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## Summary of Financial and Business Results for the First Quarter of the Fiscal Year Ending February 2012

July 14, 2011

### Ichigo Group Holdings Co., Ltd. (JASDAQ, 2337)

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Date of Submission of *Shihanki Hokokusho* (Quarterly Report): July 15, 2011 (expected)

Date of Dividend Payment: N/A

Supplemental Material to Financial and Business Results: Yes

Financial and Business Results Briefing: Yes (for institutional investors and analysts)

### 1. Consolidated Financial Results (from March 1, 2011 to May 31, 2011)

#### (1) Consolidated Financial Results (Accumulated) (% change is year-on-year)

|        |    | Revenues      |       | Operating Profit |       | Recurring Profit |       | Net Profit    |       |
|--------|----|---------------|-------|------------------|-------|------------------|-------|---------------|-------|
|        |    | (million yen) | (%)   | (million yen)    | (%)   | (million yen)    | (%)   | (million yen) | (%)   |
| Feb 12 | Q1 | 7,837         | 90.9  | 181              | -63.9 | 211              | -50.4 | 105           | -94.8 |
| Feb 11 | Q1 | 4,104         | -52.9 | 503              | 66.6  | 426              | 263.1 | 2,041         | 873.9 |

|        |    | Net Profit per     | Net Profit per       |
|--------|----|--------------------|----------------------|
|        |    | Share (basic, yen) | Share (diluted, yen) |
| Feb 12 | Q1 | 45.29              | -                    |
| Feb 11 | Q1 | 1,155.99           | 873.80               |

#### (2) Consolidated Financial Condition

|        |    | Total Assets  | Net Assets    | Equity Ratio | Net Assets per |
|--------|----|---------------|---------------|--------------|----------------|
|        |    | (million yen) | (million yen) | (%)          | Share          |
| Feb 12 | Q1 | 95,596        | 27,629        | 26.6         | 10,943.44      |
| Feb 11 | Q4 | 98,653        | 27,771        | 25.9         | 10,920.79      |

Reference: Shareholders' equity Feb 12 Q1: 25,399 million yen Feb 11 Q4: 25,514 million yen

### 2. Dividends

|                   | Dividend per Share (yen) |                |               |                |             |
|-------------------|--------------------------|----------------|---------------|----------------|-------------|
|                   | First Quarter            | Second Quarter | Third Quarter | Fourth Quarter | Fiscal Year |
| Feb 11            | -                        | 0              | -             | 0              | 0           |
| Feb 12            | -                        |                |               |                |             |
| Feb 12 (Expected) |                          | 0              | -             | -              | -           |

Note 1: Changes in the dividend forecast during the period: None

Note 2: Dividend record dates are designated as the last day of the First Half and the Full Year in the Company's Articles of Incorporation. As of the First Quarter, the Company has not forecast a dividend.

3. Consolidated Forecast for the Fiscal Year Ending February 2012 (from March 1, 2011 to February 29, 2012)

(% change is year-on-year)

|           | Revenues<br>(million yen)   | (%)   | Operating Profit<br>(million yen) | (%)   | Recurring Profit<br>(million yen) | (%)   |
|-----------|-----------------------------|-------|-----------------------------------|-------|-----------------------------------|-------|
| Feb 12 Q2 | -                           | -     | -                                 | -     | -                                 | -     |
| Full Year | 16,300                      | 27.7  | 1,000                             | -26.0 | 700                               | -56.7 |
|           | Net Profit<br>(million yen) | (%)   | Net Profit per Share<br>(Yen)     |       |                                   |       |
| Feb 12 Q2 | -                           | -     | -                                 |       |                                   |       |
| Full Year | 1,300                       | 109.5 | 559.43                            |       |                                   |       |

Note 1: Changes in the forecast during the period: None

Note 2: The Company has no official earnings forecast for the first half of the fiscal year.

Note 3: The forecast for Net Profit per Share has been estimated under the assumption that the number of outstanding shares as of the First Quarter-end is unchanged through the end of the full fiscal year.

4. Others

- (1) Changes in significant consolidated subsidiaries (material changes in scope of consolidation): None
- (2) Application of simplified accounting treatments and accounting treatment specific to interim consolidated financial statements: Yes
- (3) Changes in accounting principles, procedure and presentation
  - (i) Change due to the amendments of accounting principles: Yes
  - (ii) Change due to other than the above: None
- (4) Number of outstanding shares (common shares)
  - (i) Number of outstanding shares including treasury stock
 

|            |           |
|------------|-----------|
| Feb 12 Q1: | 2,336,559 |
| Feb 11 Q4: | 2,336,559 |
  - (ii) Number of shares of treasury stock
 

|            |        |
|------------|--------|
| Feb 12 Q1: | 15,555 |
| Feb 11 Q4: | 240    |
  - (iii) Average number of outstanding shares
 

|            |           |
|------------|-----------|
| Feb 12 Q1: | 2,332,024 |
| Feb 11 Q1: | 1,766,000 |

\*Implementation Status of the Quarterly Review Procedures

As of the time of release, this quarterly summary of financial and business results has undergone the review procedures for the quarterly consolidated financial statement under the Financial Instruments and Exchange Act, although technically it is not subject to the quarterly review procedures under the Act.

\*Explanation on the Appropriate Use of the Earnings Projection

Forward-looking statements contained in this material are based on judgments obtained from information that was available to the Company and the Group as of the announcement date. However, these statements involve risks and uncertainties. Therefore, please note that actual earnings may differ significantly from the described earnings projection as a result of various factors.

## Consolidated Balance Sheet

(Million Yen)

|  | Feb 12 Q1<br>(May 31, 2011) | Feb 11 Full Year<br>(Feb 28, 2011) |
|--|-----------------------------|------------------------------------|
| <b>Assets</b>                                      |                             |                                    |
| <b>Current Assets</b>                              |                             |                                    |
| Cash and cash equivalents                          | 11,670                      | 12,343                             |
| Trade notes and accounts receivable                | 626                         | 696                                |
| Operational investments in loans                   | 379                         | 1,135                              |
| Operational investments in securities              | 5,223                       | 8,035                              |
| Real estate for sale                               | 67,164                      | 68,823                             |
| Others   | 717                         | 780                                |
| Less: allowance for doubtful accounts              | (1,633)                     | (4,600)                            |
| <b>Total Current Assets</b>                        | <b>84,148</b>               | <b>87,215</b>                      |
| <b>Fixed Assets</b>                                |                             |                                    |
| <b>Tangible Assets</b>                             |                             |                                    |
|  | <b>3,121</b>                | <b>3,178</b>                       |
| <b>Intangible ssets</b>                            |                             |                                    |
| Goodwill   | 1,945                       | 1,970                              |
| Others   | 37                          | 39                                 |
| <b>Total Intangible Assets</b>                     | <b>1,982</b>                | <b>2,009</b>                       |
| <b>Investments and Other Assets</b>                |                             |                                    |
| Investments in securities                          | 5,753                       | 5,682                              |
| Long-term loans receivable                         | 14                          | 14                                 |
| Other investments                                  | 710                         | 684                                |
| Less: allowance for doubtful accounts              | (134)                       | (131)                              |
| <b>Total Investments and Other Assets</b>          | <b>6,343</b>                | <b>6,249</b>                       |
| <b>Total Fixed Assets</b>                          | <b>11,448</b>               | <b>11,438</b>                      |
| <b>Total Assets</b>                                | <b>95,596</b>               | <b>98,653</b>                      |
| <b>Liabilities</b>                                 |                             |                                    |
| <b>Current Liabilities</b>                         |                             |                                    |
| Trade notes and accounts payable                   | 39                          | 47                                 |
| Short-term borrowings                              | 969                         | 1,293                              |
| Corporate bonds (due within one year)              | 300                         | 400                                |
| Non-recourse bonds (due within one year)           | 1,265                       | 1,280                              |
| Long-term loans (due within one year)              | 2,140                       | 2,874                              |
| Long-term non-recourse loans (due within one year) | 17,616                      | 25,243                             |
| Income taxes payable                               | 39                          | 99                                 |
| Accrued bonuses                                    | 84                          | 24                                 |
| Other current liabilities                          | 4,230                       | 4,155                              |
| <b>Total Current Liabilities</b>                   | <b>26,684</b>               | <b>35,417</b>                      |
| <b>Long Term Liabilities</b>                       |                             |                                    |
| Long-term borrowings                               | 6,525                       | 6,215                              |
| Long-term non-recourse loans                       | 31,083                      | 25,390                             |
| Long-term security deposits received               | 3,222                       | 3,392                              |
| Negative goodwill                                  | 428                         | 451                                |
| Other long-term liabilities                        | 23                          | 13                                 |
| <b>Total Long Term Liabilities</b>                 | <b>41,282</b>               | <b>35,463</b>                      |
| <b>Total Liabilities</b>                           | <b>67,967</b>               | <b>70,881</b>                      |

(Million Yen)

|  | Feb 12 Q1<br>(May 31, 2011) | Feb 11 Full Year<br>(Feb 28, 2011) |
|--|-----------------------------|------------------------------------|
| <b>Net Assets</b>                        |                             |                                    |
| <b>Shareholders' Equity</b>              |                             |                                    |
| Capital                                  | 18,078                      | 18,078                             |
| Capital reserve                          | 2,447                       | 2,447                              |
| Retained earnings                        | 5,260                       | 5,155                              |
| Treasury stock                           | (179)                       | (36)                               |
| <b>Total Shareholders' Equity</b>        | <b>25,606</b>               | <b>25,644</b>                      |
| <b>Revaluation and Adjustment</b>        |                             |                                    |
| Unrealized gain on other securities, net | 155                         | 362                                |
| Deferred gains and losses on hedges      | 10                          | -                                  |
| Foreign currency translation adjustment  | (373)                       | (492)                              |
| <b>Total Revaluation and Adjustment</b>  | <b>(207)</b>                | <b>(130)</b>                       |
| <b>Stock Acquisition Rights</b>          | <b>92</b>                   | <b>80</b>                          |
| <b>Minority Interests</b>                | <b>2,137</b>                | <b>2,177</b>                       |
| <b>Total Net Assets</b>                  | <b>27,629</b>               | <b>27,771</b>                      |
| <b>Total Liabilities and Net Assets</b>  | <b>95,596</b>               | <b>98,653</b>                      |

## Consolidated Income Statement

(Million Yen)

|   | Feb 11 Q1<br>(From Mar 1, 2010<br>To May 31, 2010) | Feb 12 Q1<br>(From Mar 1, 2011<br>To May 31, 2011) |
|---|--|--|
| <b>Revenues</b>                                 | <b>4,104</b>                                       | <b>7,837</b>                                       |
| <b>Cost of Revenues</b>                         | <b>3,017</b>                                       | <b>6,959</b>                                       |
| <b>Gross Profit</b>                             | <b>1,087</b>                                       | <b>877</b>   |
| <b>SG&amp;A</b>                                 | <b>583</b>   | <b>695</b>   |
| <b>Operating Profit</b>                         | <b>503</b>   | <b>181</b>   |
| <b>Non-Operating Profit</b>                     |  |  |
| Interest income                                 | 13   | 0  |
| Amortization of negative goodwill               | 22   | 22   |
| Equity in earnings of affiliates                | -  | 142  |
| Others  | 17   | 11   |
| <b>Total Non-Operating Profit</b>               | <b>53</b>  | <b>176</b>   |
| <b>Non-Operating Expenses</b>                   |  |  |
| Interest on debt                                | 95   | 97   |
| Equity in losses of affiliates                  | 17   | -  |
| Issuance cost of corporate bonds                | -  | 43   |
| Others  | 16   | 5  |
| <b>Total Non-Operating Expenses</b>             | <b>129</b>   | <b>146</b>   |
| <b>Recurring Profit</b>                         | <b>426</b>   | <b>211</b>   |
| <b>Extraordinary Gain</b>                       |  |  |
| Gain on sales of equity holdings in affiliates  | 2,328  | -  |
| Reversal of allowance for doubtful accounts     | -  | 6  |
| Others  | 9  | 2  |
| <b>Total Extraordinary Gain</b>                 | <b>2,338</b>                                       | <b>8</b>   |
| <b>Extraordinary Loss</b>                       |  |  |
| Loss on sale of fixed assets                    | -  | 31   |
| Office move                                     | 15   | -  |
| Others  | -  | 6  |
| <b>Total Extraordinary Loss</b>                 | <b>15</b>  | <b>38</b>  |
| <b>Profit before Income Taxes</b>               | <b>2,749</b>                                       | <b>181</b>   |
| <b>Income taxes</b>                             | <b>5</b>   | <b>27</b>  |
| <b>Profit before Gain on Minority Interests</b> | <b>-</b>   | <b>154</b>   |
| <b>Gain on minority interests</b>               | <b>703</b>   | <b>48</b>  |
| <b>Net Profit</b>                               | <b>2,041</b>                                       | <b>105</b>   |

## Consolidated Cash Flow Statement

(Million Yen)

|  | Feb 11 Q1<br>(From Mar 1, 2010<br>To May 31, 2010) | Feb 12 Q1<br>(From Mar 1, 2011<br>To May 31, 2011) |
|--|--|--|
| <b>Cash Flows from Operating Activities:</b>                 |  |  |
| Income before income taxes                                   | 2,749  | 181  |
| Depreciation   | 32   | 40   |
| Share-based compensation expenses                            | 13   | 12   |
| Amortization of goodwill                                     | 10   | 25   |
| Amortization of negative goodwill                            | (22)   | (22)   |
| Increase (decrease) in accrued bonuses                       | 51   | 59   |
| Increase (decrease) in allowance for doubtful accounts       | 223  | (2,534)  |
| Interest and dividend income                                 | (14)   | (0)  |
| Interest payable   | 95   | 97   |
| Issuance cost of corporate bonds                             | -  | 43   |
| Foreign exchange loss (gain)                                 | 1  | -  |
| Earnings of affiliates                                       | 17   | (142)  |
| Loss (gain) on sales of equity holdings in affiliates        | (2,328)  | -  |
| Loss (gain) on sales of tangible assets                      | -  | 31   |
| Decrease (increase) in trading notes and receivable          | 34   | 70   |
| Decrease (increase) in operating loans receivable            | (95)   | 350  |
| Decrease (increase) in operational investments in securities | 113  | 2,599  |
| Evaluation loss on operational investments in securities     | 10   | 54   |
| Decrease (increase) in real estate for sale                  | 1,158  | 71   |
| Evaluation loss in real estate for sale                      | 14   | -  |
| Increase (decrease) in accounts payable                      | 140  | (100)  |
| Increase (decrease) in accrued expenses                      | (599)  | 254  |
| Increase (decrease) in security deposits received            | (353)  | (171)  |
| Other, net   | (560)  | (383)  |
| <b>Sub-total</b>   | <b>692</b>   | <b>538</b>   |
| Interest and dividend income received                        | 14   | 145  |
| Interest expenses paid                                       | (94)   | (94)   |
| Income taxes paid  | (80)   | (84)   |
| <b>Net Cash from (Used for) Operating Activities</b>         | <b>531</b>   | <b>505</b>   |

(Million Yen)

|  | Feb 11 Q1<br>(From Mar 1, 2010<br>To May 31, 2010) | Feb 12 Q1<br>(From Mar 1, 2011<br>To May 31, 2011) |
|--|--|--|
| <b>Cash Flows from Investing Activities:</b>   |  |  |
| Increase in time deposits  | (352)  | (352)  |
| Refund from time deposits  | 40   | -  |
| Proceeds from sale of securities in affiliates   | 2,482  | -  |
| Payments for acquisitions of property and equipment                                      | (8)  | (13)   |
| Proceeds from sale of property and equipment   | 0  | 9  |
| Payments for acquisitions of intangible assets   | -  | (1)  |
| Payments for acquisitions of subsidiaries resulting in the change of consolidation scope | (578)  | -  |
| Payments of loans receivable   | (30)   | -  |
| Collection of loans receivable   | 90   | 0  |
| Other, net   | 5  | (10)   |
| <b>Net Cash from (Used for) Investing Activities</b>                                     | <b>1,648</b>                                       | <b>(368)</b>                                       |
| <b>Cash Flows from Financing Activities:</b>   |  |  |
| Increase (decrease) in short-term bank loans, net  | 102  | (24)   |
| Proceeds from issuance of bonds  | 1,900  | 6,056  |
| Redemption on corporate bonds  | (1,200)  | (6,200)  |
| Proceeds from issuance of non-recourse bonds   | -  | 2,100  |
| Redemption of non-recourse bonds   | (15)   | (2,115)  |
| Proceeds from long-term debt   | 200  | 300  |
| Repayments of long-term debt   | (734)  | (1,024)  |
| Proceeds from non-recourse loans   | 3,500  | 5,610  |
| Repayment of non-recourse loans  | (3,695)  | (5,533)  |
| Payment on share buyback   | -  | (143)  |
| Cash dividends paid  | (0)  | (0)  |
| Cash dividends paid to minority shareholders   | (0)  | (0)  |
| <b>Net Cash from (Used for) Financing Activities</b>                                     | <b>56</b>  | <b>(973)</b>                                       |
| <b>Effect of Exchange Rate Changes on Cash and Cash Equivalents</b>                      | <b>72</b>  | <b>44</b>  |
| <b>Increase (Decrease) in Cash and Cash Equivalents</b>                                  | <b>2,308</b>                                       | <b>(791)</b>                                       |
| <b>Cash and Cash Equivalents at Beginning of Period</b>                                  | <b>10,728</b>                                      | <b>12,343</b>                                      |
| <b>Cash and Cash Equivalents Excluded from Consolidation</b>                             | <b>-</b>   | <b>(234)</b>                                       |
| <b>Cash and Cash Equivalents at End of Period</b>  | <b>13,036</b>                                      | <b>11,317</b>                                      |