



# Results Briefing Materials for the Second Quarter of the Fiscal Year Ending March 31, 2019

November 21, 2018

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes.

In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

SRG TAKAMIYA Co., Ltd.

Grand Front Osaka, Tower B, 27F, 3-1 Ofuka-cho, Kita-ku, Osaka 530-0011, Japan



## 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 : 1,208; Non-consolidated : 677(As of end-September, 2018)
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, Chushikoku, Kyushu-Fukuoka (total: 8) Business offices: Sapporo, Morioka, Fukushima, Tsukuba, Kashima, Ichihara, Hokuriku, Fukui, Nagano, Shizuoka, Keiji, Hiroshima, Okinawa (total: 13) Equipment and materials centers: Aomori-Higashidori, Iwate-Morioka, Miyagi-Sendai, Miyagi-Sendai No. 2, Fukushima-Hirono, Niigata-Yokogoshi, Niigata-Higashimino, Niigata-Kenoh, Ibaraki-Chuo, Ibaraki-Tsukuba, Ibaraki-Dejima, Ibaraki-Kashima, Chiba-Okido, Chiba-Ichihara, Saitama-Kuki, Kanagawa-Aikawa, Shinsyu-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)
Consolidated subsidiaries	[Japan total:7] IWATA Co., Ltd. ; HIRAMATSU Co., Ltd. ; AOMORI ATOM Co., Ltd. ; TOTAL TOSHISEIBI Co., Ltd. ; NEXTECH Co., Ltd. ; Cadian Co., Ltd. ; Nakaya Kizai Co., Ltd [Overseas total:3] Hory Korea Co. Ltd ; HORY VIETNAM Co., Ltd. ; DIMENSION-ALL INC. (total:10)
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





## Company name change

### **Notice of changes in trade name and logo**

The Company has set out its vision as "Create new value through transformation and aim to become a corporate group that drives qualitative development of the industry", and decided to change its trade name to "TAKAMIYA Co., Ltd." effective from April, 2019, along with renewing its logo, in order to transform the whole company group to a future-oriented one in deed as well as in name.



TAKAMIYA

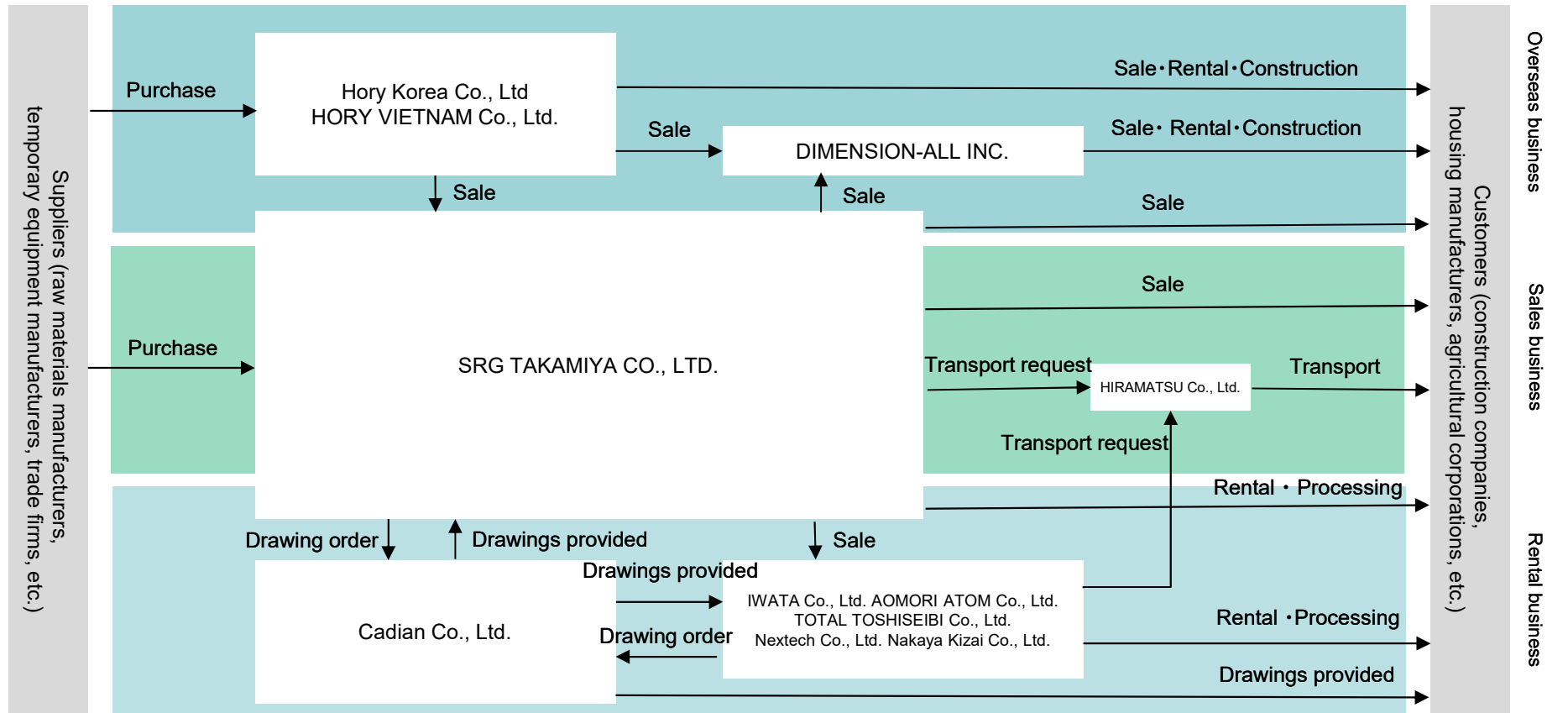


## History

- 1969 June Founded as Shin Kansai Co., Ltd., currently SRG TAKAMIYA CO., LTD., in Osaka City.
- 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 June 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 Sept. Hory Corporation (Tokyo Metropolis) became a consolidated subsidiary.
- 2013 Aug. 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 July 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.



# Business Diagram





# 1. Consolidated Financial Results (Cumulative Period)

Consolidated Results (Unit : million yen)	2Q FY Ending March 31, 2019 Forecast		2Q FY Ending March 31, 2019 Forecast (Revised October. 29, 2018)		2Q FY Ending March 31, 2019 Results		2Q FY Ended March 31, 2018 Results		% change (YoY)
		Sales ratio		Sales ratio		Sales ratio		Sales ratio	
Net sales	19,500	–	20,700	–	20,734	–	17,875	–	16.0%
Gross profit	–	–	–	–	5,667	27.3%	5,153	28.8%	10.0%
SG&A	–	–	–	–	4,579	22.1%	4,348	24.3%	5.3%
Operating income	900	4.6%	1,050	5.1%	1,087	5.2%	804	4.5%	35.1%
Ordinary income	780	4.0%	1,080	5.2%	1,121	5.4%	840	4.7%	33.3%
Profit attributable to owners of parent	393	2.0%	670	3.2%	698	3.4%	608	3.4%	14.9%
Earnings per share (Diluted earnings per share)	9.17yen	–	15.64yen	–	16.31yen (15.83yen)	–	14.22yen (13.79yen)	–	–
Annual dividends per share	4.00yen	–	4.00yen	–	4.00yen	–	4.00yen	–	–
Depreciation and amortization	–	–	–	–	2,361	11.4%	2,318	13.0%	1.8%
EBITDA	–	–	–	–	3,448	16.6%	3,123	17.5%	10.4%
ROA	–	–	–	–	2.1%	–	1.6%	–	–
ROE	–	–	–	–	5.2%	–	4.9%	–	–

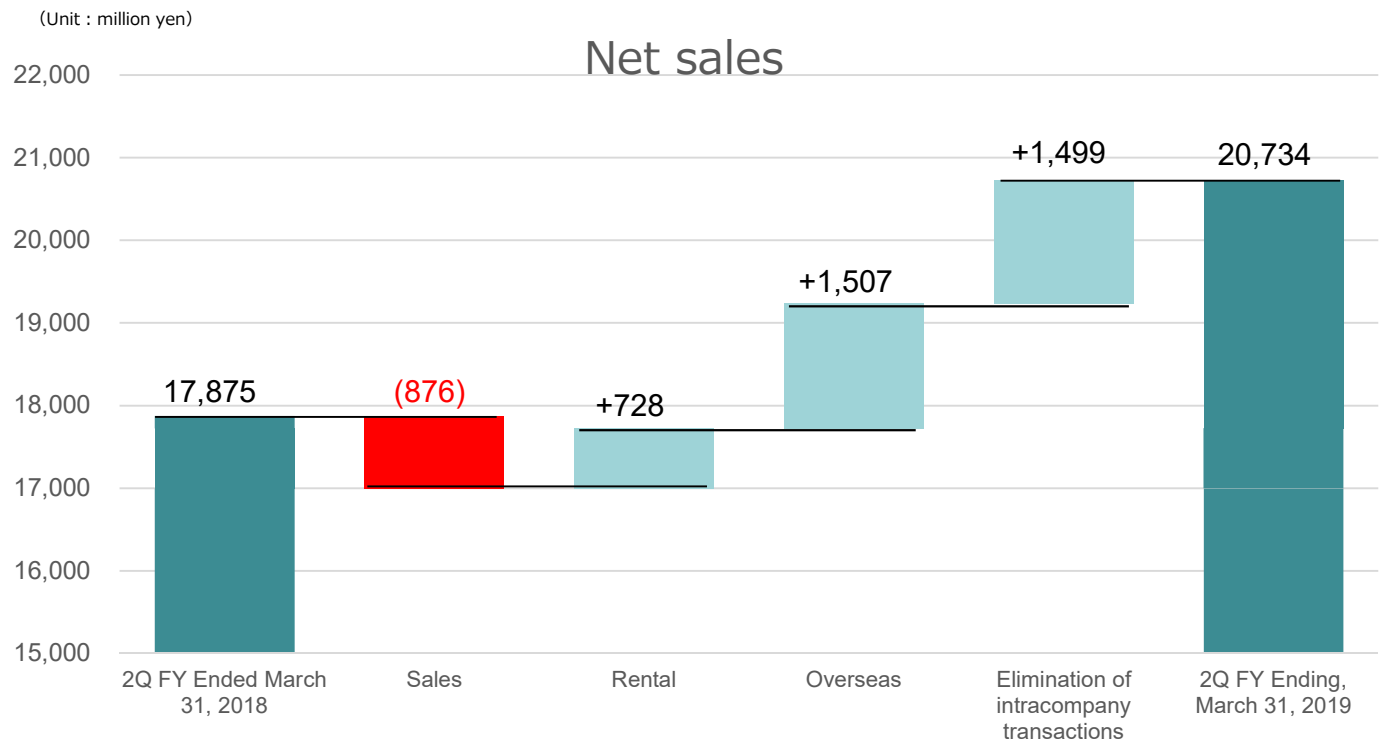


## 2. Comparison with the previous year

### 2.1 Net sales

#### Increased by 2,858 million yen.

As with 1Q, despite some impact by decrease in inter-segment transactions of sales-related business, each segment of Sales, Rental and Overseas achieved steady performance that led to higher revenues.



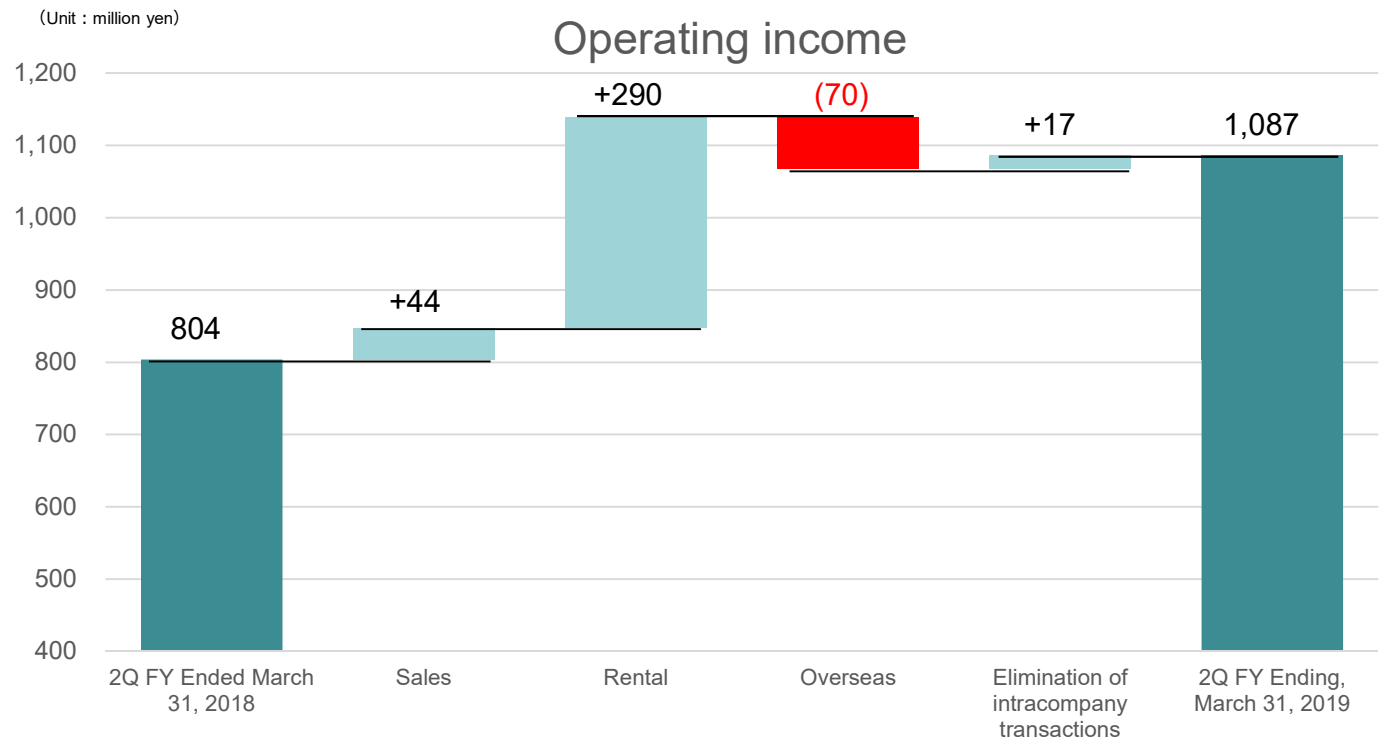


## 2. Comparison with the previous year

### 2.2 Operating income

#### Increased by 282 million yen.

Overseas business segment experienced increase in depreciation of assets for rent due to proactive investment in equipment, whereas domestic sales activities maintained steady growth and rental business achieved greater amount of external shipment than initially expected, resulting in higher earnings.







### 3. Sales business

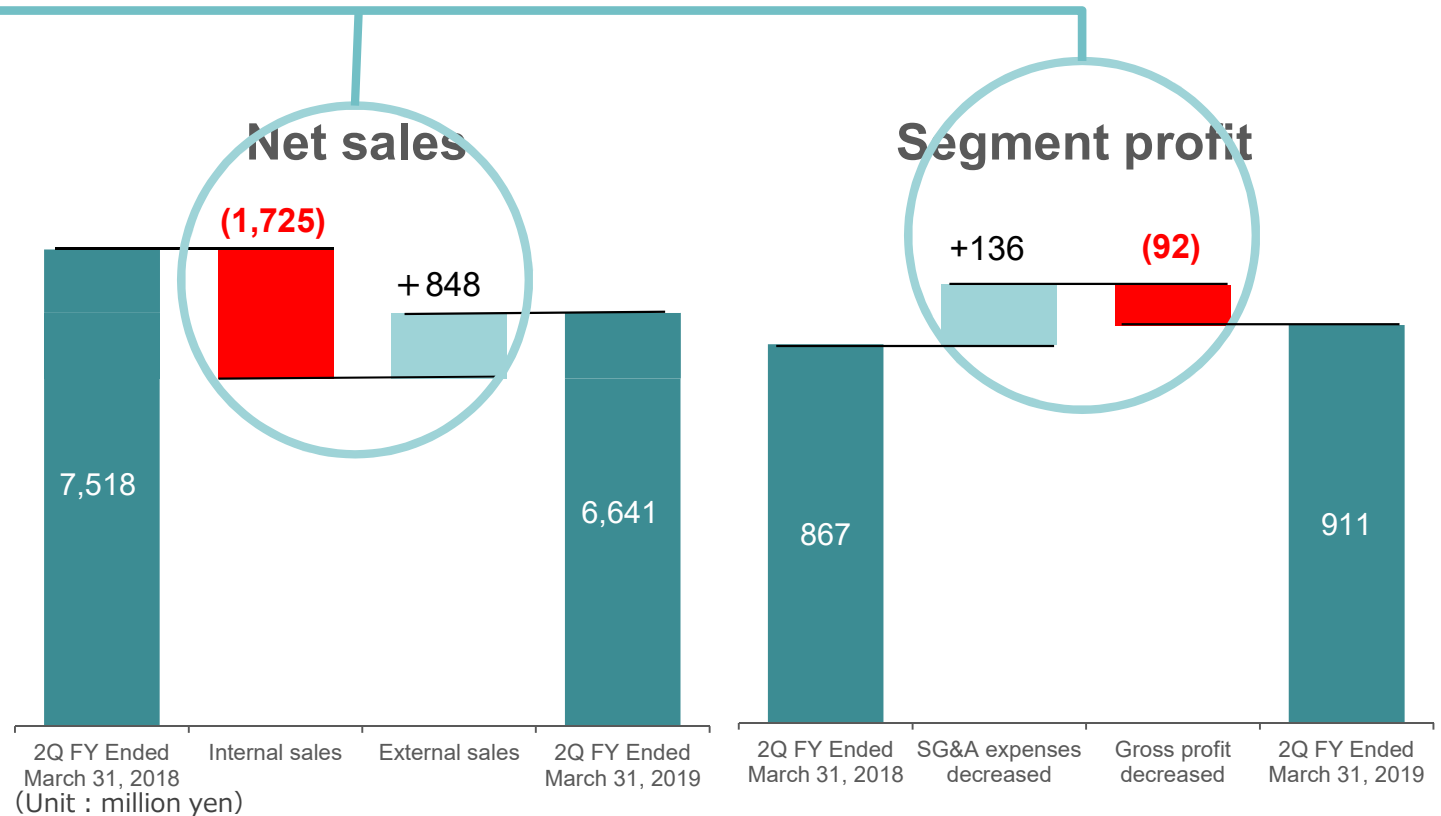
#### 3.1 Comparison with the previous year

##### Net sales

Decreased by 876 million yen.  
 As with 1Q, inter-segment transactions decreased because of merging Hory Corp. that had previously been one of the group companies.  
 From the beginning, sales of the Iq System and its associated materials maintained steady growth and external sales increased.

##### Segment profit

Increased by 44 million yen.  
 Revenues increased for external sales, decreased for internal sales, and decreased for segment sales. However, segment income slightly increased due to curtailed SG&A expenses and higher efficiency by group integration.



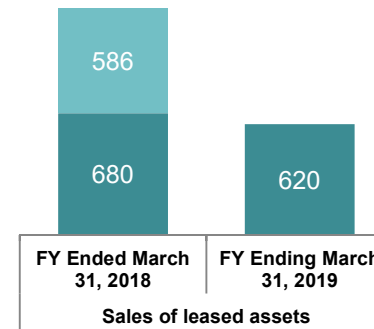
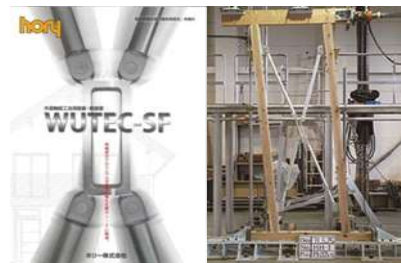
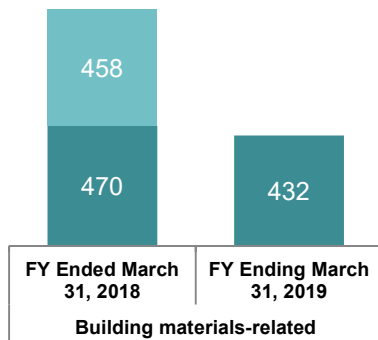
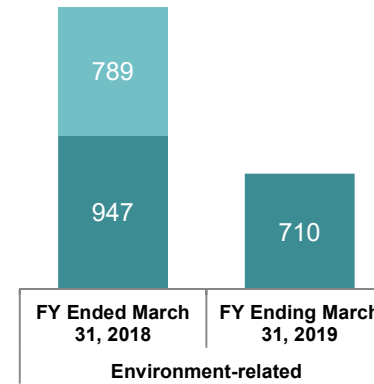
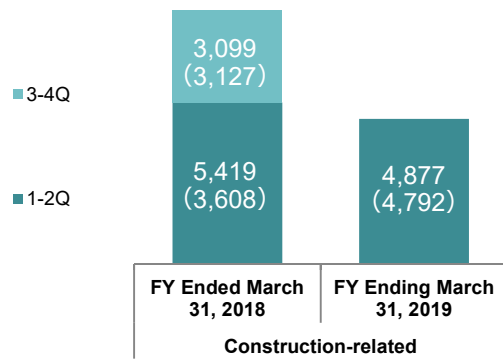
\* "Sales Ratio by Segment" is based on net sales before inter-segment elimination.



# 3. Sales business

## 3.2 Net Sales by Field

\* The figures in parentheses are external sales figures.



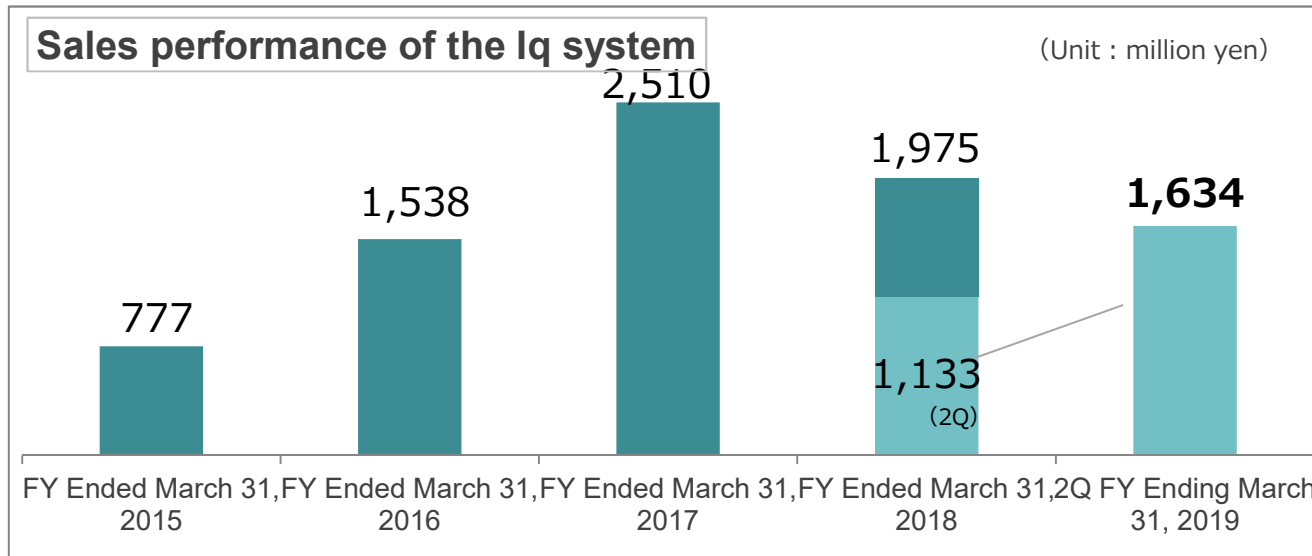
(Unit : million yen)



## 3. Sales business

### 3.3 Recent prevalence of the Iq System

Demands for the next-generation scaffolding got into full swing, and sales strategies contributed to positive outcome.



**Iq System : 4,760,000m<sup>2</sup>**

(2,760,000m<sup>2</sup> [assets for rent in possession]+2,000,000m<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 of the Iq system sales

(Unit : million yen)	FY Ended March 31, 2015	FY Ended March 31, 2016	FY Ended March 31, 2017	FY Ended March 31, 2018	2Q FY Ending March 31, 2019
Cumulative Sales Results	<b>777</b>	<b>2,316</b>	<b>4,826</b>	<b>6,801</b>	<b>8,436</b>

\* There are some variations in the figures because of change in aggregate calculation method.



## 4. 7.Rental Business

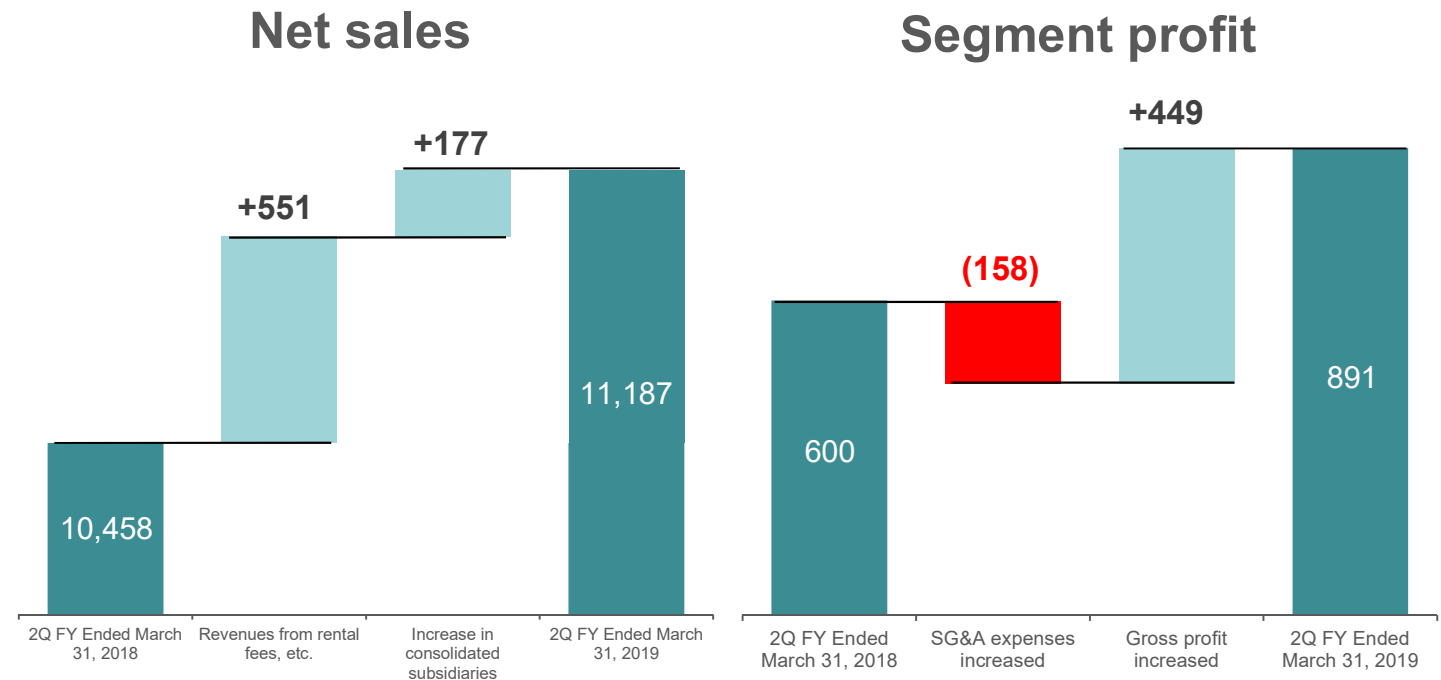
### 4.1 Comparison with the previous year

#### Net sales

Increased by 728 million yen.  
 Shipment for civil engineering related projects maintained steady growth, also driven by demands for the Iq System, and more shipment of rental equipment took place than the previous year for both building and civil engineering projects, leading to increase in revenues from rental fees.  
 Merging "NAKAYA KIZAI Co., Ltd." into the Group also contributed to higher revenues.

#### Segment profit

Increased by 290 million yen.  
 Revenues from rental fees increased, investment in assets for rent passed a peak, and depreciation of assets for rent remained mostly level, resulting in increased earnings.



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



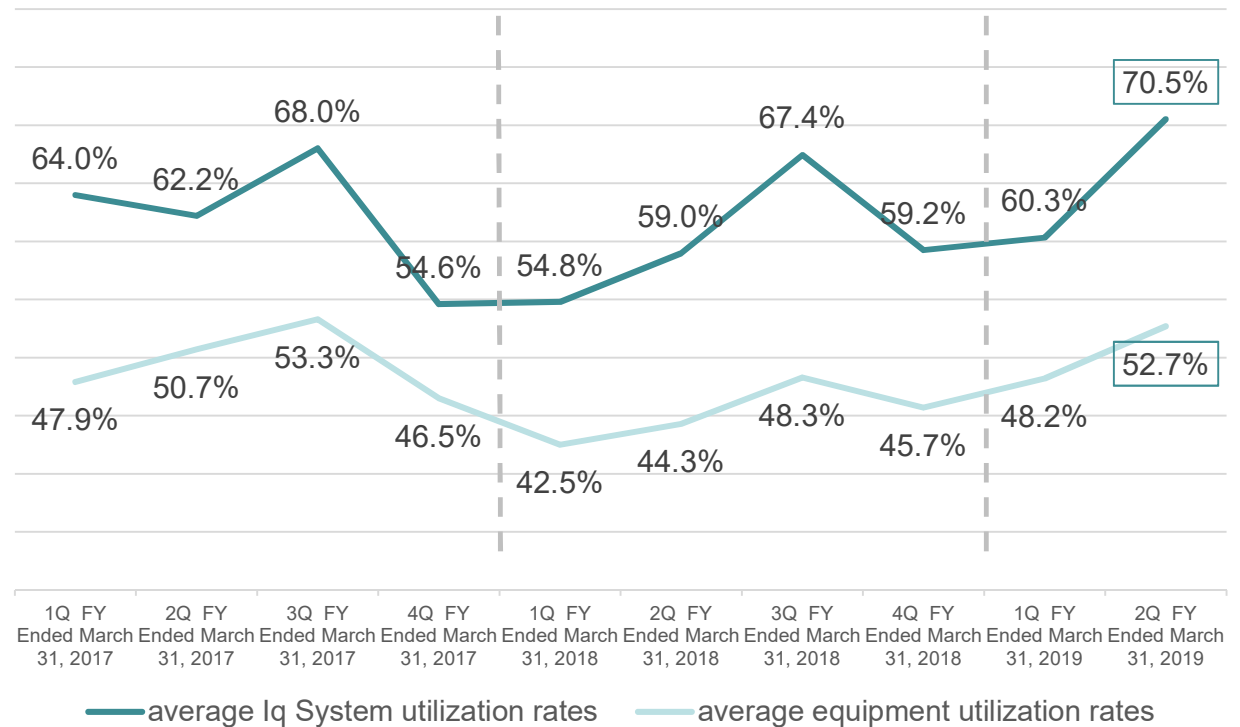
## 4. Rental Business

### 4.2 Trend of average equipment utilization rates

#### Higher efficiency in operation of equipment helped maintaining high utilization rate

Due to the fact that overall volume of civil engineering related construction work was on an even level, shipment amount of civil engineering equipment increased by about 40% YoY, and operational efficiency got higher by shifting from framework scaffolding to the next generation scaffolding, thereby maintaining high utilization rate.

Supported by demands for the next generation scaffolding, the Iq System still maintains high utilization rate.

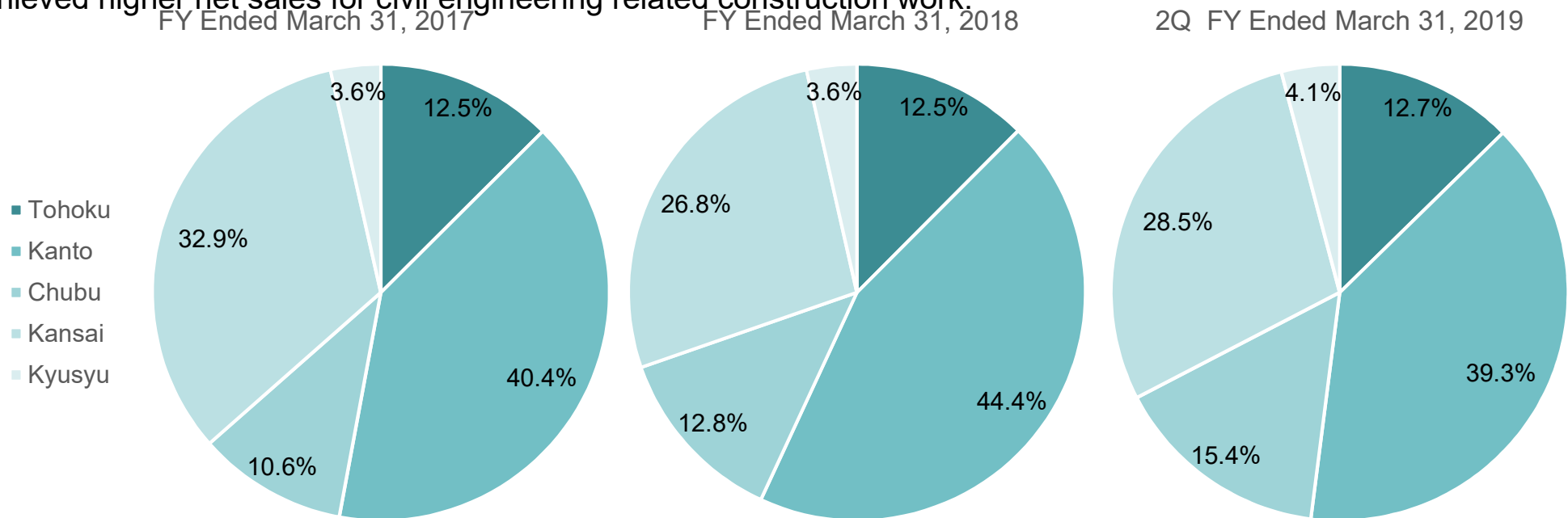




## 4. Rental Business

### 4.3 Ratio of Sales by Area

Among those achieving higher revenues than the previous year, Kansai and Chubu areas in particular achieved higher net sales for civil engineering related construction work.



\*NOTE: Chugoku/Shikoku block is included in Kansai block.



## 5. Overseas business

### 5.1 Comparison with the previous year

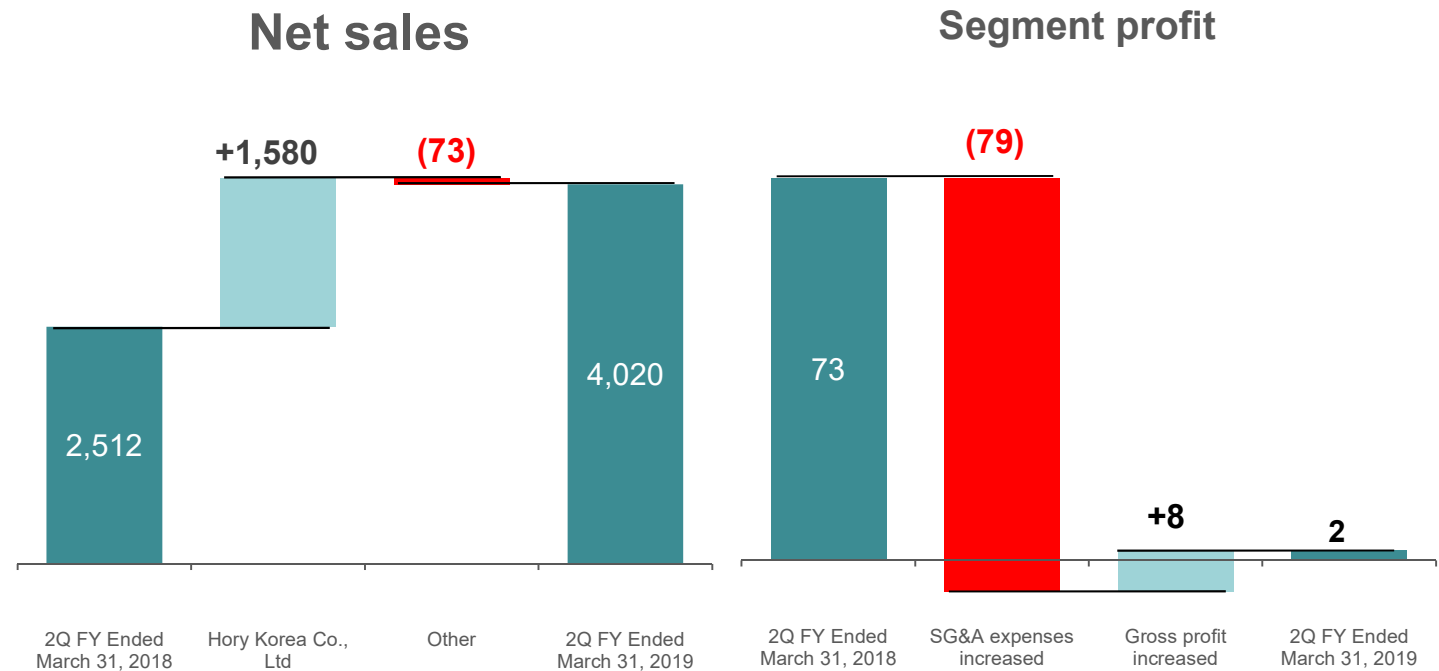
#### Net sales

Although export to Japan decreased, Hory Korea achieved higher revenues thanks to order-taking for large-scale sales of solar panel mounting frames.

#### Segment profit

Decreased by 70 million yen.

Low gross profit in large-scale sales of solar panel mounting frames, and proactive investment in assets for rent towards business expansion as well as establishing an equipment center in the Philippines contributed to increase in depreciation and SG&A expenses, resulting in lower earnings.



(Unit : million yen)

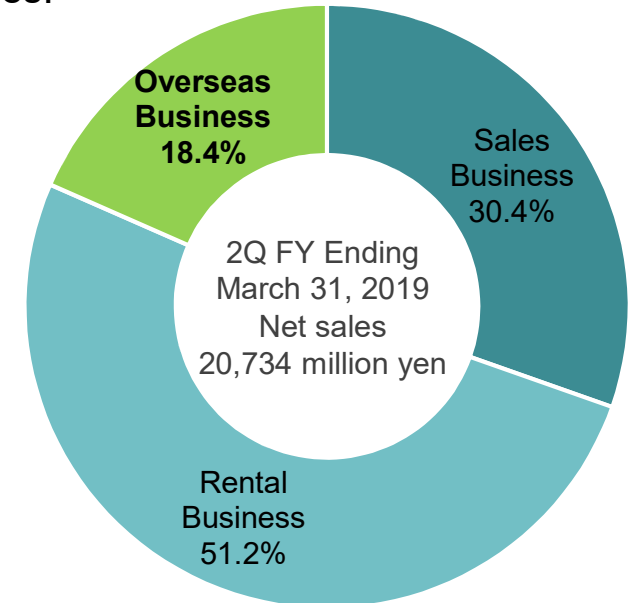
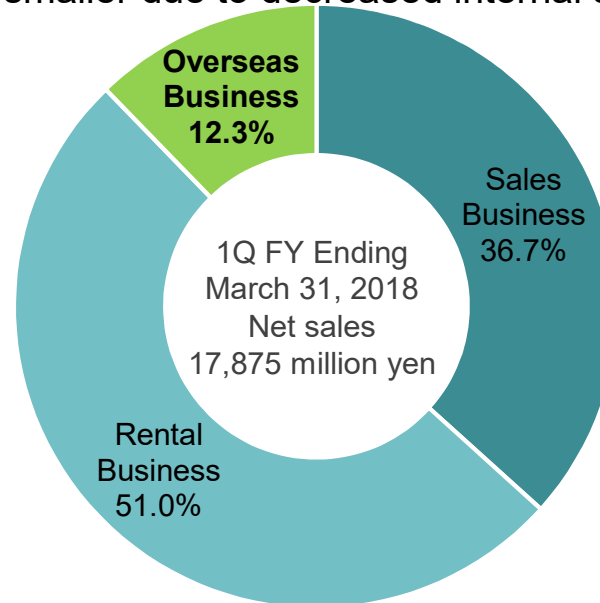
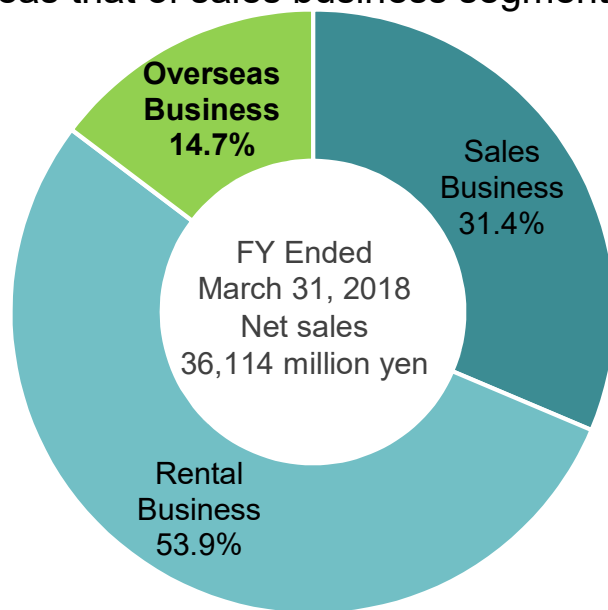
\* "Sales Ratio by Segment" is based on net sales before inter-segment elimination.



## 5. Overseas business

### 5.2 Sales Ratio by Segment

Proportion of overseas business segment got larger due to increased revenues of the subsidiary in Korea, whereas that of sales business segment got smaller due to decreased internal sales.

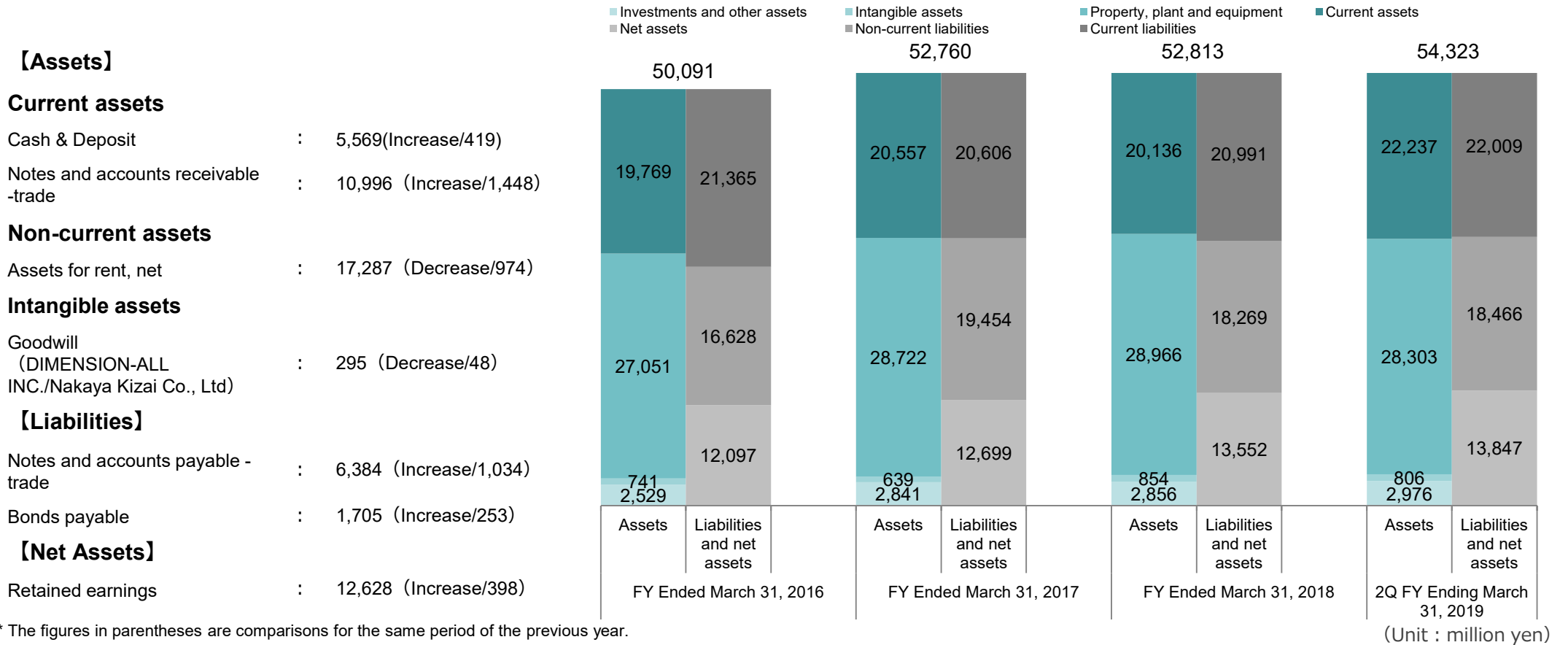


\* "Sales Ratio by Segment" is based on net sales before inter-segment elimination.





## 6. Change in Consolidated Balance Sheet



\* The figures in parentheses are comparisons for the same period of the previous year.

(Unit : million yen)



## 7. Cash flow statement

### 【Cash flows from operating activities】

Profit before income taxes	:	1,120 (Increase/281)
Depreciation	:	2,361 (Increase/42)
Purchase of assets for lease	:	(870) (Decrease/209)
Decrease (increase) in notes and accounts receivable - trade	:	(1,461) (Increase/2,439)
Decrease (increase) in inventories	:	(1,014) (Decrease/487)
Increase (decrease) in notes and accounts payable - trade	:	1,033 (Increase/1,271)

### 【Cash flows from investing activities】

Purchase of property, plant and equipment	:	(520) (Increase/94)
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### 【Cash flows from financing activities】

Net increase (decrease) in short-term loans payable	:	(133) (Decrease/1,102)
Proceeds from long-term loans payable	:	3,252 (Increase/1,739)
Repayments of long-term loans payable	:	(3,144) (Increase/222)

\* The figures in parentheses are comparisons for the same period of the previous year.

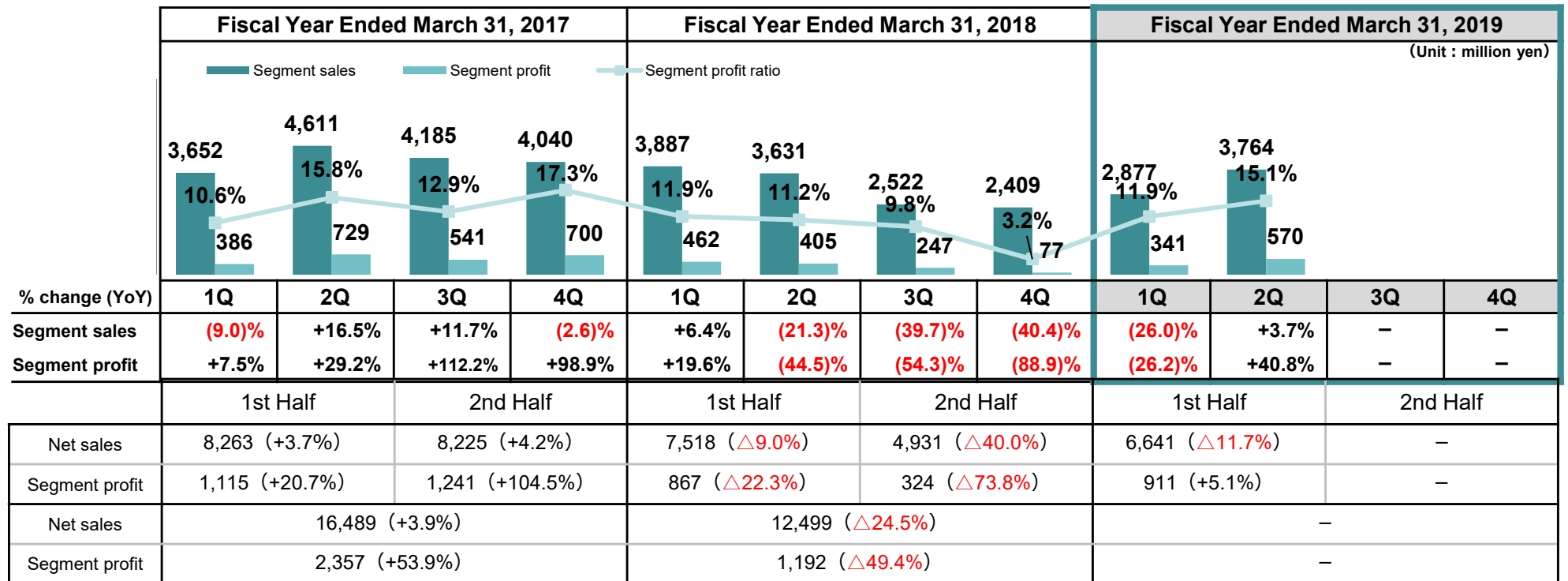
(Unit : million yen)

	2Q FY Ending March 31, 2018	2Q FY Ending March 31, 2019
<b>Net income before income taxes</b>	<b>838</b>	<b>1,120</b>
<b>Net cash provided by(used in) operating activities</b>	<b>535</b>	<b>1,172</b>
<b>Net cash provided by(used in) investing activities</b>	<b>(817)</b>	<b>(570)</b>
<b>Net cash provided by(used in) financing activities</b>	<b>(863)</b>	<b>(172)</b>
<b>Effect of exchange rate change on cash and cash equivalents</b>	<b>(27)</b>	<b>(10)</b>
<b>Net increase in cash and cash equivalents</b>	<b>(1,172)</b>	<b>419</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>5,187</b>	<b>4,750</b>
<b>Cash and cash equivalents at end of period</b>	<b>4,015</b>	<b>5,169</b>



## 8. Three-year performance

### 8.1 Sales business



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



## 8. Three-year performance

### 8.2 Rental Business

	Fiscal Year Ended March 31, 2017				Fiscal Year Ended March 31, 2018				Fiscal Year Ended March 31, 2019			
	(Unit : million yen)											
% change (YoY)	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Segment sales	+11.6%	+7.9%	+13.5%	+0.8%	+4.4%	(5.6)%	(9.1)%	(3.2)%	+0.9%	+13.0%	—	—
Segment profit	+44.0%	(9.1)%	(4.2)%	(54.0)%	(50.1)%	(39.2)%	(20.5)%	+16.2%	+41.3%	+51.6%	—	—
	1st Half		2nd Half		1st Half		2nd Half		1st Half		2nd Half	
Net sales	10,549 (+9.6%)		11,663 (+7.1%)		10,458 ((0.9)%)		10,923 ((6.4)%)		11,187 (+7.0%)		—	
Segment profit	1,056 (+4.7%)		1,211 ((28.9)%)		600 ((43.1)%)		1,105 ((8.8)%)		891 (+48.4%)		—	
Net sales	22,213 (+8.3%)				21,382 ((3.7)%)				—			
Segment profit	2,267 ((16.4)%)				1,705 ((24.8)%)				—			

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



## 8. Three-year performance

### 8.3 Overseas business

	Fiscal Year Ended March 31, 2017				Fiscal Year Ended March 31, 2018				Fiscal Year Ended March 31, 2019			
	(Unit : million yen)											
% change (YoY)	1Q	2Q	3Q	4Q	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%	+77.2%	+46.1%	—	—
Segment profit	(204.5)%	(3,216.5)%	(142.9)%	(167.0)%	+80.4%	+202.4%	+117.9%	+225.4%	(850.0)%	(57.4)%	—	—
	1st Half		2nd Half		1st Half		2nd Half		1st Half		2nd Half	
Net sales	1,937 ((15.9)%)		2,260 ((9.6)%)		2,512 (+29.7%)		3,319 (+46.8%)		4,020 (+60.0%)		—	
Segment profit	(101) ((571.3)%)		(88) ((155.7)%)		73 (+172.3%)		76 (+186.4%)		3 ((96.0)%)		—	
Net sales	4,198 ((12.7)%)				5,832 (+38.9%)				—			
Segment profit	(189) ((205.4)%)				149 (+178.8%)				—			

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



## 9. FY Ending March 31, 2019

### Consolidated performance forecast (Cumulative period)

All the business segments of Sales/Rental/Overseas have maintained steady growth and it is anticipated that such situation would continue in the second half as well with no problem. Nevertheless, the Company has not amended the full-term forecasts considering the possibility of shipment becoming stagnant by delay in construction work due to shortage of labor and materials, natural disasters and other factors.

(Unit : million yen)	FY Ending March 31, 2019				(Reference) FY Ended March 31, 2018 Results
	2Q	% change (YoY)	4Q	% change (YoY)	
Net sales	<b>20,734</b>	<b>+16.0%</b>	<b>41,000</b>	<b>+13.5%</b>	36,114
Operating income	<b>1,087</b>	<b>+35.1%</b>	<b>2,500</b>	<b>+47.8%</b>	1,690
Ordinary income	<b>1,121</b>	<b>+33.3%</b>	<b>2,230</b>	<b>+38.5%</b>	1,610
Profit attributable to owners of parent	<b>698</b>	<b>+14.9%</b>	<b>1,333</b>	<b>+6.5%</b>	1,252
Earnings per share	<b>16.31 yen</b>		<b>31.11 yen</b>		29.26 yen



## 10. 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 yen</b>	<b>10 yen</b>	<b>11 yen</b>	<b>11 yen</b>
内訳) 1Q	—	—	—	—
2Q	3.5 yen	3.5 yen	4.0 yen	4.0 yen
3Q	—	—	—	—
4Q	6.5 yen	6.5 yen	7.0 yen	7.0 yen
Total amount of dividends	442 million yen	428 million yen	471 million yen	—
Dividend payout ratio	20.8%	28.5%	37.6%	35.4%
Treasury shares	702 million yen	529 million yen	0 million yen	—
Total return ratio	53.1%	63.2%	37.6%	—
ROE	18.5%	12.6%	9.8%	—



# Forecasts and strategies for the future

November 21, 2018

SRG TAKAMIYA Co., Ltd.  
Grand Front Osaka, Tower B, 27F, 3-1 Ofuka-cho, Kita-ku, Osaka 530-0011, Japan





# 1. Medium-Term Management Plan 2018

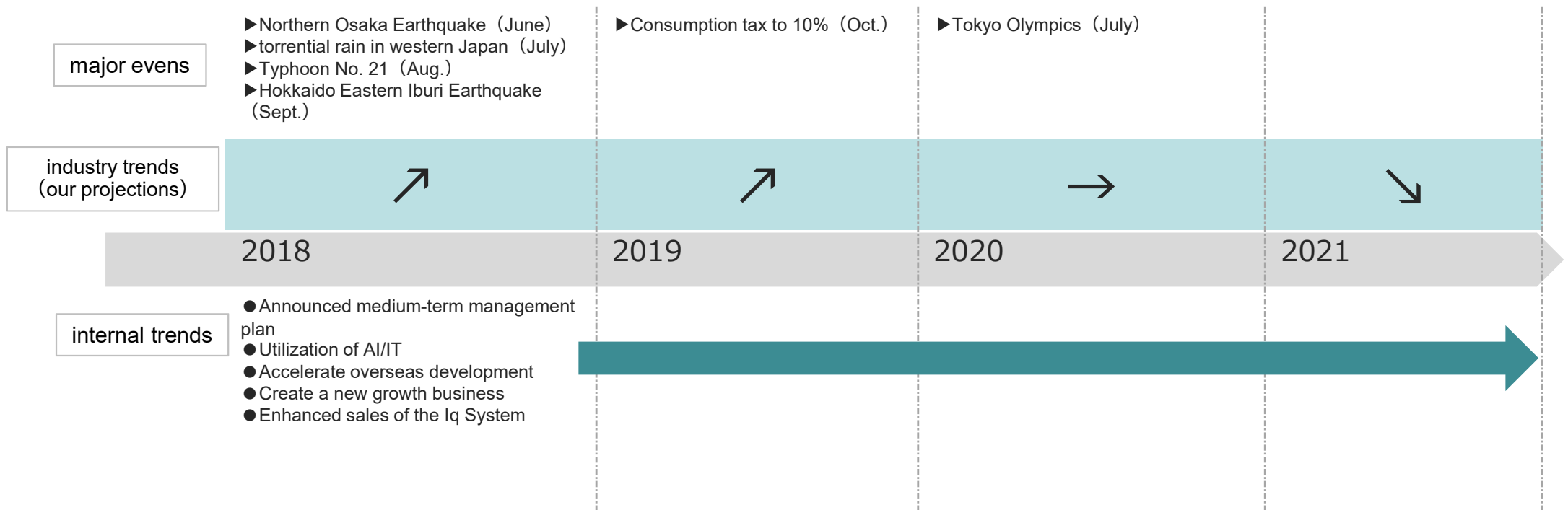
## 1.1 Vision and Profit Target

Vision	Create new value through transformation and aim to become a corporate group that drives qualitative development of the industry
Sales target	Fiscal Year Ending March 31, 2021 Consolidated net sales 500 billion yen
Profit Target	Fiscal Year Ending March 31, 2021 Consolidated operating income 4 billion yen



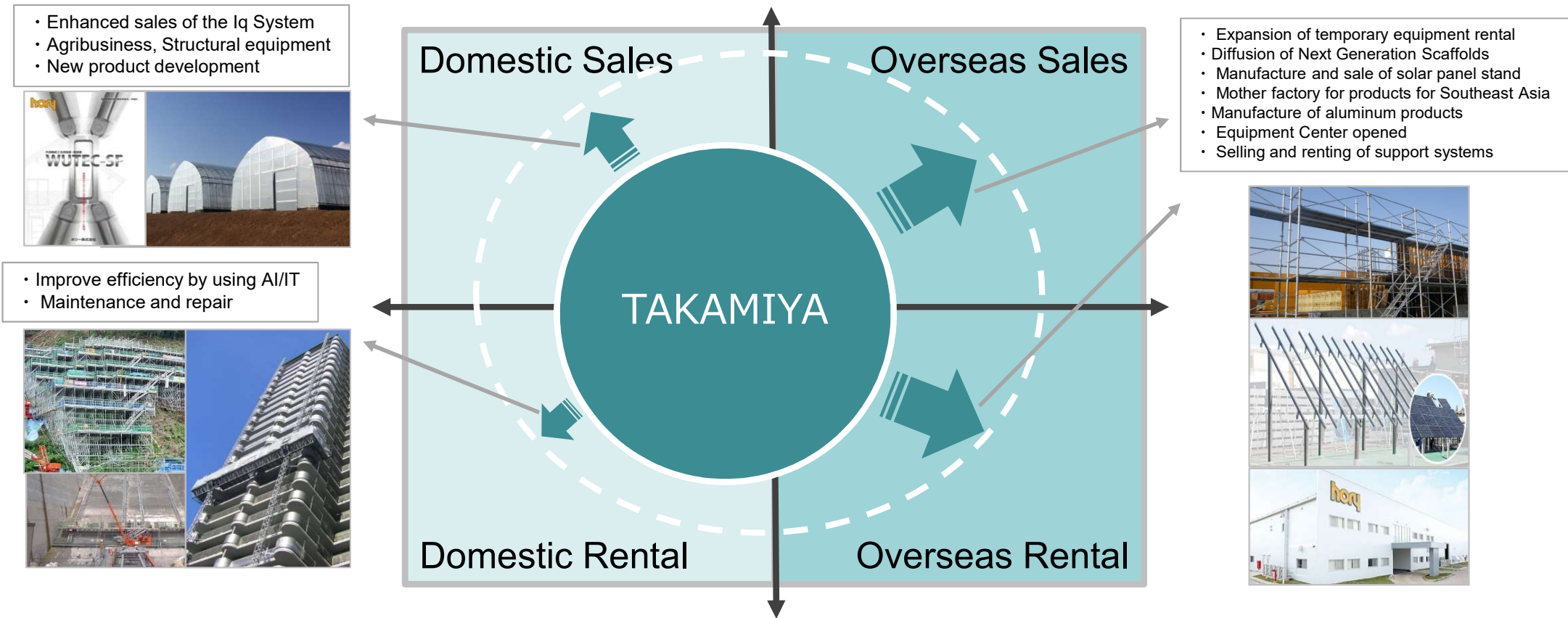
## 2. Future prospects

Domestically, the Company aims at increasing earnings by reduced investment and higher operational efficiency, and enhancement of new business and overseas business.



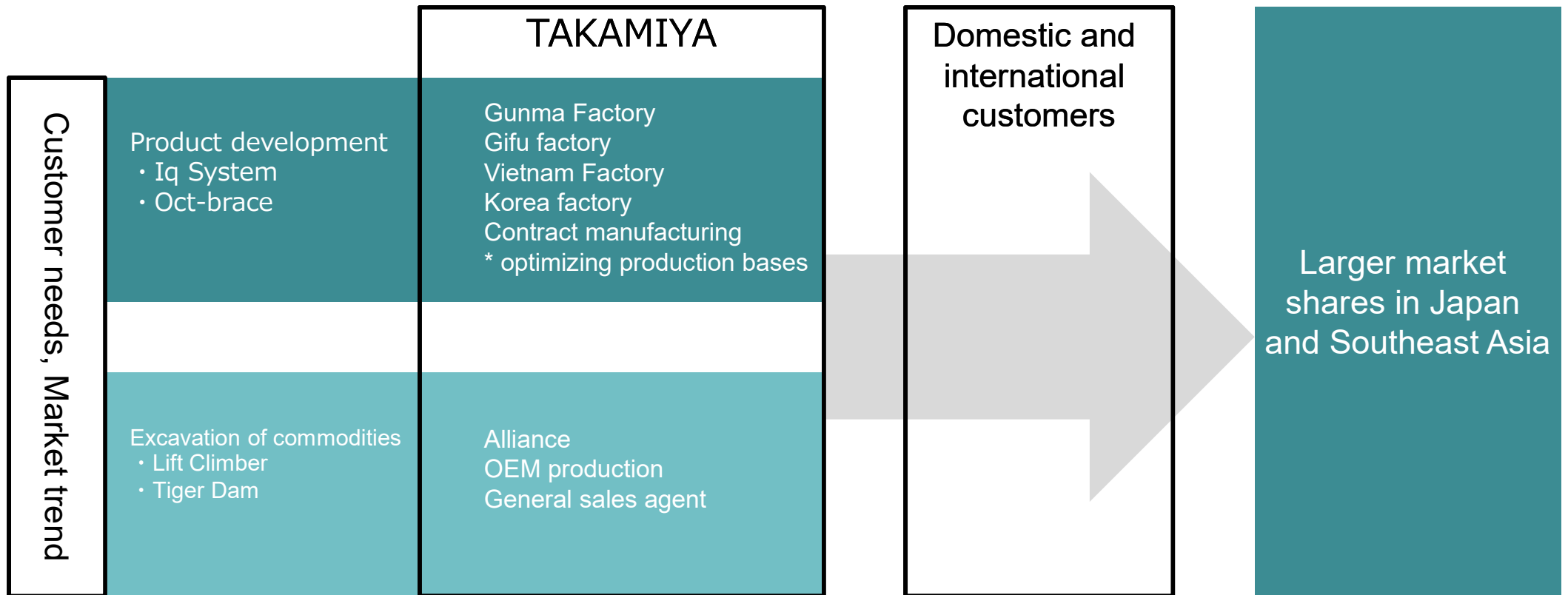


### 3. Business strategy image





### 3. Business strategy image





### 3. Business strategy image





## 4. Forecasts and policy for the future

Sales	To capture demands caused by shifting from framework scaffolding to the next generation scaffolding (sales target of 11 billion yen in 3 years)
	To establish agri-business and structural equipment business, develop new products, and create new business
Rental	To make use of AI/IT, improve operational efficiency and accuracy (raising average equipment utilization rate to 55.7 during FY03/2021)
	To respond to maintenance/repair/renovation works after 2020
Overseas	To transform the factory into a mother as the production base of products for Southeast Asian markets
	To expand sales channels by investment in assets for rent and by opening up an equipment center
	To expand rental business of temporary equipment and make the next generation scaffolding more popular



# Reference materials

November 21, 2018

SRG TAKAMIYA Co., Ltd.  
Grand Front Osaka, Tower B, 27F, 3-1 Ofuka-cho, Kita-ku, Osaka 530-0011, Japan



# 1. Sales business

<p>Construction-related</p>	<p>Construction-related</p>	<p>Construction-related</p>	<p>Construction-related</p>
<p><b><u>Joint(clamp)</u></b> General-purpose equipment used in any work sites</p>	<p><b><u>Next generation scaffolding (Iq system)</u></b> New scaffolding with high safety performance, an alternative to the conventional building frames</p>	<p><b><u>Hanging type scaffolding (Spider Panel)</u></b> Walking panel hung with chains, mainly used in bridge repair work</p>	<p><b><u>Safety member</u></b> Preceding handrails, baseboards, handrail members, etc.</p>
<p>Building materials-related</p>	<p>Environment-related</p>	<p>Environment-related</p>	<p>Sales of Secondhands</p>
<p><b><u>Seismic motion mitigation equipment for wooden Housing</u></b> Original product of Hory (supporting new and existing housing)</p>	<p><b><u>Solar-power generation panel installation frame</u></b> Sales of residential and industrial panel mounting frames</p>	<p><b><u>Agricultural greenhouses, cultivation shelves</u></b> Agricultural greenhouses and multi-level hydroponic cultivation shelves based on scaffolding</p>	<p><b><u>Temporary equipment and materials</u></b> Procurement and sales of new and used equipment and materials Sales of leased assets</p>





## 2. Sales 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



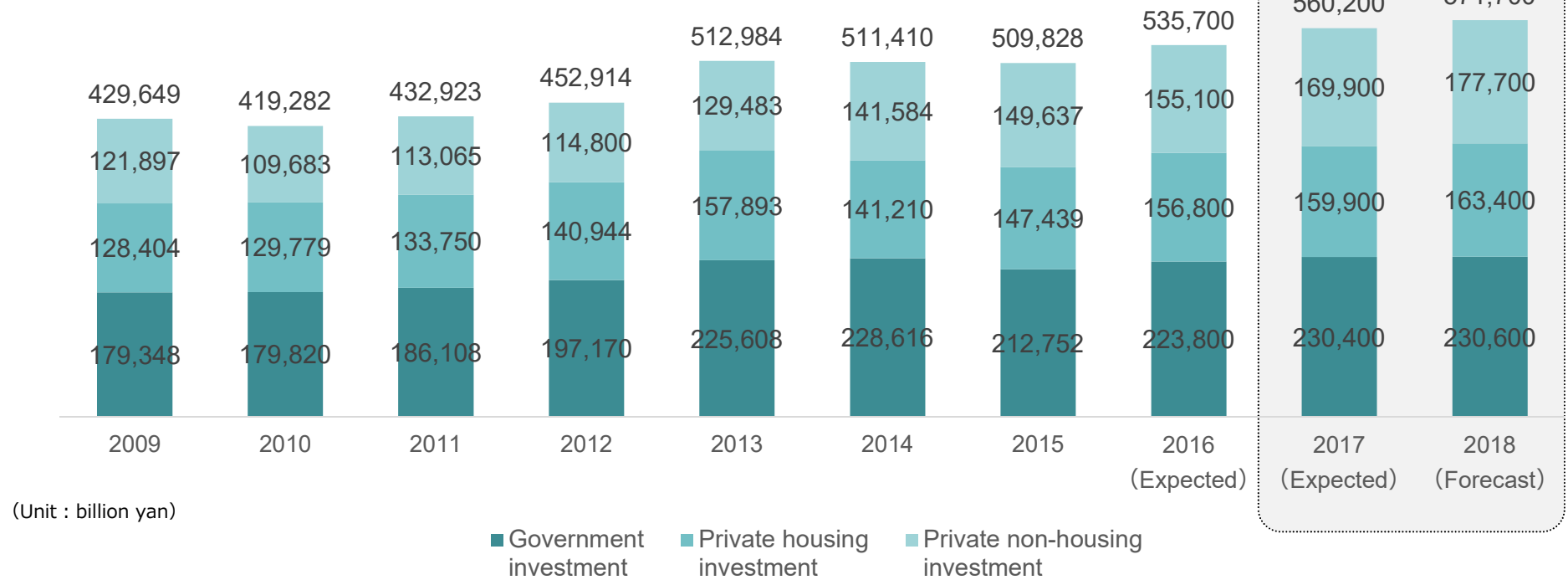
### 3. Overseas bases and business activities

Hory Korea Co.,Ltd	HORY VIETNAM Co.,Ltd	DIMENSION-ALL INC.
		<p style="text-align: right;">* The Philippines</p> 
<p>Carrying out manufacture/sales/rental of temporary equipment for construction works and solar panel mounting frames; there are still solid demands for solar panel mounting frames.</p>	<p>Carrying out manufacture of clamps for Japanese markets; manufacture of clamps and temporary equipment for South-east Asian markets. Looking to building up its structure for development/manufacture of highly versatile products.</p>	<p>Carrying out sales/rental of formwork and falsework. Featuring very high utilization rates in the context of construction demands rising vigorously in the Philippines.</p>



## 4. Change in Domestic Construction Investment

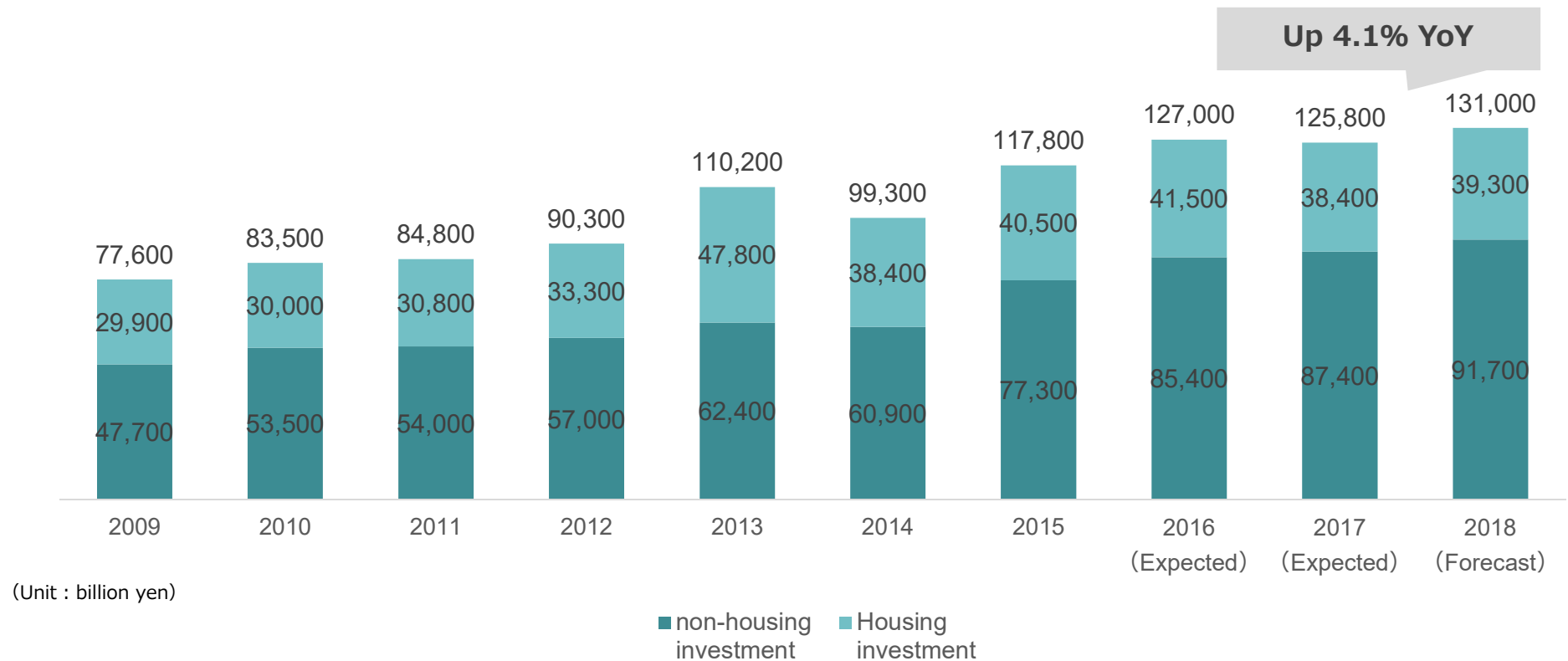
\* Source: Research Institute of Construction and Economy, "Quarterly Outlook of Construction and Macro Economy", June 2018





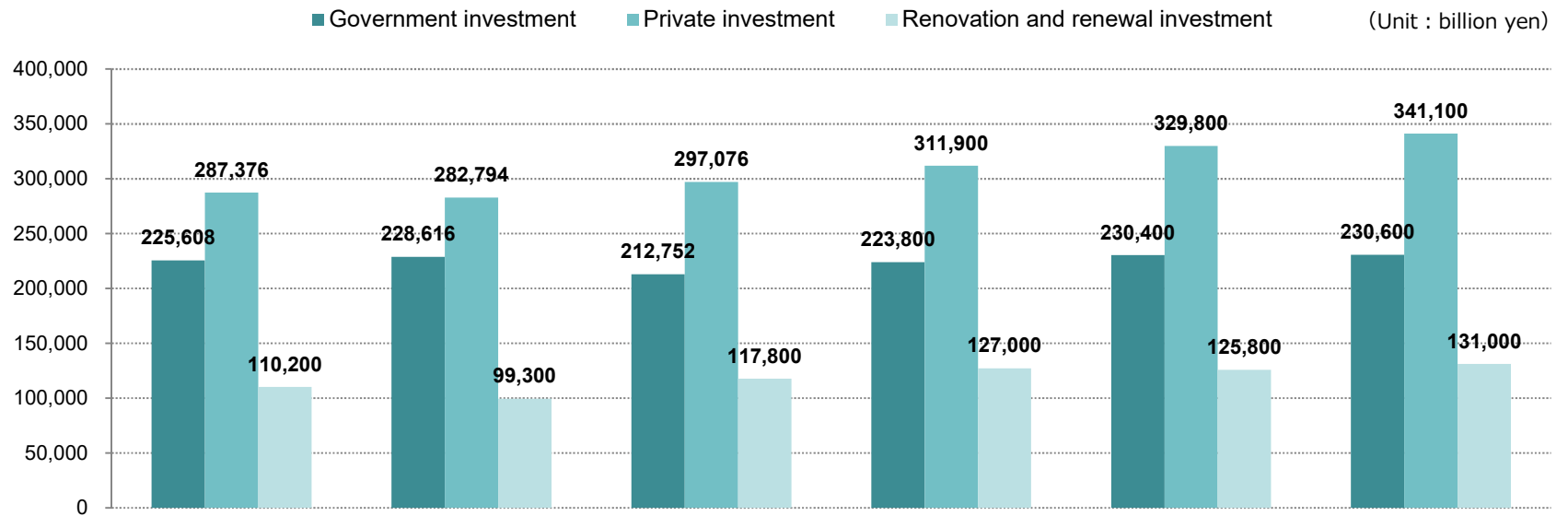
## 5. Changes in invested amount for domestic building reform/renewal

\* Source: Ministry of Land, Infrastructure Transport and Tourism, "Estimate of Construction Investment, FY2018", June 2018





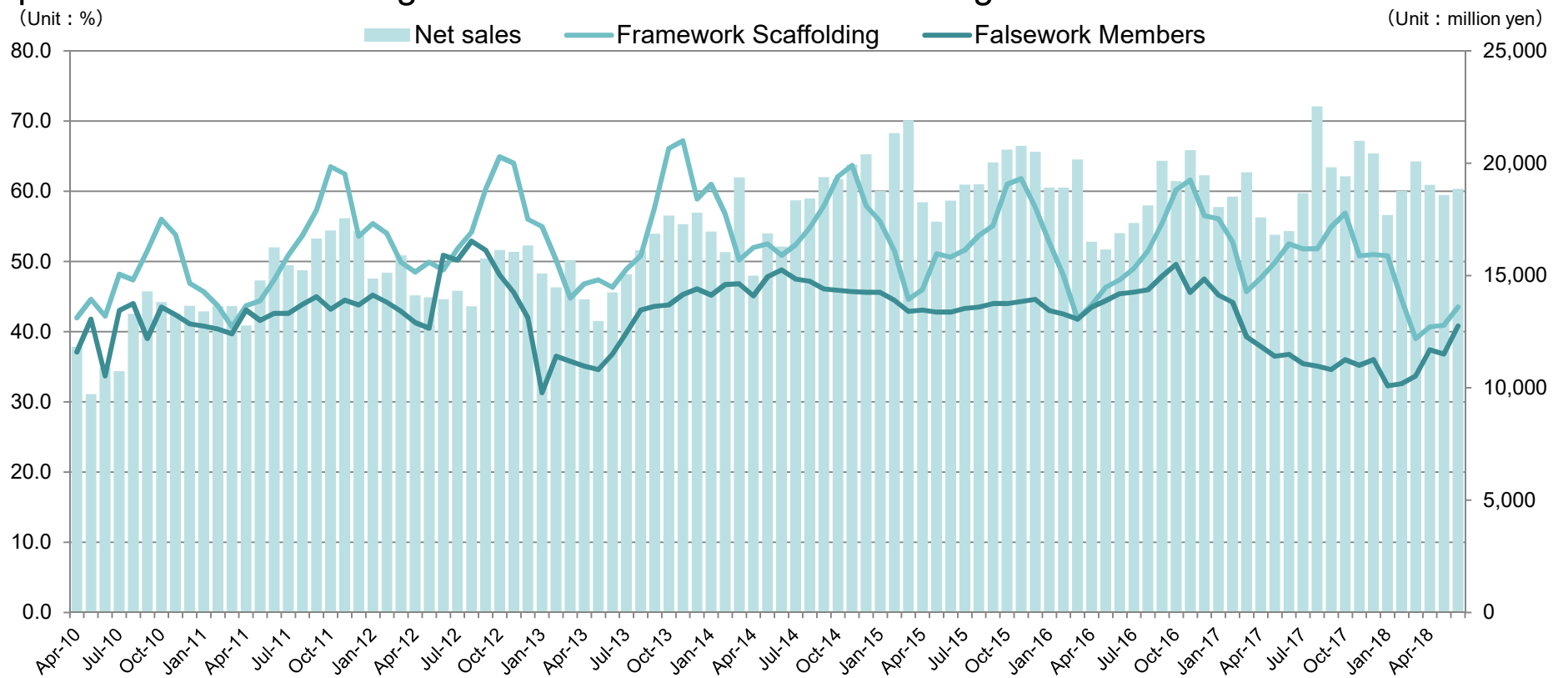
## 6. Change in Domestic Construction Investment



Rates year on year	2013	2014	2015	2016 (Expected)	2017 (Expected)	2018 (Forecast)
Government investment	14.4%	1.3%	(6.9)%	5.2%	2.9%	0.1%
Private investment	12.4%	(1.6)%	5.1%	5.0%	5.7%	3.4%
Renovation and renewal investment	22.0%	(9.9)%	18.6%	7.8%	(0.9)%	4.1%



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

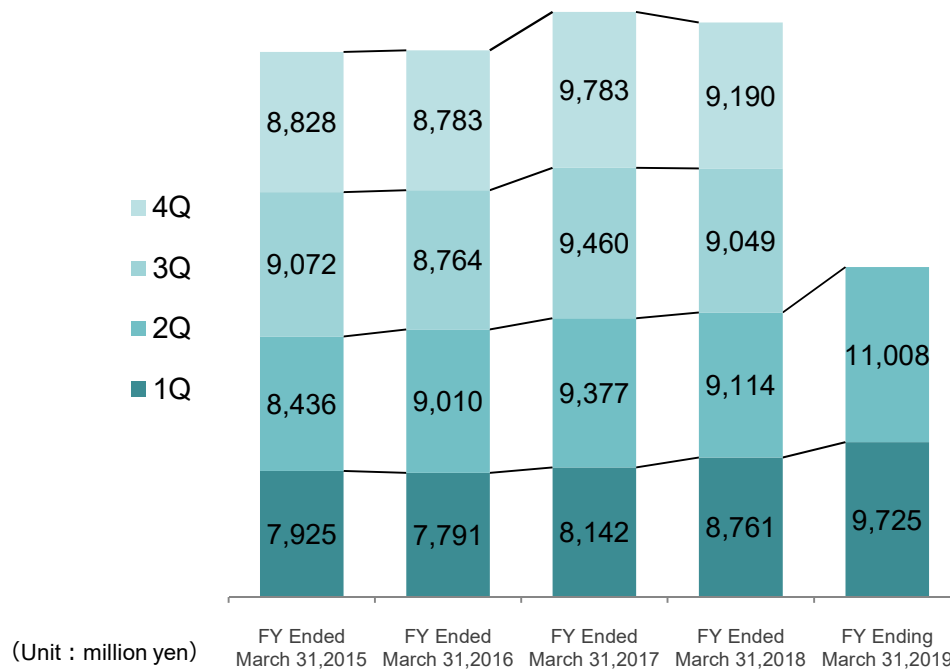


\* Source: This data has been processed from the Ministry of Land, Infrastructure, Transport and Tourism's "Builder's Equipment Leasing Business Dynamics Survey Time Series."

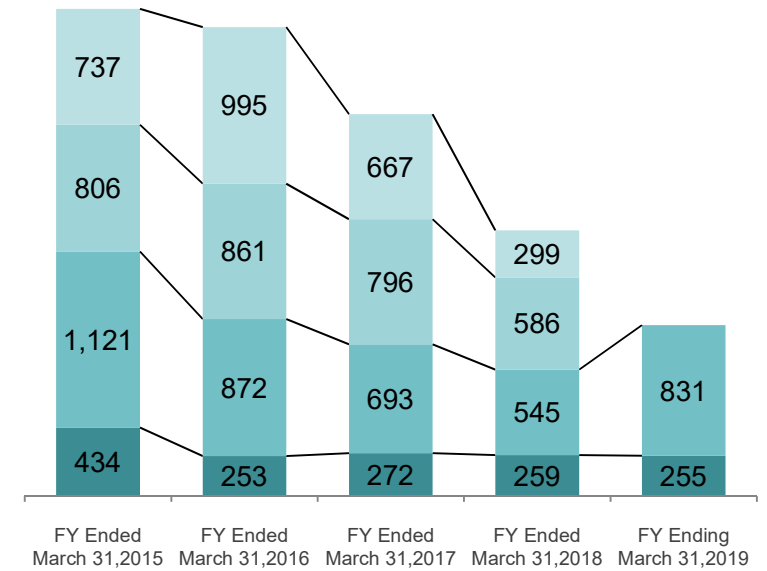


## 8. Change in Financial Results

### Net sales



### Operating income





## 9. Change in Overseas Market

Country	(Billion dollars) (Million people)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Japan	Nominal GDP	6,203	5,155	4,850	4,394	4,949	4,872	5,167	5,362	5,498	5,641
	Population	127	127	127	126	126	126	126	126	125	125
South Korea	Nominal GDP	1,222	1,305	1,411	1,382	1,411	1,498	1,693	1,777	1,863	1,957
	Population	50	50	50	51	51	51	51	51	52	52
Thailand	Nominal GDP	397	420	407	401	411	455	483	520	550	581
	Population	67	68	68	68	68	69	69	69	69	69
Vietnam	Nominal GDP	155	170	185	191	201	220	240	264	290	316
	Population	88	89	90	91	92	93	94	95	96	97
Philippines	Nominal GDP	250	271	284	292	304	313	332	355	392	430
	Population	96	98	99	101	103	105	107	109	111	113
Singapore	Nominal GDP	290	304	311	304	309	323	349	367	385	401
	Population	5	5	5	5	5	5	5	5	5	5
Malaysia	Nominal GDP	314	323	338	296	296	314	364	402	439	478
	Population	29	30	30	31	31	32	32	32	33	33
Myanmar	Nominal GDP	59	60	65	59	63	66	70	74	83	91
	Population	50	50	51	51	52	52	52	53	53	53
Indonesia	Nominal GDP	919	916	891	860	932	1,015	1,074	1,152	1,247	1,340
	Population	245	248	252	255	258	261	265	268	272	275

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





## 10. Change in Consolidated Financial Results

(Unit:million yen)	FY Ended March 31, 2008	FY Ended March 31, 2009	FY Ended March 31, 2010	FY Ended March 31, 2011	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	15,129	15,338	14,530	17,490	23,201	28,113	32,443	34,261	34,350	36,763	36,114
Gross Profit	6,877	6,763	5,760	5,981	7,202	8,196	9,832	10,856	11,291	10,991	10,431
SG&A	4,765	4,965	5,081	5,258	6,165	6,590	6,781	7,758	8,307	8,561	8,740
Operating income (1)	2,111	1,797	678	722	1,037	1,605	3,051	3,098	2,983	2,429	1,690
Ordinary income	1,950	1,605	607	621	1,080	1,553	3,006	3,325	2,731	2,337	1,610
Net income	888	513	337	302	755	807	1,768	2,070	2,153	1,516	1,252
Depreciation and amortization (CF) (2)	2,307	2,487	2,602	2,745	3,088	3,280	3,369	3,649	4,137	4,502	4,662
EBITDA((1) + (2))	4,419	4,284	3,280	3,468	4,126	4,886	6,421	6,747	7,120	6,932	6,353
	FY Ended March 31, 2008	FY Ended March 31, 2009	FY Ended March 31, 2010	FY Ended March 31, 2011	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)	17.7%	9.5%	6.1%	5.4%	12.7%	12.2%	21.5%	19.8%	18.5%	12.6%	9.8%
Return on sales (3)	5.9%	3.3%	2.3%	1.7%	3.3%	2.9%	5.4%	6.0%	6.3%	4.1%	3.5%
Total asset turnover (4)	0.7	0.6	0.6	0.6	0.7	0.8	0.9	0.8	0.7	0.7	0.7
ROA ((3) × (4)) (Return on assets)	8.5%	6.6%	2.4%	2.3%	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.



## 11. Change in Consolidated Balance Sheet

(Unit:million yen)	FY Ended March 31, 2008	FY Ended March 31, 2009	FY Ended March 31, 2010	FY Ended March 31, 2011	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
Current assets	6,793	6,742	6,638	10,396	12,202	13,725	15,892	18,213	19,769	20,557	20,136
Non-current assets	16,766	18,215	18,644	19,198	20,269	20,262	21,353	25,307	30,321	32,203	32,677
Current liabilities	9,964	9,245	9,209	10,745	12,351	14,117	15,356	18,070	21,365	20,606	20,991
Short-term loans payable	920	1,700	800	971	417	416	1,200	3,168	4,958	5,163	6,645
Non-current liabilities	8,174	10,169	10,394	13,110	13,740	12,760	12,130	13,687	16,628	19,454	18,269
Long-term loans payable	5,348	7,006	8,187	9,862	10,036	9,637	9,376	10,913	13,304	15,403	13,653
Net assets(Equity)	5,421	5,543	5,679	5,738	6,380	7,110	9,758	11,762	12,097	12,699	13,552
Total assets	23,559	24,958	25,283	29,594	32,472	33,987	37,245	43,520	50,091	52,760	52,813
Current ratio	68.2%	72.9%	72.1%	96.8%	98.8%	97.2%	103.5%	100.8%	92.5%	99.8%	95.9%
Non-current assets to equity ratio	314.0%	335.0%	333.7%	339.9%	323.2%	291.7%	224.4%	221.0%	257.7%	261.0%	247.7%
Equity ratio	22.7%	21.8%	22.1%	19.1%	19.3%	20.4%	25.5%	26.3%	23.5%	23.4%	25.0%
D/E ratio	246.8%	284.9%	273.0%	306.1%	311.5%	279.0%	196.5%	188.9%	226.4%	237.4%	223.6%



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

(Unit : million yen)

		FY Ended March 31, 2018				FY Ending March 31, 2019			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
<b>Sales business</b>	Segment sales	3,887	3,631	2,522	2,409	2,877	3,764	—	—
	(Of which) Inter-segment sales	2,804	2,902	2,531	2,428	2,853	3,702	—	—
	Segment profit	462	404	247	77	341	570	—	—
	Segment margin (%)	11.9%	11.1%	9.8%	3.2%	11.9%	15.1%	—	—
	(YoY % change)								
	Segment sales	+6.4%	(21.3)%	(39.7)%	(40.4)	(26.0)	+3.7%	—	—
	Segment profit	+19.6%	(44.5)%	(54.3)%	(88.9)	(26.2)	+40.8%	—	—
<b>Rental business</b>	Segment sales	5,230	5,228	5,610	5,312	5,279	5,908	—	—
	(Of which) Inter-segment sales	5,177	5,178	5,581	5,289	5,253	5,831	—	—
	Segment profit	188	412	654	451	265	625	—	—
	Segment margin (%)	3.6%	7.9%	11.7%	8.5%	5.0%	10.6%	—	—
	(YoY % change)								
	Segment sales	+4.4%	(5.6)%	(9.1)%	(3.2)	+0.9%	+13.0%	—	—
	Segment profit	(50.1)%	(39.2)%	(20.6)%	+16.2%	+41.3%	+51.6%	—	—
<b>Overseas business</b>	Segment sales	1,123	1,388	1,405	1,913	1,991	2,028	—	—
	(Of which) Inter-segment sales	778	1,033	935	1,472	1,599	1,493	—	—
	Segment profit	(4)	78	5	70	(30)	33	—	—
	Segment margin (%)	(0.4)%	5.6%	0.4%	3.7%	(1.5)%	1.6%	—	—
	(YoY % change)								
	Segment sales	+11.6%	+49.2%	+40.9%	+51.5%	77.2%	+46.1%	—	—
	Segment profit	—	—	—	—	—	(57.4)%	—	—
	<b>Total net sales</b>	<b>10,241</b>	<b>10,248</b>	<b>9,539</b>	<b>9,635</b>	<b>10,148</b>	<b>11,700</b>	—	—
	(Of which) Inter-segment sales	8,761	9,113	9,048	9,190	9,705	11,028	—	—



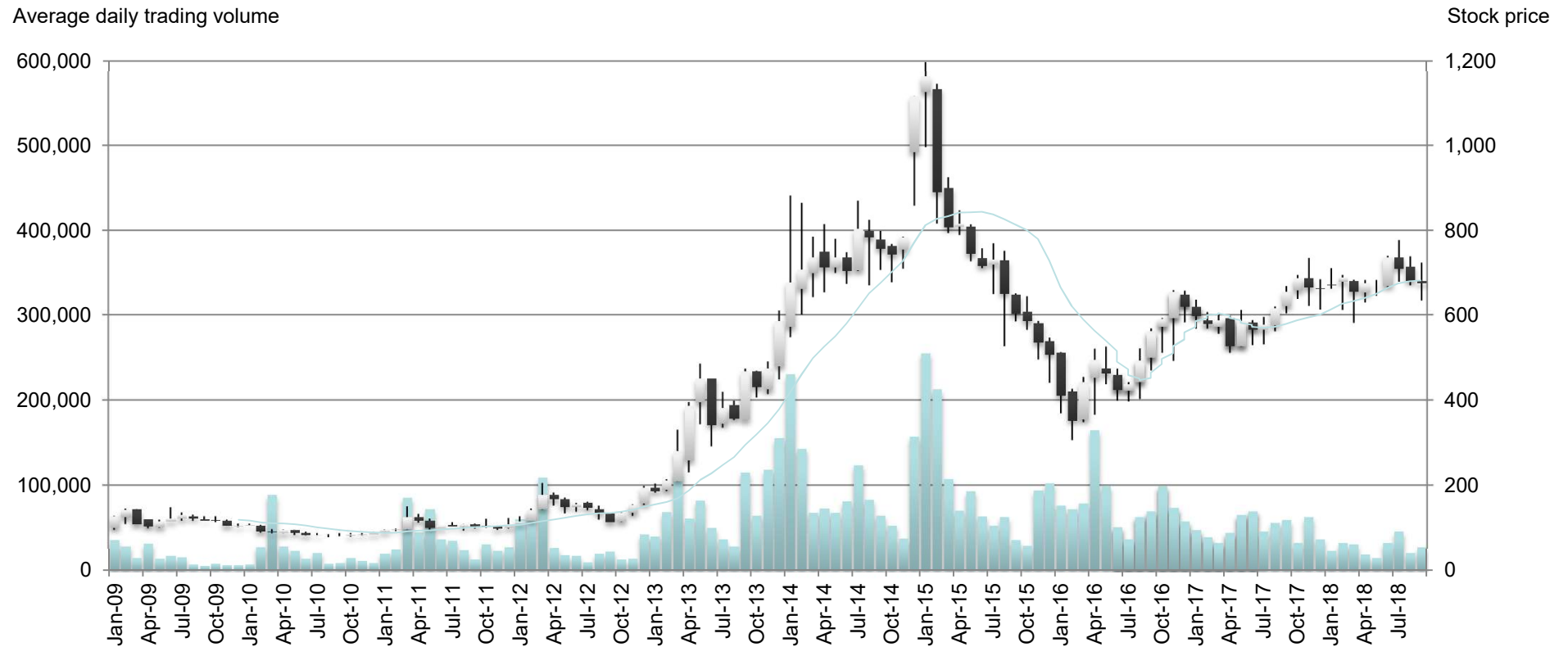
## 13. Quarterly Change in Results by Segment (Cumulative Period)

(Unit : million yen)

		FY Ended March 31, 2018				FY Ending March 31, 2019			
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
<b>Sales business</b>	Segment sales	3,887	7,518	10,040	12,449	2,877	6,641	–	–
	(Of which) Inter-segment sales	2,804	5,707	8,239	10,667	2,853	6,555	–	–
	Segment profit	462	867	1,114	1,192	341	911	–	–
	Segment margin (%)	11.9%	11.5%	11.1%	9.6%	11.9%	13.7%	–	–
(YoY % change)	Segment sales	+6.4%	(9.0)%	(19.3)%	(24.5)%	(26.0)	(11.7)	–	–
	Segment profit	+19.6%	(22.3)%	(32.7)%	(49.4)%	(26.2)	+5.1	–	–
<b>Rental business</b>	Segment sales	5,230	10,458	16,069	21,382	5,279	11,187	–	–
	(Of which) Inter-segment sales	5,177	10,355	15,937	21,226	5,253	11,084	–	–
	Segment profit	188	600	1,254	1,705	265	891	–	–
	Segment margin (%)	3.6%	5.7%	7.8%	8.0%	5.0%	8.0%	–	–
(YoY % change)	Segment sales	+4.4%	(0.9)%	(3.9)%	(3.7)%	+0.9%	+7.0%	–	–
	Segment profit	(50.1)%	(43.1)%	(33.2)%	(24.8)%	+41.3%	+48.4%	–	–
<b>Overseas business</b>	Segment sales	1,123	2,512	3,918	5,832	1,991	4,020	–	–
	(Of which) Inter-segment sales	778	1,812	2,747	4,220	1,599	3,093	–	–
	Segment profit	(4)	73	78	149	(30)	2	–	–
	Segment margin (%)	(0.4)%	2.9%	2.0%	2.6%	(1.5)%	0.1%	–	–
(YoY % change)	Segment sales	+11.6%	+29.7%	+33.5%	+38.9%	77.2%	60.0%	–	–
	Segment profit	–	–	–	–	–	(96.0)%	–	–
<b>Total net sales</b>		<b>10,241</b>	<b>20,489</b>	<b>30,028</b>	<b>39,664</b>	<b>10,148</b>	<b>21,849</b>	–	–
(Of which) Inter-segment sales		8,761	17,875	26,924	36,114	9,705	20,734	–	–



## 14. Stock Price of SRG TAKAMIYA (2445:Tokyo)





# 15. IR Contact

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The purpose of this material is to provide information pertaining to the Second Quarter of the fiscal year ended March 31, 2019. It is not intended to solicit investment in securities issued by the Company. These materials were prepared based on data available as of March 31, 2019, with some exceptions. The opinions, estimates, etc. described in these materials are the Company's assessments as of the date of preparation of the materials. The Company does not guarantee or make any promises regarding the accuracy or safety of the information. Furthermore, in the future, the Company may change the information without prior notice.



**SRG Takamiya**  
SUPER RENTAL GROUP