Translation

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Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2017 (Based on IFRS)

February 13, 2018

Company name	Iida Group Holdings Co., Ltd.		
Stock Code	3291 Stock exchange listing: Tokyo		
URL	https://www.ighd.co.jp/		
Representative	President, Representative Director	Yoichi Nishikawa	
Inquiries	General Manager Corporate Planning Department	Hitoshi Oyama	TEL 03(5989)0927

Scheduled Date to Filing Quarterly Securities Report: February 13, 2018

Scheduled Date to Commence Dividend Payments : -

Preparation of supplementary material on quarterly financial results Yes

Holding of quarterly financial results meeting (for institutional investors or analysts) No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended December 31, 2017 (From April 1, 2017 to December 31, 2017)

(1) Consolidated Operating Results (Cumulative) (Percentages indicate year-on-year changes)

	Revenue		Operating profit		Profit before income taxes		Net Profit		Profit attributable to owners of the parent company		Comprehensive income for the year	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2017	945,610	7.8	78,141	-8.2	75,747	-8.8	51,470	-9.0	51,381	-9.1	51,861	-9.2
December 31, 2016	877,307	8.3	85,089	25.0	83,051	25.9	56,588	30.5	56,495	30.5	57,144	31.3

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2017	178.17	-
December 31, 2016	195.90	-

Note: Basic earnings per share : Based on profit attributable to owners of the parent company

(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	%
December 31, 2017	1,223,414	689,100	689,100	56.3
March 31, 2017	1,168,389	655,276	654,511	56.0

2.Cash dividends

	Annual dividends per share				
	Q1	Q2	Q3	Q4	TOTAL
Year ended	Yen	Yen	Yen	Yen	Yen
March 31, 2017	-	23.00	-	31.00	54.00
March 31, 2018	-	30.00	-		
Year ending March 31, 2018 (Forecast)				30.00	60.00

Note: Revisions in the recent dividends forecasting : No

3.Forecast of consolidated results for the fiscal year ending March 31, 2018 (From April 1, 2017 to March 31, 2018)

（Percentages indicate year-on-year changes）

	Revenue		Operating profit		Profit before income taxes		Net Profit		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	1,355,900	10.0	118,400	4.2	115,800	4.4	79,300	3.1	79,200	3.2	274.63

Note: Revisions to the consolidated finacial results forecast most recently announced : No

Notes

(1) Changes in significant subsidiaries during the Nine months ended December 31, 2017

(Changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) Changes in accounting policies and changes in accounting estimates

① Changes in accounting policies due to transition 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 December 31, 2017	294,431,639	shares	As of March 31, 2017	294,431,639	shares
Number of treasury shares at the end of the period	As of December 31, 2017	6,049,298	shares	As of March 31, 2017	6,048,414	shares
Average number of shares during the period (Cumulative from the beginning of the fiscal year)	Nine months ended December 31, 2017	288,382,832	shares	Nine months ended December 31, 2016	288,384,148	shares

* This report is unaudited.

* 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 the nine months ended December 31, 2017 is planned to be available on our website on February 13, 2018

Quarterly Consolidated Financial Statements
Consolidated Statement of Financial Position (IFRS)

(Unit: Millions of yen)

	As of March 31, 2017	As of December 31, 2017
Assets		
Current assets		
Cash and cash equivalents	265,586	220,038
Trade and other receivables	3,353	2,803
Inventories	558,853	657,860
Operating loans and operating	36,332	29,174
Other financial assets	1,930	2,298
Other current assets	12,953	12,679
Total current assets	879,009	924,855
Non-Current assets		
Property, plant and equipment	60,691	64,839
Goodwill	198,288	198,280
Intangible assets	1,140	1,343
Other financial assets	21,720	27,216
Deferred tax assets	7,330	6,664
Other non-current assets	208	214
Total non-current assets	289,379	298,558
Total assets	1,168,389	1,223,414

(Unit: Millions of yen)

	As of March 31, 2017	As of December 31, 2017
Liabilities and equity		
Liabilities		
Current liabilities		
Bonds and borrowings	222,092	240,463
Trade and other payable	116,695	118,800
Other financial liabilities	4,107	4,205
Income taxes payable	20,512	8,272
Other current liabilities	17,736	13,595
Total current liabilities	381,144	385,338
Non-current liabilities		
Bonds and borrowings	121,085	137,110
Other financial liabilities	266	468
Retirement benefit liabilities	6,683	7,136
Provisions	3,442	3,661
Deferred tax liabilities	357	385
Other non-current liabilities	133	213
Total non-current liabilities	131,968	148,975
Total liabilities	513,112	534,313
Equity		
Capital stock	10,000	10,000
Capital surplus	418,503	418,913
Retained earnings	237,476	271,266
Treasury stock	-13,198	-13,200
Other components of equity	1,729	2,120
Equity attributable to owners of the parent company	654,511	689,100
Non-controlling interests	765	-
Total equity	655,276	689,100
Total liabilities and equity	1,168,389	1,223,414

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

Consolidated Statement of Income (Cumulative) (IFRS)

(Unit: Millions of yen)

	Nine Months Ended December 31, 2016	Nine Months Ended December 31, 2017
Revenue	877,307	945,610
Cost of sales	-720,795	-788,839
Gross profit	156,511	156,771
Selling, general and administrative expenses	-71,610	-79,241
Other income	641	1,015
Other expenses	-453	-404
Operating income	85,089	78,141
Finance income	280	156
Finance costs	-2,318	-2,549
Profit before income taxes	83,051	75,747
Income tax expenses	-26,462	-24,277
Net Profit	56,588	51,470
Attributable to		
Owners of the parent company	56,495	51,381
Non-controlling interests	92	88
Net Profit	56,588	51,470
Earnings per share		
Basic (Unit: Yen)	195.90	178.17
Diluted (Unit: Yen)	–	–

Consolidated Statements of Comprehensive Income (Cumulative) (IFRS)

(Unit: Millions of yen)

	Nine Months Ended December 31, 2016	Nine Months Ended December 31, 2017
Profit	56,588	51,470
Other comprehensive income (loss)		
Items that can be reclassified subsequently to profit or loss		
Gains or losses on an available-for-sale financial asset	529	387
Cash flow hedges	27	3
Total of items that can be reclassified subsequently to profit or loss	556	390
Other comprehensive income (loss) after income taxes	556	390
Comprehensive income for the year	57,144	51,861
Attributable to		
Owners of the parent company	57,051	51,772
Non-controlling interests	92	88
Comprehensive income	57,144	51,861

Consolidated Statement of Changes in Equity (From April 1, 2016 to December 31, 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	–	–	56,495	–	–	–
Other comprehensive income (loss)	–	–	–	–	–	529
Comprehensive income	–	–	56,495	–	–	529
Dividends	–	–	-13,265	–	–	–
Change of treasury stock	–	–	–	-1	–	–
Total transactions with owners	–	–	-13,265	-1	–	–
As of December 31, 2016	10,000	418,503	217,230	-13,197	48	1,528

(Unit: Millions of yen)

	Equity attributable to owners of the parent company				
	Other components of		Owners of the parent company	Non-controlling interests	Total equity
	Cash flow hedges	Total			
As of April 1, 2016	-0	1,047	590,355	637	590,992
Profit	–	–	56,495	92	56,588
Other comprehensive income (loss)	27	556	556	–	556
Comprehensive income	27	556	57,051	92	57,144
Dividends	–	–	-13,265	-13	-13,279
Change of treasury stock	–	–	-1	–	-1
Total transactions with owners	–	–	-13,267	-13	-13,281
As of December 31, 2016	26	1,603	634,139	716	634,856

Consolidated Statement of Changes in Equity (From April 1, 2017 to December 31, 2017) (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, 2017	10,000	418,503	237,476	-13,198	-3	1,736
Profit	−	−	51,381	-	−	-
Other comprehensive income (loss)	−	−	−	−	−	387
Comprehensive income	−	−	51,381	-	−	387
Dividends	−	−	-17,591	-	−	−
Change of treasury stock	−	−	−	-1	−	−
Change of scope of consolidation	−	410	−	-	−	−
Total transactions with owners	−	410	-17,591	-1	−	−
As of December 31, 2017	10,000	418,913	271,266	-13,200	-3	2,124

(Unit: Millions of yen)

	Equity attributable to owners of the parent company				
	Other components of equity		Owners of the parent company	Non-controlling interests	Total equity
	Cash flow hedges	Total			
As of April 1, 2017	-3	1,729	654,511	765	655,276
Profit	-	-	51,381	88	51,470
Other comprehensive income (loss)	3	390	390	−	390
Comprehensive income	3	390	51,772	88	51,861
Dividends	−	−	-17,591	-19	-17,610
Change of treasury stock	−	−	-1	−	-1
Change of scope of consolidation	−	−	410	-834	-424
Total transactions with owners	−	−	-17,182	-854	-18,037
As of December 31, 2017	−	2,120	689,100	-	689,100

Consolidated Statement of Cash flows (IFRS)

(Unit: Millions of yen)

	Nine Months ended December 31, 2016	Nine Months ended December 31, 2017
Cash flows from operating activities		
Profit before income taxes	83,051	75,747
Depreciation	1,910	2,021
Impairment losses	16	92
Financial incomes	-280	-156
Financial costs	2,318	2,549
Decrease (increase) in inventories	-115,300	-99,210
Decrease (increase) in loans and receivables	-3,318	7,158
Increase(decrease) in trade payables and other liabilities	-7,895	2,075
Other	-1,943	-2,050
Subtotal	-41,441	-11,772
Proceeds from subsidy income	0	33
Interest and dividend income received	107	143
Interest expenses paid	-2,002	-2,303
Income taxes paid	-36,591	-39,448
Income taxes refund	2,731	3,205
Net cash provided by (used in) operating activities	-77,196	-50,140
Cash flows from investing activities		
Payments into time deposits	-6,100	-11,200
Proceeds from withdrawal of time deposits	4,950	6,250
Purchase of property, plant and equipment	-6,916	-6,571
Proceeds from sales of property, plant and equipment	567	334
Purchase of intangible assets	-146	-308
Purchase of investment securities	-2,219	-1,562
Proceeds from sale of investments, redemption	14	133
Payments of loans receivable	-2,060	-3,914
Proceeds from collection of loans	495	380
Other	-40	-111
Net cash provided by (used in) investing activities	-11,456	-16,571
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	36,965	17,987
Proceeds from long-term loans payable	70,525	20,308
Repayments of long-term loans payable	-26,998	-4,062
Proceeds from issuance of convertible bond-type bonds with subscription rights to shares	-300	-
Cash dividends paid	-13,252	-17,576
Payments for investments in subsidiaries resulting in no-change in scope of consolidation	-	-424
Other	-60	-20
Net cash provided by (used in) financing activities	66,879	16,211
Effect of exchange rate change on cash and cash equivalents	-30	2
Net increase (decrease) in cash and cash equivalents	-21,804	-50,497
Cash and cash equivalents at beginning of period	229,751	260,745
Cash and cash equivalents at the end of period	207,947	210,248