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## Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2018 (Based on IFRS)

February 12, 2019

Company Name Iida Group Holdings Co., Ltd.  
 Stock Code Number 3291 Stock Exchange Listings: Tokyo (First Section)  
 URL <https://www.ighd.co.jp/>  
 Representative Yoichi Nishikawa President, Representative Director  
 For Inquiry Hitoshi Oyama General Manager, Corporate Planning Department Phone +81-3-5989-0927

Scheduled Date to Filing Quarterly Securities Report: February 12, 2019

Scheduled Date to Commence Dividend Payments: -

Supplementary Materials on Quarterly Financial Results Yes

IR Conference on Quarterly Results No Scheduled

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the nine months ended December 31, 2018 (From April 1, 2018 to December 31, 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 |       | Total Comprehensive income |       |
|-------------------|-----------------|-----|------------------|-------|----------------------------|-------|-----------------|-------|---|-------|----------------------------|-------|
|                   | Millions of yen | %   | Millions of yen  | %     | Millions of yen            | %     | Millions of yen | %     | Millions of yen                                     | %     | Millions of yen            | %     |
| Nine months ended |                 |     |                  |       |                            |       |                 |       |   |       |                            |       |
| December 31, 2018 | 947,600         | 0.2 | 72,095           | (7.7) | 69,969                     | (7.6) | 48,005          | (6.7) | 48,002  | (6.6) | 48,478                     | (6.5) |
| 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) |

|                   | Basic earnings per share | Diluted earnings per share |
|-------------------|--------------------------|----------------------------|
| Nine months ended | Yen                      | Yen                        |
| December 31, 2018 | 166.46                   | -                          |
| December 31, 2017 | 178.17                   | -                          |

#### (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, 2018 | 1,284,177       | 741,677         | 741,654   | 57.8   |
| 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               | —                          | 31.00 |     |       |       |
| Year ending<br>March 31, 2019 (Forecast) |                            |       |     | 31.00 | 62.00 |

Note Revision of forecasts in the dividends: No

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                      |
| 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 financial results forecast most recently announced : No

Notes

(1) Changes in significant subsidiaries during nine month ended December 31, 2018

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

(2) Changes in accounting policies and 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 December 31, 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 December 31, 2018             | 6,049,834 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) | Nine months ended December 31, 2018 | 288,381,944 shares | Nine months ended December 31, 2017 | 288,382,832 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 material are based on information available to the Company and a certain assumptions judged to be reasonable on the date of this material'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, 2018 is planned to be available on our website on Feb 12, 2019.

## Condensed Interim Quarterly Consolidated Financial Statements

### Condensed Interim Consolidated Statement of Financial Position (IFRS)

|   | (Unit: Millions of yen) |                |
|---|-------------------------|----------------|
|   | As of March             | As of December |
|   | 31, 2018                | 31, 2018       |
| Assets  |                         |                |
| Current assets                                    |                         |                |
| Cash and deposit                                  | 298,658                 | 220,875        |
| Trade and other receivables                       | 3,084                   | 4,534          |
| Contract assets                                   | -                       | 6,189          |
| Inventories                                       | 615,792                 | 688,992        |
| Operating loans and operating accounts receivable | 34,339                  | 29,729         |
| Income taxes receivable                           | 11,401                  | 0              |
| Other financial assets                            | 2,746                   | 2,936          |
| Other current assets                              | 9,626                   | 10,630         |
| Total current assets                              | 975,648                 | 963,890        |
| Non-Current assets                                |                         |                |
| Property, plant and equipment                     | 65,954                  | 82,254         |
| Goodwill  | 198,278                 | 198,509        |
| Intangible assets                                 | 1,630                   | 1,531          |
| Other financial assets                            | 31,807                  | 31,678         |
| Deferred tax assets                               | 7,010                   | 6,096          |
| Other non-current assets                          | 210                     | 216            |
| Total non-current assets                          | 304,892                 | 320,287        |
| Total assets                                      | 1,280,540               | 1,284,177      |

|   | (Unit: Millions of yen) |                            |
|---|-------------------------|----------------------------|
|   | As of March<br>31, 2018 | As of December<br>31, 2018 |
| Liabilities and equity                              |                         |                            |
| Liabilities   |                         |                            |
| Current liabilities                                 |                         |                            |
| Bonds and borrowings                                | 236,974                 | 219,655                    |
| Trade and other payables                            | 120,159                 | 120,957                    |
| Other financial liabilities                         | 10,412                  | 4,452                      |
| Income taxes payables                               | 15,832                  | 8,589                      |
| Contract liabilities                                | -                       | 5,255                      |
| Other current liabilities                           | 17,928                  | 8,190                      |
| Total current liabilities                           | 401,307                 | 367,099                    |
| Non-current liabilities                             |                         |                            |
| Bonds and borrowings                                | 157,353                 | 162,188                    |
| Other financial liabilities                         | 501                     | 638                        |
| Retirement benefit liabilities                      | 7,536                   | 8,024                      |
| Provisions  | 3,707                   | 3,896                      |
| Deferred tax liabilities                            | 484                     | 480                        |
| Other non-current liabilities                       | 220                     | 170                        |
| Total non-current liabilities                       | 169,804                 | 175,400                    |
| Total liabilities                                   | 571,112                 | 542,499                    |
| Equity  |                         |                            |
| Capital stock                                       | 10,000                  | 10,000                     |
| Capital surplus                                     | 418,913                 | 418,913                    |
| Retained earnings                                   | 289,834                 | 323,877                    |
| Treasury stock                                      | (13,200)                | (13,201)                   |
| Other components of equity                          | 3,880                   | 2,065                      |
| Equity attributable to owners of the parent company | 709,427                 | 741,654                    |
| Non-controlling interests                           | -                       | 23                         |
| Total equity  | 709,427                 | 741,677                    |
| Total liabilities and equity                        | 1,280,540               | 1,284,177                  |

**Condensed Interim Consolidated Statement of Income (Cumulative) and Condensed Interim Consolidated Statements of Comprehensive Income (Cumulative)**

**Condensed Interim Consolidated Statement of Income (Cumulative) (IFRS)**

(Unit: Millions of yen)

|  | Nine Months Ended<br>December 31, 2017 | Nine Months Ended<br>December 31, 2018 |
|--|--|--|
| Revenue                                      | 945,610                                | 947,600                                |
| Cost of sales                                | (788,839)                              | (794,229)                              |
| Gross profit                                 | 156,771                                | 153,370                                |
| Selling, general and administrative expenses | (79,241)                               | (81,898)                               |
| Other income                                 | 1,015                                  | 1,030                                  |
| Other expenses                               | (404)                                  | (406)                                  |
| Operating income                             | 78,141                                 | 72,095                                 |
| Finance income                               | 156                                    | 353                                    |
| Finance costs                                | (2,549)                                | (2,480)                                |
| Profit before income taxes                   | 75,747                                 | 69,969                                 |
| Income tax expenses                          | (24,277)                               | (21,964)                               |
| Net Profit                                   | <u>51,470</u>                          | <u>48,005</u>                          |
| Attributable to                              |  |  |
| Owners of the parent company                 | 51,381                                 | 48,002                                 |
| Non-controlling interests                    | 88                                     | 2                                      |
| Net Profit                                   | <u>51,470</u>                          | <u>48,005</u>                          |
| Earnings per share                           |  |  |
| Basic earnings per share (Unit: Yen)         | 178.17                                 | 166.46                                 |
| Diluted earnings per share (Unit: Yen)       | -                                      | -                                      |

## Condensed Interim Consolidated Statements of Comprehensive Income (Cumulative) (IFRS)

(Unit: Millions of yen)

|  | Nine Months Ended<br>December 31, 2017 | Nine Months Ended<br>December 31, 2018 |
|--|--|--|
| Profit   | 51,470                                 | 48,005                                 |
| 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 | -                                      | 472                                    |
| Total items that will not be reclassified subsequently to profit or loss   | -                                      | 472                                    |
| Items that may be reclassified to profit or loss                           |  |  |
| Gains or losses on an available-for-sale financial asset                   | 387                                    | -                                      |
| Cash flow hedges   | 3                                      | 0                                      |
| Total items that may be reclassified to profit or loss                     | 390                                    | 0                                      |
| Other comprehensive income (loss) after income taxes                       | 390                                    | 473                                    |
| Comprehensive income   | 51,861                                 | 48,478                                 |
| Attributable to  |  |  |
| Owners of the parent company   | 51,772                                 | 48,475                                 |
| Non-controlling interests  | 88                                     | 2                                      |
| Comprehensive income   | 51,861                                 | 48,478                                 |

**Condensed Interim Consolidated Statement of Changes in Equity (IFRS)**  
**From April 1, 2017 to December 31, 2017**

(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)             | -   | -  |
| Changes in interests in subsidiaries | -   | 410             | -                 | -               | -   | -  |
| Total transactions with owners       | -   | 410             | (17,591)          | (1)             | -   | -  |
| As of December 31, 2017              | <u>10,000</u>                                       | <u>418,913</u>  | <u>271,266</u>    | <u>(13,200)</u> | <u>(3)</u>                                      | <u>2,124</u>   |

(Unit: Millions of yen)

|                                      | Equity attributable to owners of the parent company |              |                              |          | Non-controlling interests | Total equity |
|--------------------------------------|---|--------------|------------------------------|----------|---------------------------|--------------|
|                                      | Other components of equity                          |              | Owners of the parent company |          |                           |              |
|                                      | 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)                       |              |
| Changes in interests in subsidiaries | -   | -            | 410                          | (834)    | (424)                     |              |
| Total transactions with owners       | -   | -            | (17,182)                     | (854)    | (18,037)                  |              |
| As of December 31, 2017              | <u>-</u>  | <u>2,120</u> | <u>689,100</u>               | <u>-</u> | <u>689,100</u>            |              |

**Condensed Interim Consolidated Statement of Changes in Equity (IFRS)**  
**From April 1, to December 31, 2018**

(Unit: Millions of yen)

|   | Equity attributable to owners of the parent company |                 |                   |                |   |  |  |
|---|---|-----------------|-------------------|----------------|---|--|--|
|   | Capital stock                                       | Capital surplus | Retained earnings | Treasury Stock | Other components of equity                      |  |  |
|   |   |                 |                   |                | 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  | -   | -               | 48,002            | -              | -   | -  | -  |
| Other comprehensive income (loss)                             | -   | -               | -                 | -              | -   | -  | 472  |
| Comprehensive income  | -   | -               | 48,002            | -              | -   | -  | 472  |
| Dividends   | -   | -               | (17,591)          | -              | -   | -  | -  |
| Change of treasury stock                                      | -   | -               | -                 | (0)            | -   | -  | -  |
| Transfer from other components of equity to retained earnings | -   | -               | 2,288             | -              | -   | -  | (2,288)  |
| Other   | -   | -               | 484               | -              | -   | -  | -  |
| Total transactions with owners                                | -   | -               | (14,818)          | (0)            | -   | -  | (2,288)  |
| As of December 31, 2018                                       | 10,000  | 418,913         | 323,877           | (13,201)       | (185)   | -  | 2,250  |

(Unit: Millions of yen)

|   | Equity attributable to owners of the parent company |         |                              |                           | Total equity |
|---|---|---------|------------------------------|---------------------------|--------------|
|   | Other components of equity                          |         | Owners of the parent company | Non-controlling interests |              |
|   | 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  | -   | -       | 48,002                       | 2                         | 48,005       |
| Other comprehensive income (loss)                             | 0   | 473     | 473                          | -                         | 473          |
| Comprehensive income  | 0   | 473     | 48,475                       | 2                         | 48,478       |
| Dividends   | -   | -       | (17,591)                     | -                         | (17,591)     |
| Change of treasury stock                                      | -   | -       | (0)                          | -                         | (0)          |
| Transfer from other components of equity to retained earnings | -   | (2,288) | -                            | -                         | -            |
| Other   | -   | -       | 484                          | 20                        | 505          |
| Total transactions with owners                                | -   | (2,288) | (17,107)                     | 20                        | (17,086)     |
| As of December 31, 2018                                       | -   | 2,065   | 741,654                      | 23                        | 741,677      |



## Condensed Interim Consolidated Statement of Cash flows (IFRS)

(Unit: Millions of yen)

|  | Nine Months ended<br>December 31, 2017 | Nine Months ended<br>December 31, 2018 |
|--|--|--|
| Cash flows from operating activities   |  |  |
| Profit before income taxes   | 75,747                                 | 69,969                                 |
| Depreciation   | 2,021                                  | 2,305                                  |
| Impairment losses  | 92                                     | 29                                     |
| Financial incomes  | (156)                                  | (353)                                  |
| Financial costs  | 2,549                                  | 2,480                                  |
| Decrease (increase) in inventories   | (99,210)                               | (74,820)                               |
| Decrease (increase) in loans and receivables   | 7,158                                  | 4,568                                  |
| Increase(decrease) in trade payables and other liabilities   | 2,075                                  | (515)                                  |
| Other  | (2,050)                                | (3,297)                                |
| Subtotal   | (11,772)                               | 365                                    |
| Proceeds from subsidy income   | 33                                     | 166                                    |
| Interest and dividend income received  | 143                                    | 278                                    |
| Interest expenses paid   | (2,303)                                | (2,393)                                |
| Income taxes paid  | (39,448)                               | (36,730)                               |
| Income taxes refund  | 3,205                                  | 11,360                                 |
| Net cash provided by (used in) operating activities  | (50,140)                               | (26,953)                               |
| Cash flows from investing activities   |  |  |
| Payments into time deposits  | (11,200)                               | (9,833)                                |
| Proceeds from withdrawal of time deposits  | 6,250                                  | 11,290                                 |
| Purchase of property, plant and equipment  | (6,571)                                | (15,002)                               |
| Proceeds from sales of property, plant and equipment   | 334                                    | 123                                    |
| Purchase of intangible assets  | (308)                                  | (274)                                  |
| Purchase of investment securities  | (1,562)                                | (570)                                  |
| Proceeds from sale of investments, redemption  | 133                                    | 3,317                                  |
| Payments of loans receivable   | (3,914)                                | (3,680)                                |
| Proceeds from collection of loans  | 380                                    | 1,127                                  |
| Other  | (111)                                  | (100)                                  |
| Net cash provided by (used in) investing activities  | (16,571)                               | (13,603)                               |
| Cash flows from financing activities   |  |  |
| Net increase (decrease) in short-term loans payable  | 17,987                                 | (18,682)                               |
| Proceeds from long-term loans payable  | 20,308                                 | 2,783                                  |
| Repayments of long-term loans payable  | (4,062)                                | (2,363)                                |
| Cash dividends paid  | (17,576)                               | (17,573)                               |
| Payments from changes in ownership interests in subsidiaries that do no result in change in scope of consolidation | (424)                                  | -                                      |
| Other  | (20)                                   | 66                                     |
| Net cash provided by (used in) financing activities  | 16,211                                 | (35,769)                               |
| Effect of exchange rate change on cash and cash equivalents  | 2                                      | (0)                                    |
| Net increase (decrease) in cash and cash equivalents   | (50,497)                               | (76,325)                               |
| Cash and cash equivalents at the beginning of period   | 260,745                                | 288,768                                |
| Cash and cash equivalents at the end of period   | 210,248                                | 212,442                                |