Translation

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Summary of Consolidated Financial Results for the Six Months Ended September 30, 2016 (Based on IFRS)

November 11, 2016

Company name Iida Group Holdings Co., Ltd.

Stock Code 3291 Stock exchange listing: Tokyo

URL http://www.ighd.co.jp

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Scheduled date to file Quarterly Securities Report November 11, 2016

Scheduled date to commence dividend payments December 5 2016

Preparation of supplementary material on quarterly financial results Yes

Holding of quarterly financial results meeting (for institutional investors or analysts) Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2016 (April 1, 2016 to September 30, 2016)

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

	Revenue		Operating profit		Profit before income taxes		Profit for the period	
For the six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2016	586,969	7.1	59,237	33.1	57,515	33.9	39,163	40.1
September 30, 2015	548,038	–	44,494	–	42,962	–	27,963	–

	Profit attributable to owners of the parent company		Comprehensive income		Basic earnings per share	Diluted earnings per share
For the six months ended	Millions of yen	%	Millions of yen	%	Yen	Yen
September 30, 2016	39,102	40.0	39,271	39.9	135.59	–
September 30, 2015	27,935	–	28,064	–	96.87	–

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of the parent company	Ratio of equity attributable to owners of the parent company to total assets
As of	Millions of yen	Millions of yen	Millions of yen	%
September 30, 2016	1,048,277	623,616	622,932	59.4
Mar 31, 2016	1,013,527	590,992	590,355	58.2

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Year ended	Yen	Yen	Yen	Yen	Yen
March 31, 2016	–	19.00	–	23.00	42.00
March 31, 2017	–	23.00			
Year ending March 31,2017 (Forecast)			–	30.00	53.00

Note: Revisions to the cash dividend forecast most recently announced: Yes

Please refer to " Announcement of Differences between the forecast and actual results for the 1H of FY2016, and revisions to the forecast for the full year ending March 2017 and the year-end dividend forecast. (Based on IFRS)" released today for details.

3. Forecast of consolidated financial results for the year ending March 31, 2017 (April 1, 2016 to March 31, 2017)

Percentages indicate year-on-year changes

	Revenue		Operating profit		Profit before income taxes		Profit for the year		Profit attributable to owners of the parent company		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	1,250,000	10.0	113,300	19.7	110,700	20.9	75,400	16.0	75,200	15.8	260.76

Note: Revisions to the consolidated financial results forecast most recently announced: Yes
Please refer to " Announcement of Differences between the forecast and actual results for the 1H of FY2016, and revisions to the forecast for the full year ending March 2017 and the year-end dividend forecast. (Based on IFRS)" released today for details.

Notes

(1) Changes in significant subsidiaries during the six months ended September 30, 2016 (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

① Changes in accounting policies due to transitioning to IFRS: No

② Changes in accounting policies due to other reasons: No

③ Changes in accounting estimates: No

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)	As of September 30, 2016	294,431,639 shares	As of March 31, 2016	294,431,639 shares
Number of treasury shares at the end of the period	As of September 30, 2016	6,047,400 shares	As of March 31, 2016	6,047,274 shares
Average number of shares during the period (cumulative from the beginning of the fiscal year)	Six months ended September 30, 2016	288,384,244 shares	Six months ended September 30, 2015	288,386,172 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.

– Supplementary material on financial results for six months ended September 30, 2016 is planned to be available on our website on November 11,2016.

Quarterly Consolidated Financial Statements

Consolidated Statement of Financial Position (IFRS)

(Unit: Millions of yen)

	As of March 31, 2016	As of September 30, 2016
Assets		
Current assets		
Cash and cash equivalents	233,316	197,793
Trade and other receivables	2,516	3,128
Inventories	460,794	527,678
Operating loans and operating accounts receivable	25,745	27,296
Other financial assets	1,498	1,643
Other current assets	10,658	8,033
Total current assets	734,529	765,575
Non-Current assets		
Property, plant and equipment	56,032	59,205
Goodwill	198,297	198,293
Intangible assets	1,164	1,120
Other financial assets	15,519	16,351
Deferred tax assets	7,832	7,568
Other non-Current assets	150	163
Total non-current assets	278,997	282,702
Total assets	1,013,527	1,048,277

(Unit: Millions of yen)

	As of March 31, 2016	As of September 30, 2016
Liabilities and equity		
Liabilities		
Current liabilities		
Bonds and borrowings	195,409	204,142
Trade and other payable	117,996	106,380
Other financial liabilities	3,268	2,038
Income taxes payable	20,014	19,298
Other current liabilities	15,658	14,606
Total current liabilities	352,347	346,467
Non-current liabilities		
Bonds and borrowings	60,309	68,013
Other financial liabilities	1,012	297
Retirement benefit liabilities	5,350	6,319
Provisions	3,072	3,180
Deferred tax liabilities	331	341
Other non-current liabilities	110	41
Total non-current liabilities	70,186	78,192
Total liabilities	422,534	424,660
Equity		
Capital stock	10,000	10,000
Capital surplus	418,503	418,503
Retained earnings	174,000	206,470
Treasury stock	△13,196	△13,196
Other components of equity	1,047	1,155
Equity attributable to owners of the parent company	590,355	622,932
Non-controlling interests	637	684
Total equity	590,992	623,616
Total liabilities and equity	1,013,527	1,048,277

Consolidated Statement of Income (cumulative) and Consolidated Statements of Comprehensive Income (cumulative)

Consolidated Statement of Income (cumulative) (IFRS)

(Unit: Millions of yen)

	Six months ended September 30, 2015	Six months ended September 30, 2016
Revenue	548,038	586,969
Cost of sales	△460,926	△480,785
Gross profit	87,111	106,183
Selling, general and administrative expenses	△42,676	△46,943
Other income	512	398
Other expenses	△452	△401
Operating income	44,494	59,237
Finance income	87	100
Finance costs	△1,620	△1,822
Profit before income taxes	42,962	57,515
Income tax expenses	△14,998	△18,351
Profit for the period	27,963	39,163
Attributable to		
Owners of the parent company	27,935	39,102
Non-controlling interests	28	60
Profit	27,963	39,163
Earnings per share		
Basic	96.87	135.59
Diluted	—	—

Consolidated Statements of Comprehensive Income (cumulative) (IFRS)

(Unit: Millions of yen)

	Six months ended September 30, 2015	Six months ended September 30, 2016
Profit for the period	27,963	39,163
Other comprehensive income (loss)		
Items that may be reclassified subsequently to profit or loss		
Gains or losses on an available-for-sale financial asset	99	110
Cash flow hedges	1	△2
Total	100	107
Other comprehensive income (loss) after tax	100	107
Comprehensive income for the period	28,064	39,271
Attributable to		
Owners of the parent company	28,036	39,210
Non-controlling interests	28	60
Comprehensive income	28,064	39,271

Consolidated Statement of Changes in Equity (April 1, 2015 to September 30, 2015) (IFRS)

(Unit: Millions of yen)

	Equity attributable to owners of the parent company					
					Other components of equity	
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Remeasurements of defined benefit pension plans	Gains or losses on an available-for-sale financial asset
As of April 1, 2015	10,000	417,723	120,045	△13,190	△60	646
Profit for the period	—	—	27,935	—	—	—
Other comprehensive income (loss) for the period	—	—	—	—	—	99
Comprehensive income for the period	—	—	27,935	—	—	99
Dividends	—	—	△5,479	—	—	—
Change of treasury stock	—	—	—	△4	—	—
Change of scope of consolidation	—	780	—	—	—	—
Total transactions with owners	—	780	△5,479	△4	—	—
As of September 30, 2015	10,000	418,503	142,501	△13,194	△60	746

(Unit: Millions of yen)

	Equity attributable to owners of the parent company				
	Other components of equity				
	Cash flow hedges	Total	Owners of the parent company	Non-controlling interests	Total equity
As of April 1, 2015	△1	584	535,162	569	535,732
Profit for the period	—	—	27,935	28	27,963
Other comprehensive income (loss)	1	100	100	—	100
Comprehensive income for the period	1	100	28,036	28	28,064
Dividends	—	—	△5,479	△12	△5,491
Change of treasury stock	—	—	△4	—	△4
Change of scope of consolidation	—	—	780	—	780
Total transactions with owners	—	—	△4,703	△12	△4,715
As of September 30, 2015	—	685	558,495	585	559,081

Consolidated Statement of Changes in Equity (April 1, 2016 to September 30, 2016) (IFRS)

(Unit: Millions of yen)

	Equity attributable to owners of the parent company					
					Other components of equity	
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Remeasurements of defined benefit pension plans	Gains or losses on an available-for-sale financial asset
As of April 1, 2016	10,000	418,503	174,000	△13,196	48	999
Profit for the period	—	—	39,102	—	—	—
Other comprehensive income (loss)	—	—	—	—	—	110
Comprehensive income for the period	—	—	39,102	—	—	110
Dividends	—	—	△6,632	—	—	—
Change of treasury stock	—	—	—	△0	—	—
Total transactions with owners	—	—	△6,632	△0	—	—
As of September 30, 2016	10,000	418,503	206,470	△13,196	48	1,109

(Unit: Millions of yen)

	Equity attributable to owners of the parent company				
	Other components of equity				
	Cash flow hedges	Total	Owners of the parent company	Non-controlling interests	Total equity
As of April 1, 2016	△0	1,047	590,355	637	590,992
Profit for the period	—	—	39,102	60	39,163
Other comprehensive income (loss)	△2	107	107	—	107
Comprehensive income for the period	△2	107	39,210	60	39,271
Dividends	—	—	△6,632	△13	△6,646
Change of treasury stock	—	—	△0	—	△0
Total transactions with owners	—	—	△6,633	△13	△6,647
As of September 30, 2016	△3	1,155	622,932	684	623,616

Consolidated Statement of Cash flows (IFRS)

(Unit: Millions of yen)

	Six months ended September 30, 2015	Six months ended September 30, 2016
Cash flows from operating activities		
Profit before income taxes	42,962	57,515
Depreciation	1,320	1,294
Impairment losses	—	13
Financial incomes	△87	△100
Financial costs	1,620	1,822
Decrease (increase) in inventories	11,364	△66,922
Decrease (increase) in loans and receivables	399	△1,586
Increase (decrease) in trade payables and other liabilities	△19,322	△11,686
Other	△1,406	△1,435
Subtotal	36,850	△21,086
Proceeds from subsidy income	413	0
Interest and dividend income received	67	99
Interest expenses paid	△1,553	△1,349
Income taxes paid	△15,786	△20,258
Income taxes refund	2,524	2,731
Net cash provided by (used in) operating activities	22,515	△39,863
Cash flows from investing activities		
Payments into time deposits	△1,490	△3,320
Proceeds from withdrawal of time deposits	2,460	2,020
Purchase of property, plant and equipment	△2,689	△4,634
Proceeds from sales of property, plant and equipment	28	324
Purchase of intangible assets	△196	△98
Purchase of investment securities	△813	△385
Proceeds from sale of investments, redemption	4	14
Payments of loans receivable	△1,065	△925
Proceeds from collection of loans	59	425
Other	78	△36
Net cash provided by (used in) investing activities	△3,624	△6,617
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	△27,096	7,946
Proceeds from long-term loans payable	20,745	30,220
Repayments of long-term loans payable	△23,755	△21,498
Proceeds from issuance of convertible bond-type bonds with subscription rights to shares	30,094	—
Redemption of bonds	—	△300
Cash dividends paid	△5,477	△6,629
Other	△58	△47
Net cash provided by (used in) financing activities	△5,547	9,691
Effect of exchange rate change on cash and cash equivalents	0	△32
Net increase (decrease) in cash and cash equivalents	13,342	△36,822
Cash and cash equivalents at beginning of period	182,881	229,751
Cash and cash equivalents at the end of period	196,224	192,928