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Summary of Financial and Business Results for the First Quarter of the Fiscal Year Ending February 2013

July 13, 2012

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

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Date of Submission of *Shihanki Hokokusho* (Quarterly Report): July 17, 2012 (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, 2012 to May 31, 2012)

(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 13	Q1	2,362	-69.9	335	84.9	307	45.5	264	150.9
Feb 12	Q1	7,837	90.9	181	-63.9	211	-50.4	105	-94.8

		Net Profit per Share (basic, yen)	Net Profit per Share (diluted, yen)
		Feb 13	Q1
Feb 12	Q1	45.29	-

(2) Consolidated Financial Condition

		Total Assets	Net Assets	Equity Ratio
		(million yen)	(million yen)	(%)
Feb 13	Q1	84,010	28,548	31.2
Feb 12	Q4	82,170	28,187	31.6

Reference: Shareholders' equity Feb 13 Q1: 26,202 million yen Feb 12 Q4: 25,972 million yen

2. Dividends

	Dividend per Share (yen)				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Fiscal Year
Feb 12	-	0	-	0	0
Feb 13	-	-	-	-	-
Feb 13 (Expected)	-	0	-	200	200

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

3. Consolidated Forecast for the Fiscal Year Ending February 2013 (from March 1, 2012 to February 28, 2013)

(% change is year-on-year)

	Revenues		Operating Profit		Recurring Profit	
	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)
FY 13 Full Year	17,000	-10.3	1,500	42.9	1,200	22.5
	Net Profit		Net Profit per Share			
	(million yen)	(%)	(Yen)			
FY 13 Full Year	1,000	-43.5	447.16			

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. Other

(1) Changes in significant consolidated subsidiaries (material changes in scope of consolidation): None

(2) Application of accounting treatment specific to interim consolidated financial statements: None

(3) Changes in accounting principles and accounting estimates and revisions of previous financial statements

(i) Changes in accounting principles due to the amendments of accounting standards: None

(ii) Changes in other accounting principles other than the above: None

(iii) Changes in accounting estimates: None

(iv) Revisions of previous financial statements: None

(4) Number of outstanding shares (common shares)

(i) Number of outstanding shares including treasury stock

Feb 13 Q1: 2,256,319

Feb 12 Q4: 2,256,319

(ii) Number of shares of treasury stock

Feb 13 Q1: 20,000

Feb 12 Q4: 20,000

(iii) Average number of outstanding shares

Feb 13 Q1: 2,236,319

Feb 12 Q1: 2,332,024

*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 Full Year (Feb 29, 2012)	Feb 13 Q1 (May 31, 2012)
Assets		
Current Assets		
Cash and cash equivalents	9,791	9,944
Trade notes and accounts receivable	1,069	683
Operational investments in loans	2,527	2,533
Operational investments in securities	4,226	4,281
Real estate for sale	49,674	51,838
Others	1,465	1,543
Less: allowance for doubtful accounts	(2,930)	(2,953)
Total Current Assets	65,824	67,871
Fixed Assets		
Tangible Assets		
	10,109	10,073
Intangible Assets		
Goodwill	2,077	2,049
Others	27	25
Total Intangible Assets	2,105	2,075
Investments and Other Assets		
Investments in securities	3,589	3,478
Long-term loans receivable	14	13
Other investments	623	593
Less: allowance for doubtful accounts	(96)	(95)
Total Investments and Other Assets	4,131	3,990
Total Fixed Assets	16,346	16,139
Total Assets	82,170	84,010
Liabilities		
Current Liabilities		
Trade notes and accounts payable	57	57
Short-term borrowings	170	455
Long-term borrowings (due within one year)	1,768	1,809
Long-term non-recourse loans (due within one year)	8,793	8,705
Income taxes payable	115	30
Accrued bonuses	22	112
Other current liabilities	2,974	2,761
Total Current Liabilities	13,902	13,932
Long Term Liabilities		
Long-term borrowings	7,413	8,923
Long-term non-recourse loans	28,899	28,686
Long-term security deposits received	3,362	3,516
Negative goodwill	360	338
Other long-term liabilities	43	64
Total Long Term Liabilities	40,080	41,529
Total Liabilities	53,982	55,462

(Million Yen)

	Feb 12 Full Year (Feb 29, 2012)	Feb 13 Q1 (May 31, 2012)
Net Assets		
Shareholders' Equity		
Capital	18,078	18,078
Capital reserve	2,395	2,395
Retained earnings	6,298	6,563
Treasury stock	(187)	(187)
Total Shareholders' Equity	26,584	26,849
Other Comprehensive Income		
Unrealized gain (loss) on other securities, net	(604)	(683)
Foreign currency translation adjustment	(7)	37
Total Other Comprehensive Income (loss)	(612)	(646)
Stock Acquisition Rights	116	123
Minority Interests	2,099	2,221
Total Net Assets	28,187	28,548
Total Liabilities and Net Assets	82,170	84,010

Consolidated Income Statement

(Million Yen)

	Feb 12 Q1 (From Mar 1, 2011 To May 31, 2011)	Feb 13 Q1 (From Mar 1, 2012 To May 31, 2012)
Revenues	7,837	2,362
Cost of Revenues	6,959	1,260
Gross Profit	877	1,102
SG&A	695	766
Operating Profit	181	335
Non-Operating Profit		
Interest income	0	0
Dividend income	-	9
Equity in earnings of affiliates	142	-
Amortization of negative goodwill	22	22
Others	11	10
Total Non-Operating Profit	176	42
Non-Operating Expenses		
Interest on debt	97	70
Issuance cost of corporate bonds	43	-
Others	5	0
Total Non-Operating Expenses	146	70
Recurring Profit	211	307
Extraordinary Gain		
Reversal of allowance for doubtful accounts	6	-
Others	2	0
Total Extraordinary Gain	8	0
Extraordinary Loss		
Loss on sale and retirement of fixed assets	31	0
Others	6	-
Total Extraordinary Loss	38	0
Profit before Income Taxes	181	308
Income taxes	27	16
Profit before Gain on Minority Interests	154	291
Gain on minority interests	48	26
Net Profit	105	264

Consolidated Statements of Comprehensive Income

(Million Yen)

Profit before Gain on Minority Interests	154	291
Other Comprehensive Income		
Valuation gain (loss) on other securities	(218)	(77)
Deferred gain (loss) on hedges	10	-
Foreign currency translation adjustment	(55)	40
Share of other comprehensive income associates accounted for using equity method	112	-
Total Other Comprehensive Income	(151)	(37)
Comprehensive Income	3	253
(Breakdown)		
Comprehensive income for shareholders of the parent company	28	230
Comprehensive income for minority interests	(25)	23

Consolidated Cash Flow Statement

(Million Yen)

	Feb 12 Q1 (From Mar 1, 2011 To May 31, 2011)	Feb 13 Q1 (From Mar 1, 2012 To May 31, 2012)
Cash Flows from Operating Activities:		
Income before income taxes	181	308
Depreciation	40	56
Share-based compensation expenses	12	7
Amortization of goodwill	25	27
Amortization of negative goodwill	(22)	(22)
Increase (decrease) in accrued bonuses	59	89
Increase (decrease) in allowance for doubtful accounts	(2,534)	(1)
Interest and dividend income	(0)	(9)
Interest on debt	97	70
Issuance cost of corporate bonds	43	-
Equity in earnings of affiliates (gain)	(142)	-
Loss (gain) on sales/retirement of fixed assets	31	0
Decrease (increase) in trading notes and receivable	70	385
Decrease (increase) in operating loans receivable	350	-
Decrease (increase) in operational investments in securities	2,599	0
Evaluation loss on operational investments in securities	54	-
Decrease (increase) in real estate for sale	71	(2,189)
Evaluation loss in real estate for sale	-	18
Increase (decrease) in accounts payable	(100)	59
Increase (decrease) in accrued expenses	254	(113)
Increase (decrease) in security deposits received	(171)	41
Other, net	(383)	(123)
Sub-total	538	(1,394)
Interest and dividend income received	145	9
Interest expenses paid	(94)	(71)
Income taxes paid	(84)	(88)
Net Cash from (Used for) Operating Activities	505	(1,544)

(Million Yen)

	Feb 12 Q1 (From Mar 1, 2011 To May 31, 2011)	Feb 13 Q1 (From Mar 1, 2012 To May 31, 2012)
Cash Flows from Investing Activities:		
Increase (decrease) in time deposits	(352)	(0)
Redemption of investment securities	-	30
Acquisition of property and equipment	(13)	(14)
Sale of property and equipment	9	-
Acquisition of intangible assets	(1)	(0)
Fund equity investments	-	(1)
Collection of loans receivable	0	0
Other, net	(10)	(0)
Net Cash from (Used for) Investing Activities	(368)	14
Cash Flows from Financing Activities:		
Increase (decrease) in short-term bank loans, net	(24)	285
Issuance of bonds	6,056	-
Redemption of corporate bonds	(6,200)	-
Issuance of non-recourse bonds	2,100	-
Redemption of non-recourse bonds	(2,115)	-
New long-term debt	300	2,100
Repayment of long-term debt	(1,024)	(548)
New non-recourse loans	5,610	-
Repayment of non-recourse loans	(5,533)	(209)
Share issuance to minority shareholders	-	20
Share repurchase	(143)	-
Cash dividends paid	(0)	-
Cash dividends paid to minority shareholders	(0)	-
Net Cash from (Used for) Financing Activities	(973)	1,647
Effect of Exchange Rate Changes on Cash and Cash Equivalents	44	35
Increase (Decrease) in Cash and Cash Equivalents	(791)	152
Cash and Cash Equivalents at Beginning of Period	12,343	9,438
Cash and Cash Equivalents Excluded from Consolidation	(234)	-
Cash and Cash Equivalents at End of Period	11,317	9,591