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MEMBERSHIP

August 7, 2020

Summary of Consolidated Financial Results for the Three Months Ended June 30, 2020 (Based on IFRS)

Company name: **Iida Group Holdings Co., Ltd.**
 Listing: Tokyo Stock Exchange (First Section)
 Stock code: 3291
 URL: <https://www.ighd.co.jp/>
 Representative: Yoichi Nishikawa, President and Representative Director
 For Inquiry: Hiroshi Nishino, Senior Board Director
 Tel: +81-422-38-8828

Scheduled date to file quarterly securities report: August 7, 2020

Scheduled date to commence dividend payments: –

Preparation of supplementary material on quarterly financial results: Yes

Holding of quarterly financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the first three months ended June 30, 2020 (from April 1, 2020 to June 30, 2020)

(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	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2020	321,971	7.6	15,743	(22.2)	16,182	(15.3)	11,057	(13.9)	10,939	(14.1)	10,889	10.7
June 30, 2019	299,169	(2.8)	20,242	(15.1)	19,112	(17.8)	12,847	(19.0)	12,738	(19.7)	9,835	(37.1)

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2020	37.93	—
June 30, 2019	44.17	—

Note: “Basic earnings per share” is calculated 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	%
June 30, 2020	1,511,425	796,521	794,899	52.6
March 31, 2020	1,536,537	794,639	793,068	51.6

2. Cash dividends

	Annual dividends per share				
	Q1	Q2	Q3	Q4	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2020	—	31.00	—	31.00	62.00
Year ending March 31, 2021	—				
Year ending March 31, 2021 (Forecast)		16.00	—	16.00	32.00

Note: Revisions to the forecasts of cash dividends most recently announced: No

**3. Forecast of consolidated results for the fiscal year ending March 31, 2021
(from April 1, 2020 to March 31, 2021)**

The forecast of consolidated results for the fiscal year ending March 31, 2021 has not yet been determined at this point as it is difficult to rationally estimate the impact of the spread of the novel coronavirus disease (COVID-19) on business activities and operating results. The forecast will be disclosed promptly once it is possible to make a reasonable estimate.

*** Notes**

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): No

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

- | | |
|---|-----|
| a. Changes in accounting policies required by IFRSs: | Yes |
| b. Changes in accounting policies other than the above: | No |
| c. Changes in accounting estimates: | No |

(3) Number of issued shares (common stock)

Total number of issued shares at the end of the period (including treasury stock)	As of June 30, 2020	294,431,639 shares	As of March 31, 2020	294,431,639 shares
Number of treasury stock at the end of the period	As of June 30, 2020	6,050,995 shares	As of March 31, 2020	6,050,899 shares
Average number of shares during the period (Cumulative from the beginning of the fiscal year)	Three months ended June 30, 2020	288,380,682 shares	Three months ended June 30, 2019	288,381,567 shares

* Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

* Explanation of appropriate use of financial results forecast and other remarks

As it is difficult to rationally estimate financial results, the forecast of consolidated results for the fiscal year ending March 31, 2021 has not yet been determined. The forecast will be disclosed promptly once it is possible to make a reasonable estimate.

(How to obtain supplementary material on quarterly financial results)

Supplementary material on quarterly financial results for the three months ended June 30, 2020 is planned to be available on our website on August 7, 2020.

Condensed Quarterly Consolidated Financial Statements
Condensed Quarterly Consolidated Statement of Financial Position

(Unit: Millions of yen)

	As of March 31, 2020	As of June 30, 2020
Assets		
Current assets		
Cash and deposit	387,003	375,431
Trade and other receivables	6,887	5,491
Contract assets	4,183	6,281
Inventories	709,240	695,033
Operating loans and operating accounts receivable	38,606	37,569
Income taxes receivable	8,613	8,595
Other financial assets	3,841	3,827
Other current assets	12,159	7,705
Total current assets	1,170,535	1,139,937
Non-current assets		
Property, plant and equipment	102,258	105,076
Right-of-use assets	16,887	16,501
Goodwill	199,776	199,776
Intangible assets	1,750	1,705
Other financial assets	33,003	36,527
Deferred tax assets	11,964	11,522
Other non-current assets	361	378
Total non-current assets	366,001	371,488
Total assets	1,536,537	1,511,425

(Unit: Millions of yen)

	As of March 31, 2020	As of June 30, 2020
Liabilities and equity		
Liabilities		
Current liabilities		
Bonds and borrowings	321,592	317,289
Lease liabilities	4,574	4,611
Trade and other payables	138,055	130,126
Other financial liabilities	10,101	4,209
Income taxes payable	13,023	5,090
Contract liabilities	5,533	6,395
Other current liabilities	16,753	15,960
Total current liabilities	509,635	483,684
Non-current liabilities		
Bonds and borrowings	202,438	201,464
Lease liabilities	13,589	13,101
Other financial liabilities	1,309	1,335
Retirement benefit liability	9,489	9,717
Provisions	4,608	4,851
Deferred tax liabilities	569	493
Other non-current liabilities	257	256
Total non-current liabilities	232,262	231,220
Total liabilities	741,897	714,904
Equity		
Capital stock	10,000	10,000
Capital surplus	418,941	418,161
Retained earnings	379,073	381,853
Treasury stock	(13,203)	(13,203)
Other components of equity	(1,743)	(1,911)
Equity attributable to owners of the parent company	793,068	794,899
Non-controlling interests	1,571	1,621
Total equity	794,639	796,521
Total liabilities and equity	1,536,537	1,511,425

Condensed Quarterly Consolidated Statement of Profit or Loss (Cumulative) and Condensed Quarterly Consolidated Statements of Comprehensive Income (Cumulative)

Condensed Quarterly Consolidated Statement of Profit or Loss (Cumulative)

	(Unit: Millions of yen)	
	Three Months Ended June 30, 2019	Three Months Ended June 30, 2020
Revenue	299,169	321,971
Cost of sales	(249,883)	(276,259)
Gross profit	49,285	45,712
Selling, general and administrative expenses	(29,225)	(30,104)
Other income	343	326
Other expenses	(160)	(190)
Operating income	20,242	15,743
Financial income	109	1,373
Financial cost	(1,239)	(934)
Profit before income taxes	19,112	16,182
Income tax expenses	(6,265)	(5,125)
Net Profit	12,847	11,057
Attributable to		
Owners of the parent company	12,738	10,939
Non-controlling interests	109	117
Net Profit	12,847	11,057
Earnings per share		
Basic earnings per share (Unit: Yen)	44.17	37.93
Diluted earnings per share (Unit: Yen)	—	—

Condensed Quarterly Consolidated Statements of Comprehensive Income (Cumulative)

	(Unit: Millions of yen)	
	Three Months Ended June 30, 2019	Three Months Ended June 30, 2020
Profit	12,847	11,057
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	(3,011)	(168)
Total items that will not be reclassified subsequently to profit or loss	(3,011)	(168)
Other comprehensive income (loss) after income taxes	(3,011)	(168)
Comprehensive income	9,835	10,889
Attributable to		
Owners of the parent company	9,726	10,771
Non-controlling interests	109	117
Comprehensive income	9,835	10,889

Condensed Quarterly Consolidated Statement of Changes in Equity
Three Months Ended June 30, 2019 (From April 1, 2019 to June 30, 2019)

(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	Financial assets measured at fair value through other comprehensive income
As of April 1, 2019	10,000	418,913	341,567	(13,201)	(434)	1,344
Changes in accounting policies	—	—	(261)	—	—	—
Revised as of April 1, 2019	10,000	418,913	341,306	(13,201)	(434)	1,344
Profit	—	—	12,738	—	—	—
Other comprehensive income (loss)	—	—	—	—	—	(3,011)
Comprehensive income	—	—	12,738	—	—	(3,011)
Dividends	—	—	(8,939)	—	—	—
Change of treasury stock	—	—	—	(0)	—	—
Other	—	27	1,913	—	—	—
Total transactions with owners	—	27	(7,026)	(0)	—	—
As of June 30, 2019	10,000	418,941	347,018	(13,202)	(434)	(1,667)

(Unit: Millions of yen)

	Equity attributable to owners of the parent company		Non-controlling interests	Total
	Other components of equity	Total		
	Total			
As of April 1, 2019	910	758,190	30	758,220
Changes in accounting policies	—	(261)	—	(261)
Revised as of April 1, 2019	910	757,929	30	757,959
Profit	—	12,738	109	12,847
Other comprehensive income (loss)	(3,011)	(3,011)	—	(3,011)
Comprehensive income	(3,011)	9,726	109	9,835
Dividends	—	(8,939)	(44)	(8,984)
Change of treasury stock	—	(0)	—	(0)
Other	—	1,941	1,233	3,175
Total transactions with owners	—	(6,998)	1,189	(5,809)
As of June 30, 2019	(2,101)	760,656	1,329	761,986

Condensed Quarterly Consolidated Statement of Changes in Equity
Three Months Ended June 30, 2020 (From April 1, 2020 to June 30, 2020)

(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	Financial assets measured at fair value through other comprehensive income
As of April 1, 2020	10,000	418,941	379,073	(13,203)	(394)	(1,349)
Profit	—	—	10,939	—	—	—
Other comprehensive income (loss)	—	—	—	—	—	(168)
Comprehensive income	—	—	10,939	—	—	(168)
Dividends	—	—	(8,939)	—	—	—
Change of treasury stock	—	—	—	(0)	—	—
Forfeiture of share acquisition rights	—	(780)	780	—	—	—
Total transactions with owners	—	(780)	(8,159)	(0)	—	—
As of June 30, 2020	10,000	418,161	381,853	(13,203)	(394)	(1,517)

(Unit: Millions of yen)

	Equity attributable to owners of the parent company		Non-controlling interests	Total
	Other components of equity	Total		
	Total			
As of April 1, 2020	(1,743)	793,068	1,571	794,639
Profit	—	10,939	117	11,057
Other comprehensive income (loss)	(168)	(168)	—	(168)
Comprehensive income	(168)	10,771	117	10,889
Dividends	—	(8,939)	(67)	(9,007)
Change of treasury stock	—	(0)	—	(0)
Forfeiture of share acquisition rights	—	—	—	—
Total transactions with owners	—	(8,939)	(67)	(9,007)
As of June 30, 2020	(1,911)	794,899	1,621	796,521

Condensed Quarterly Consolidated Statement of Cash Flows

(Unit: Millions of yen)

	Three Months Ended June 30, 2019	Three Months Ended June 30, 2020
Cash flows from operating activities		
Profit before income taxes	19,112	16,182
Depreciation and amortization	1,969	2,388
Financial income	(109)	(1,373)
Financial cost	1,239	934
Decrease (increase) in inventories	(55,232)	12,651
Decrease (increase) in loans and receivables	3,336	1,036
Increase (decrease) in trade payables and other liabilities	(4,940)	(7,469)
Other	3,657	4,735
Subtotal	(30,967)	29,085
Proceeds from subsidy income	2,677	—
Interest and dividends received	26	35
Interest paid	(859)	(988)
Income taxes paid	(24,441)	(18,668)
Income taxes refunded	10	1
Net cash provided by (used in) operating activities	(53,554)	9,466
Cash flows from investing activities		
Payments into time deposits	(370)	(350)
Proceeds from withdrawal of time deposits	870	500
Purchase of property, plant and equipment	(3,634)	(2,885)
Proceeds from sales of property, plant and equipment	7	2
Purchase of intangible assets	(122)	(105)
Purchase of investment securities	(0)	(1,937)
Proceeds from sale of investments, redemption	0	—
Payments of loans receivable	(775)	(547)
Proceeds from collection of loans	413	48
Other	25	(8)
Net cash provided by (used in) investing activities	(3,585)	(5,284)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	14,609	25,878
Proceeds from long-term loans payable	34	—
Repayments of long-term loans payable	(531)	(1,222)
Redemption of bonds	—	(30,000)
Repayments of lease liabilities	(1,147)	(1,360)
Cash dividends paid	(8,871)	(8,872)
Other	(44)	(67)
Net cash provided by (used in) financing activities	4,048	(15,644)
Effect of exchange rate change on cash and cash equivalents	(2)	39
Net increase (decrease) in cash and cash equivalents	(53,094)	(11,422)
Cash and cash equivalents at the beginning of period	337,110	384,335
Cash and cash equivalents at the end of period	284,016	372,912