Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2015 (Based on Japanese GAAP)

May 15, 2015

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 26, 2015
Scheduled date to file Securities Report: June 29, 2015
Scheduled date to commence dividend payments: June 29, 2015
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, 2015 (from April 1, 2014 to March 31, 2015)

(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, 2015	1,188,125	–	55,414	–	52,213	–	28,590	–
Year ended March 31, 2014	753,799	–	57,350	–	54,752	–	33,809	–

Note: Comprehensive income Year ended March 31, 2015 ¥28,572 million (– %)
Year ended March 31, 2014 ¥34,030 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, 2015	99.14	–	5.5	5.6	4.7
Year ended March 31, 2014	210.72	–	14.7	8.0	7.6

Reference: Share of (profit) loss of entities accounted for using equity method
Year ended March 31, 2015 ¥ – million (– %)
Year ended March 31, 2014 ¥ – million (– %)

Note: Year-on-year change for year ended March 31, 2015 is not provided because the year ended March 31, 2014 was an irregular 14 months (from February 1, 2013 to March 31, 2014) due to change in accounting period by Hajime Construction, the acquiring entity.

(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, 2015	927,476	528,582	56.9	1,830.92
As of March 31, 2014	944,206	509,961	54.0	1,766.60

Reference: Equity As of March 31, 2015 ¥528,013 million
As of March 31, 2014 ¥509,469 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, 2015	124,568	(5,420)	(61,322)	182,027
Year ended March 31, 2014	(42,357)	(2,141)	71,825	124,197

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	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2014	–	–	–	16.00	16.00	4,710	7.6	0.9
Year ended March 31, 2015	–	19.00	–	19.00	38.00	11,187	38.3	2.1
Year ending March 31, 2016 (Forecast)	–	19.00	–	19.00	38.00		29.8	

3. Forecast of consolidated financial results for the year ending March 31, 2016 (from April 1, 2015 to March 31, 2016)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2015	545,300	0.2	29,000	18.6	27,400	21.1	15,800	27.7	54.8
Full year	1,144,900	(3.6)	66,000	19.1	62,600	19.9	36,800	28.7	127.6

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2015 (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: Yes
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, 2015	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 March 31, 2015	6,044,327 shares	As of March 31, 2014	6,041,955 shares

Average number of shares during the period

Year ended March 31, 2015	288,388,448 shares	Year ended March 31, 2014	160,450,988 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 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").

- 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) was 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 Home (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).

- Supplementary material on financial results for year ended March 31, 2015 is planned to be available on our website on May 15, 2015.

Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2014	As of March 31, 2015
Assets		
Current assets		
Cash and deposits	129,299	187,117
Real estate for sale	135,995	197,074
Real estate for sale in process	341,894	221,482
Costs on uncompleted construction	48,470	35,716
Operating loans And Operating accounts receivable	14,877	22,964
Deferred tax assets	3,852	3,673
Other	14,069	11,273
Allowance for doubtful accounts	(43)	(30)
Total current assets	688,415	679,273
Non-current assets		
Property, plant and equipment		
Buildings and structures	28,017	28,225
Land	24,877	24,927
Other	5,315	6,280
Accumulated depreciation	(14,805)	(15,855)
Total property, plant and equipment	43,404	43,577
Intangible assets		
Goodwill	198,093	187,943
Other	886	1,009
Total intangible assets	198,979	188,952
Investments and other assets		
Investment securities	5,610	6,792
Deferred tax assets	2,407	1,994
Other	5,663	7,170
Allowance for doubtful accounts	(275)	(283)
Total investments and other assets	13,406	15,673
Total non-current assets	255,791	248,202
Total assets	944,206	927,476

(Millions of yen)

	As of March 31, 2014	As of March 31, 2015
Liabilities		
Current liabilities		
Notes and accounts payable - trade	40,623	48,750
Accounts payable for construction contracts	65,823	67,020
Short-term loans payable	240,453	194,547
Current portion of bonds	570	–
Current portion of long-term loans payable	28,091	18,931
Income taxes payable	8,967	14,801
Provision for bonuses	2,062	2,400
Provision for directors' bonuses	35	106
Other	15,230	15,215
Total current liabilities	401,858	361,774
Non-current liabilities		
Bonds payable	300	300
Long-term loans payable	19,980	24,469
Deferred tax liabilities	3,541	3,571
Provision for retirement benefits	4,143	–
Net defined benefit liability	–	4,381
Provision for directors' retirement benefits	367	451
Provision for construction on warranties	2,213	2,190
Other	1,840	1,755
Total non-current liabilities	32,387	37,119
Total liabilities	434,245	398,893
Net assets		
Shareholders' equity		
Capital stock	10,000	10,000
Capital surplus	417,750	417,750
Retained earnings	94,876	113,520
Treasury shares	(13,186)	(13,190)
Total shareholders' equity	509,440	528,079
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	29	35
Remeasurements of defined benefit plans	–	(102)
Total accumulated other comprehensive income	29	(66)
Minority interests	492	569
Total net assets	509,961	528,582
Total liabilities and net assets	944,206	927,476

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

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Net sales	753,799	1,188,125
Cost of sales	627,463	1,031,000
Gross profit	126,336	157,125
Selling, general and administrative expenses	68,985	101,711
Operating income	57,350	55,414
Non-operating income		
Interest income	32	38
Dividend income	30	61
House rent income	108	243
Penalty income	75	82
Income from safety cooperating association	136	248
Other	348	587
Total non-operating income	731	1,261
Non-operating expenses		
Interest expenses	2,837	3,971
Other	492	491
Total non-operating expenses	3,329	4,462
Ordinary income	54,752	52,213
Extraordinary income		
Gain on sales of non-current assets	60	–
Gain on step acquisitions	88	–
Total extraordinary income	149	–
Extraordinary losses		
Loss on sales of non-current assets	–	91
Loss on retirement of non-current assets	23	107
Total extraordinary losses	23	199
Income before income taxes and minority interests	54,878	52,013
Income taxes - current	20,754	22,763
Income taxes - deferred	102	580
Total income taxes	20,856	23,344
Income before minority interests	34,022	28,668
Minority interests in income	212	77
Net income	33,809	28,590

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Income before minority interests	34,022	28,668
Other comprehensive income		
Valuation difference on available-for-sale securities	8	6
Remeasurements of defined benefit plans, net of tax	–	(102)
Total other comprehensive income	8	(95)
Comprehensive income	34,030	28,572
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	33,818	28,495
Comprehensive income attributable to minority interests	212	77

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	Remeasurements of defined benefit plans	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

Fiscal year ended March 31, 2015

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	10,000	417,750	94,876	(13,186)	509,440
Cumulative effects of changes in accounting policies			145		145
Restated balance	10,000	417,750	95,022	(13,186)	509,586
Changes of items during period					
Dividends of surplus			(10,093)		(10,093)
Net income			28,590		28,590
Purchase of treasury shares				(3)	(3)
Net changes of items other than shareholders' equity					
Total changes of items during period	–	–	18,497	(3)	18,493
Balance at end of current period	10,000	417,750	113,520	(13,190)	528,079

	Accumulated other comprehensive income			Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	29	–	29	492	509,961
Cumulative effects of changes in accounting policies					145
Restated balance	29	–	29	492	510,107
Changes of items during period					
Dividends of surplus					(10,093)
Net income					28,590
Purchase of treasury shares					(3)
Net changes of items other than shareholders' equity	6	(102)	(95)	77	(18)
Total changes of items during period	6	(102)	(95)	77	18,475
Balance at end of current period	35	(102)	(66)	569	528,582

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Cash flows from operating activities		
Income before income taxes and minority interests	54,878	52,013
Depreciation	1,163	1,711
Amortization of goodwill	4,769	10,150
Increase (decrease) in provision	767	(3,691)
Increase (decrease) in net defined benefit liability	–	4,455
Interest and dividend income	(62)	(100)
Interest expenses	2,837	3,971
Loss (gain) on sales of non-current assets	(60)	91
Loss on retirement of non-current assets	23	107
Loss (gain) on step acquisitions	(88)	–
Decrease (increase) in inventories	(90,167)	72,160
Increase (decrease) in notes and accounts payable - trade	12,656	9,349
Other, net	(1,121)	(3,728)
Subtotal	(14,404)	146,491
Interest and dividend income received	83	98
Interest expenses paid	(2,902)	(3,828)
Income taxes paid	(25,178)	(19,445)
Income taxes refund	43	1,253
Net cash provided by (used in) operating activities	(42,357)	124,568
Cash flows from investing activities		
Payments into time deposits	(2,005)	(3,430)
Proceeds from withdrawal of time deposits	2,390	3,434
Purchase of property, plant and equipment	(1,653)	(2,452)
Proceeds from sales of property, plant and equipment	459	469
Purchase of intangible assets	(170)	(417)
Purchase of investment securities	(1,173)	(1,499)
Other, net	11	(1,524)
Net cash provided by (used in) investing activities	(2,141)	(5,420)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	63,903	(45,905)
Proceeds from long-term loans payable	32,463	26,682
Repayments of long-term loans payable	(17,121)	(31,353)
Redemption of bonds	(316)	(570)
Purchase of treasury shares	(29)	(3)
Cash dividends paid	(7,237)	(10,080)
Other, net	163	(91)
Net cash provided by (used in) financing activities	71,825	(61,322)
Effect of exchange rate change on cash and cash equivalents	0	4
Net increase (decrease) in cash and cash equivalents	27,325	57,829
Cash and cash equivalents at beginning of period	19,635	124,197
Increase in cash and cash equivalents resulting from share transfers	77,236	–
Cash and cash equivalents at end of period	124,197	182,027