134
Salaries and bonuses	12,237	13,592
Provision for bonuses	1,368	1,424
Provision for directors' bonuses	106	120
Retirement benefit expenses	295	330
Provision for directors' retirement benefits	22	19
Other	17,007	18,927
Total selling, general and administrative expenses	31,107	34,549
Operating profit	10,794	11,740
Non-operating income		
Interest income	34	42
Dividend income	13	15
Insurance income	59	110
Other	346	313
Total non-operating income	454	482
Non-operating expenses		
Interest expenses	509	634
Foreign exchange losses	43	177
Other	58	112
Total non-operating expenses	611	924
Ordinary profit	10,636	11,298
Extraordinary income		
Gain on sales of non-current assets	17	17
Gain on sales of shares of subsidiaries and associates	-	21
Total extraordinary income	17	39
Extraordinary losses		
Loss on sales and retirement of non-current assets	73	42
Total extraordinary losses	73	42
Profit before income taxes	10,581	11,294
Income taxes - current	3,532	3,869
Income taxes - deferred	155	33
Total income taxes	3,687	3,902
Profit	6,893	7,391
Profit attributable to non-controlling interests	310	284
Profit attributable to owners of parent	6,582	7,107

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended June 30, 2018	Nine months ended June 30, 2019
Profit	6,893	7,391
Other comprehensive income		
Valuation difference on available-for-sale securities	(40)	(50)
Deferred gains or losses on hedges	(41)	7
Foreign currency translation adjustment	(218)	90
Total other comprehensive income	(300)	47
Comprehensive income	6,592	7,439
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,291	7,111
Comprehensive income attributable to non-controlling interests	301	327