Translation

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Summary of Consolidated Financial Results for the Three Months Ended June 30, 2018 (Based on IFRS)

August 9, 2018

Company name Iida Group Holdings Co., Ltd.
Stock Code 3291 Stock exchange listing: Tokyo
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Scheduled Date to Filing Quarterly Securities Report: Aug 9, 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 three months ended June 30, 2018 (From April 1, 2018 to June 30, 2018)

(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	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2018	307,869	4.1	23,847	△ 7.8	23,255	△ 7.7	15,857	△ 5.3	15,862	△ 5.1	15,640	△ 6.7
June 30, 2017	295,693	7.0	25,868	△ 7.8	25,204	△ 6.3	16,742	△ 8.5	16,706	△ 8.5	16,766	△ 8.5

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2018	55.01	-
June 30, 2017	57.93	-

(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	%
June 30, 2018	1,274,445	717,780	717,764	56.3
March 31, 2018	1,280,540	709,427	709,427	55.4

2.Cash dividends

	Annual dividends per share				
	Q1	Q2	Q3	Q4	TOTAL
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2018	—	30.00	—	30.00	60.00
Year ending March 31, 2019	—				
Year ending March 31, 2019 (Forecast)		31.00	—	31.00	62.00

3.Forecast of consolidated results for the fiscal year ending March 31, 2019 (From April 1, 2018 to March 31, 2019)

(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
First Half	692,900	9.4	61,000	13.9	59,000	13.1	41,000	15.9	41,000	16.1	142.17
Full year	1,496,700	12.1	132,700	27.9	128,800	28.4	88,700	27.4	88,700	27.5	307.58

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

Notes

(1) Changes in significant subsidiaries during three month ended June 30, 2018
(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 transitioning to IFRS: Yes
② Changes in accounting policies due to other reasons: No
③ Changes in accounting estimates: Yes

(3) Number of issued shares (Common shares)

Total number of issued shares at the end of the period (including treasury shares)	As of June 30, 2018	294,431,639	shares	As of March 31, 2018	294,431,639	shares
Number of treasury shares at the end of the period	As of June 30, 2018	6,049,658	shares	As of March 31, 2018	6,049,458	shares
Average number of shares during the period (Cumulative from the beginning of the fiscal year)	Three months ended June 30, 2018	288,382,078	shares	Three months ended June 30, 2017	288,383,109	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 three months ended June 30, 2018 is planned to be available on our website on Aug 9, 2018.

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

(Unit: Millions of yen)

	As of March 31, 2018	As of June 30, 2018
Assets		
Current assets		
Cash and cash equivalents	298,658	271,426
Trade and other receivables	3,084	3,446
Contract assets	-	5,257
Inventories	615,792	626,190
Operating loans and operating accounts receivable	34,339	31,581
Income taxes receivable	11,401	11,346
Other financial assets	2,746	2,945
Other current assets	9,626	10,552
Total current assets	975,648	962,747
Non-Current assets		
Property, plant and equipment	65,954	74,743
Goodwill	198,278	198,509
Intangible assets	1,630	1,599
Other financial assets	31,807	30,708
Deferred tax assets	7,010	5,928
Other non-current assets	210	207
Total non-current assets	304,892	311,697
Total assets	1,280,540	1,274,445

(Unit: Millions of yen)

	As of March 31, 2018	As of June 30, 2018
Liabilities and equity		
Liabilities		
Current liabilities		
Bonds and borrowings	236,974	239,537
Trade and other payable	120,159	113,946
Other financial liabilities	10,412	4,205
Income taxes payable	15,832	6,988
Contract liabilities	-	5,036
Other current liabilities	17,928	13,607
Total current liabilities	401,307	383,322
Non-current liabilities		
Bonds and borrowings	157,353	160,628
Other financial liabilities	501	521
Retirement benefit liabilities	7,536	7,687
Provisions	3,707	3,872
Deferred tax liabilities	484	464
Other non-current liabilities	220	167
Total non-current liabilities	169,804	173,342
Total liabilities	571,112	556,664
Equity		
Capital stock	10,000	10,000
Capital surplus	418,913	418,913
Retained earnings	289,834	298,388
Treasury stock	△ 13,200	△ 13,201
Other components of equity	3,880	3,663
Equity attributable to owners of the parent company	709,427	717,764
Non-controlling interests	-	16
Total equity	709,427	717,780
Total liabilities and equity	1,280,540	1,274,445

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

Consolidated Statement of Income (Cumulative) (IFRS)

(Unit: Millions of yen)

	Three Months Ended June 30, 2017	Three Months Ended June 30, 2018
Revenue	295,693	307,869
Cost of sales	△ 244,688	△ 257,914
Gross profit	51,005	49,954
Selling, general and administrative expenses	△ 25,287	△ 26,424
Other income	316	448
Other expenses	△ 165	△ 131
Operating income	25,868	23,847
Finance income	103	233
Finance costs	△ 767	△ 826
Profit before income taxes	25,204	23,255
Income tax expenses	△ 8,461	△ 7,397
Net Profit	16,742	15,857
Attributable to		
Owners of the parent company	16,706	15,862
Non-controlling interests	35	△ 4
Net Profit	16,742	15,857
Earnings per share		
Basic (Unit: Yen)	57.93	55.01
Diluted (Unit: Yen)	－	―

Consolidated Statements of Comprehensive Income (Cumulative) (IFRS)

(Unit: Millions of yen)

	Three Months Ended June 30, 2017	Three Months Ended June 30, 2018
Profit	16,742	15,857
Other comprehensive income (loss)		
Items that will not be reclassified subsequently to profit or loss		
Financial assets measured at fair value through other comprehensive income	-	△ 217
Total items that will not be reclassified subsequently to profit or loss	-	△ 217
Items that may be reclassified to profit or loss		
Gains or losses on an available-for-sale financial asset	20	-
Cash flow hedges	3	0
Total items that may be reclassified to profit or loss	23	0
Other comprehensive income (loss) after income taxes	23	△ 217
Comprehensive income	16,766	15,640
Attributable to		
Owners of the parent company	16,730	15,645
Non-controlling interests	35	△ 4
Comprehensive income	16,766	15,640

Consolidated Statement of Changes in Equity (From April 1, 2017 to June 30, 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	—	—	16,706	—	—	—
Other comprehensive income (loss)	—	—	—	—	—	20
Comprehensive income	—	—	16,706	—	—	20
Dividends	—	—	△ 8,939	—	—	—
Change of treasury stock	—	—	—	△0	—	—
Total transactions with owners	—	—	△ 8,939	△0	—	—
As of June 30, 2017	10,000	418,503	245,243	△ 13,199	△ 3	1,756

(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	—	—	16,706	35	16,742
Other comprehensive income (loss)	3	23	23	—	23
Comprehensive income	3	23	16,730	35	16,766
Dividends	—	—	△ 8,939	△ 19	△ 8,959
Change of treasury stock	—	—	△0	—	△0
Total transactions with owners	—	—	△ 8,940	△ 19	△ 8,959
As of June 30, 2017	—	1,753	662,300	782	663,083

Consolidated Statement of Changes in Equity (From April 1, 2018 to June 30, 2018) (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	Financial assets measured at fair value through other comprehensive income
As of April 1, 2018	10,000	418,913	289,834	△ 13,200	△ 185	4,067	—
Changes in accounting policies	—	—	858	—	—	△ 4,067	4,067
Revised as of April 1, 2018	10,000	418,913	290,692	△ 13,200	△ 185	—	4,067
Profit	—	—	15,862	—	—	—	—
Other comprehensive income (loss)	—	—	—	—	—	—	△ 217
Comprehensive income	—	—	15,862	—	—	—	△ 217
Dividends	—	—	△ 8,651	—	—	—	—
Change of treasury stock	—	—	—	△0	—	—	—
Change of scope of consolidation	—	—	484	—	—	—	—
Total transactions with owners	—	—	△ 8,167	△0	—	—	—
As of June 30, 2018	10,000	418,913	298,388	△ 13,201	△ 185	—	3,849

(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, 2018	△0	3,880	709,427	—	709,427
Changes in accounting policies	—	—	858	—	858
Revised as of April 1, 2018	△0	3,880	710,286	—	710,286
Profit	—	—	15,862	△ 4	15,857
Other comprehensive income (loss)	0	△ 217	△ 217	—	△ 217
Comprehensive income	0	△ 217	15,645	△ 4	15,640
Dividends	—	—	△ 8,651	—	△ 8,651
Change of treasury stock	—	—	△0	—	△0
Other	—	—	484	20	505
Total transactions with owners	—	—	△ 8,167	20	△ 8,146
As of June 30, 2018	—	3,663	717,764	16	717,780

Consolidated Statement of Cash flows (IFRS)

(Unit: Millions of yen)

	Three Months ended June 30, 2017	Three Months ended June 30, 2018
Cash flows from operating activities		
Profit before income taxes	25,204	23,255
Depreciation	663	734
Financial incomes	△ 103	△ 233
Financial costs	767	826
Decrease (increase) in inventories	△ 38,744	△ 12,017
Decrease (increase) in loans and receivables	6,320	2,716
Increase(decrease) in trade payables and other liabilities	2,770	△ 7,452
Other	1,958	2,762
Subtotal	△ 1,162	10,592
Proceeds from subsidy income	7	166
Interest and dividend income received	82	76
Interest expenses paid	△ 781	△ 818
Income taxes paid	△ 21,159	△ 22,393
Income taxes refund	38	0
Net cash provided by (used in) operating activities	△ 22,974	△ 12,375
Cash flows from investing activities		
Payments into time deposits	△ 7,150	△ 2,080
Proceeds from withdrawal of time deposits	2,250	7,250
Purchase of property, plant and equipment	△ 1,610	△ 6,139
Proceeds from sales of property, plant and equipment	16	60
Purchase of intangible assets	△ 89	△ 120
Purchase of investment securities	△ 200	△ 39
Proceeds from sale of investments, redemption	0	―
Payments of loans receivable	△ 269	△ 432
Proceeds from collection of loans	79	167
Other	△ 87	19
Net cash provided by (used in) investing activities	△ 7,062	△ 1,315
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	14,001	1,115
Proceeds from long-term loans payable	347	―
Repayments of long-term loans payable	△ 1,766	△ 932
Cash dividends paid	△ 8,819	△ 8,576
Other	△ 43	22
Net cash provided by (used in) financing activities	3,718	△ 8,371
Effect of exchange rate change on cash and cash equivalents	2	0
Net increase (decrease) in cash and cash equivalents	△ 26,315	△ 22,061
Cash and cash equivalents at beginning of period	260,745	288,768
Cash and cash equivalents at the end of period	234,430	266,706