Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2014 (Based on Japanese GAAP)

November 11, 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: November 11, 2014
Scheduled date to commence dividend payments: December 5, 2014
Preparation of supplementary material on quarterly financial results: Yes
Holding of quarterly financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2014 (from April 1, 2014 to September 30, 2014)

(1) Consolidated financial 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	%
Six months ended September 30, 2014	543,959	–	24,454	–	22,623	–	12,376	–
Six months ended September 30, 2013	–	–	–	–	–	–	–	–

Note: Comprehensive income Six months ended September 30, 2014 ¥12,454 million (–%)
Six months ended September 30, 2013 ¥– million (–%)

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended September 30, 2014	42.92	–
Six months ended September 30, 2013	–	–

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2014	964,051	517,945	53.7
As of March 31, 2014	944,206	509,961	54.0

Reference: Equity As of September 30, 2014 ¥517,419 million
As of March 31, 2014 ¥509,469 million

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2014	–	–	–	16.00	16.00
Year ending March 31, 2015	–	19.00			
Year ending March 31, 2015 (Forecast)			–	19.00	38.00

Note: Revisions to the cash dividend forecast most recently announced: No

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
Full year	1,179,000	–	47,400	–	43,800	–	23,500	–	81.49

Notes: 1. Revisions to the consolidated financial results forecast most recently announced: Yes

2. On the full year ending March 31, 2015, we do not show a year-on-year change.
Reason: a) Iida Group Holdings Co., Ltd. was established on November 1, 2013, b) The fiscal year ended March 31, 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 six months ended September 30, 2014 (changes in specified subsidiaries resulting in the change in scope of consolidation): No

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

(3) 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:	Yes
Changes in accounting policies due to other reasons:	No
Changes in accounting estimates:	No
Restatement of prior period financial statements:	No

(4) Number of issued shares (common shares)

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

As of September 30, 2014	294,431,639 shares	As of March 31, 2014	294,431,639 shares

Number of treasury shares at the end of the period

As of September 30, 2014	6,043,339 shares	As of March 31, 2014	6,041,955 shares

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

Six months ended September 30, 2014	288,388,964 shares	Six months ended September 30, 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 forecast 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 on 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, there are no comparable financial results for the six months ended September 30, 2013.

– Supplementary material on financial results for six month ended September 30, 2014 is planned to be available on our website on November 11, 2014.

Quarterly consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2014	As of September 30, 2014
Assets		
Current assets		
Cash and deposits	129,299	124,388
Real estate for sale	135,995	202,881
Real estate for sale in process	341,894	300,851
Costs on uncompleted construction contracts	48,470	51,205
Other	32,756	32,016
Total current assets	688,415	711,343
Non-current assets		
Property, plant and equipment	43,404	44,050
Intangible assets		
Goodwill	198,093	193,018
Other	886	860
Total intangible assets	198,979	193,879
Investments and other assets	13,406	14,778
Total non-current assets	255,791	252,707
Total assets	944,206	964,051
Liabilities		
Current liabilities		
Notes and accounts payable - trade	40,623	41,205
Accounts payable for construction contracts	65,823	73,660
Short-term loans payable	240,453	245,481
Current portion of long-term loans payable	28,091	22,765
Income taxes payable	8,967	10,032
Provision for bonuses	2,062	2,319
Provision for directors' bonuses	35	107
Other	15,800	15,899
Total current liabilities	401,858	411,470
Non-current liabilities		
Long-term loans payable	19,980	22,167
Provision for retirement benefits	4,143	–
Net defined benefit liability	–	4,022
Provision for directors' retirement benefits	367	403
Provision for construction on warranties	2,213	2,383
Other	5,682	5,658
Total non-current liabilities	32,387	34,635
Total liabilities	434,245	446,106
Net assets		
Shareholders' equity		
Capital stock	10,000	10,000
Capital surplus	417,750	417,750
Retained earnings	94,876	102,785
Treasury shares	(13,186)	(13,188)
Total shareholders' equity	509,440	517,346
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	29	37
Remeasurements of defined benefit plans	–	35
Total accumulated other comprehensive income	29	72
Minority interests	492	525
Total net assets	509,961	517,945
Total liabilities and net assets	944,206	964,051

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

Consolidated statements of income (cumulative)

(Millions of yen)

	Six months ended September 30, 2014
Net sales	543,959
Cost of sales	470,085
Gross profit	73,874
Selling, general and administrative expenses	49,419
Operating income	24,454
Non-operating income	
Interest income	19
Dividend income	42
Other	427
Total non-operating income	489
Non-operating expenses	
Interest expenses	2,115
Other	204
Total non-operating expenses	2,320
Ordinary income	22,623
Extraordinary losses	
Loss on retirement of non-current assets	32
Total extraordinary losses	32
Income before income taxes and minority interests	22,590
Income taxes	10,180
Income before minority interests	12,410
Minority interests in income	33
Net income	12,376

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

	Six months ended September 30, 2014
Income before minority interests	12,410
Other comprehensive income	
Valuation difference on available-for-sale securities	8
Remeasurements of defined benefit plans, net of tax	35
Total other comprehensive income	43
Comprehensive income	12,454
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	12,420
Comprehensive income attributable to minority interests	33

Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2014
Cash flows from operating activities	
Income before income taxes and minority interests	22,590
Depreciation	803
Amortization of goodwill	5,075
Increase (decrease) in provision	(3,610)
Increase (decrease) in net defined benefit liability	4,288
Interest and dividend income	(61)
Interest expenses	2,115
Loss on retirement of non-current assets	32
Decrease (increase) in inventories	(28,532)
Increase (decrease) in notes and accounts payable - trade	8,418
Other, net	1,391
Subtotal	12,512
Interest and dividend income received	59
Interest expenses paid	(2,088)
Income taxes paid	(9,850)
Income taxes refund	1,162
Net cash provided by (used in) operating activities	1,795
Cash flows from investing activities	
Payments into time deposits	(1,400)
Proceeds from withdrawal of time deposits	1,314
Purchase of property, plant and equipment	(1,499)
Proceeds from sales of property, plant and equipment	14
Purchase of intangible assets	(146)
Purchase of investment securities	(291)
Proceeds from sales of investment securities	300
Purchase of shares of subsidiaries and associates	(731)
Payments of long-term loans receivable	(1,342)
Other, net	40
Net cash provided by (used in) investing activities	(3,741)
Cash flows from financing activities	
Net increase (decrease) in short-term loans payable	5,027
Proceeds from long-term loans payable	11,246
Repayments of long-term loans payable	(14,385)
Redemption of bonds	(270)
Purchase of treasury shares	(2)
Cash dividends paid	(4,608)
Other, net	(52)
Net cash provided by (used in) financing activities	(3,044)
Effect of exchange rate change on cash and cash equivalents	2
Net increase (decrease) in cash and cash equivalents	(4,989)
Cash and cash equivalents at beginning of period	124,197
Cash and cash equivalents at end of period	119,208