Translation

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# Summary of Consolidated Financial Results for the Twelve Months Ended January 31, 2014 (Based on Japanese GAAP)

March 17, 2014

| | | | |
|---|---|---|---|
| Company name | Iida Group Holdings Co., Ltd. | | |
| Stock exchange listing | Tokyo | | |
| Stock Code | 3291 URL http://www.ighd.co.jp | | |
| Representative | President, Representative Director | Yoichi Nishikawa | |
| Inquiries | Managing Director & General Manager, Corporate Planning Department | Hideki Aoyagi | TEL 042(452)5791 |
| Scheduled date to file Quarterly Securities Report | | March 17, 2014 | |
| Scheduled date to commence dividend payments | | - | |
| Preparation of supplementary material on quarterly earnings | | no | |
| Holding of quarterly earnings performance review | | no | |

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the twelve months ended January 31, 2014 (from February 1, 2013 to January 31, 2014)

(1) Consolidated operating results (cumulative) Percentages indicate year-on-year changes

| | Net sales | | Operating income | | Ordinary income | | Net income | |
|---|---|---|---|---|---|---|---|---|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| Twelve months ended January 31, 2014 | 498,048 | - | 41,426 | - | 39,450 | - | 25,347 | - |
| Twelve months ended January 31, 2013 | - | - | - | - | - | - | - | - |

Note: Comprehensive income Twelve months ended January 31, 2014 ¥25,518 million ( - %)
Twelve months ended January 31, 2013 ¥ - million ( - %)

| | Net income per share | Diluted net income per share |
|---|---|---|
| | Yen | Yen |
| Twelve months ended January 31, 2014 | 181.35 | - |
| Twelve months ended January 31, 2013 | - | - |

(2) Consolidated financial position

| | Total assets | Net assets | Equity ratio |
|---|---|---|---|
| | Millions of yen | Millions of yen | % |
| As of January 31, 2014 | 928,492 | 501,450 | 54.0 |
| As of March 31, 2013 | - | - | - |

Reference: Equity As of January 31, 2014 ¥500,968 million
As of March 31, 2013 ¥ - million

2. Cash dividends

| | Annual dividends | | | | | |
|---|---|---|---|---|---|---|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | 4th quarter-end | Fiscal year-end | Total |
| | Yen | Yen | Yen | Yen | Yen | Yen |
| Year ended March 31, 2013 | - | - | - | - | - | - |
| Year ending March 31, 2014 | - | - | - | - | | |
| Year ending March 31, 2014 (Forecast) | | | | | 16.00 | 16.00 |

Note: Revision of cash dividend forecast most recently announced: no

3. Forecast for the year ending March 31, 2014 (from February 1, 2013 to March 31, 2014)

Percentages indicate year-on-year changes

| | Net sales | | Operating income | | Ordinary income | | Net income | | Net income per share |
|---|---|---|---|---|---|---|---|---|---|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Full year | 739,000 | - | 60,600 | - | 58,000 | - | 35,300 | - | 252.56 |

Note: Revision of consolidated financial results forecast most recently announced: no

4. Notes

(1) Changes in significant subsidiaries during the twelve months ended January 31, 2014 (changes in specified subsidiaries resulting in the change in scope of consolidation): no

(2) Application of special accounting for preparing quarterly consolidated financial statements: yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

Changes in accounting policies due to revisions to accounting standards and other regulations: no

Changes in accounting policies due to other reasons: no

Changes in accounting estimates: no

Restatement of prior period financial statements after error corrections: no

(4) Number of issued shares

Total number of issued shares at the end of the period (including treasury stock)

| | | | |
|---|---|---|---|
| As of January 31, 2014 | 294,431,639 shares | As of March 31, 2013 | - shares |

Number of shares of treasury stock at the end of the period

| | | | |
|---|---|---|---|
| As of January 31, 2014 | 6,041,519 shares | As of March 31, 2013 | - shares |

Average number of shares during the period (cumulative from the beginning of the fiscal year)

| | | | |
|---|---|---|---|
| Twelve months ended January 31, 2014 | 139,770,446 shares | Twelve months ended January 31, 2013 | - shares |

* Indication regarding execution of quarterly review procedures

This quarterly financial results report is exempt from the quarterly review procedures in accordance with the Financial Instruments and Exchange Act. At the time of disclosure of this quarterly financial results report, the review procedures for quarterly financial statements are completed.

* Explanation of appropriate use of financial results forecast and other remarks

- Financial results forecasts and other forward-looking statements contained in this report are based on information available to the Company and a certain assumptions judged to be reasonable on the date of this report's announcement, and it does not constitute the Company's intention to promise the accomplishment of the forecasts. In addition, actual results may differ significantly from the forecast due to various factors.

- The Company was established in November 1, 2013 as a joint holding company controlling six wholly-owned subsidiaries through integration and joint share transfer of Hajime Construction Co., Ltd ("Hajime Construction"), Iida Sangyo Co., Ltd. ("Iida Sangyo"), Touei Housing Corporation ("Touei Housing"), Tact Home Co., Ltd. ("Tact Home"), Arnest One Corporation ("Arnest One") and ID Home Co., Ltd. ("ID Home"). Accordingly, since the consolidated fiscal year ending March 31, 2014 is the first business year of the Company, there are no comparable financial results for the full year and the fourth quarters ended March 31, 2013.

- When the Company was established, Hajime Construction served as acquiring entity for accounting purposes for the business combinations. Accordingly, the consolidated financial results of the Company for the cumulative consolidated fourth quarter (from February 1, 2013 to January 31, 2014) shall be prepared on the basis of the consolidated financial results of Hajime Construction, as acquiring entity, for the cumulative consolidated fourth quarter (from February 1, 2013 to January 31, 2014), through consolidation of the consolidated and non-consolidated financial results of Iida Sangyo for the consolidated third quarter (from November 1, 2013 to January 31, 2014), the consolidated financial results of Touei Housing for the consolidated fourth quarter (from November 1, 2013 to January 31, 2014), the consolidated financial results of Tact Home for the consolidated second quarter (from September 1, 2013 to November 30, 2013), the consolidated financial results of Arnest One for the consolidated third quarter (from October 1, 2013 to December 31, 2013) and the non-consolidated financial results of ID Home for the non-consolidated fourth quarter (from October 1, 2013 to December 31, 2013).

- The current consolidated fourth quarter (from November 1, 2013 to January 1, 2014) is originally the first consolidated quarter after the Company was established. However, as Hajime Construction, the acquiring entity, changed its accounting closing date, the first business year of the Company is irregularly extended to 14 months (from February 1, 2013 to March 31, 2014). Accordingly, the three months period is described as "the consolidated fourth quarter" in this report.

# Quarterly consolidated financial statements
## Consolidated balance sheets

(Millions of yen)

| | As of January 31, 2014 |
|---|---|
| Assets | |
| Current assets | |
| Cash and deposits | 97,522 |
| Real estate for sale | 155,137 |
| Real estate for sale in process | 338,449 |
| Costs on uncompleted construction contracts | 48,754 |
| Other | 31,541 |
| Total current assets | 671,405 |
| Noncurrent assets | |
| Property, plant and equipment | 42,776 |
| Intangible assets | |
| Goodwill | 200,325 |
| Other | 885 |
| Total intangible assets | 201,211 |
| Investments and other assets | 13,100 |
| Total noncurrent assets | 257,087 |
| Total assets | 928,492 |

(Millions of yen)

| | As of January 31, 2014 |
|---|---|
| Liabilities | |
| Current liabilities | |
| Notes and accounts payable-trade | 39,635 |
| Accounts payable for construction contracts | 63,056 |
| Short-term loans payable | 235,798 |
| Current portion of bonds | 512 |
| Current portion of long-term loans payable | 24,070 |
| Income taxes payable | 11,585 |
| Provision for bonuses | 872 |
| Provision for directors' bonuses | 167 |
| Other | 15,557 |
| Total current liabilities | 391,253 |
| Noncurrent liabilities | |
| Bonds payable | 610 |
| Long-term loans payable | 23,129 |
| Provision for retirement benefits | 4,070 |
| Provision for directors' retirement benefits | 354 |
| Provision for construction warranties | 2,285 |
| Asset retirement obligations | 622 |
| Other | 4,715 |
| Total noncurrent liabilities | 35,788 |
| Total liabilities | 427,042 |
| Net assets | |
| Shareholders' equity | |
| Capital stock | 10,000 |
| Capital surplus | 417,750 |
| Retained earnings | 86,414 |
| Treasury stock | (13,185) |
| Total shareholders' equity | 500,978 |
| Accumulated other comprehensive income | |
| Valuation difference on available-for-sale securities | (10) |
| Total accumulated other comprehensive income | (10) |
| Minority interests | 482 |
| Total net assets | 501,450 |
| Total liabilities and net assets | 928,492 |

## Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

### Consolidated statements of income (cumulative)

(Millions of yen)

| | Twelve months ended January 31, 2014 |
|---|---|
| Net sales | 498,048 |
| Cost of sales | 408,905 |
| Gross profit | 89,143 |
| Selling, general and administrative expenses | 47,717 |
| Operating income | 41,426 |
| Non-operating income | |
| Interest income | 20 |
| Dividends income | 12 |
| Other | 370 |
| Total non-operating income | 403 |
| Non-operating expenses | |
| Interest expenses | 2,076 |
| Other | 302 |
| Total non-operating expenses | 2,379 |
| Ordinary income | 39,450 |
| Extraordinary income | |
| Gain on sales of noncurrent assets | 60 |
| Gain on step acquisitions | 88 |
| Total extraordinary income | 149 |
| Extraordinary loss | |
| Loss on retirement of noncurrent assets | 20 |
| Total extraordinary losses | 20 |
| Income before income taxes and minority interests | 39,579 |
| Income taxes | 14,029 |
| Income before minority interests | 25,549 |
| Minority interests in income | 202 |
| Net income | 25,347 |

## Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

| | Twelve months ended January 31, 2014 |
|---|---|
| Income before minority interests | 25,549 |
| Other comprehensive income | |
| Valuation difference on available-for-sale securities | (31) |
| Total other comprehensive income | (31) |
| Comprehensive income | 25,518 |
| Comprehensive income attributable to | |
| Comprehensive income attributable to owners of the parent | 25,315 |
| Comprehensive income attributable to minority interests | 202 |

## Consolidated statements of cash flows

(Millions of yen)

| | Twelve months ended January 31, 2014 |
|---|---|
| Net cash provided by (used in) operating activities | |
| Income before income taxes and minority interests | 39,579 |
| Depreciation and amortization | 843 |
| Amortization of goodwill | 2,537 |
| Increase (decrease) in provision | (302) |
| Interest and dividends income | (32) |
| Interest expenses | 2,076 |
| Loss (gain) on sales of noncurrent assets | (60) |
| Loss on retirement of noncurrent assets | 20 |
| Loss (gain) on step acquisitions | (88) |
| Decrease (increase) in inventories | (107,063) |
| Decrease (increase) in other current assets | (331) |
| Increase (decrease) in notes and accounts payable-trade | 8,894 |
| Increase (decrease) in other current liabilities | 1,934 |
| Other, net | (3) |
| Subtotal | (51,997) |
| Interest and dividends income received | 47 |
| Interest expenses paid | (2,122) |
| Income taxes paid | (15,979) |
| Net cash provided by (used in) operating activities | (70,051) |
| Net cash provided by (used in) investing activities | |
| Payments into time deposits | (2,003) |
| Proceeds from withdrawal of time deposits | 2,304 |
| Purchase of property, plant and equipment | (954) |
| Proceeds from sales of property, plant and equipment | 459 |
| Purchase of intangible assets | (104) |
| Purchase of investment securities | (391) |
| Purchase of stocks of subsidiaries and affiliates | (656) |
| Other, net | 36 |
| Net cash provided by (used in) investing activities | (1,309) |
| Net cash provided by (used in) financing activities | |
| Net increase (decrease) in short-term loans payable | 59,248 |
| Proceeds from long-term loans payable | 26,657 |
| Repayment of long-term loans payable | (12,188) |
| Redemption of bonds | (64) |
| Purchase of treasury stock | (28) |
| Cash dividends paid | (6,796) |
| Other, net | (2) |
| Net cash provided by (used in) financing activities | 66,826 |
| Effect of exchange rate change on cash and cash equivalents | 0 |
| Net increase (decrease) in cash and cash equivalents | (4,533) |
| Cash and cash equivalents at beginning of period | 19,635 |
| Increase in cash and cash equivalents resulting from share transfers | 77,236 |
| Cash and cash equivalents at end of period | 92,337 |