SRG TAKAMIYA Co., Ltd.

Results Briefing Materials for the First Quarter of the Fiscal Year Ending March 31, 2018

SRG Takamiya
SUPER RENTAL GROUP

Topics

- **June 28,2017 : "Resolution of the General Meeting of Shareholders"**

  Eight former directors were reelected and two new directors (including one external) were elected, resulting in the new regime consisting of ten directors including two external directors. Two external auditors (including one new) were elected.

- **June 28,2017 : Announced "Partial Amendment of the Articles"**

Change before	After change
㉔ Purchase,manufacture, sales and rental of building materials,construction machines, agricultural materials (fixtures and tools for cultivating vegetables and fruits in greenhouses) and agricultural machines	㉔ Development, design, manufacture, construction, sales, lease, rental, repair and export/import of building materials, construction machines, agricultural materials (fixtures and tools for cultivating vegetables and fruits in greenhouses), agricultural machines and agricultural facilities; as well as consulting business related to them ㉕ Production, processing, distribution and sales of agricultural products; as well as consulting business related to them

- **July 18,2017 Announced "Notice Regarding Decision on the Contents of Issuance of Stock Compensation-type Stock Options"**

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Consolidated Financial Results (Cumulative Period)

Consolidated Results (Unit : million yen)	1Q FY Ending March 31, 2018 Forecast (Non-disclosure)		1Q FY Ending March 31, 2018 Results		1Q FY Ended March 31, 2017 Results		% change (YoY)
		Sales ratio		Sales ratio		Sales ratio	
Net sales	–	–	8,761	–	8,142	–	+7.6%
Gross profit	–	–	2,458	28.1%	2,383	29.3%	+3.2%
SG&A	–	–	2,198	25.1%	2,110	25.9%	+4.2%
Operating income	–	–	259	3.0%	272	3.3%	(4.6)%
Ordinary income	–	–	269	3.1%	92	1.1%	+190.9%
Profit attributable to owners of parent	–	–	202	2.3%	(37)	(0.5)%	–
Earnings per share (Diluted earnings per share)	–	–	4.74yen [4.60yen]	–	(0.86)yen (–)	–	–
Annual dividends per share	–	–	–	–	–	–	–
Depreciation and amortization	–	–	1,155	13.2%	1,096	13.5%	+5.4%
EBITDA	–	–	1,415	16.2%	1,368	16.8%	+3.4%

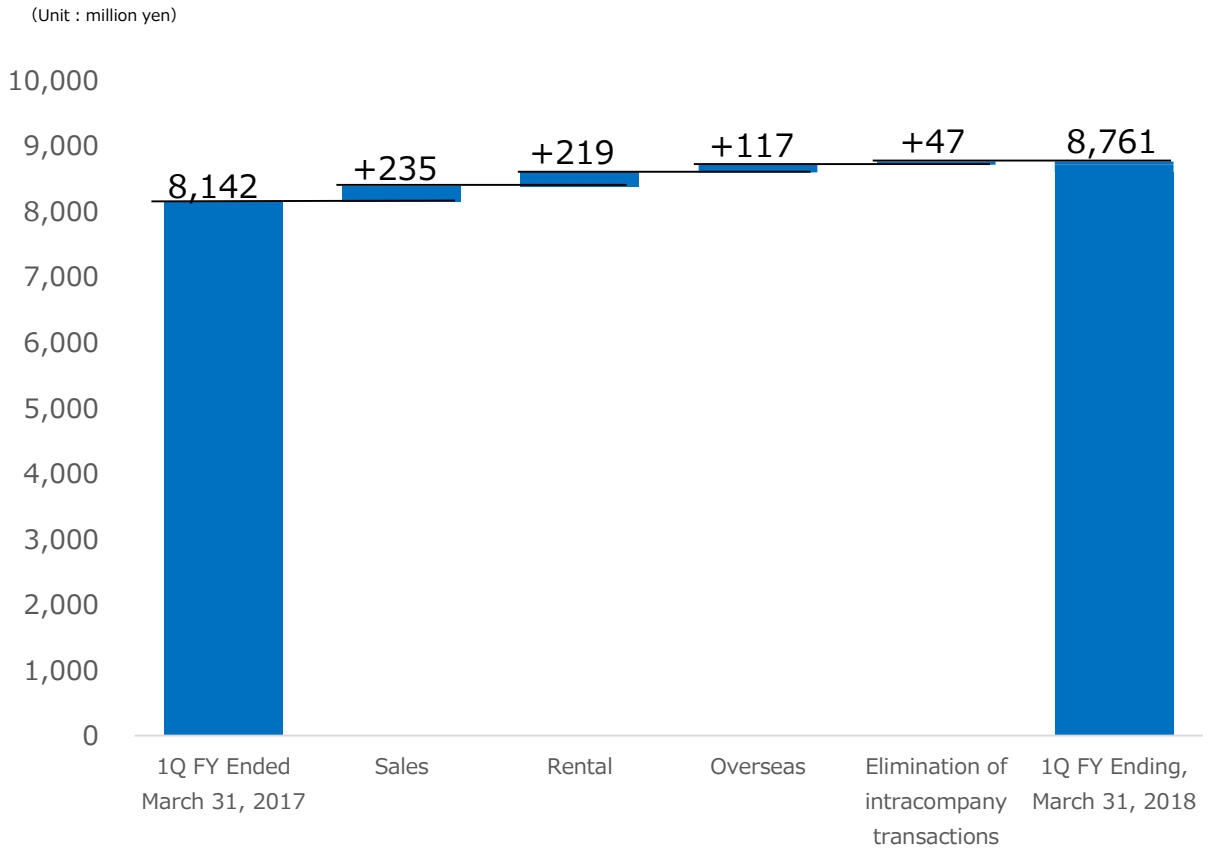
Note: “EBITDA” is calculated simply as “operating income + depreciation and amortization.

Summary of 1Q FY Ending March 31,2018

1Q eventually resulted in higher level than as initially expected, but rental business and overseas business were recognized as having challenges.

Rental Business	Hory Korea Co.,Ltd.
	
Although large-scale investment in assets for rent has passed a peak, depreciation of assets for rent still remains high. There are some delays in public works and therefore the Company endeavors to take more orders.	Since the second half of the previous FY, full-swing leverage has already been started in order to reconstruct the management regime. The Company continues to put its efforts to regime reconstruction including settlement of allowance for doubtful accounts receivable-trade.

Factors which caused net sales being less than as planned at the beginning of the period



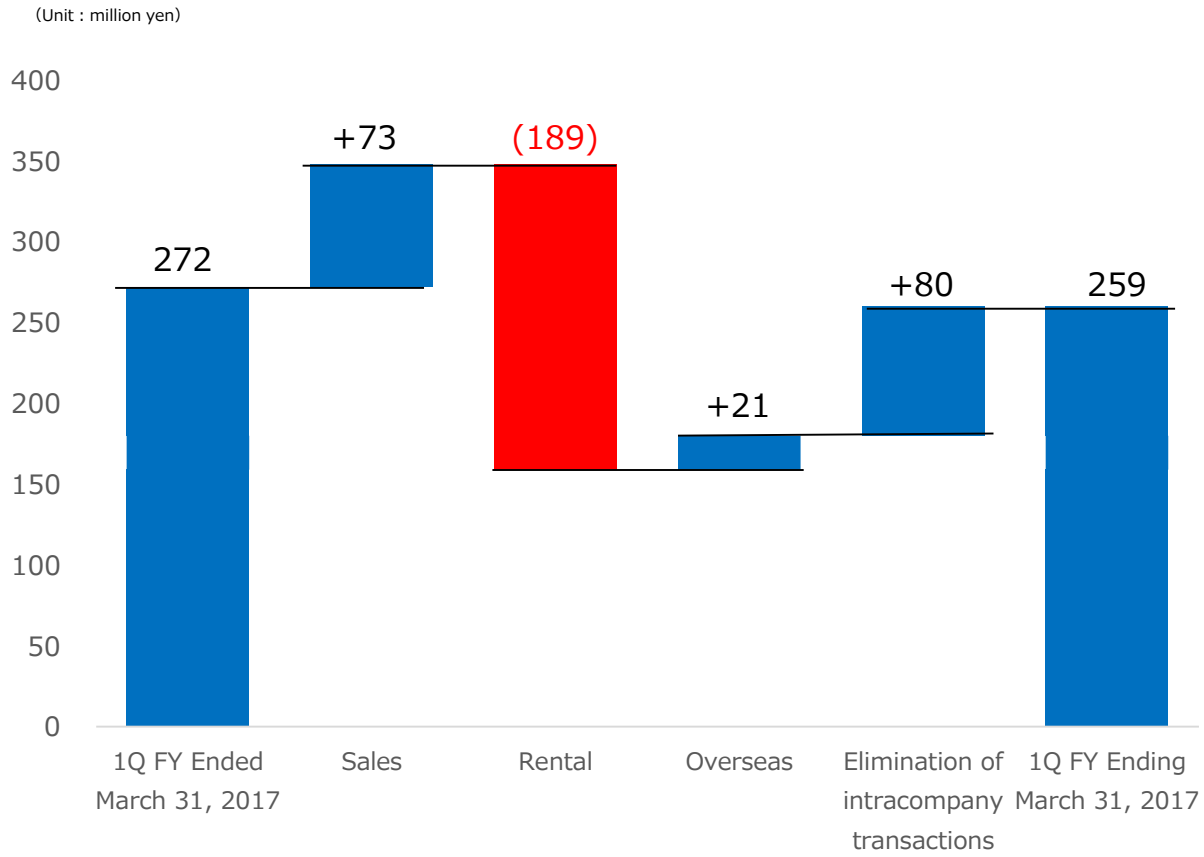
【 Sales business 】
- Sales of the Iq System maintained steady growth.
- General-purpose products such as AL-SPEEDER (baseboard) and clamp also took the lead.

【 Rental business 】
- As well as the Iq System, other building equipment maintained steady growth.
- There are some delays in commencement of public works. However, such matters could be covered by order-taking of building and renovation sites.

【 Overseas Business 】
- Internal transactions slightly decreased, but external (local) transactions have steadily been increasing.

【 Elimination of intracompany transactions 】
- Inter-segment transactions decreased as compared to the previous year (revenue effect).

Factors which caused operating income being less than as planned at the beginning of the period



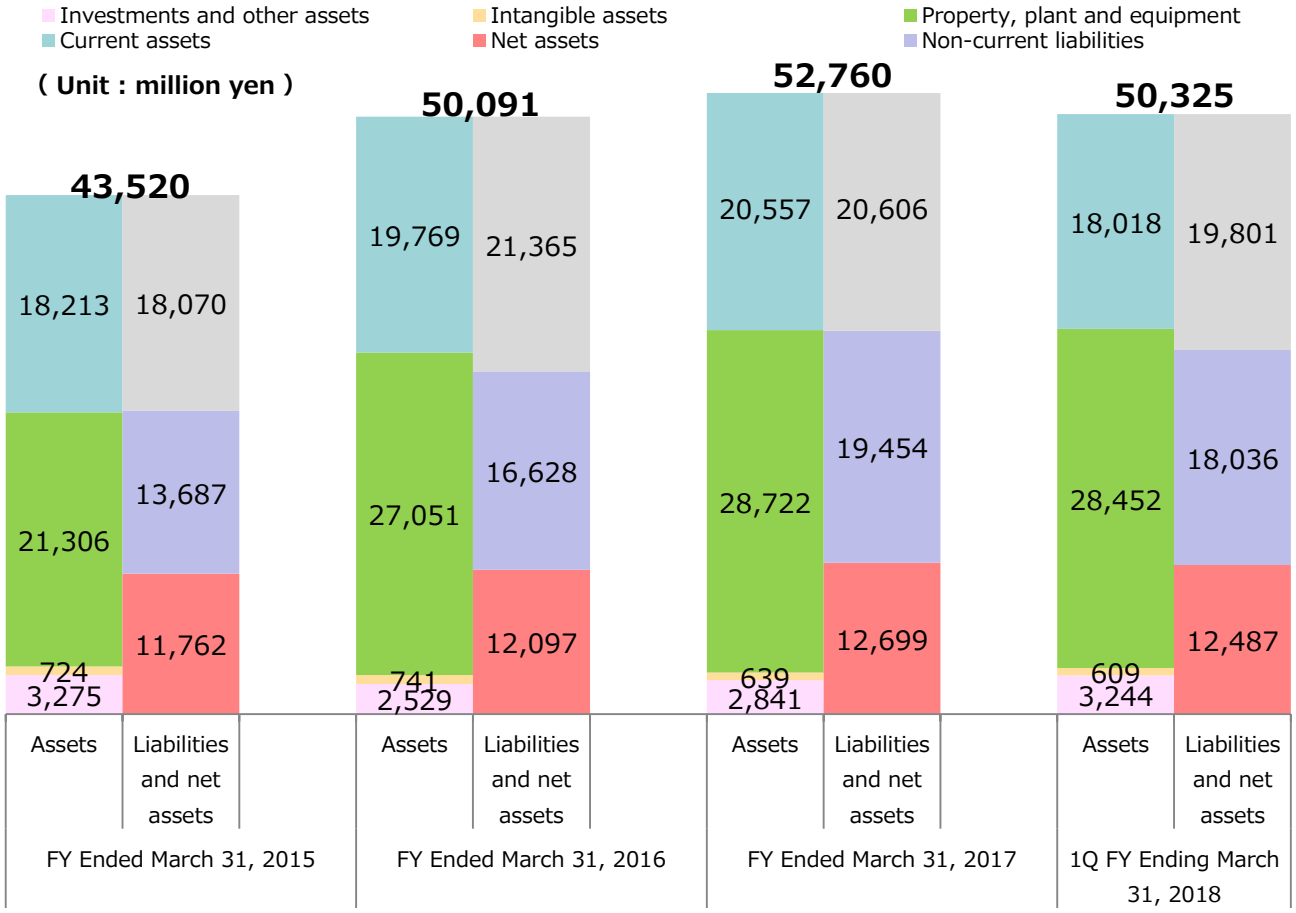
【 Sales business】
- Profitability got higher year-on-year thanks to the Iq System, as well as revenue effect, sales of assets for rent, and efforts towards cost reduction.

【 Rental business 】
- Continuously increased burden of depreciation due to the proactive investment in assets for rent prior to the current term caused decrease as compared to the previous FY.
- Subrental and other factors contributed to lower profitability.

【 Overseas Business 】
- Management regime has been gradually put in place. DIMENSION-ALL (Philippines) and HORY VIETNAM have turned to positive figures
- Hory Korea has unfortunately got into red due to allocating allowance for doubtful accounts receivable, although its management regime has been gradually put in place.

【 Elimination of intracompany transactions 】
- Amount of inter-segment offsetting decreased because unrealized portion of depreciation of assets for rent purchased from Hory is included (leverage effect).

Change in Consolidated Balance Sheet



【Assets】

Current assets

Decrease in Cash & Deposit：1,300 million yen

Decrease in Work in process：1,743 million yen

Non-current assets

Decrease in assets for lease, net：164 million yen

Decrease in Land ：31 million yen

Decrease in construction in progress：46 million yen

Intangible assets

Decreases in Goodwill：14 million yen
（DIMENSION-ALL INC.）

Investments and other assets

Increase in Investment securities：15 million yen

【Liabilities】

Increase in Short-term loans payable：310 million yen

Decrease in Current portion of bonds Current portion of bonds：108 million yen

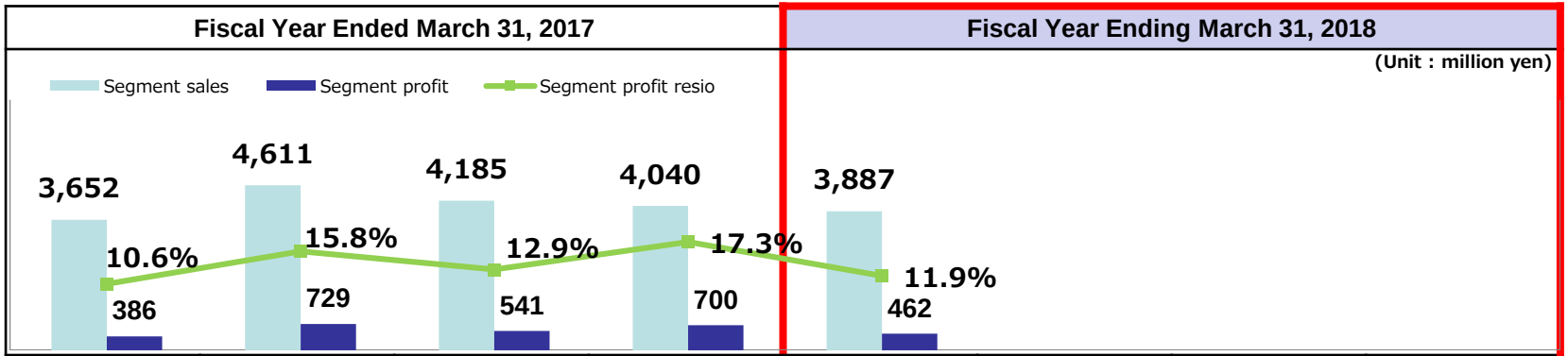
Decrease in Long-term loans payable：1,246 million yen

【Net Assets】

Decrease in Treasury shares：74 million yen

Decrease in Foreign currency translation adjustment：164 million yen

Sales business (Per Quarter)



% change (YoY)	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Segment sales	(9.0)%	+16.5%	+11.7%	(2.6)%	6.4%	–	–	–
Segment profit	+7.5%	+29.2%	+112.2%	+98.9%	19.6%	–	–	–

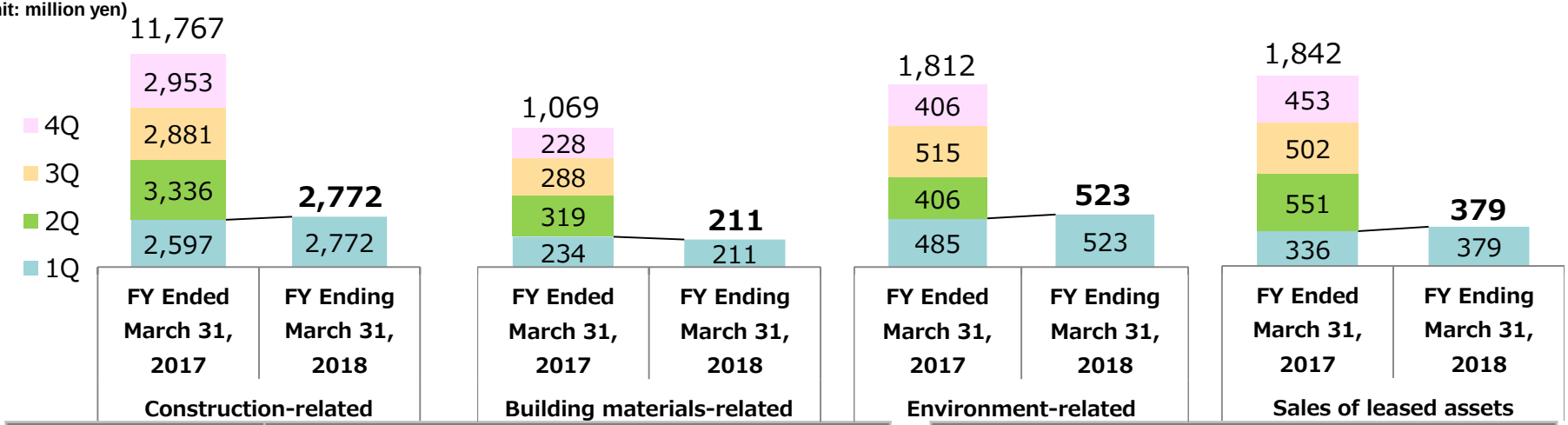
	1st Half	2nd Half	1st Half	2nd Half
Net sales	8,263（+3.7%）	8,225（+4.2%）	–	–
Segment profit	1,115（+20.7%）	1,241（+104.5%）	–	–
Net sales	16,489（+3.9%）		–	
Segment profit	2,357（+53.9%）		–	

*Segment sales and profit include those from internal transactions.

- Sales of the Iq System and safety-related materials maintained steady growth, and depreciated assets were also sold off. These activities contributed to increase in both segment sales and operating income as compared to the previous term.
- In addition, efforts having been done since the previous term to reduce factory manufacturing cost resulted in improved operating income ratio.

Sales business : Net Sales by Field

(Unit: million yen)

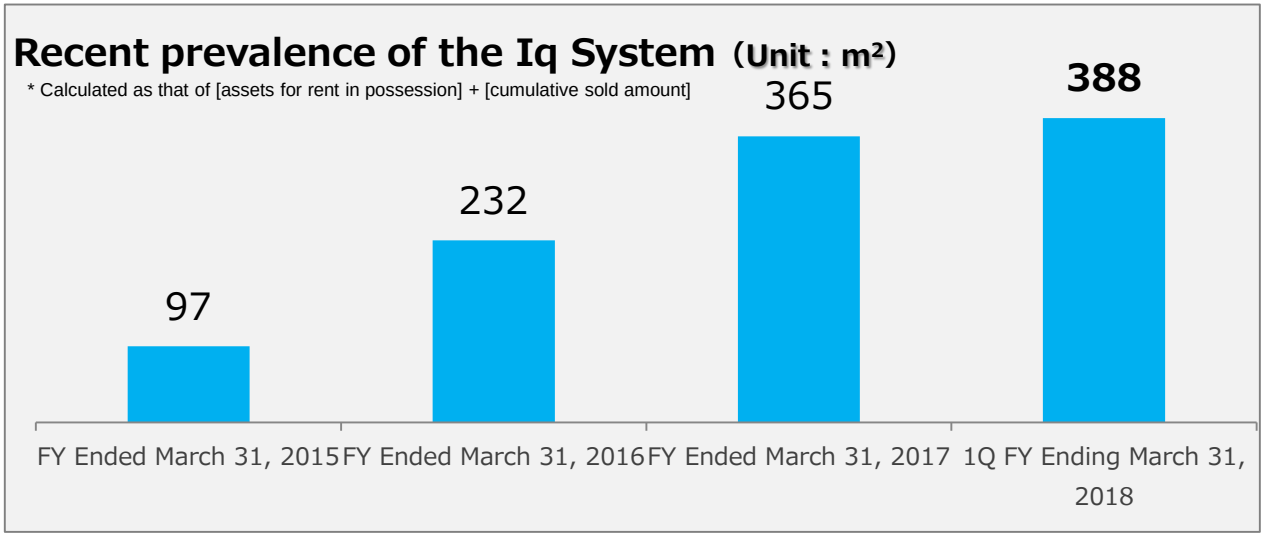


(Unit: million yen)		Fiscal Year Ended March 31, 2017				Fiscal Year Ending March 31, 2018			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Construction-related	Sales (outside Group)	1,506	2,217	1,621	2,471	1,690	–	–	–
	Sales (within Group)	1,091	1,119	1,260	482	1,082	–	–	–
Building materials-related		234	319	288	228	211	–	–	–
Environment-related		485	406	515	406	523	–	–	–
Sales of leased assets		336	551	502	453	379	–	–	–

- Sales of the Iq System and safety-related materials maintained steady growth and contributed to overall performance. With respect to building materials, raised awareness of disaster prevention would provide much future landscape.

Sales business : Recent prevalence of the Iq System

Sales of the Iq System maintained steady growth and contributed also to the performance of sales segment.



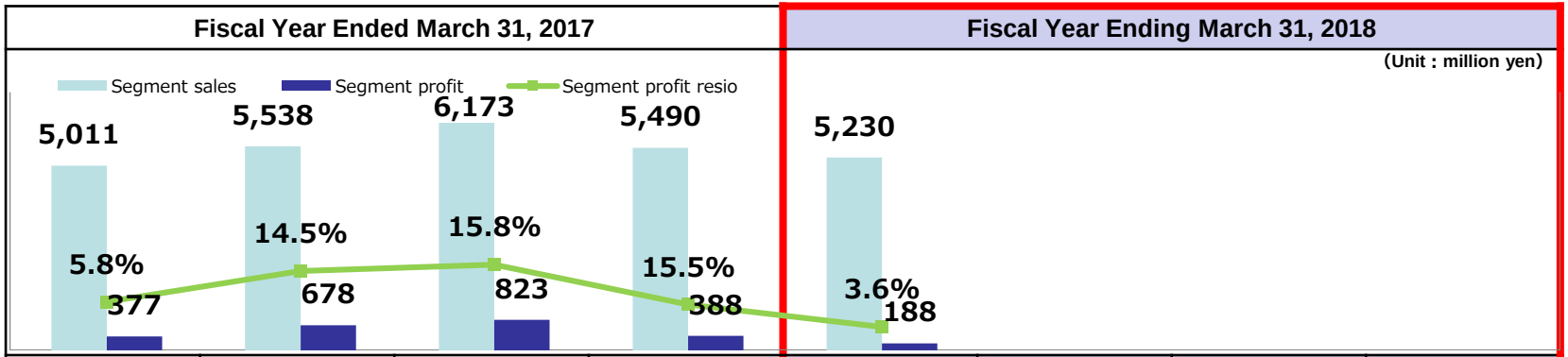
Iq System : 3,880,000㎡

（2,480,000㎡ [assets for rent in possession]+1,400,000㎡ [cumulative sold amount])
Estimated by the Company as (total length* of the support pillar of Iq System)/2 × 1.8 m
* Calculated as that of [assets for rent in possession] + [cumulative sold amount]

Trend in Iq System net sales

(Unit : million yen)	FY Ended March 31, 2015	FY Ended March 31, 2016	FY Ended March 31, 2017	1Q FY Ending March 31, 2018
Sales results in each period	**569**	**1,344**	**2,529**	**457**
Cumulative sales amount	**569**	**1,913**	**4,442**	**4,899**

Rental Business (Per Quarter)



% change (YoY)	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Segment sales	+11.6%	+7.9%	+13.5%	+0.8%	+4.4%	–	–	–
Segment profit	+44.0%	(9.1)%	(4.2)%	(54.0)%	(50.1)%	–	–	–

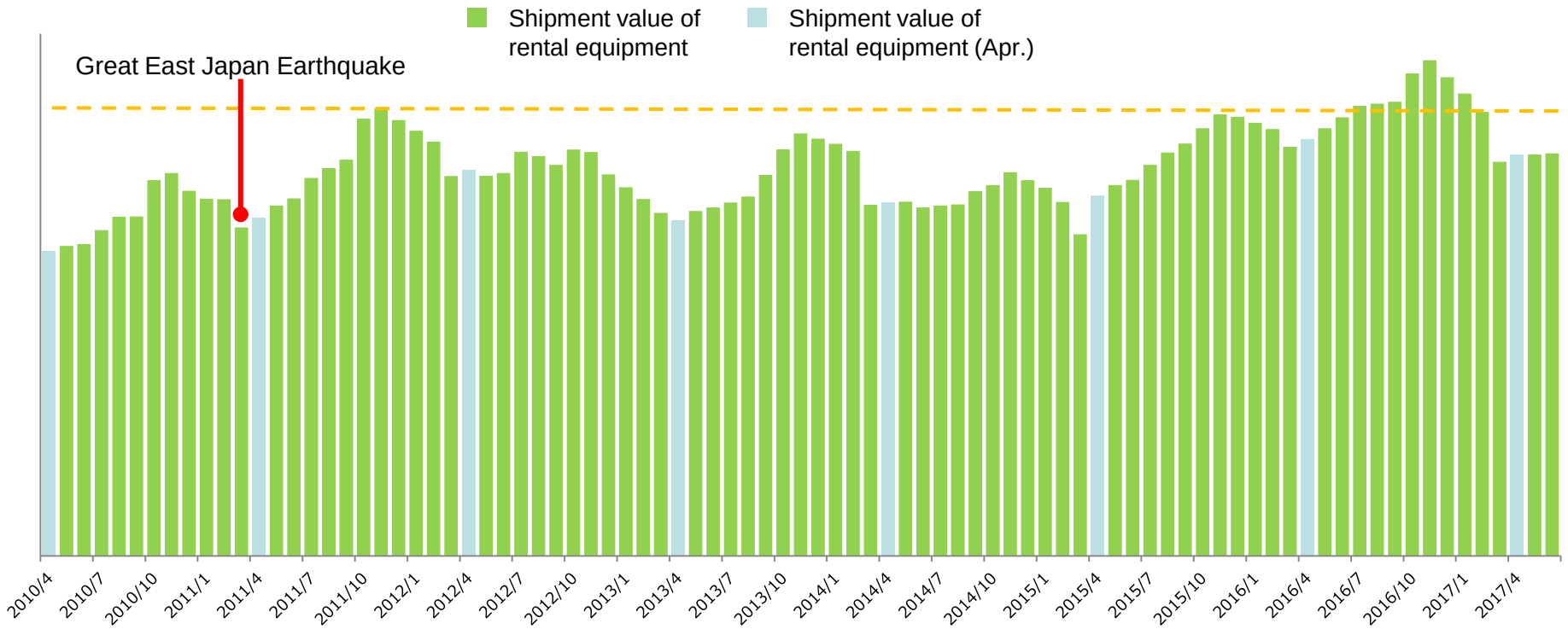
	1st Half	2nd Half	1st Half	2nd Half
Net sales	10,549 (+9.6%)	11,663 (+7.1%)	–	–
Segment profit	1,056 (+4.7%)	1,211 ((28.9)%)	–	–
Net sales	22,213 (+8.3%)		–	
Segment profit	2,267 ((16.4)%)		–	

* Segment sales and profit include those from internal transactions.

- Large-scale investment in assets for rent prior to the current term had some impact on cost-push. Lower profitability ratio due to subrental also had some impact on decreased profit as compare to the previous year.
- Order-taking of renovation projects showed good performance in both building and civil engineering works. There appeared some delay in public works and large civil engineering projects, so order-taking activities were enhanced so that utilization of civil engineering equipment could be retained.

Rental Business : Change in Shipment Value of Rental Equipment

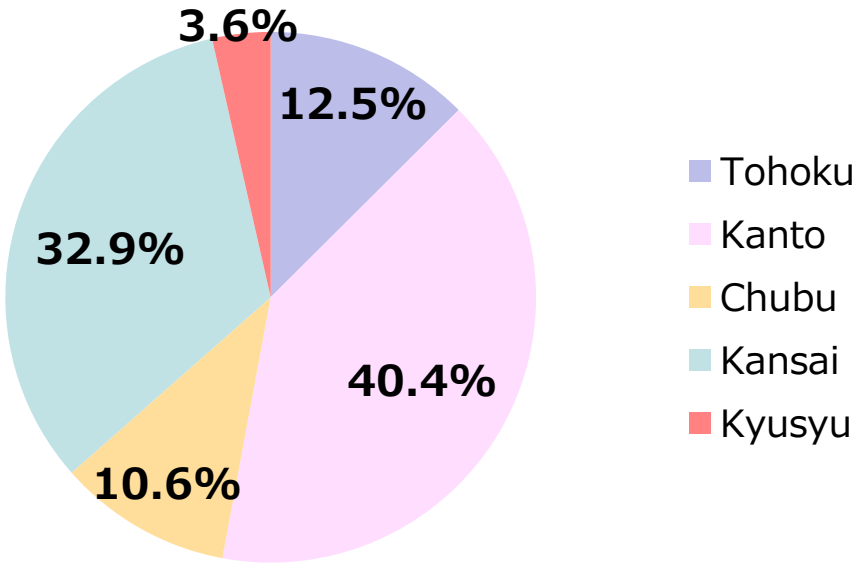
Amount of returned equipment at the end of the previous term was greater than as initially expected, and out-going shipment (rental amount) got a late start at the beginning of the current term.



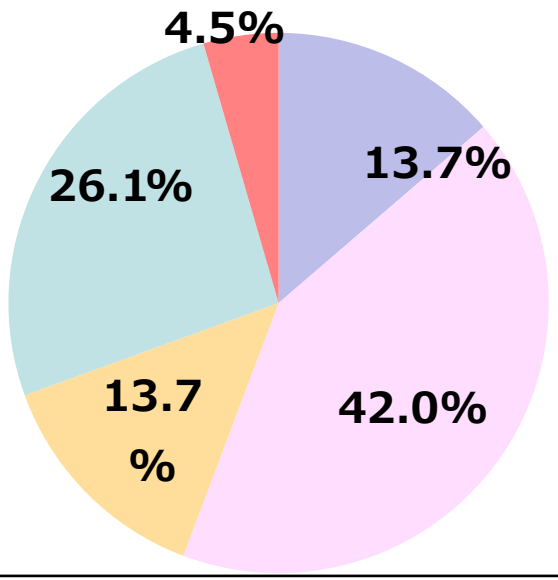
* Shipment value of rental equipment represents the volume of leased assets (converted into purchase price of new items) shipped as rental. The Company does not disclose figures of shipment value of rental equipment.

Rental Business: Ratio of Sales by Area

1Q FY Ended March 31, 2017



1Q FY Ending March 31, 2018



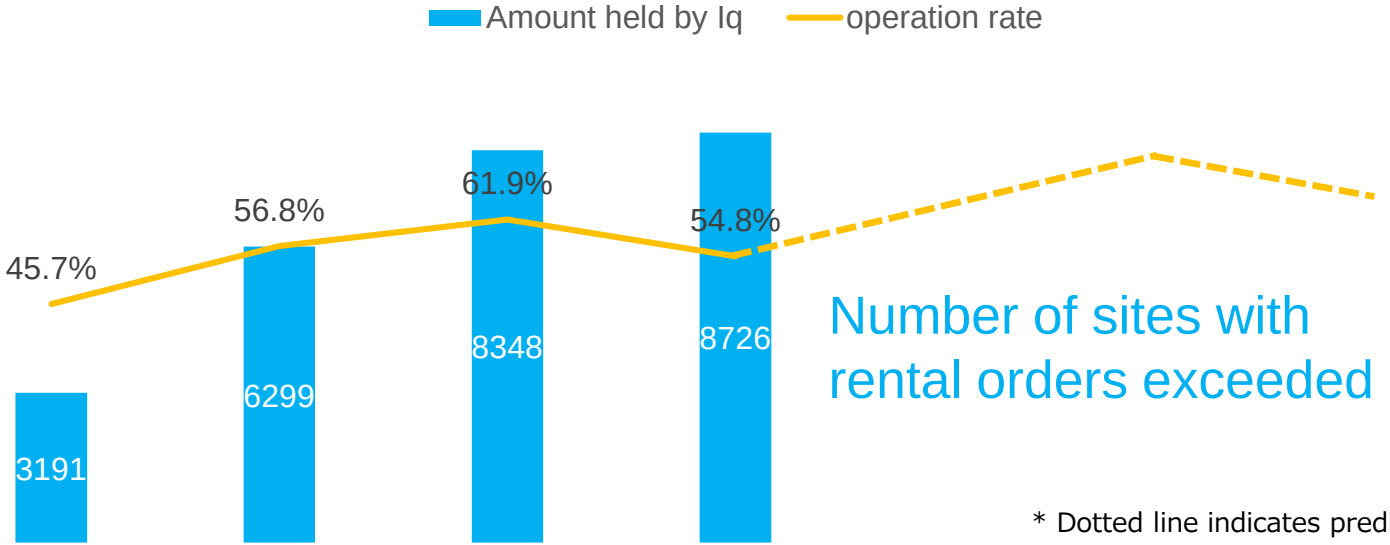
【Example of sites with orders received】

・Renovation of a power plant	・Renovation of a public housing	・Renovation of a high-rise condominium	・Renovation of a hotel
・The Hokuriku Shinkansen (bullet train)	・The Shin-Meishin Expressway	・Renovation of expressways and bridges	・Countermeasures against sediment disasters

- Demands around Tokyo metropolitan area maintains steady growth due to the upcoming Olympic Games. Although there are not so much building projects countryside but increase in civil engineering projects could be anticipated.

Rental business : Iq system,Change in value of holdings

**Both value of holdings and utilization rate are increasing,
and higher utilization rate is expected also during the current term.**



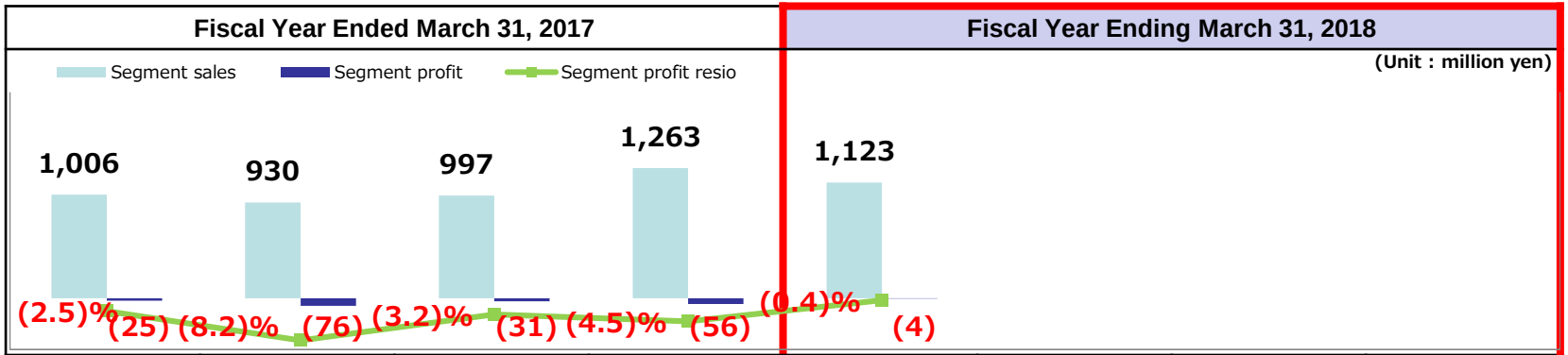
Number of sites with rental orders exceeded 3,000.

（Unit : Million yen）

* Dotted line indicates predicted value.

	FY Ended March 31, 2015	FY Ended March 31, 2016	FY Ended March 31, 2017	FY Ending March 31, 2018			
	4Q	4Q	4Q	1Q	2Q	3Q	4Q
Amount held by Iq (Unit : Million yen)	**3,191**	**6,299**	**8,348**	**8,726**	**–**	**–**	**–**
Number of square meters of Iq held (support pillar Conversion)	**810,000㎡**	**1,780,000㎡**	**2,390,000㎡**	**2,480,000㎡**	**–**	**–**	**–**

Overseas business (Per Quarter)



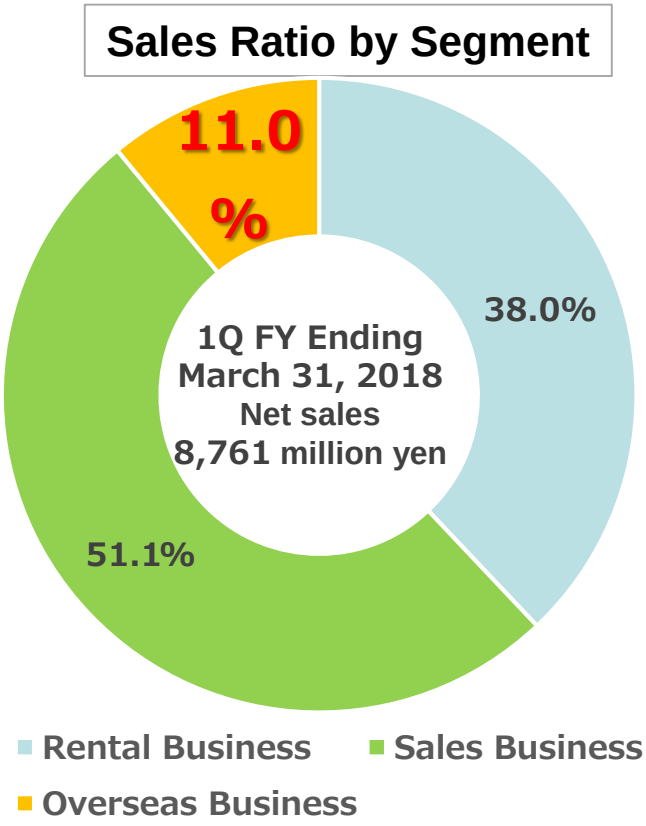
% change (YoY)	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Segment sales	(11.9)%	(19.9)%	(25.1)%	+8.0%	+11.6%	—	—	—
Segment profit	—	—	—	—	+80.5%	—	—	—

	1st Half	2nd Half	1st Half	2nd Half
Net sales	1,937 ((15.9)%)	2,260 ((9.6)%)	–	–
Segment profit	(101) ((571.3)%)	(88) (–)	–	–
Net sales	4,198 ((4.5)%)		–	
Segment profit	(189) (–)		–	

*Segment sales and profit include those from internal transactions.

- In Korea, reconstruction of management regime continued. Preparation for rental business and settlement of allowance for doubtful account receivable contributed to operating loss.
- In the Philippines enhanced management control could provide positive figure, but considerable influence by the situations in Korea caused segment operating loss.

Overseas business



* "Sales Ratio by Segment" is based on net sales before inter-segment elimination.

Hory Korea Co., Ltd.

- Further strengthening management regime continues.
- Preparation for rental business and allocating allowance for doubtful account, etc. contributed to operating loss in the 1Q.

HORY VIETNAM Co., Ltd.

- Products directed to Japanese markets (clamp, etc.) maintained steady growth.

DIMENSION-ALL INC.（The Philipines)

- Enhanced management control regime helped improvement in credit administration and growth of order-taking.
- Responding to local demands, operating income registered surplus.

Future prospects and policies

Sales	More repeated order for the next-generation scaffolding "Iq System". Enhanced sales activities targeted at new customers.
	First installation of weather-resistant pipe house for agriculture business. Increasing number of quotation and order-taking nationwide.
Rental	Delay in public investment and large civil engineering projects. Maintaining utilization rate of equipment on short-term projects.
	Maintaining demands for renovation works at steady growth both in building and civil engineering, and high utilization rate.
	Greater demands around Tokyo metropolitan area in view of the Olympic Games in 2020.
Overseas	By reviewing management control regime of overseas subsidiaries, improved performance could be anticipated.
	Enhanced sales activities of temporary equipment in ASEAN countries.

SRG Takamiya
SUPER RENTAL GROUP

FY2017 Consolidated performance forecast（Cumulative period）

(Unit：million yen)

	2Q		4Q	
		% change (YoY)		% change (YoY)
Net sales	18,280	4.3%	38,300	4.2%
Operating income	900	(6.9) %	2,850	17.3%
Ordinary income	770	3.9%	2,600	11.3%
Profit attributable to owners of parent	490	16.6%	1,700	12.1%
Earnings per share	11.48yen		39.82yen	

株主還元の状況

	FY Ended March 31, 2014	FY Ended March 31, 2015	FY Ended March 31, 2016	FY Ended March 31, 2017	FY Ending March 31, 2018 (Forecast)
Dividend	**¥13**	**¥16**	**¥10**	**¥10**	**¥11**
1Q	–	–	–	–	–
2Q	¥5	¥7	¥3.5	¥3.5	¥4.0
3Q	–	–	–	–	–
4Q	¥8	¥9 * Ordinary dividend ¥6.5 Commemorative dividend ¥2.5	¥6.5	¥6.5	¥7.0
Total amount of dividends	290 million yen	563 million yen	442 million yen	428 million yen	–
Dividend payout ratio	16.2%	27.1%	20.8%	28.5%	27.6%
Treasury shares	–	–	702 million yen	529 million yen	–
Total return ratio	16.2%	27.1%	53.1%	63.2%	–
ROE	18.3%	17.8%	17.9%	12.0%	–

* The Company carried out share splitting to split one share to two shares on April 1, 2013. / The Company carried out share splitting to split one share to two shares on January 1, 2015.
* The Company paid out commemorative dividend of 2.5 yen associated with listing on TSE 1st section, as year-end dividend of the fiscal year ended March 31, 2015.

Reference materials

Company Overview of SRG TAKAMIYA CO., LTD.

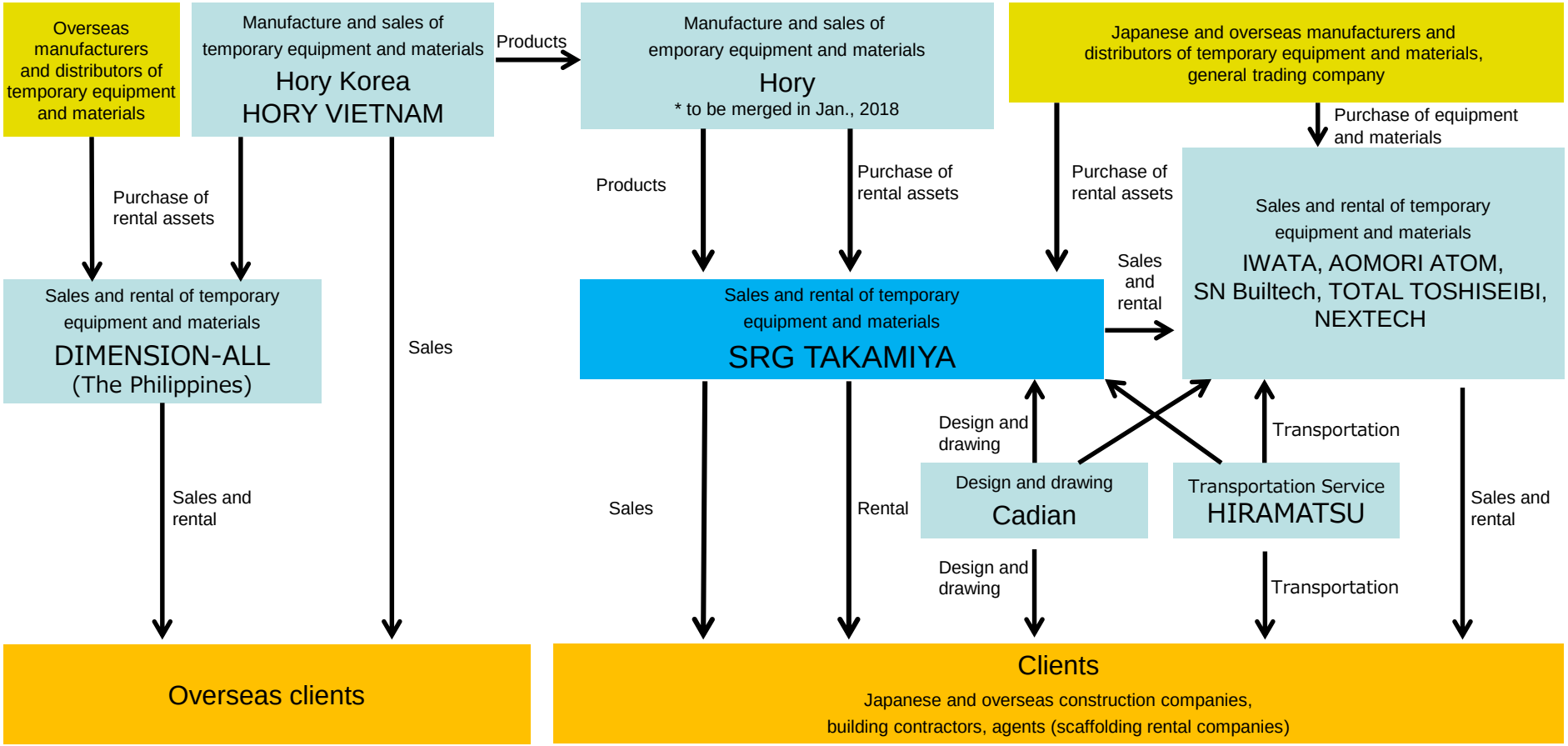


Trade name	SRG TAKAMIYA CO., LTD.
Incorporation	June 21, 1969
Representative	President and representative director, Kazumasa Takamiya
Capital	714,770,000 yen
Number of employees	Consolidated : 1,010; Non-consolidated : 452 (As of end-March, 2017)
Registered head office	Grand Front Osaka, Tower B, 27F, 3-1 Ofuka-cho, Kita-ku, Osaka, Japan
Business locations	Branches: Tohoku-Sendai, Ibaraki,Tokyo, Niigata,Nagoya, Osaka, Niigata, Kyushu-Fukuoka (total: 8) Business offices: Sapporo, Morioka, Fukushima, Tsukuba, Kashima, Ichihara, Shizuoka, Hokuriku, Keiji, Shikoku, Hiroshima, Okinawa (total: 12) Equipment and materials centers: Aomori-Higashidori, Iwate-Morioka, Miyagi-Sendai, Miyagi-Sendai No. 2, Fukushima-Sukagawa, Niigata-Yokogoshi, Niigata-Higashiminato, Niigata-Kenoh, Ibaraki-Chuo, Ibaraki-Tsukuba, Ibaraki-Dejima, Ibaraki-Kashima, Chiba-Okido, Chiba-Ichihara, Saitama-Kuki, Kanagawa-Aikawa, Nagano-Ngano, Shizuoka-Yoshida, Ishikawa-Kanazawa, Tokai-Kisosaki, Shiga-Omihachiman, Osaka-Hirakata, Osaka-Settsu, Osaka-Kishiwada, Wakayama-Momoyama, Hyogo-Tojo, Hiroshima-siwa,Kagawa-Sanuki (total: 28)
Consolidated subsidiaries	Hory Corporation; Hory Korea Co., Ltd.; HORY VIETNAM Co., Ltd.; Cadian Co., Ltd.; IWATA Co., Ltd..;HIRAMATSU Co., Ltd.; SN Builtech Co., Ltd.; AOMORI ATOM Co., Ltd.; TOTAL TOSHISEIBI Co., Ltd.; NEXTECH Co., Ltd. ; DIMENSION-ALL Inc. (total: 11) * Hory,to be merged in Jan., 2018
Stock listing	June 2005: JASDAQ Securities Exchange Note: The Company was delisted from the JASDAQ market in January 2008. December 2007: Tokyo Stock Exchange Second Section December 2014: Assigned on Tokyo Stock Exchange First Section

History

- 1969 Jun. Founded as Shin Kansai Co., Ltd., currently SRG TAKAMIYA CO., LTD., in Osaka City.
- 1990 Mar. Established Iwata Ltd. (currently IWATA Co., Ltd., a consolidated subsidiary) in Wakayama Prefecture.
- 1994 Jul. Established Rental Nagakita Ltd. (currently SHINKEN NAGAKITA Co., Ltd., a consolidated subsidiary) in Niigata Prefecture.
- 1994 Aug. Established Tatsumi Ltd., (currently TATSUMI Co., Ltd., a consolidated subsidiary) in Ibaraki Prefecture.
- 1998 Apr. Established Techno Kobo Ltd. (currently Cadian Co., Ltd., a consolidated subsidiary) in Osaka City.
- 2004 Oct. Established HIRAMATSU Co., Ltd. (currently a consolidated subsidiary) in Shizuoka Prefecture.
- 2005 Feb. Succeeded business from Shin Nichimen Kizai Co., Ltd., and established SN Builtech Co., Ltd. (currently a consolidated subsidiary) in Tokyo Metropolis.
- 2005 Jun. Listed its stock on JASDAQ Securities Exchange (Stock Code: 2445)
- 2007 Dec. Listed its stock on Tokyo Stock Exchange Second Section (delisted from JASDAQ in Jan., 2008).
- 2008 Oct. Established AOMORI ATOM Co., Ltd. (currently a consolidated subsidiary) in Aomori Prefecture.
- 2009 Aug. Ishijima Kizai Seisakusho Co., Ltd. (currently TOTAL TOSHISEIBI Co., Ltd. (Nagoya City)) became a consolidated subsidiary.
- 2010 Sep. Hory Corporation (Tokyo Metropolis) became a consolidated subsidiary.
- 2011 Sep. Hory Korea Co., Ltd., a subsidiary of Hory Corporation, became a consolidated subsidiary.
- 2014 Mar. ASAHI KOUGYOU Co., Ltd. (Osaka City) became a consolidated subsidiary.
- 2014 Jul. Established HORY VIETNAM Co., Ltd. (currently a consolidated subsidiary) in Dong Nai province of Vietnam.
- 2014 Dec. Assigned on Tokyo Stock Exchange First Section.
- 2015 Jul. DIMENSION-ALL Inc. became a consolidated subsidiary.
- 2017 Jan. Merged SHINKEN NAGAKITA Co., Ltd.
- 2017 Apr. Merged TATSUMI Co., Ltd.

Business Diagram



Sales business

Construction-related



Joint(clamp)

General-purpose equipment used in any work sites

Construction-related



Next generation scaffolding

(Iq system)

New scaffolding with high safety performance, an alternative to the conventional building frames

Construction-related



Hanging type scaffolding

(Spider Panel)

Walking panel hung with chains, mainly used in bridge repair work

Construction-related



Safety member

Preceding handrails, baseboards, handrail members, etc.

Building materials-related



Seismic motion mitigation equipment for wooden Housing

Original product of Hory (supporting new and existing housing)

Environment-related



Solar-power generation panel installation frame

Sales of residential and industrial panel mounting frames

Environment-related



Agricultural greenhouses, cultivation shelves

Agricultural greenhouses and multi-level hydroponic cultivation shelves based on scaffolding

Sales of Secondhands



Temporary equipment and materials

Procurement and sales of new and used equipment and materials

Sales of leased assets

Rental business



Architecture
High-rise buildings, high-rise condominiums, warehouses, commercial facilities, etc.



Bridge
Expressways, railroads, elevated highways, bridges, etc.



Underground work
Shield tunneling construction such as subways, pipe lines, and utility tunnels



Plant
Construction and maintenance of treatment plants, incineration facilities, plants, etc.



Repair work
Repair works including repair, maintenance, etc. of buildings, bridges, and ultra-high-rise buildings



Demolition work
Demolition works of structures accompanied by reconstruction, repair, etc.



Disaster prevention work of Slope
Disaster prevention works of slopes, disaster prevention works against landslides, etc.



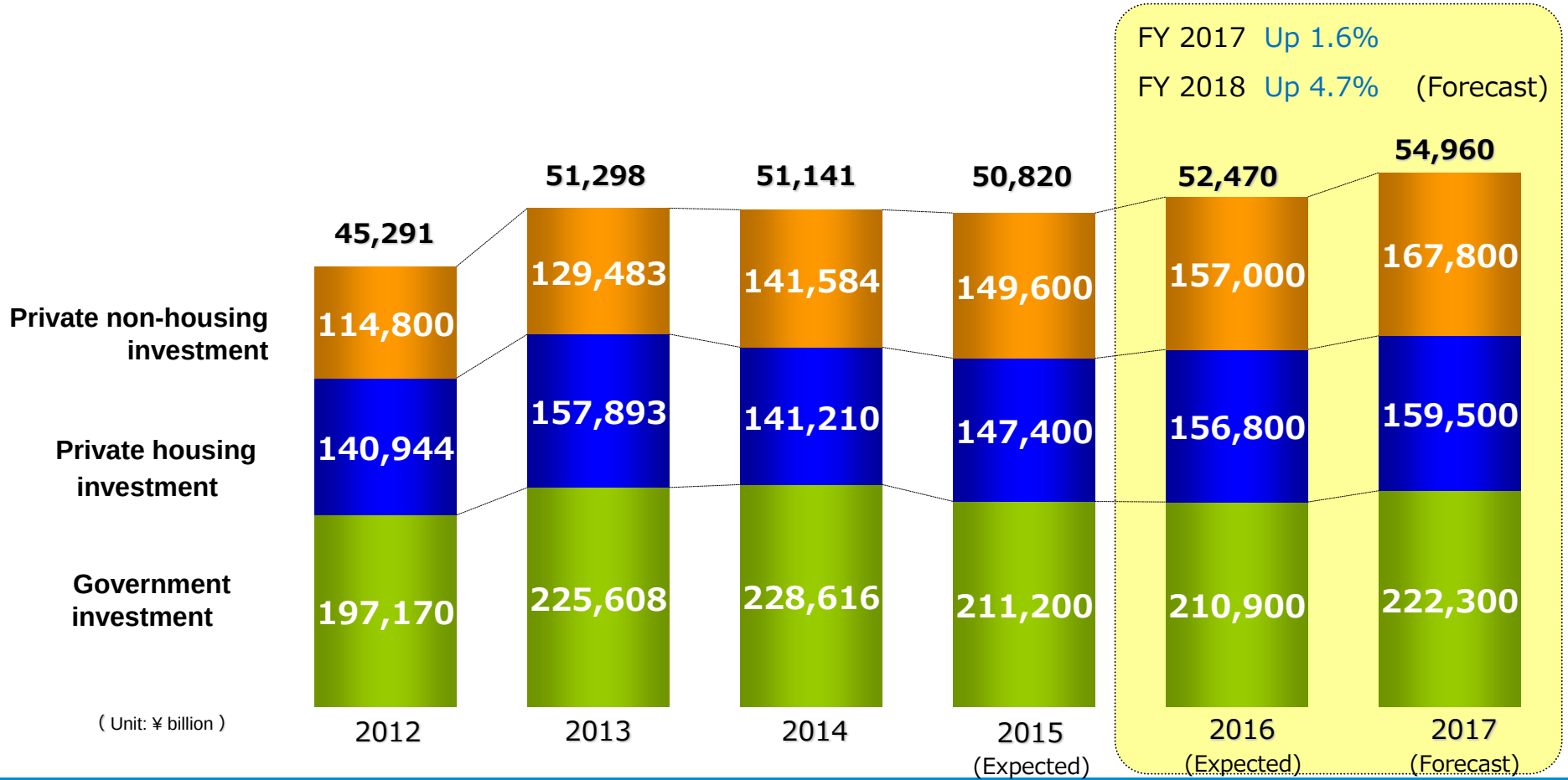
Ports (Breakwaters, etc.)
Construction of breakwaters to prevent damage from high waves, high tide water and tsunamis

Overseas bases and business activities

Hory Korea Co.,Ltd	HORY VIETNAM Co.,Ltd	DIMENSION-ALL INC. ※The Philippines
		
Manufacture and sales of temporary equipment for construction work; Manufacture and sales of solar panel mounting frames	Manufacture of clamps for Japanese markets; Manufacture of clamps and temporary equipment for Southeast Asian markets	Sales/rental of formwork and falsework for construction work to local construction companies

Change in Domestic Construction Investment

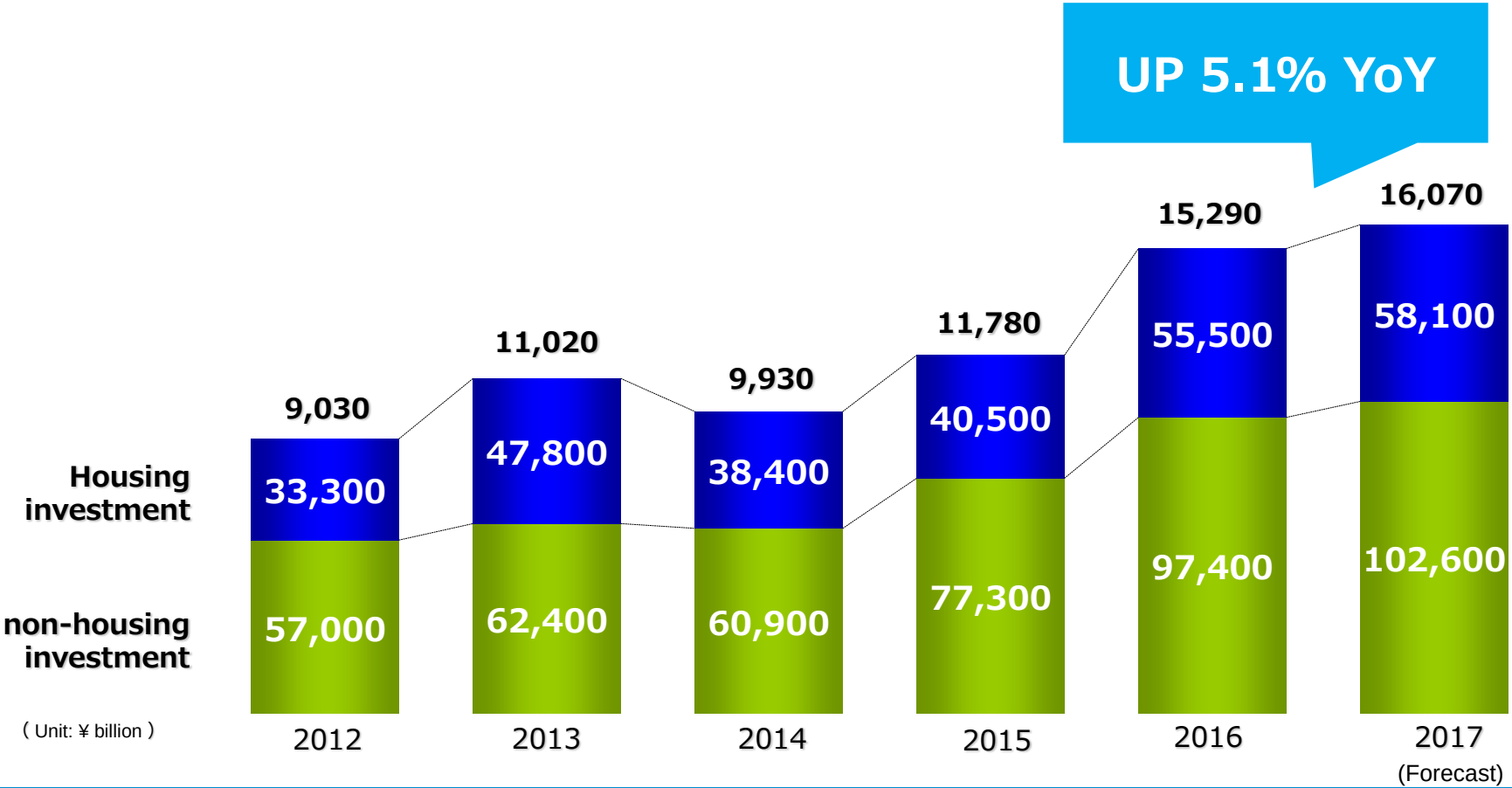
Source : The Ministry of Land, Infrastructure, Transport and Tourism　Data release : July 2017



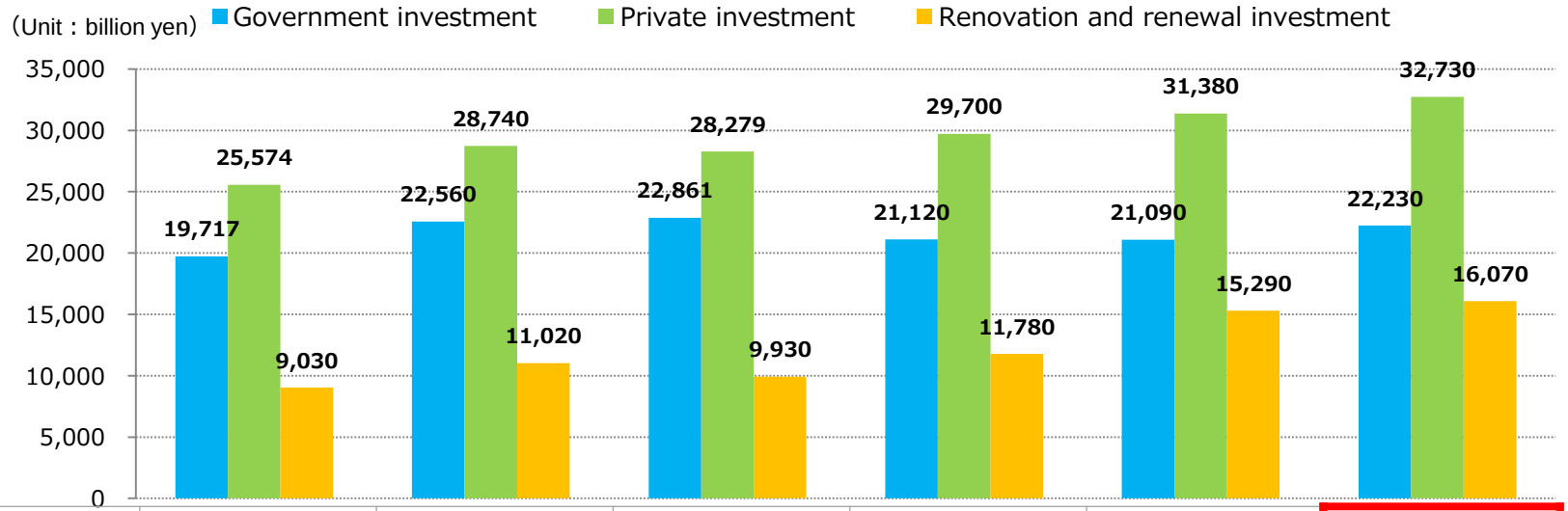
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Changes in invested amount for domestic building reform/renewal

Source : RICE Data release : July 2017



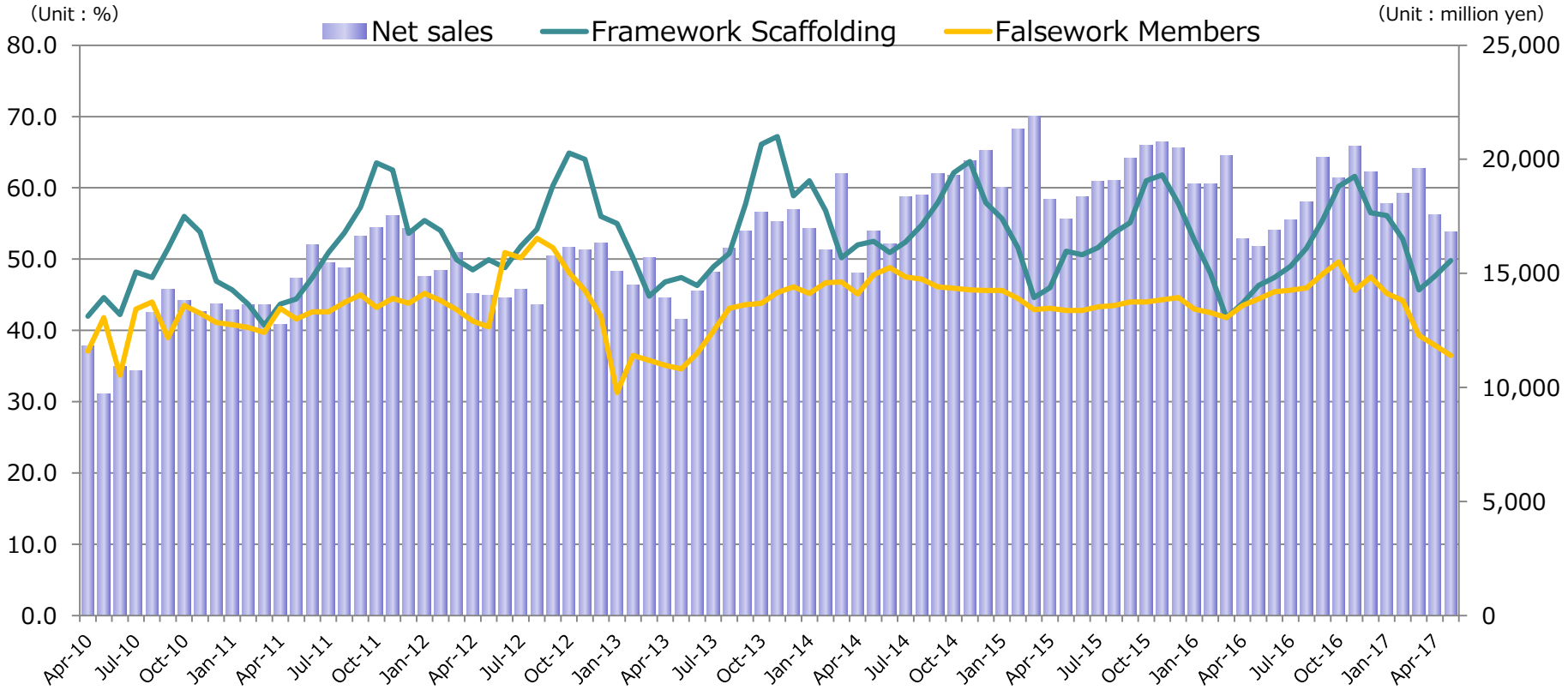
Change in Domestic Construction Investment



Rates year on year	2012	2013	2014	2015 (Expected)	2016 (Expected)	2017 (forecast)
Government investment	5.9%	14.4%	1.3%	(7.6)%	(0.1)%	5.4%
Private investment	3.6%	12.4%	(1.6)%	5.0%	5.7%	4.3%
Renovation and renewal investment	6.5%	22.0%	(9.9)%	18.6%	29.8%	5.1%

※Created based on "construction investment prospects of MLIT"

Change in utilization rate of construction materials and equipment and in net sales of 50 companies in the scaffolding and construction materials leasing business

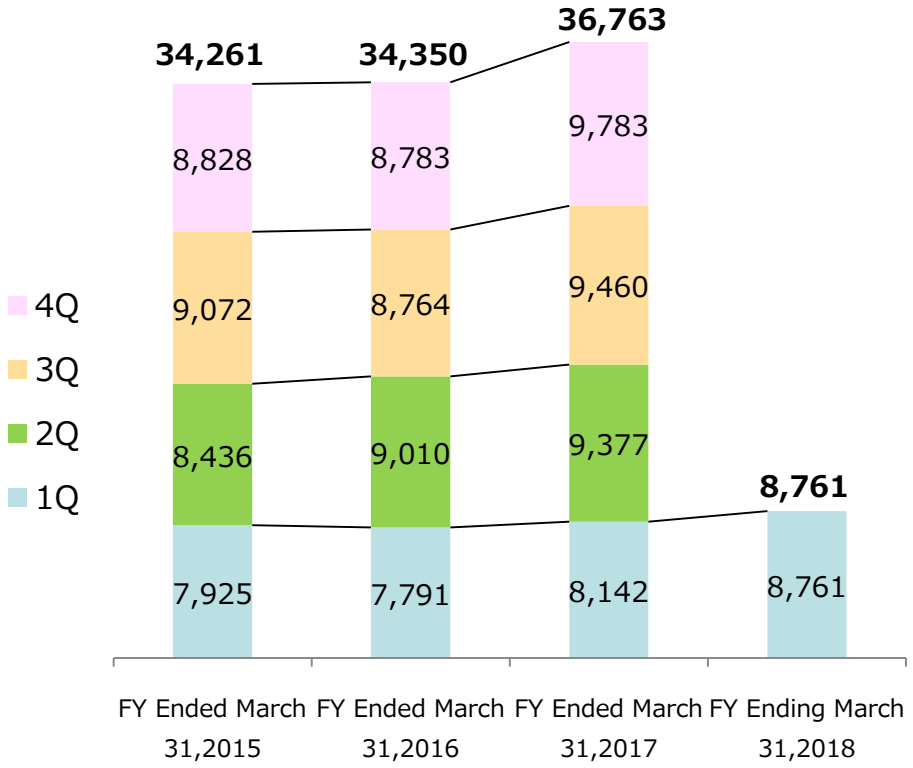


Source: This data has been processed from the Ministry of Land, Infrastructure, Transport and Tourism's "Builder's Equipment Leasing Business Dynamics Survey Time Series."

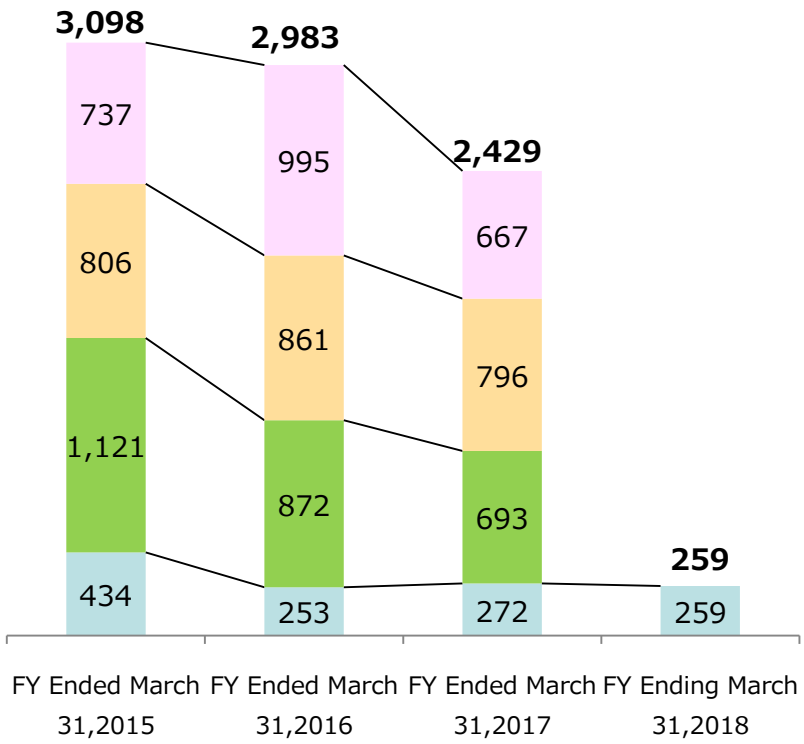
Change in Financial Results

(Unit : million yen)

Net sales



Operating income



Change in Overseas Market

Country	(Billion dollars) (Million people)	2011	2012	2013	2014	2015	2016	2017
Japan	Nominal GDP	6,157	6,203	5,155	4,849	4,382	4,939	4,841
	Population	128	128	127	127	127	127	126
South Korea	Nominal GDP	1,202	1,223	1,306	1,411	1,383	1,411	1,498
	Population	50	50	50	51	51	51	51
Thailand	Nominal GDP	371	398	421	407	399	407	433
	Population	68	68	68	69	69	69	69
Vietnam	Nominal GDP	135	155	170	186	191	201	216
	Population	88	89	90	91	92	93	94
Philippines	Nominal GDP	224	250	272	285	292	305	330
	Population	95	97	98	100	102	104	106
Singapore	Nominal GDP	276	289	303	308	297	297	291
	Population	5	5	5	5	6	6	6
Malaysia	Nominal GDP	298	314	323	338	296	296	310
	Population	29	30	30	31	31	32	32
Myanmar	Nominal GDP	60	60	60	66	60	66	74
	Population	50	51	51	51	52	52	52
Indonesia	Nominal GDP	893	919	917	891	864	932	1021
	Population	242	245	249	252	255	259	262

* The table above was prepared based on the IMF “World Economic Outlook Database.” / Figures in highlighted cells are forecasted.

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Change in Consolidated Financial Results

(Unit: million yen)	FY Ended March 31, 2012	FY Ended March 31, 2013	FY Ended March 31, 2014	FY Ended March 31, 2015	FY Ended March 31, 2016	FY Ended March 31, 2017
Net sales	23,201	28,113	32,443	34,261	34,350	36,763
Gross Profit	7,202	8,196	9,832	10,356	11,291	10,991
SG&A	6,165	6,590	6,781	7,758	8,307	8,561
Operating income (1)	1,037	1,605	3,051	3,098	2,983	2,429
Ordinary income	1,080	1,553	3,006	3,325	2,731	2,337
Net income	755	807	1,768	2,070	2,153	1,516
Depreciation and amortization (CF) (2)	3,088	3,280	3,369	3,649	4,137	4,502
EBITDA((1)+(2))	4,126	4,886	6,421	6,747	7,120	6,932
	FY Ended March 31, 2012	FY Ended March 31, 2013	FY Ended March 31, 2014	FY Ended March 31, 2015	FY Ended March 31, 2016	FY Ended March 31, 2017
ROE (Return on equity)	12.7%	12.2%	21.5%	19.8%	18.7%	12.6%
Return on sales (3)	3.3%	2.9%	5.5%	6.0%	6.3%	4.1%
Total asset turnover (4)	0.7	0.8	0.9	0.8	0.7	0.7
ROA ((3) × (4)) (Return on assets)	3.5%	4.7%	8.4%	8.2%	5.8%	4.5%

* When calculating ROE, the average shareholders' equity at the start of the fiscal year and the end of the fiscal year is used.

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Change in Consolidated Balance Sheet

(Unit: million yen)	FY Ended March 31, 2012	FY Ended March 31, 2013	FY Ended March 31, 2014	FY Ended March 31, 2015	FY Ended March 31, 2016	FY Ended March 31, 2017
Current assets	12,202	13,725	15,892	18,213	19,769	20,557
Non-current assets	20,269	20,262	21,353	25,307	30,321	32,203
Current liabilities	12,351	14,117	15,356	18,070	21,365	20,606
Short-term loans payable	417	416	1,200	3,168	4,958	5,163
Non-current liabilities	13,740	12,760	12,130	13,687	16,628	19,454
Long-term loans payable	10,036	9,637	9,376	10,913	13,304	15,403
Net assets (Equity)	6,380	7,110	9,758	11,762	12,097	12,699
Total assets	32,472	33,987	37,245	43,520	50,091	52,760
	FY Ended March 31, 2012	FY Ended March 31, 2013	FY Ended March 31, 2014	FY Ended March 31, 2015	FY Ended March 31, 2016	FY Ended March 31, 2017
Current ratio	98.8%	97.2%	103.5%	100.8%	92.5%	99.8%
Non-current assets to equity ratio	323.2%	291.7%	224.4%	221.0%	257.7%	261.0%
Equity ratio	19.3%	20.4%	25.5%	26.3%	23.5%	23.4%
D/E ratio	283.6%	250.5%	174.5%	188.9%	226.4%	237.4%

Quarterly Change in Results by Segment (Per Quarter)

(Unit: million yen)

		Fiscal Year Ended March 31, 2017				Fiscal Year Ending March 31, 2018			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Sales business	Segment sales	3,652	4,611	4,185	4,040	3,887	–	–	–
	(Of which) Inter-segment sales	2,561	3,491	2,924	3,558	2,804	–	–	–
	Segment profit	386	729	541	700	509	–	–	–
	Segment margin (%)	10.6%	15.8%	12.9%	17.3%	13.1%	–	–	–
(YoY % change)	Segment sales	△9.0%	+16.5%	+11.7%	△2.0%	+6.4%	–	–	–
	Segment profit	+7.5%	+29.2%	+112.2%	+98.9%	+31.7%	–	–	–
Rental business	Segment sales	5,011	5,538	6,173	5,490	5,181	–	–	–
	(Of which) Inter-segment sales	4,951	5,409	6,124	5,411	5,177	–	–	–
	Segment profit	377	678	823	388	115	–	–	–
	Segment margin (%)	7.5%	12.3%	12.9%	7.1%	2.2%	–	–	–
(YoY % change)	Segment sales	+11.6%	+7.9%	+13.5%	+0.8%	+3.4%	–	–	–
	Segment profit	+44.0%	△9.1%	△4.2%	△54.0%	△69.4%	–	–	–
Overseas business	Segment sales	1,006	930	997	1,263	1,123	–	–	–
	(Of which) Inter-segment sales	629	475	411	813	778	–	–	–
	Segment profit	△25	△76	△31	△56	△10	–	–	–
	Segment margin (%)	△2.5%	△8.2	△3.2%	△4.5%	△0.9%	–	–	–
(YoY % change)	Segment sales	△11.9%	△19.9%	△25.1%	△11.9%	+11.6%	–	–	–
	Segment profit	△204.5%	–	△142.9%	△167.0%	△58.3%	–	–	–
	Total net sales	9,670	11,081	11,356	10,793	10,192	–	–	–
	(Of which) Inter-segment sales	8,142	9,377	9,460	9,783	8,761	–	–	–

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Quarterly Change in Results by Segment (Cumulative Period)

(Unit: million yen)

		Fiscal Year Ended March 31, 2017				Fiscal Year Ending March 31, 2018			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Sales business	Segment sales	3,652	8,263	12,448	16,489	3,887	–	–	–
	(Of which) Inter-segment sales	2,561	6,052	8,977	12,535	2,804	–	–	–
	Segment profit	386	1,115	1,657	2,357	462	–	–	–
	Segment margin (%)	10.6%	13.5%	13.3%	14.3%	11.9%	–	–	–
(YoY % change)	Segment sales	△9.0%	+3.7%	+6.3%	+3.9%	+6.4%	–	–	–
	Segment profit	+7.5%	+20.7%	+40.5%	+53.9%	+19.6%	–	–	–
Rental business	Segment sales	5,011	10,549	16,723	22,213	5,181	–	–	–
	(Of which) Inter-segment sales	4,951	10,361	16,486	21,897	5,177	–	–	–
	Segment profit	377	1,056	1,879	2,267	188	–	–	–
	Segment margin (%)	7.5%	10.0%	13.3%	10.2%	3.6%	–	–	–
(YoY % change)	Segment sales	+11.6%	+9.6%	+11.0%	+8.3%	+4.4%	–	–	–
	Segment profit	+44.0%	+4.7%	+0.6%	△16.4%	△50.1%	–	–	–
Overseas business	Segment sales	1,006	1,937	2,935	4,198	1,123	–	–	–
	(Of which) Inter-segment sales	629	1,105	1,516	2,329	778	–	–	–
	Segment profit	△25	△101	△132	△189	△4	–	–	–
	Segment margin (%)	△2.5%	△5.2%	△4.5%	△12.6%	△0.4%	–	–	–
(YoY % change)	Segment sales	△11.9%	△15.9%	△19.3%	△12.6%	+11.6%	–	–	–
	Segment profit	△204.5%	△571.3%	△239.3%	△205.4%	+80.5%	–	–	–
	Total net sales	9,670	20,751	32,107	42,901	10,192	–	–	–
	(Of which) Inter-segment sales	8,142	17,520	26,980	36,763	8,761	–	–	–

Stock Price of SRG TAKAMIYA (2445:Tokyo)



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