


# **SRG TAKAMIYA Co., Ltd.**

Results Briefing Materials for the Fiscal Year Ended March 31, 2018



# Topics

- **Feb. 23, 2018: Announced "Notice Regarding Acquiring Shares of Nakaya Kizai Co., Ltd. (which became a subsidiary)"**



2018年2月23日

各位

会社名 エスアールジータカミヤ株式会社  
 代表者名 代表取締役会長兼社長 高宮 一博  
 (コード番号2445 東証第一部)  
 問合せ先 取締役兼営業執行役員 安田 秀樹  
 経営管理本部長 (TEL. 06-6375-3918)

株式会社ナカヤ機材の株式取得（子会社化）に関するお知らせ

エスアールジータカミヤ株式会社（以下、「当社」といいます。）は、2018年2月23日開催の取締役会において、株式会社ナカヤ機材（以下、「ナカヤ機材」といいます。）の自己株式を併く製行済株式の全てを取得し、連結子会社化することを決議いたしましたので、下記のとおりお知らせいたします。

記

1. 株式取得の理由  
 当社グループは、国内及び海外（主にASEAN地域）において、建設用仮設機材の開発・製造・レンタル・販売・施工の一貫体制を確立し、総合的なサービスを提供しております。ナカヤ機材は、島根県を中心に建設用仮設機材のレンタル及び販売事業を担う中東下ツブツブの建設用仮設機材レンタル会社であり、大手建設会社や地元有力建設会社、土木事業会社と長年に渡り安定的な取引を行っております。この度のナカヤ機材の連結子会社化により、中部地方の産業及び建設機材の供給体制を強化するとともに、地域において、次世代工場「1.5システム」でのさらなる生産関係の推進し、デファクトスタンダード獲得のスピード化を図ってまいります。

2. 買取る子会社（ナカヤ機材）の概要

(1) 名称	株式会社ナカヤ機材
(2) 所在地	島根県松江市藤島町2番13号
(3) 代表者の役職・氏名	代表取締役 金坂 邦雄
(4) 事業内容	建設用仮設機材のレンタル・販売
(5) 資本金	1,000万円
(6) 設立年月日	1995年9月
(7) 大株主及び特株比率	金坂 邦雄 100株 (60.0%) 株式会社ナカヤ機材 80株 (40.0%)
(8) 上場会社と当該会社との関係	資本関係 記載すべき資本関係はありません。 人的関係 記載すべき人的関係はありません。 取引関係 建設用仮設機材レンタル・販売取引があります。 関連当事者への該当状況 当該会社及び当該会社の関係者・関係会社は、当社の関連当事者には該当しません。

当該会社の最近3年間の経営成績及び財務状態 (単位:千円)			
	2015年6月期	2016年6月期	2017年6月期
売上高	489,388	546,829	567,030
営業利益	640,203	687,404	689,827
株当たり純資産 (円)	4,078,070	4,556,911	4,725,252
売上高	623,819	584,573	576,653
営業利益	118,854	84,610	113,799
営業利益	120,823	98,165	114,404
営業利益	75,493	57,460	29,200
株当たり当期純利益 (円)	602,449	478,840	168,341

取得の相手先の概要

氏名	金坂 邦雄
住所	島根県松江市
上場会社と当該個人の関係	記載すべき資本関係、取引関係、人的関係はありません。

株式及び取得前後の所有株式の状況

買取前の所有株式数	0株 (議決権の数: 0個) (所有割合: 0.0%)
取得株式数	120株 (議決権の数: 120個) (所有割合: 100.0%)
買取後の所有株式数	120株 (議決権の数: 120個) (所有割合: 100.0%)

取締役会決議日 2018年2月23日  
 株式買取開始日 2018年2月23日  
 株式買取実行日 2018年2月28日 (予定)

の見直し  
 による当社の当連結会計年度の業績に与える影響は軽微ですが、今後、開示すべき開示した場合には、改めてお知らせいたします。

以上

Purpose of share acquisition	
1.	To strengthen sales activities in Chugoku region
2.	To strengthen supply structure in Chugoku region
3.	To promote market development for the next-generation scaffolding, "Iq System"




## Consolidated Financial Results (Cumulative Period)

Consolidated Results (Unit : million yen)	FY Ended March 31, 2018 Forecast		FY Ended March 31, 2018 Forecast (Revised Apr. 24, 2018)		FY Ended March 31, 2018 Results		FY Ended March 31, 2017 Results		% change (YoY)
		Sales ratio		Sales ratio		Sales ratio		Sales ratio	
Net sales	38,300	—	36,000	—	36,114	—	36,763	—	(1.8)%
Gross profit	—	—	—	—	10,431	28.9%	10,991	29.9%	(0.3)%
SG&A	—	—	—	—	8,740	24.2%	8,561	23.3%	+2.1%
Operating income	2,850	7.4%	1,700	4.7%	1,690	4.7%	2,429	6.6%	(30.4)%
Ordinary income	2,600	6.8%	1,600	4.4%	1,610	4.5%	2,337	6.4%	(31.1)%
Profit attributable to owners of parent	1,700	4.4%	1,200	3.3%	1,252	3.5%	1,516	4.1%	(17.4)%
Earnings per share (Diluted earnings per share)	39.82yen	—	28.04yen	—	29.26yen (28.38yen)	—	35.14yen (34.08yen)	—	—
Annual dividends per share	11.00yen	—	11.00yen	—	11.00yen	—	10.00yen	—	—
Depreciation and amortization	—	—	—	—	4,662	12.9%	4,502	12.2%	+3.6%
EBITDA	—	—	—	—	6,353	17.6%	6,932	18.9%	(8.3)%

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

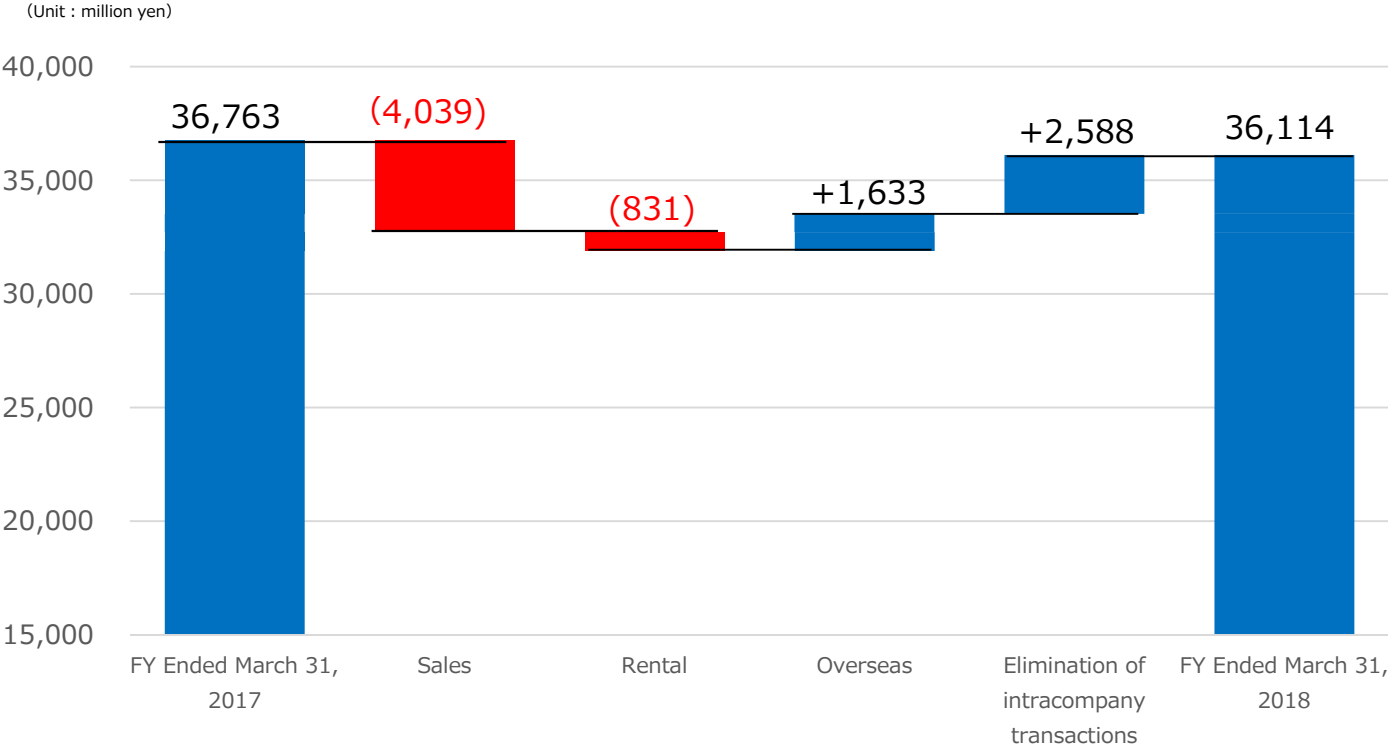
# FY Ended March 31, 2018: General Review

Revenue/profit decreased in both Sales business and Rental business, whereas Overseas business maintained steady growth.

Sales businesses	Rental businesses	Overseas business
		
<p>Completion of renewal investment and merging Hory Corp. lead to decrease in inter-segment sales, resulting in decreased revenue and profit.</p>	<p>Substantial delay in commencement of projects relating to civil engineering could not be recovered throughout the period, resulting in decreased revenue/profit.</p>	<p>DAI (Philippines) and Hory Korea recorded substantial profit growth as compared to the previous year, thanks to their strengthened management control regime.</p>

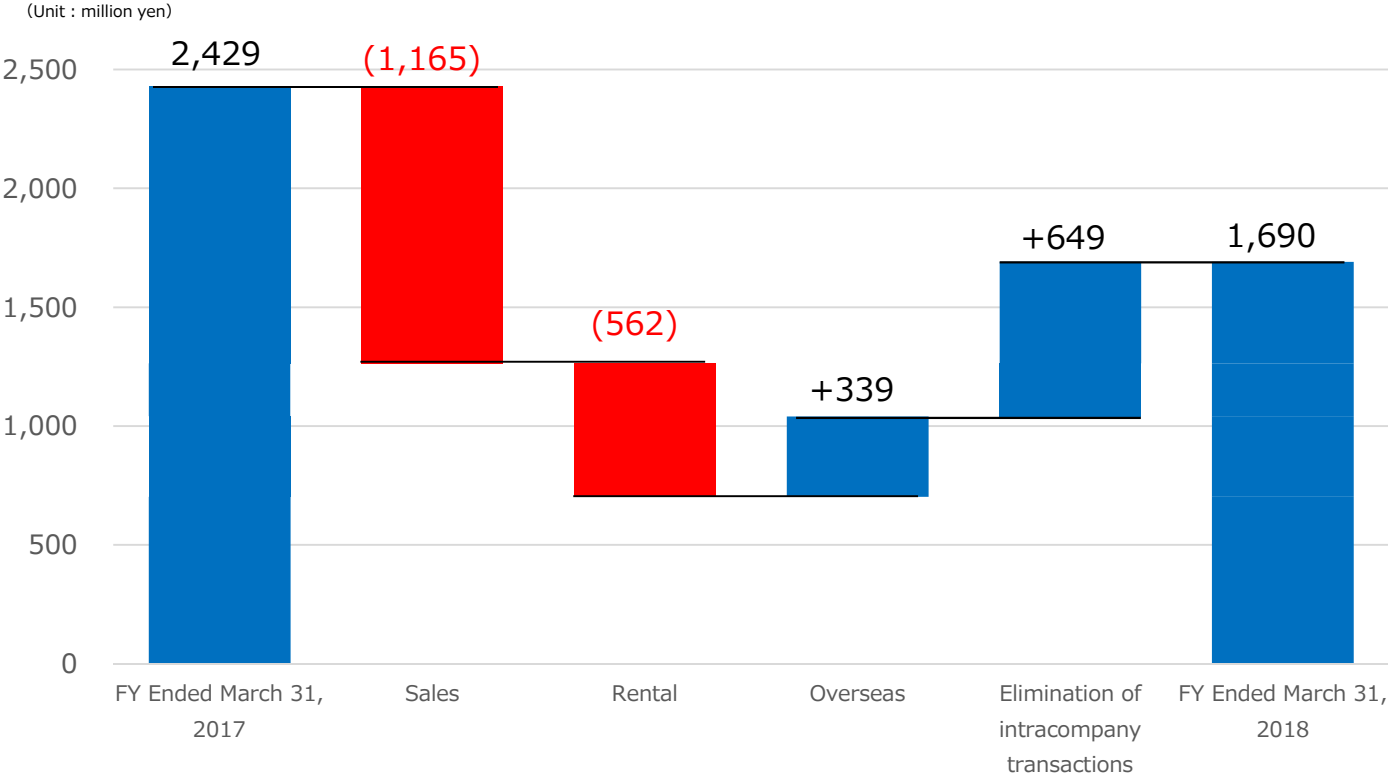
## Factors which caused net sales being less than as planned at the beginning of the period

**In spite of "Overseas" recovery, substantial decrease in internal sales of "Sales" segment as well as lower performance in "Rental" segment as compared to the previous year led to decreased revenue.**



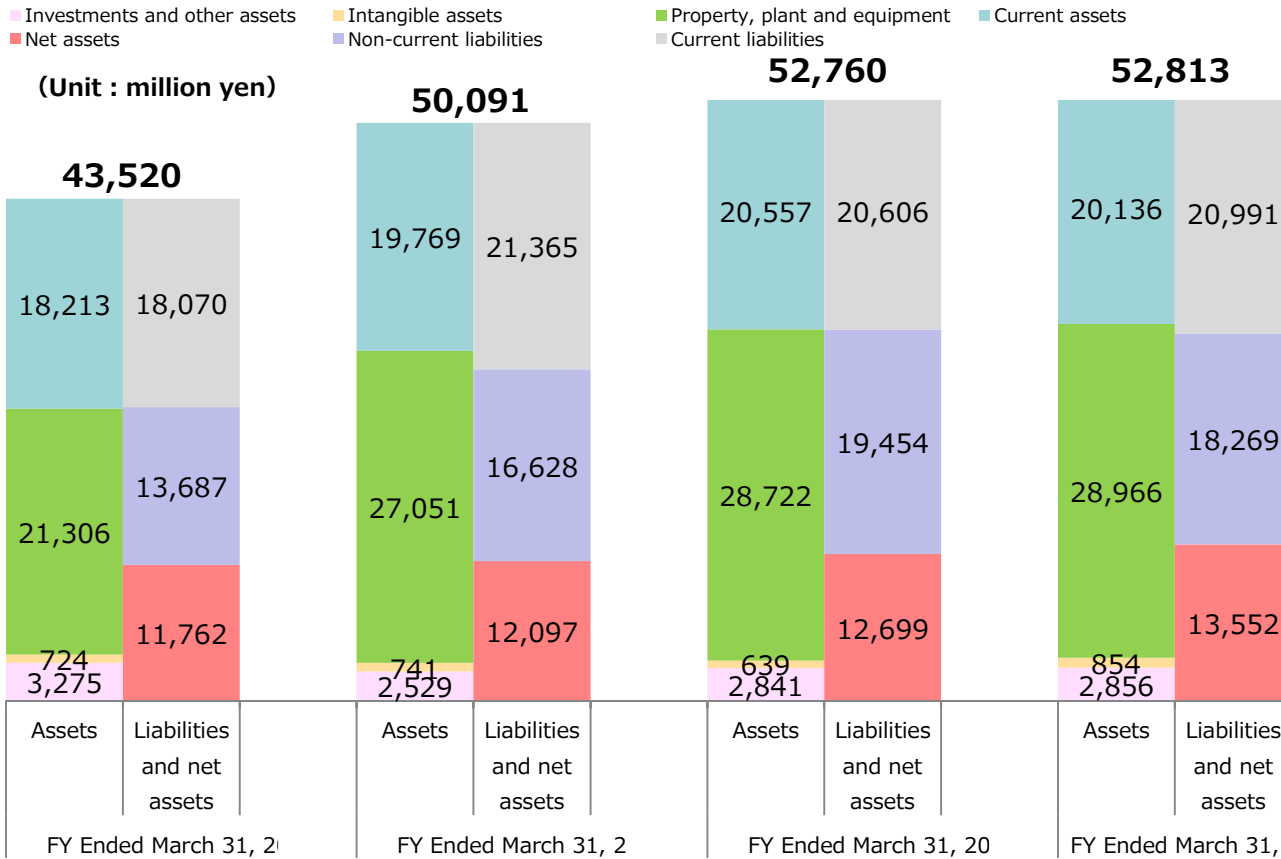
## Factors which caused operating income being less than as planned at the beginning of the period

**Decreased revenue had effects on operating income much lower than expected at the beginning of the period (down 30% YoY).**



# Change in Consolidated Balance Sheet

**Total assets increased by 53 million yen YoY. Equity ratio is 25.0%**



## 【Assets】

### Current assets

Decrease in Cash & Deposit : 437million yen

Decrease in Notes and accounts receivable - trade : 641million yen

### Non-current assets

Decrease in Assets for rent, net : 460million yen

Increase in Buildings and structures, net : 335million yen

### Intangible assets

Increase in Goodwill : 233million yen  
(DIMENSION-ALL INC./Nakaya Kizai Co., Ltd)

### Investments and other assets

Increase in Investment securities : 68million yen

## 【Liabilities】

Decrease in Notes and accounts payable - trade : 622million yen

Increase in Short-term loans payable : 1481million yen

Decrease in Long-term loans payable : 1750million yen

## 【Net Assets】

Increase in Retained earnings : 803million yen

Decrease in Foreign currency translation adjustment : 32million yen

## Cash flow statement

Although investment in assets for rent (Operational CF) decreased, overall balance decreased due to repayments of long-term loans payable (Financial CF).

	FY Ended March 31, 2017	FY Ended March 31, 2018
Net income before income taxes	2,324	1,782
Net cash provided by(used in) operating activities	1,163	1,714
Net cash provided by(used in) investing activities	(1,093)	(1,909)
Net cash provided by(used in) financing activities	879	(222)
Effect of exchange rate change on cash and cash equivalents	(4)	(19)
Net increase in cash and cash equivalents	945	(437)
Cash and cash equivalents at beginning of period	4,242	5,187
Cash and cash equivalents at end of period	5,187	4,750

### 【Cash flows from operating activities】

Increase in Depreciation : 160million yen

Decrease in Purchase of assets for lease : 608million yen

Increase in inventories : 661million yen

### 【Cash flows from investing activities】

Increase in Purchase of shares of subsidiaries resulting in change in scope of consolidation : 395million yen

### 【Cash flows from financing activities】

Net increase in short-term loans payable : 1,508million yen

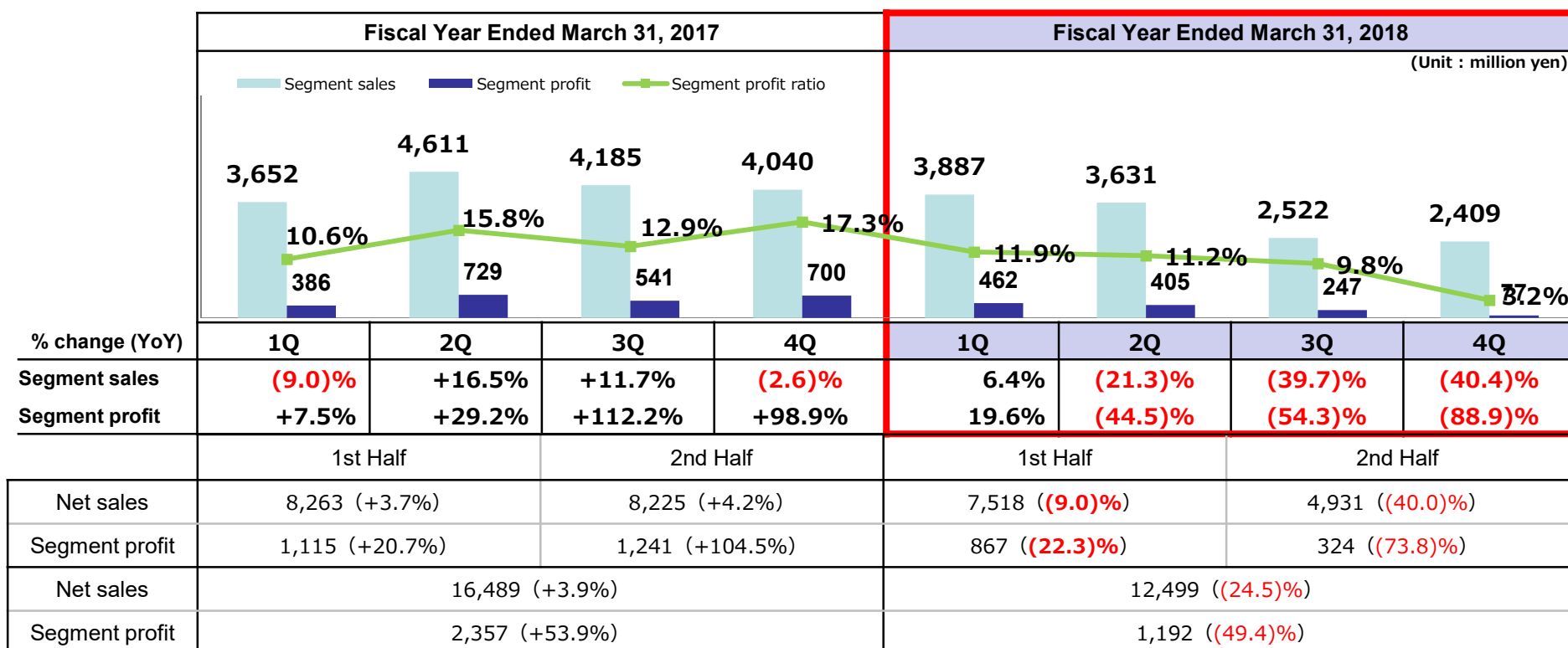
Decrease in Proceeds from long-term loans payable : 4,018million yen

\*Note: The Company allocates "Purchase of assets for lease" to Operational CF.



## Sales business (Per Quarter)

Net sales in the sales business segment slowed down in the second half. Rush demand that might have been expected towards the end of the period was in reality remained at a low level, not enough for recovery.

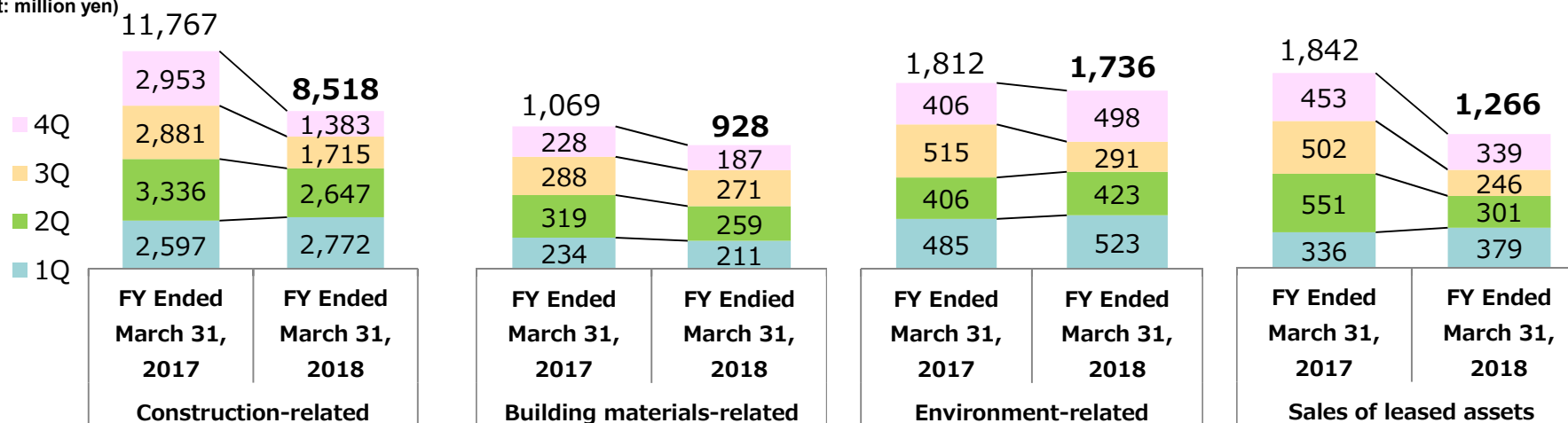


\*Segment sales and profit include those from internal transactions.

## Sales business : Net Sales by Field

In relation to construction, internal sales decreased and external sales could not exceed the previous year's level, and additionally sales of used equipment remained at a low level. PV contributed to environment-related business.

(Unit: million yen)

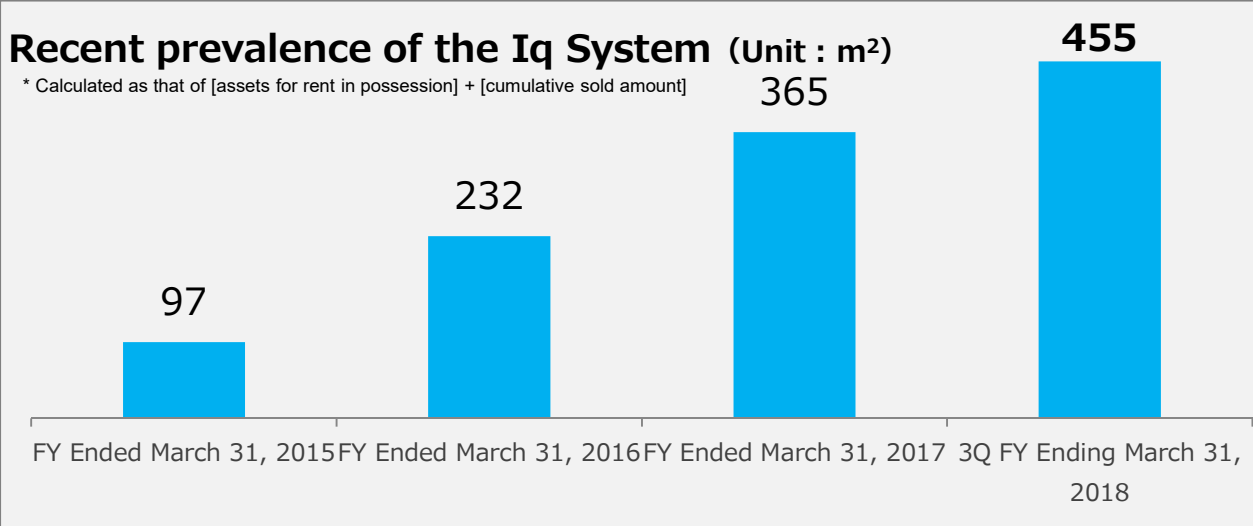


(Unit: million yen)		Fiscal Year Ended March 31, 2017			
		1Q	2Q	3Q	4Q
Construction-related	Sales (outside Group)	1,506	2,217	1,621	2,471
	Sales (within Group)	1,091	1,119	1,260	482
Building materials-related		234	319	288	228
Environment-related		485	406	515	406
Sales of leased assets		336	551	502	453

Fiscal Year Ended March 31, 2018			
1Q	2Q	3Q	4Q
1,690	1,918	1,724	1,402
1,082	728	(9)	(18)
211	259	270	187
523	423	291	498
379	301	245	339

# Sales business : Recent prevalence of the Iq System

Actual sales decreased from "250 million yen (FY03/2017)" to "190 million yen (FY03/2018)".  
Lack of rush demand led to YoY loss.



**Iq System : 4,550,000m<sup>2</sup>**

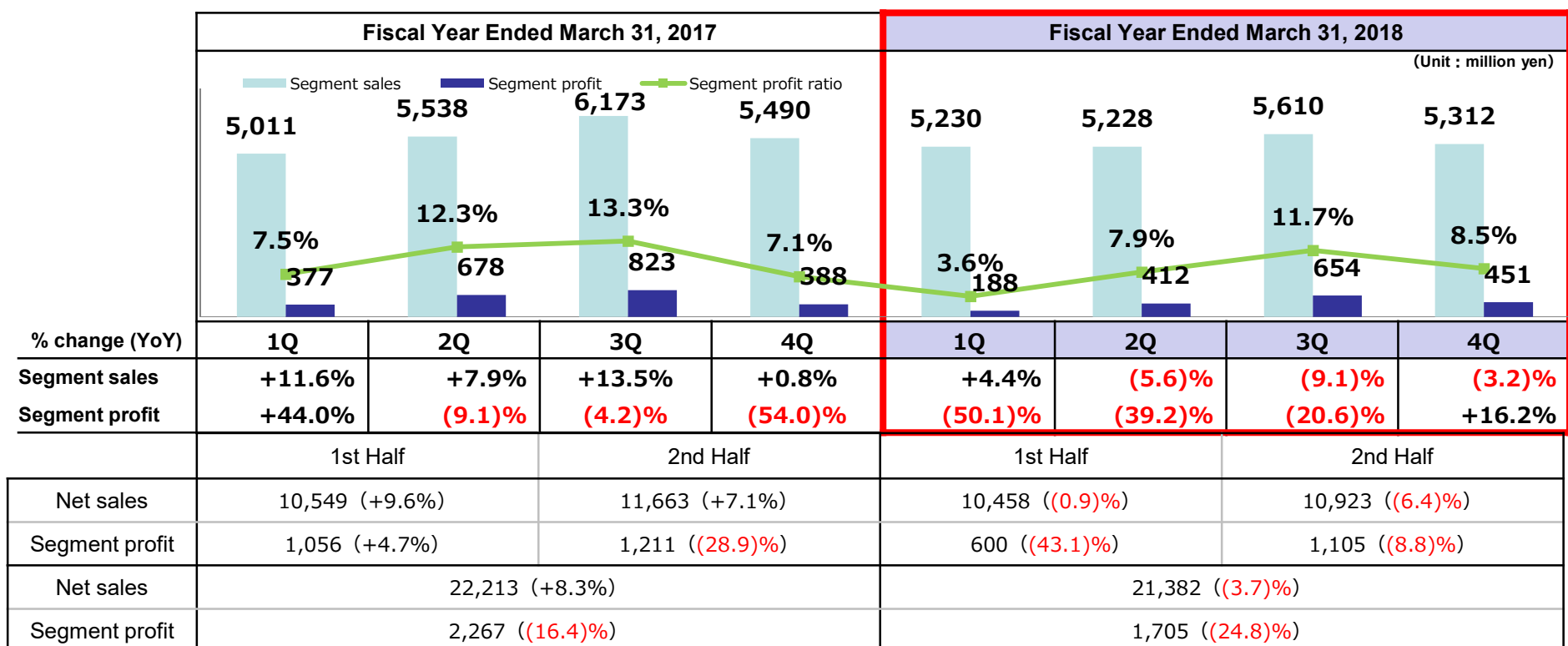
(2,730,000m<sup>2</sup> [assets for rent in possession]+1,820,000m<sup>2</sup> [cumulative sold amount])  
Estimated by the Company as (total length\* of the support pillar of Iq System)/2 × 1.8 m  
\* Calculated as that of [assets for rent in possession] + [cumulative sold amount]

**Trend in Iq System net sales**

(Unit : million yen)	FY Ended March 31, 2015	FY Ended March 31, 2016	FY Ended March 31, 2017	FY Ended March 31, 2018
Sales results in each period	<b>569</b>	<b>1,344</b>	<b>2,529</b>	<b>1,939</b>
Cumulative sales amount	<b>569</b>	<b>1,913</b>	<b>4,442</b>	<b>6,381</b>

## Rental Business (Per Quarter)

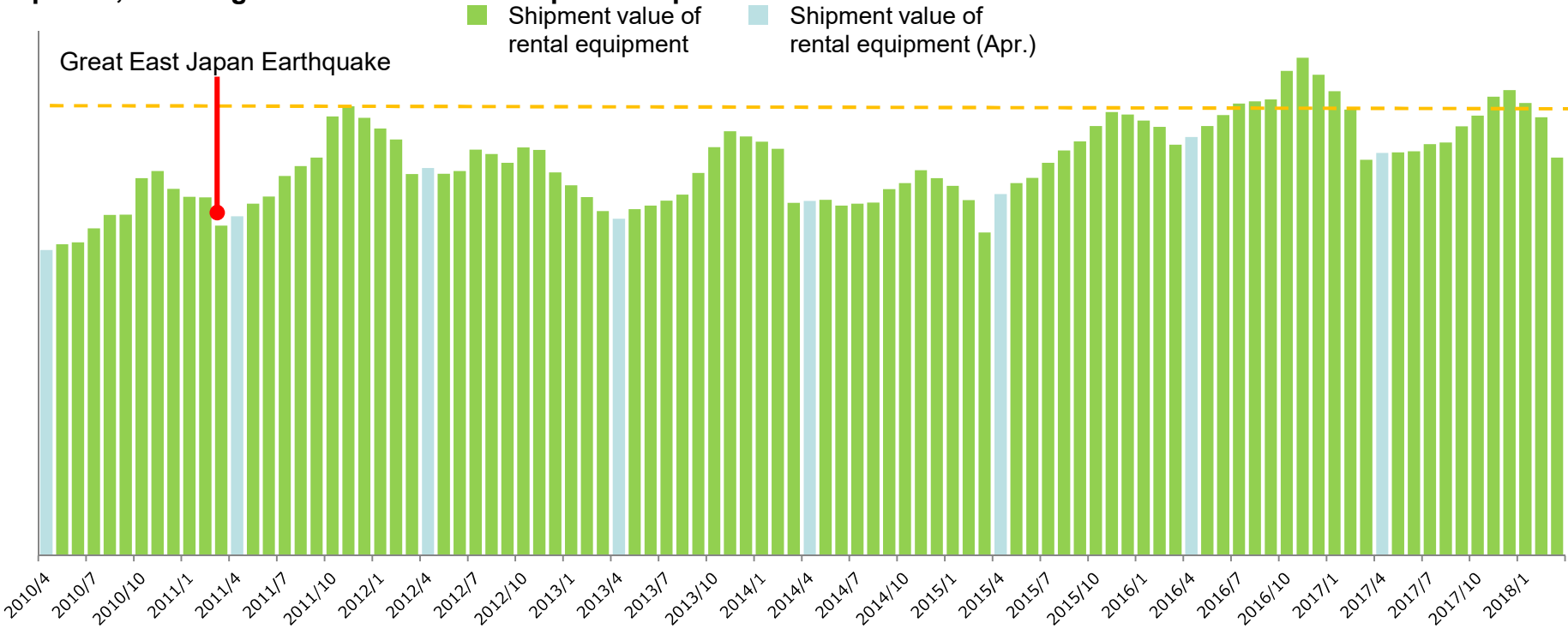
Substantial delay in commencement of projects relating to civil engineering could not be recovered throughout the period, resulting in decreased revenue/profit.



\* Segment sales and profit include those from internal transactions.

# Rental Business : Change in Shipment Value of Rental Equipment

Equipment for civil engineering work slowed down as "shipped amount < returned amount", and even though equipment for building work maintained steady growth it could not exceed the peak achieved during the previous period, resulting in lower level than the previous period.

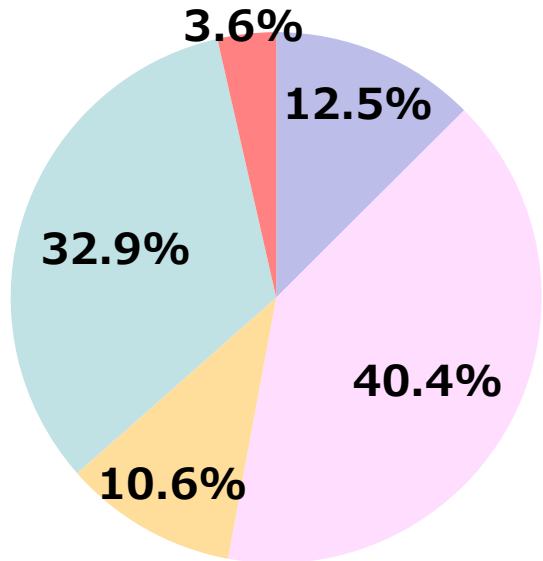


\* Delivered value of rental equipment represents the volume of leased assets (converted into purchase price of new items) delivered as rental. The Company does not disclose figures of delivered value of rental equipment.

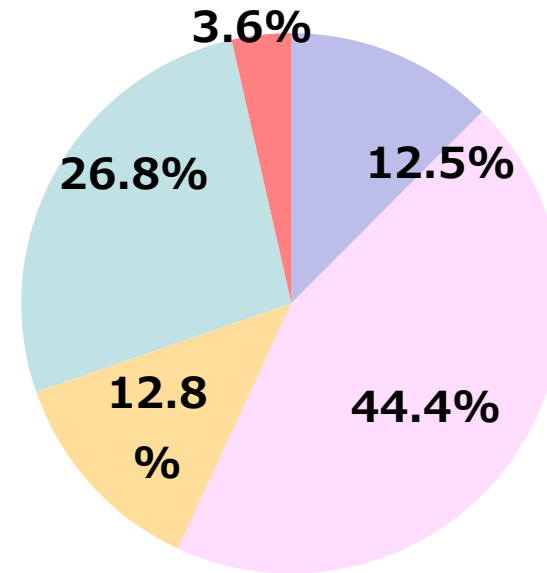
# Rental Business: Ratio of Sales by Area

Kansai area showed reduction due to delay in big projects and others, whereas Chubu area showed good performance.

FY Ended March 31, 2017



FY Ended March 31, 2018



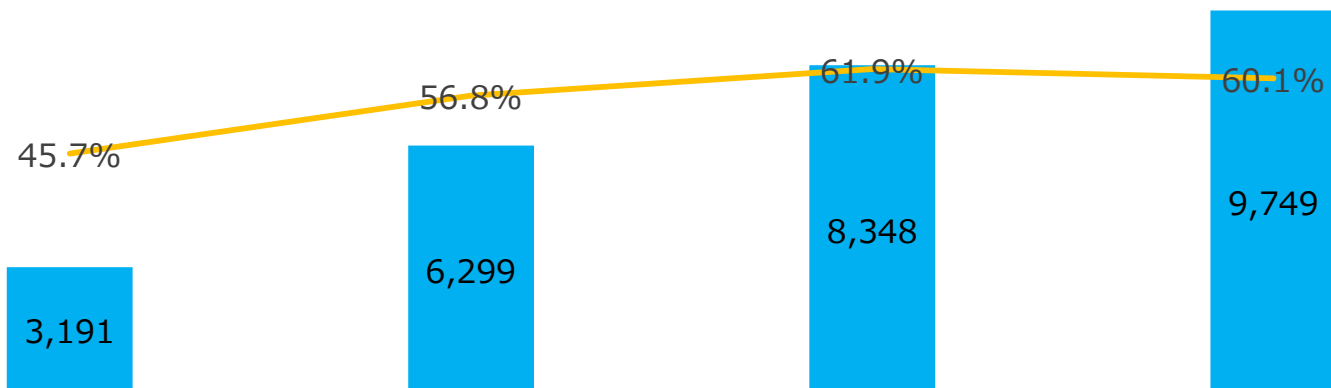
- Tohoku
- Kanto
- Chubu
- Kansai
- Kyusyu

[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

## Rental business : Iq system, Change in value of holdings

Even though the situation looks like "shipped amount < returned amount" in conjunction with completion of work at the end of the period, high utilization level is maintained towards FY2019.

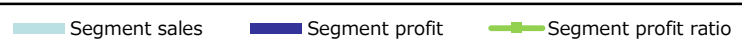
■ Amount held by Iq    — operation rate



Unit : million yen	FY Ended March 31, 2015	FY Ended March 31, 2016	FY Ended March 31, 2017	FY Ending March 31, 2018
	4Q	4Q	4Q	4Q
Amount held by Iq (Unit : Million yen)	<b>3,191</b>	<b>6,299</b>	<b>8,348</b>	<b>9,749</b>
Number of square meters of Iq held (support pillar Conversion)	<b>81万㎡</b>	<b>178万㎡</b>	<b>239万㎡</b>	<b>273万㎡</b>

## Overseas business ( Per Quarter)

DAI (Philippines) and Hory Korea recorded substantial profit growth as compared to the previous year, thanks to their strengthened management control regime.

	Fiscal Year Ended March 31, 2017				Fiscal Year Ended March 31, 2018			
					(Unit: million yen)			
	1,006	930	997	1,263	1,123	1,389	1,405	1,913
	(2.5)%	(8.2)%	(3.2)%	(4.5)%	(0.4)%	5.6%	0.4%	3.7%
	(25)	(76)	(31)	(56)	(4)	78	5	70
% change (YoY)	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Segment sales	(11.9)%	(19.9)%	(25.1)%	+8.0%	+11.6%	+49.2%	+40.9%	+51.5%
Segment profit	—	—	—	—	+80.5%	+202.4%	+117.9%	+225.4%
	1st Half		2nd Half		1st Half		2nd Half	
Net sales	1,937 ((15.9)%)		2,260 ((9.6)%)		2,512 (+29.6%)		3,319 (+46.8)	
Segment profit	(101) ((571.3)%)		(88) (—)		73 (+172.3%)		76 (+186.8%)	
Net sales	4,198 ((4.5)%)				5,832 (+38.9%)			
Segment profit	(189) (—)				149 (+179.0%)			

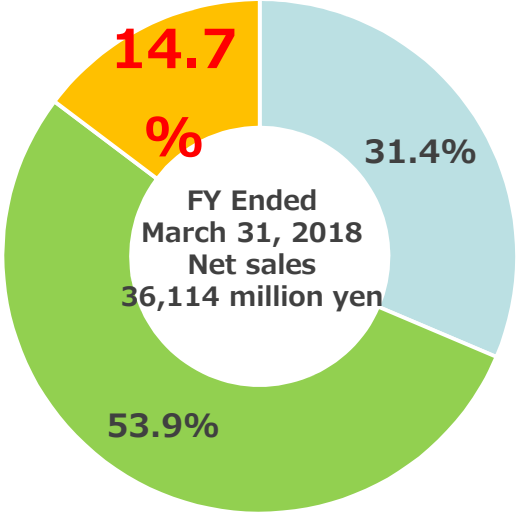
\*Segment sales and profit include those from internal transactions.



# Overseas business

Overseas business segment increased its share in the overall net sales to about 15%, continuing steady growth as the next-generation pillar of business.

**Sales Ratio by Segment**



- Sales Business
- Rental Business
- Overseas Business

### Hory Korea Co., Ltd.

- Solar-related demands maintained steady growth.
- Net sales directed to DAI (Philippines) increased.

### HORY VIETNAM Co., Ltd.

- Increased shipment of aluminium products (AL-SPEEDER, stairs and ladders) and clamps contributed to higher performance than the previous year.

### DIMENSION-ALL INC. (Philippines)

- Net sales increased in both Sales and Rental segments.
- Assets for rent increased due to purchasing civil engineering materials from Japan.

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

## FY Ending March 31, 2019 Consolidated performance forecast (Cumulative period)

Civil engineering projects have at last started to move forward, leading to prospects for improved profitability of Rental segment, as well as higher performance of both Sales and Overseas segments.

(Unit : million yen)	FY Ending March 31, 2019				(Reference) FY Ended March 31, 2018 Results
	2Q	% change (YoY)	4Q	% change (YoY)	
Net sales	<b>19,500</b>	+9.1%	<b>41,000</b>	+13.5	36,114
Operating income	<b>900</b>	+11.9%	<b>2,500</b>	+47.8%	1,690
Ordinary income	<b>780</b>	<b>(7.2)%</b>	<b>2,230</b>	+38.5%	1,610
Profit attributable to owners of parent	<b>393</b>	<b>(35.4)%</b>	<b>1,333</b>	+6.5%	1,252
Earnings per share	<b>9.17yen</b>		<b>31.11yen</b>		29.26yen

## Status of shareholder return

	FY Ended March 31, 2016	FY Ended March 31, 2017	FY Ended March 31, 2018	FY Ending March 31, 2019 (Forecast)
<b>Dividend</b>	<b>10円</b>	<b>10円</b>	<b>11円</b>	<b>11円</b>
1Q	–	–	–	–
2Q	3.5yen	3.5yen	4.0yen	4.0yen
3Q	–	–	–	–
4Q	6.5yen	6.5yen	7.0yen	7.0yen
Total amount of dividends	442million yen	428million yen	471million yen	–
Dividend payout ratio	20.8%	28.5%	37.6%	35.4%
Treasury shares	702million yen	529million yen	0million yen	–
Total return ratio	53.1%	63.2%	37.6%	–
ROE	18.5%	12.6%	9.8%	–

# Reference materials

## Company Overview of SRG TAKAMIYA CO., LTD.

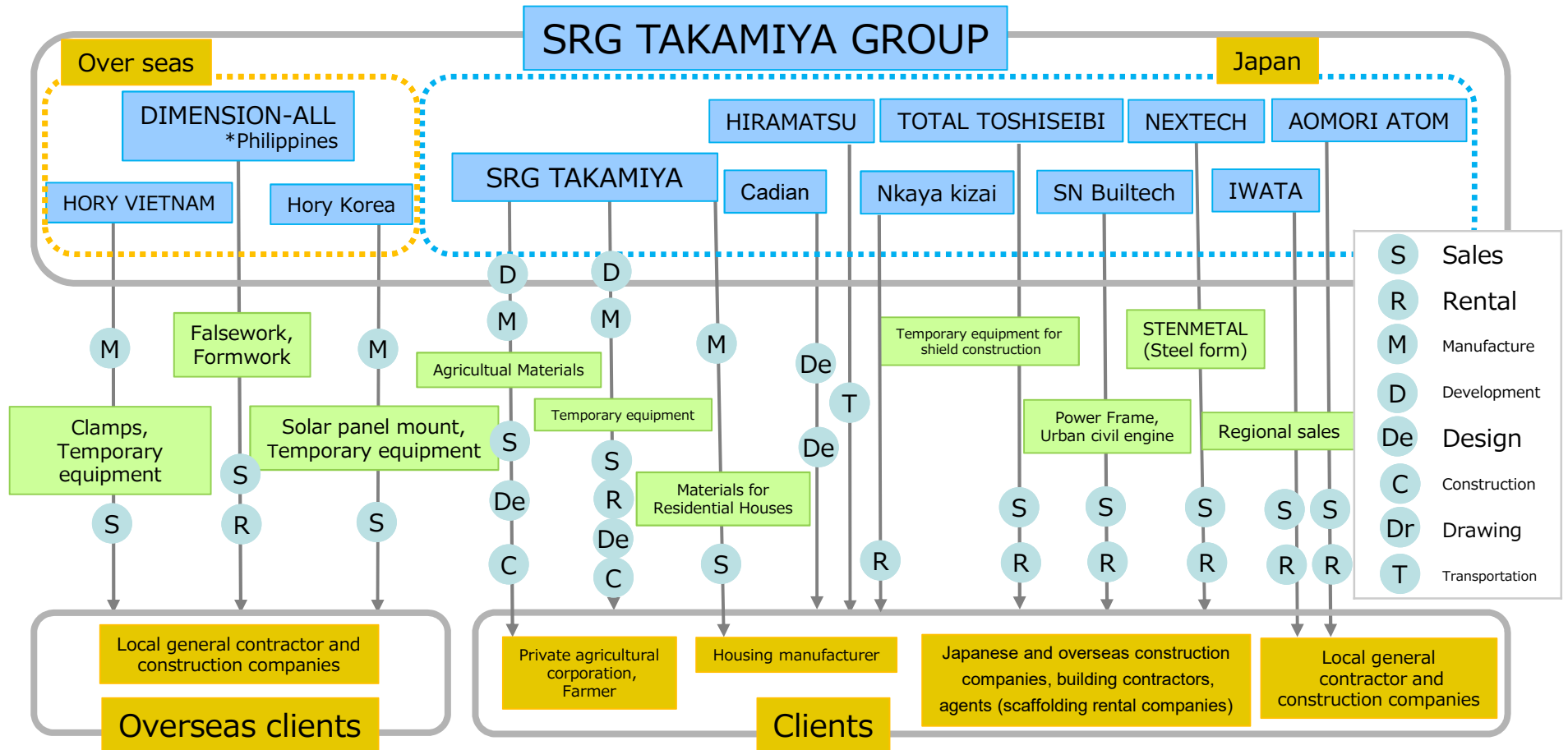
Trade name	SRG TAKAMIYA CO., LTD.
Incorporation	June 21, 1969
Representative	President and representative director, Kazumasa Takamiya
Capital	731,097,900 yen
Number of employees	Consolidated : 1,144; Non-consolidated : 646 (As of end-March, 2018)
Registered head office	Grand Front Osaka, Tower B, 27F, 3-1 Ofuka-cho, Kita-ku, Osaka, Japan
Business locations	<p>Branches: Tohoku-Sendai, Ibaraki,Tokyo, Niigata,Nagoya, Osaka, Chushikoku, Kyushu-Fukuoka (total: 8)</p> <p>Business offices: Sapporo, Morioka, Fukushima, Tsukuba, Kashima, Ichihara, Hokuriku, Fukui, Nagano, Shizuoka, Keiji, Hiroshima, Okinawa (total: 13)</p> <p>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, Fukui-Sabae, Tokai-Kisosaki, Shiga-Omihachiman, Osaka-Hirakata, Osaka-Settsu, Osaka-Kishiwada, Wakayama-Momoyama, Hyogo-Tojo, Hiroshima-Siwa, Kagawa-Sanuki (total: 29)</p>
Consolidated subsidiaries	Hory Korea Co., Ltd.; HORY VIETNAM Co., Ltd.; Cadian Co., Ltd.; IWATA Co., Ltd.;HIRAMATSU Co., Ltd.; Nakaya Kizai Co., Ltd ; SN Bultech Co., Ltd.; AOMORI ATOM Co., Ltd.; TOTAL TOSHISEIBI Co., Ltd.; NEXTECH Co., Ltd. ; DIMENSION-ALL Inc. (total: 11)
Stock listing	<p>June 2005: JASDAQ Securities Exchange Note: The Company was delisted from the JASDAQ market in January 2008.</p> <p>December 2007: Tokyo Stock Exchange Second Section</p> <p>December 2014: Assigned on Tokyo Stock Exchange First Section</p>



## 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 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 Bulitech 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.
- 2018 Jan. Merged Nakaya Kizai Co., Ltd a consolidated subsidiary.
- 2018 Feb. Hory Corporation (Tokyo Metropolis) became a consolidated subsidiary.
- 2018 Apr. Merged SN Building Tech KK (surviving company) and Total Toshiseibi Corp. (extinct company), both of which are consolidated subsidiaries, with trade name renewed as Total Toshiseibi Corp.

# Business Diagram



## Sales business



### Joint(clamp)

General-purpose equipment used in any work sites



### Next generation scaffolding

(Iq system)

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



### Hanging type scaffolding

(Spider Panel)

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



### Safety member

Preceding handrails, baseboards, handrail members, etc.



### Seismic motion mitigation equipment for wooden Housing

Original product of Hory (supporting new and existing housing)



### Solar-power generation panel installation frame

Sales of residential and industrial panel mounting frames



### Agricultural greenhouses, cultivation shelves

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



### 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.



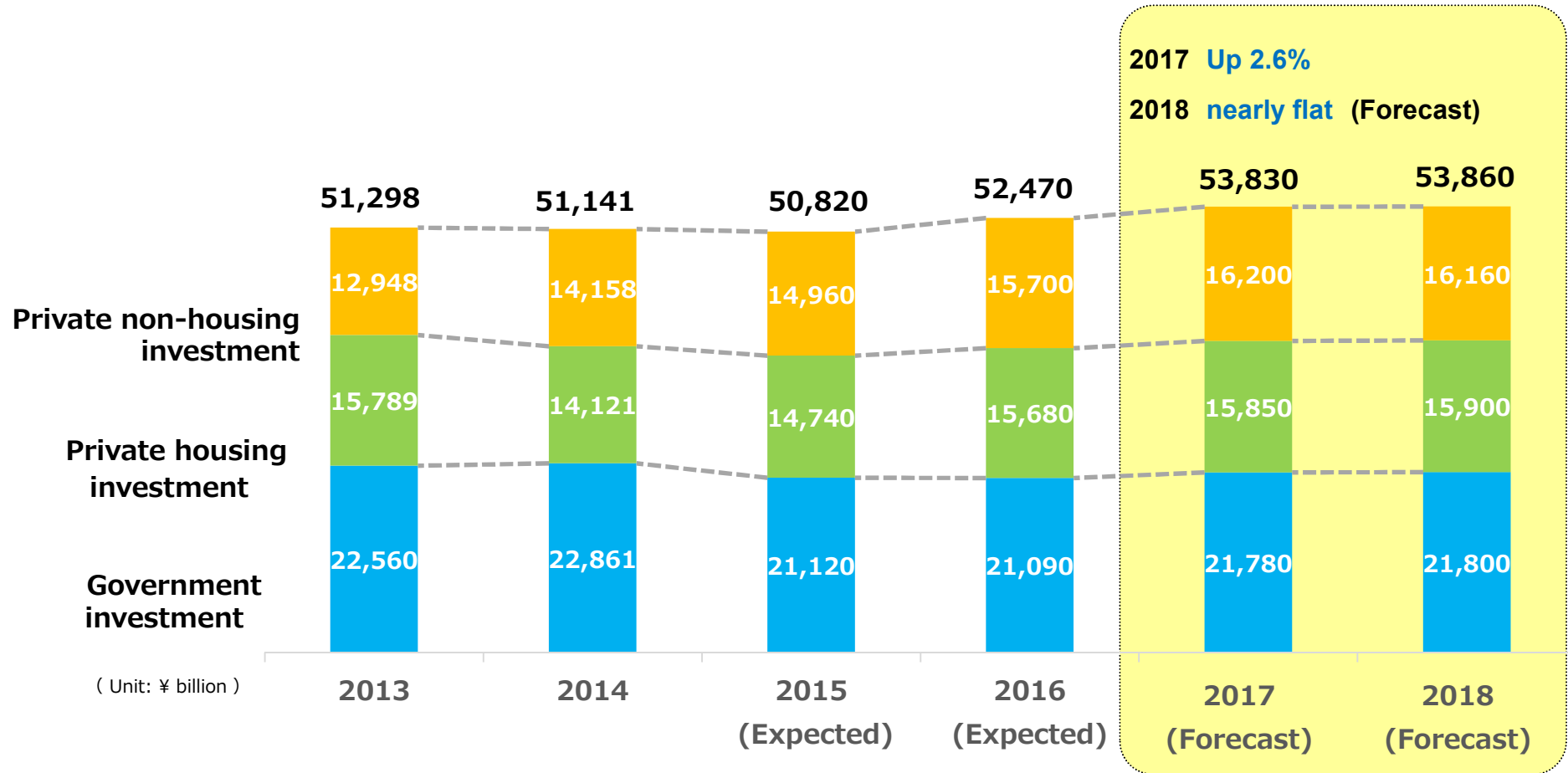
**Ports (Breakwaters, etc.)**  
 Construction of breakwaters to prevent damage from high waves, high tide water and tsunamis

## Overseas bases and business activities

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

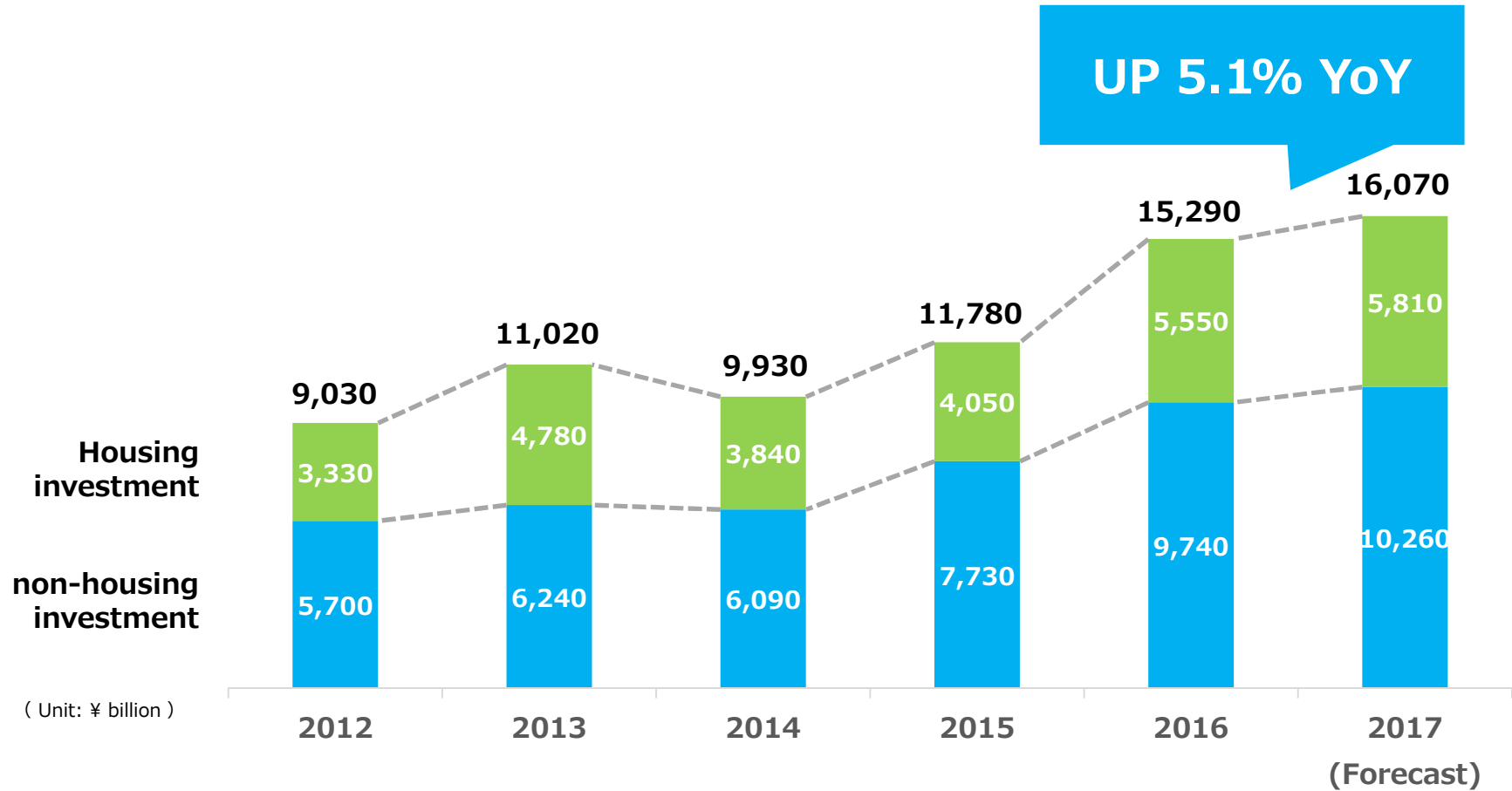
## Change in Domestic Construction Investment

Source: Research Institute of Construction and Economy, "Quarterly Outlook of Construction and Macro Economy", April 2018

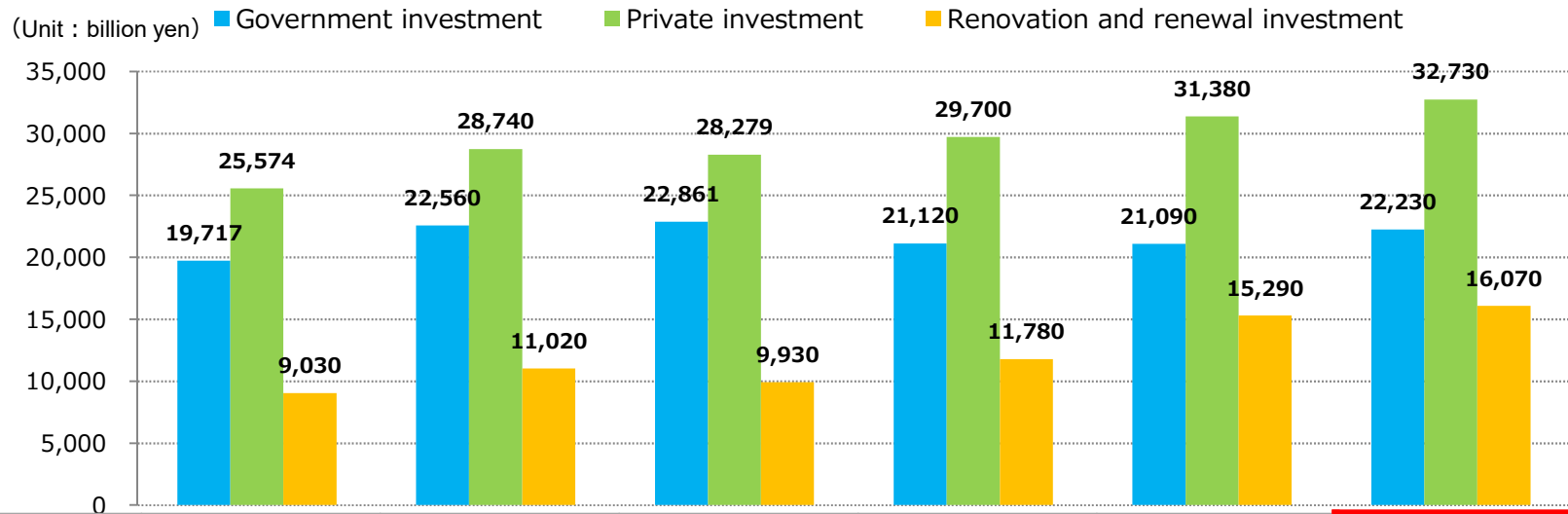


## Changes in invested amount for domestic building reform/renewal

Source: Ministry of Land, Infrastructure Transport and Tourism, "Estimate of Construction Investment, FY2017", June 2017



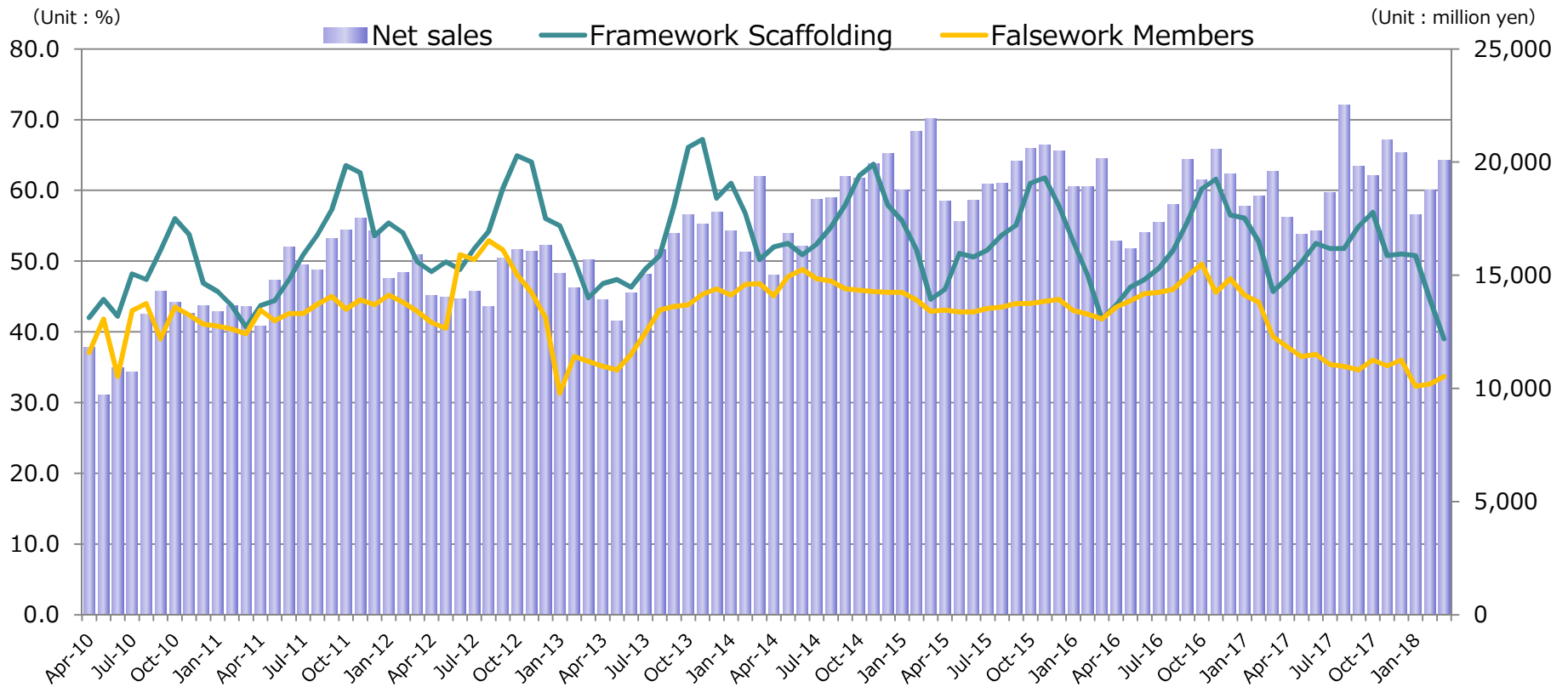
# Change in Domestic Construction Investment



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

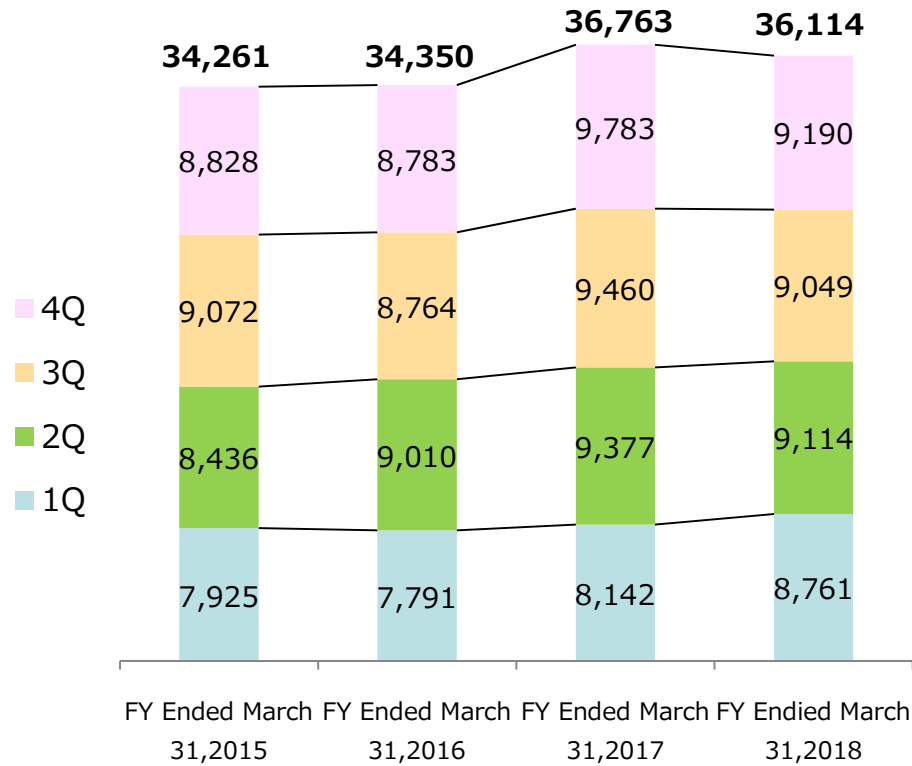


Source: This data has been processed from the Ministry of Land, Infrastructure, Transport and Tourism's "Builder's Equipment Leasing Business Dynamics Survey Time Series."

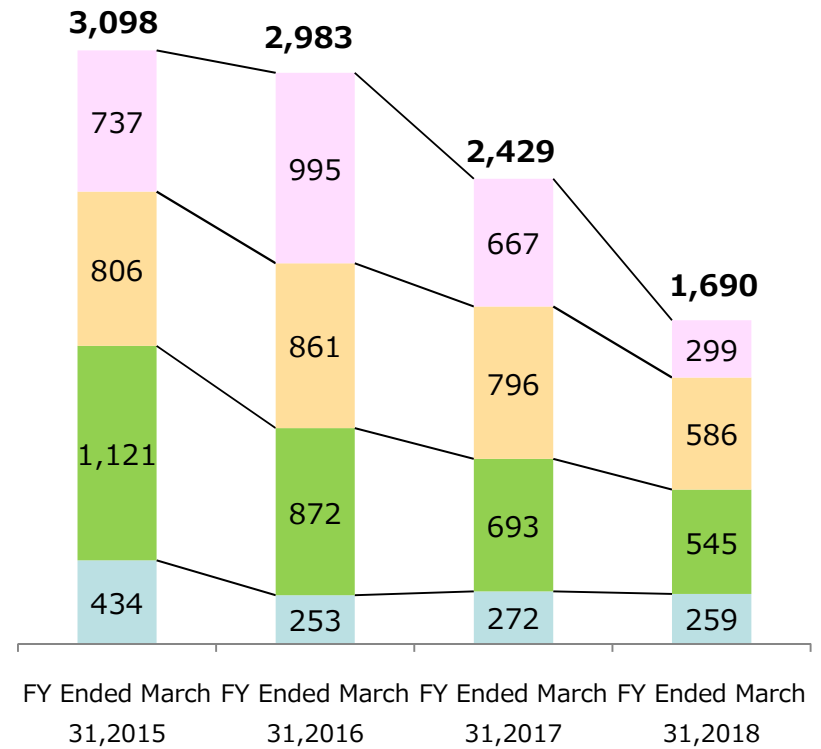
# Change in Financial Results

(Unit : million yen)

## Net sales



## Operating income



## Change in Overseas Market

Country	(Billion dollars) (Million people)	2012	2013	2014	2015	2016	2017	2018
Japan	Nominal GDP	6,203	5,155	4,850	4,394	4,949	4,872	5,167
	Population	127	127	127	126	126	126	126
South Korea	Nominal GDP	1,222	1,305	1,411	1,382	1,411	1,498	1,693
	Population	50	50	50	51	51	51	51
Thailand	Nominal GDP	397	420	407	401	411	455	483
	Population	67	68	68	68	68	69	69
Vietnam	Nominal GDP	155	170	185	191	201	220	240
	Population	88	89	90	91	92	93	94
Philippines	Nominal GDP	250	271	284	292	304	313	332
	Population	96	98	99	101	103	105	107
Singapore	Nominal GDP	290	304	311	304	309	323	349
	Population	5	5	5	5	5	5	5
Malaysia	Nominal GDP	314	323	338	296	296	314	364
	Population	29	30	30	31	31	32	32
Myanmar	Nominal GDP	59	60	65	59	63	66	70
	Population	50	50	51	51	52	52	52
Indonesia	Nominal GDP	919	916	891	860	932	1,015	1,074
	Population	245	248	252	255	258	261	265

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



## 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	FY Ended March 31, 2018
Net sales	23,201	28,113	32,443	34,261	34,350	36,763	36,114
Gross Profit	7,202	8,196	9,832	10,356	11,291	10,991	10,431
SG&A	6,165	6,590	6,781	7,758	8,307	8,561	8,740
Operating income (1)	1,037	1,605	3,051	3,098	2,983	2,429	1,690
Ordinary income	1,080	1,553	3,006	3,325	2,731	2,337	1,610
Net income	755	807	1,768	2,070	2,153	1,516	1,252
Depreciation and amortization (CF) (2)	3,088	3,280	3,369	3,649	4,137	4,502	4,662
EBITDA((1)+(2))	4,126	4,886	6,421	6,747	7,120	6,932	6,353
	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	FY Ended March 31, 2018
ROE (Return on equity)	12.7%	12.2%	21.5%	19.8%	18.7%	12.6%	9.8%
Return on sales (3)	3.3%	2.9%	5.5%	6.0%	6.3%	4.1%	3.5%
Total asset turnover (4)	0.7	0.8	0.9	0.8	0.7	0.7	0.7
ROA ((3) × (4)) (Return on assets)	3.5%	4.7%	8.4%	8.2%	5.8%	4.5%	3.1%

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

## 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	FY Ended March 31, 2018
<b>Current assets</b>	<b>12,202</b>	<b>13,725</b>	<b>15,892</b>	<b>18,213</b>	<b>19,769</b>	<b>20,557</b>	<b>20,136</b>
<b>Non-current assets</b>	<b>20,269</b>	<b>20,262</b>	<b>21,353</b>	<b>25,307</b>	<b>30,321</b>	<b>32,203</b>	<b>32,677</b>
<b>Current liabilities</b>	<b>12,351</b>	<b>14,117</b>	<b>15,356</b>	<b>18,070</b>	<b>21,365</b>	<b>20,606</b>	<b>20,991</b>
<b>Short-term loans payable</b>	<b>417</b>	<b>416</b>	<b>1,200</b>	<b>3,168</b>	<b>4,958</b>	<b>5,163</b>	<b>6,645</b>
<b>Non-current liabilities</b>	<b>13,740</b>	<b>12,760</b>	<b>12,130</b>	<b>13,687</b>	<b>16,628</b>	<b>19,454</b>	<b>18,269</b>
<b>Long-term loans payable</b>	<b>10,036</b>	<b>9,637</b>	<b>9,376</b>	<b>10,913</b>	<b>13,304</b>	<b>15,403</b>	<b>13,653</b>
<b>Net assets(Equity)</b>	<b>6,380</b>	<b>7,110</b>	<b>9,758</b>	<b>11,762</b>	<b>12,097</b>	<b>12,699</b>	<b>13,552</b>
<b>Total assets</b>	<b>32,472</b>	<b>33,987</b>	<b>37,245</b>	<b>43,520</b>	<b>50,091</b>	<b>52,760</b>	<b>52,813</b>
	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	FY Ended March 31, 2018
<b>Current ratio</b>	<b>98.8%</b>	<b>97.2%</b>	<b>103.5%</b>	<b>100.8%</b>	<b>92.5%</b>	<b>99.8%</b>	<b>95.9%</b>
<b>Non-current assets to equity ratio</b>	<b>323.2%</b>	<b>291.7%</b>	<b>224.4%</b>	<b>119.5%</b>	<b>141.1%</b>	<b>157.7%</b>	<b>138.5%</b>
<b>Equity ratio</b>	<b>19.3%</b>	<b>20.4%</b>	<b>25.5%</b>	<b>26.3%</b>	<b>23.5%</b>	<b>23.4%</b>	<b>25.0%</b>
<b>D/E ratio</b>	<b>283.6%</b>	<b>250.5%</b>	<b>174.5%</b>	<b>188.9%</b>	<b>226.4%</b>	<b>237.4%</b>	<b>223.6%</b>

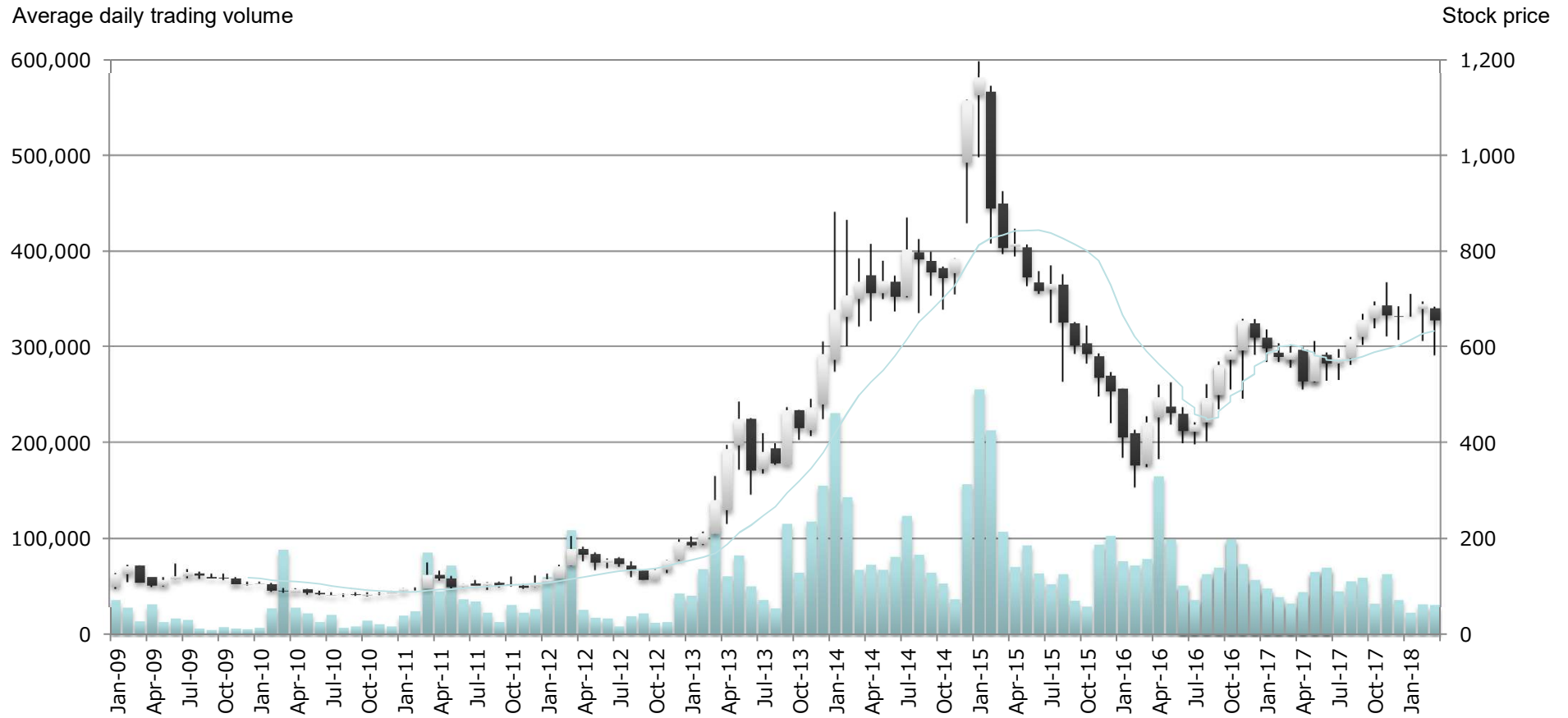
## Quarterly Change in Results by Segment (Per Quarter)

(Unit: million yen)		Fiscal Year Ended March 31, 2017				Fiscal Year Ended March 31, 2018			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
<b>Sales business</b>	Segment sales	3,652	4,611	4,185	4,040	3,887	3,631	2,522	2,409
	(Of which) Inter-segment sales	2,561	3,491	2,924	3,558	2,804	2,902	2,531	2,428
	Segment profit	386	729	541	700	462	404	247	77
	Segment margin (%)	10.6%	15.8%	12.9%	17.3%	11.9%	11.1%	9.8%	3.2%
	(YoY % change)								
	Segment sales	(9.0)%	+16.5%	+11.7%	(2.0)%	+6.4%	(21.3)%	(39.7)%	(40.4)%
	Segment profit	+7.5%	+29.2%	+112.2%	+98.9%	+19.6%	(44.5)%	(54.3)%	(88.9)%
<b>Rental business</b>	Segment sales	5,011	5,538	6,173	5,490	5,230	5,228	5,610	5,312
	(Of which) Inter-segment sales	4,951	5,409	6,124	5,411	5,177	5,178	5,581	5,289
	Segment profit	377	678	823	388	188	412	654	451
	Segment margin (%)	7.5%	12.3%	12.9%	7.1%	3.6%	7.9%	11.7%	8.5%
	(YoY % change)								
	Segment sales	+11.6%	+7.9%	+13.5%	+0.8%	+4.4%	(5.6)%	(9.1)%	(3.2)%
	Segment profit	+44.0%	(9.1)%	(4.2)%	(54.0)%	(50.1)%	(39.2)%	(20.6)%	+16.2%
<b>Overseas business</b>	Segment sales	1,006	930	997	1,263	1,123	1,388	1,405	1,913
	(Of which) Inter-segment sales	629	475	411	813	778	1,033	935	1,472
	Segment profit	(25)	(76)	(31)	(56)	(4)	78	5	70
	Segment margin (%)	(2.5)%	(8.2)	(3.2)%	(4.5)%	(0.4)%	5.6%	0.4%	3.7%
	(YoY % change)								
	Segment sales	(11.9)%	(19.9)%	(25.1)%	(11.9)%	+11.6%	+49.2%	+40.9%	+51.5%
	Segment profit	(204.5)%	-	(142.9)%	(167.0)%	(80.5)%	-	-	-
	Total net sales	9,670	11,081	11,356	10,793	10,241	10,248	9,539	9,635
	(Of which) Inter-segment sales	8,142	9,377	9,460	9,783	8,761	9,113	9,048	9,190

## Quarterly Change in Results by Segment (Cumulative Period)

(Unit: million yen)		Fiscal Year Ended March 31, 2017				Fiscal Year Ended March 31, 2018			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
<b>Sales business</b>	Segment sales	3,652	8,263	12,448	16,489	3,887	7,518	10,040	12,449
	(Of which) Inter-segment sales	2,561	6,052	8,977	12,535	2,804	5,707	8,239	10,667
	Segment profit	386	1,115	1,657	2,357	462	867	1,114	1,192
	Segment margin (%)	10.6%	13.5%	13.3%	14.3%	11.9%	11.5%	11.1%	9.6%
(YoY % change)	Segment sales	(9.0)%	+3.7%	+6.3%	+3.9%	+6.4%	(9.0)%	(19.3)%	(24.5)%
	Segment profit	+7.5%	+20.7%	+40.5%	+53.9%	+19.6%	(22.3)%	(32.7)%	(49.4)%
<b>Rental business</b>	Segment sales	5,011	10,549	16,723	22,213	5,181	10,458	16,069	21,382
	(Of which) Inter-segment sales	4,951	10,361	16,486	21,897	5,177	10,355	15,937	21,226
	Segment profit	377	1,056	1,879	2,267	188	600	1,254	1,705
	Segment margin (%)	7.5%	10.0%	13.3%	10.2%	3.6%	5.7%	7.8%	8.0%
(YoY % change)	Segment sales	+11.6%	+9.6%	+11.0%	+8.3%	+4.4%	(0.9)%	(3.9)%	(3.7)%
	Segment profit	+44.0%	+4.7%	+0.6%	(16.4)%	(50.1)%	(43.1)%	(33.2)%	(24.8)%
<b>Overseas business</b>	Segment sales	1,006	1,937	2,935	4,198	1,123	2,512	3,918	5,832
	(Of which) Inter-segment sales	629	1,105	1,516	2,329	778	1,812	2,747	4,220
	Segment profit	(25)	(101)	(132)	(189)	(4)	73	78	149
	Segment margin (%)	(2.5)%	(5.2)%	(4.5)%	(12.6)%	(0.4)%	2.9%	2.0%	2.6%
(YoY % change)	Segment sales	(11.9)%	(15.9)%	(19.3)%	(12.6)%	+11.6%	+29.7%	+33.5%	+38.9%
	Segment profit	(204.5)%	(571.3)%	(239.3)%	(205.4)%	+80.5%	-	-	-
<b>Total net sales</b>		<b>9,670</b>	<b>20,751</b>	<b>32,107</b>	<b>42,901</b>	<b>10,192</b>	<b>20,489</b>	<b>30,028</b>	<b>39,664</b>
(Of which) Inter-segment sales		8,142	17,520	26,980	36,763	8,761	17,875	26,924	36,114

# Stock Price of SRG TAKAMIYA (2445:Tokyo)



# IR Contact

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