Translation

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.

Summary of Consolidated Financial Results for the Year Ended March 31, 2014 (Based on Japanese GAAP)

May 15, 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 of ordinary general meeting of shareholders: June 27, 2014
Scheduled date to file Securities Report: June 30, 2014
Scheduled date to commence dividend payments: June 30, 2014
Preparation of supplementary material on financial results: Yes
Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended March 31, 2014 (from February 1, 2013 to March 31, 2014)

(1) Consolidated financial results

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	%
Year ended March 31, 2014	753,799	–	57,350	–	54,752	–	33,809	–
Year ended March 31, 2013	–	–	–	–	–	–	–	–

Note: Comprehensive income Year ended March 31, 2014 ¥34,030 million (– %)
Year ended March 31, 2013 ¥ – million (– %)

	Net income per share	Diluted net income per share	Net income/equity	Ordinary income/total assets	Operating income/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2014	210.72	–	14.7	8.0	7.6
Year ended March 31, 2013	–	–	–	–	–

Reference: Share of (profit) loss of entities accounted for using equity method
Year ended March 31, 2014 ¥ – million (– %)
Year ended March 31, 2013 ¥ – million (– %)

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2014	944,206	509,961	54.0	1,766.60
As of March 31, 2013	–	–	–	–

Reference: Equity As of March 31, 2014 ¥509,469 million
As of March 31, 2013 ¥ – million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2014	(42,357)	(2,141)	71,825	124,197
Year ended March 31, 2013	–	–	–	–

2. Cash dividends

	Annual dividends per share						Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	4th quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2013	–	–	–	–	–	–	–	–	–
Year ended March 31, 2014	–	–	–	–	16.00	16.00	4,710	7.6	0.9
Year ending March 31, 2015 (Forecast)	–	19.00	–	–	19.00	38.00		24.5	

3. Forecast of consolidated financial results for the year ending March 31, 2015 (from April 1, 2014 to March 31, 2015)

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
Six months ending September 30, 2014	557,000	–	33,600	–	31,600	–	18,000	–	62.42
Full year	1,230,000	–	81,900	–	78,000	–	44,700	–	155.00

* On the first half year ending September, 2014 and the full year ending March, 2015, we do not show a Year-on-Year change.
Reason: a) Iida Group Holdings Co., Ltd. was established on the 1st of November, 2013, b) The fiscal year ended March, 2014 of the acquiring firm Hajime Construction was an irregular accounting period of 14 months as the firm changed its accounting period.

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2014 (changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations:	No
Changes in accounting policies due to other reasons:	No
Changes in accounting estimates:	No
Restatement of prior period financial statements after error corrections:	No

(3) Number of issued shares (common shares)

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

As of March 31, 2014	294,431,639 shares	As of March 31, 2013	– shares

Number of treasury shares at the end of the period

As of March 31, 2014	6,041,955 shares	As of March 31, 2013	– shares

Average number of shares during the period

Year ended March 31, 2014	160,450,988 shares	Year ended March 31, 2013	– shares

* Indication regarding audit procedures

This financial results report is exempt from the audit procedures in accordance with the Financial Instruments and Exchange Act. At the time of disclosure of this financial results report, the audit procedures for statements have not been 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 ended March 31, 2014 is the first business year of the Company, there are no comparable financial results for the full year 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 consolidated fiscal year (14 months from February 1, 2013 to March 31, 2014) shall be prepared on the basis of the consolidated financial results of Hajime Construction, as acquiring entity, for the consolidated fiscal year (14 months from February 1, 2013 to March 31, 2014), through consolidation of the consolidated and non-consolidated financial results of Iida Sangyo (5 months from November 1, 2013 to March 31, 2014), Touei Housing (5 months from November 1, 2013 to March 31, 2014), Tact Home (7 months from September 1, 2013 to March 31, 2014), Arnest One (6 months from October 1, 2013 to March 31, 2014) and ID (6 months from October 1, 2013 to March 31, 2014).

– The fiscal year ended March 31, 2014 is the first business year 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).

– Appendix information for fiscal 2013 is planned to be available on our HP on the 19th of May, 2014.

Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2014
Assets	
Current assets	
Cash and deposits	129,299
Real estate for sale	135,995
Real estate for sale in process	341,894
Costs on uncompleted construction	48,470
Operating loans and operating accounts receivable	14,877
Deferred tax assets	3,852
Other	14,069
Allowance for doubtful accounts	(43)
Total current assets	688,415
Non-current assets	
Property, plant and equipment	
Buildings and structures	28,017
Land	24,877
Other	5,315
Accumulated depreciation	(14,805)
Total property, plant and equipment	43,404
Intangible assets	
Goodwill	198,093
Other	886
Total intangible assets	198,979
Investments and other assets	
Investment securities	5,610
Deferred tax assets	2,407
Other	5,663
Allowance for doubtful accounts	(275)
Investments and other assets, gross	13,406
Total non-current assets	255,791
Total assets	944,206

(Millions of yen)

	As of March 31, 2014
Liabilities	
Current liabilities	
Notes and accounts payable - trade	40,623
Accounts payable for construction contracts	65,823
Short-term loans payable	240,453
Current portion of bonds	570
Current portion of long-term loans payable	28,091
Income taxes payable	8,967
Provision for bonuses	2,062
Provision for directors' bonuses	35
Other	15,230
Total current liabilities	401,858
Non-current liabilities	
Bonds payable	300
Long-term loans payable	19,980
Deferred tax liabilities	3,541
Provision for retirement benefits	4,143
Provision for directors' retirement benefits	367
Provision for construction warranties	2,213
Other	1,840
Total non-current liabilities	32,387
Total liabilities	434,245
Net assets	
Shareholders' equity	
Capital stock	10,000
Capital surplus	417,750
Retained earnings	94,876
Treasury shares	(13,186)
Total shareholders' equity	509,440
Accumulated other comprehensive income	
Valuation difference on available-for-sale securities	29
Total accumulated other comprehensive income	29
Minority interests	492
Total net assets	509,961
Total liabilities and net assets	944,206

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended March 31, 2014
Net sales	753,799
Cost of sales	627,463
Gross profit	126,336
Selling, general and administrative expenses	68,985
Operating income	57,350
Non-operating income	
Interest income	32
Dividend income	30
House rent income	108
Penalty income	75
Income from safety cooperating association	136
Other	348
Total non-operating income	731
Non-operating expenses	
Interest expenses	2,837
Other	492
Total non-operating expenses	3,329
Ordinary income	54,752
Extraordinary income	
Gain on sales of non-current assets	60
Gain on step acquisitions	88
Total extraordinary income	149
Extraordinary losses	
Loss on retirement of non-current assets	23
Total extraordinary losses	23
Income before income taxes and minority interests	54,878
Income taxes - current	20,754
Income taxes - deferred	102
Total income taxes	20,856
Income before minority interests	34,022
Minority interests in income	212
Net income	33,809

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Fiscal year ended March 31, 2014
Income before minority interests	34,022
Other comprehensive income	
Valuation difference on available-for-sale securities	8
Total other comprehensive income	8
Comprehensive income	34,030
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	33,818
Comprehensive income attributable to minority interests	212

Consolidated statements of changes in net assets

Fiscal year ended March 31, 2014

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	3,298	3,208	64,772	(0)	71,279
Changes of items during period					
Dividends of surplus			(3,704)		(3,704)
Net income			33,809		33,809
Purchase of treasury shares				(29)	(29)
Retirement of treasury shares			(0)	0	-
Increase by share transfers	6,701	414,541		(13,157)	408,085
Net changes of items other than shareholders' equity					
Total changes of items during period	6,701	414,541	30,104	(13,186)	438,161
Balance at end of current period	10,000	417,750	94,876	(13,186)	509,440

	Accumulated other comprehensive income		Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Total accumulated other comprehensive income		
Balance at beginning of current period	20	20	279	71,579
Changes of items during period				
Dividends of surplus				(3,704)
Net income				33,809
Purchase of treasury shares				(29)
Retirement of treasury shares				-
Increase by share transfers				408,085
Net changes of items other than shareholders' equity	8	8	212	221
Total changes of items during period	8	8	212	438,382
Balance at end of current period	29	29	492	509,961

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2014
Cash flows from operating activities	
Income before income taxes and minority interests	54,878
Depreciation	1,163
Amortization of goodwill	4,769
Increase (decrease) in provision	767
Interest and dividend income	(62)
Interest expenses	2,837
Loss (gain) on sales of non-current assets	(60)
Loss on retirement of non-current assets	23
Loss (gain) on step acquisitions	(88)
Decrease (increase) in inventories	(90,167)
Increase (decrease) in notes and accounts payable - trade	12,656
Other, net	(1,121)
Subtotal	(14,404)
Interest and dividend income received	83
Interest expenses paid	(2,902)
Income taxes paid	(25,134)
Net cash provided by (used in) operating activities	(42,357)
Cash flows from investing activities	
Payments into time deposits	(2,005)
Proceeds from withdrawal of time deposits	2,390
Purchase of property, plant and equipment	(1,653)
Proceeds from sales of property, plant and equipment	459
Purchase of intangible assets	(170)
Purchase of investment securities	(1,173)
Other, net	11
Net cash provided by (used in) investing activities	(2,141)
Cash flows from financing activities	
Net increase (decrease) in short-term loans payable	63,903
Proceeds from long-term loans payable	32,463
Repayments of long-term loans payable	(17,121)
Redemption of bonds	(316)
Purchase of treasury shares	(29)
Cash dividends paid	(7,237)
Other, net	163
Net cash provided by (used in) financing activities	71,825
Effect of exchange rate change on cash and cash equivalents	0
Net increase (decrease) in cash and cash equivalents	27,325
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	124,197