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Summary of Financial and Business Results for the First Quarter of the Fiscal Year Ending February 2014

July 12, 2013

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

Representative: Kenji Iwasaki, President and Representative Statutory Executive Officer

Inquiries: Takashi Minamikawa, Executive Managing Director and Statutory Executive Officer

Telephone: +81-3-3502-4818 www.ichigo-holdings.co.jp/english

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Dividend Payment: N/A

Supplemental Materials to Financial and Business Results: Yes

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

1. Consolidated Financial Results (from March 1, 2013 to May 31, 2013)

(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 14 Q1	11,023	366.5	767	128.6	742	141.2	1,360	413.5
Feb 13 Q1	2,362	-69.9	335	84.9	307	45.5	264	150.9

Note: Comprehensive income Feb 14 Q1: 1,469 million yen (479.1%) Feb 13 Q1: 253 million yen (-%)

	Net Profit per Share (basic, yen)	Net Profit per Share (diluted, yen)
Feb 14 Q1	606.95	596.26
Feb 13 Q1	118.48	-

(2) Consolidated Financial Condition

	Total Assets (million yen)	Net Assets (million yen)	Equity Ratio (%)	Net Assets per Share (yen)
Feb 14 Q1	81,884	32,182	36.2	13,214.47
Feb 13	80,428	31,066	35.4	12,704.44

Reference: Shareholders' equity Feb 14 Q1: 29,676 million yen Feb 13: 28,457 million yen

2. Dividends

	Dividend per Share (yen)				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Fiscal Year
Feb 13	-	0	-	200.00	200.00
Feb 14	-				
Feb 14 (Expected)		0	-	1.10	1.10

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

Note 2: The above-mentioned dividend forecast for Feb 14 reflects the stock split announced on April 19, 2013. The dividend forecast for Feb 14 before reflecting the stock split is 220.00 yen.

3. Consolidated Forecast for the Fiscal Year Ending February 2014 (from March 1, 2013 to February 28, 2014)

(% change is year-on-year)

	Revenues		Operating Profit		Recurring Profit	
	(million yen)	(%)	(million yen)	(%)	(million yen)	(%)
Feb 14 FY	26,000	58.6	3,000	62.7	2,700	55.7
	Net Profit		Net Profit per Share			
	(million yen)	(%)	(Yen)			
Feb 14 FY	3,000	83.2	6.68			

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

Note 2: The Company has included a full-year earnings forecast only – there is no half-year earnings forecast.

Note 3: Net Profit per Share for FY14 is based on the average number of outstanding shares for FY14 assuming the number of outstanding shares as of June 30, 2013 remains unchanged throughout FY14.

Note 4: Net Profit per Share for FY14 reflects the stock split announced on April 19, 2013. Net Profit per Share for Feb 14 before reflecting the stock split is 1,336.38 yen.

4. Other

- (1) Changes in significant consolidated subsidiaries (material changes in scope of consolidation): Yes
2 New subsidiaries: GK Minami Ikebukuro *Tokumei Kumiai* and GK Ginza Holdings *Tokumei Kumiai*
- (2) Application of accounting treatment specific to interim consolidated financial statements: None
- (3) Changes in accounting standards/principles, changes in accounting estimates, and revisions to previous financial statements: None
- (4) Number of outstanding shares (common shares)
 - (i) Number of outstanding shares including treasury stock

Feb 14 Q1:	2,265,789
Feb 13:	2,259,934
 - (ii) Number of treasury stock

Feb 14 Q1:	20,000
Feb 13:	20,000

(iii) Average number of outstanding shares

Feb 14 Q1: 2,241,849

Feb 13 Q1: 2,236,319

*Explanation on Appropriate Use of Earnings Projection

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

The Company will split each of its shares into 200 shares, effective September 1, 2013.

Consolidated Balance Sheet

(Million Yen)

	Feb 13 Full Year (Feb 28, 2013)	Feb 14 Q1 (May 31, 2013)
Assets		
Current Assets		
Cash and cash equivalents	9,713	9,391
Trade notes and accounts receivable	548	572
Operational investments in loans	3,636	1,300
Operational investments in securities	4,271	5,476
Real estate for sale	46,176	41,598
Deferred tax assets	369	369
Others	2,042	2,283
Less: allowance for doubtful accounts	(3,177)	(936)
Total Current Assets	63,581	60,055
Fixed Assets		
Property, Plant and Equipment		
Land	7,082	10,261
Others (net)	2,965	4,034
Total Tangible Assets	10,047	14,296
Intangible Assets		
Goodwill	2,203	2,324
Leasehold rights	-	371
Others	20	19
Total Intangible Assets	2,223	2,714
Investments and Other Assets		
Investments in securities	4,117	4,224
Long-term loans receivable	13	13
Others	545	680
Less: allowance for doubtful accounts	(101)	(100)
Total Investments and Other Assets	4,575	4,817
Total Fixed Assets	16,846	21,828
Total Assets	80,428	81,884

(Million Yen)

	Feb 13 Full Year (Feb 28, 2013)	Feb 14 Q1 (May 31, 2013)
Liabilities		
Current Liabilities		
Trade notes and accounts payable	64	60
Short-term borrowings	484	2,634
Long-term borrowings (due within one year)	966	2,689
Long-term non-recourse loans (due within one year)	2,263	4,585
Income taxes payable	65	28
Deferred tax liabilities	15	5
Accrued bonuses	25	105
Other current liabilities	3,419	2,170
Total Current Liabilities	7,304	12,280
Long Term Liabilities		
Long-term borrowings	5,456	8,454
Long-term non-recourse loans	32,776	23,998
Deferred tax liabilities	277	1,386
Long-term security deposits received	3,230	3,288
Negative goodwill	270	248
Other long-term liabilities	46	44
Total Long Term Liabilities	42,056	37,421
Total Liabilities	49,361	49,701
Net Assets		
Shareholders' Equity		
Capital	18,113	18,170
Capital reserve	2,429	2,486
Retained earnings	7,923	8,817
Treasury stock	(187)	(187)
Total Shareholders' Equity	28,279	29,286
Accumulated Other Comprehensive Income		
Unrealized gain on other securities, net	160	357
Foreign currency translation adjustment	16	32
Total Accumulated Other Comprehensive Income	177	390
Stock Acquisition Rights	143	128
Minority Interests	2,466	2,376
Total Net Assets	31,066	32,182
Total Liabilities and Net Assets	80,428	81,884

Consolidated Income Statement

(Million Yen)

	Feb 13 Q1 (From Mar 1, 2012 To May 31, 2012)	Feb 14 Q1 (From Mar 1, 2013 To May 31, 2013)
Revenues	2,362	11,023
Cost of Revenues	1,260	9,385
Gross Profit	1,102	1,638
SG&A	766	870
Operating Profit	335	767
Non-Operating Profit		
Interest income	0	0
Dividend income	9	9
Amortization of negative goodwill	22	22
Others	10	4
Total Non-Operating Profit	42	36
Non-Operating Expenses		
Interest on debt	70	58
Others	0	3
Total Non-Operating Expenses	70	61
Recurring Profit	307	742
Extraordinary Gain		
Gain on sales of investment securities	-	198
Receipt of share trading proceeds	-	434
Others	0	33
Total Extraordinary Gain	0	667
Extraordinary Loss		
Loss on sale and retirement of fixed assets	0	0
Total Extraordinary Loss	0	0
Profit before Income Taxes	308	1,410
Income taxes-current	16	15
Income taxes-deferred	-	(0)
Total income taxes	16	14
Profit before Gain on Minority Interests	291	1,395
Gain on Minority Interests	26	34
Net Profit	264	1,360

Consolidated Statements of Comprehensive Income

(Million Yen)

	Feb 13 Q1 (From Mar 1, 2012 To May 31, 2012)	Feb 14 Q1 (From Mar 1, 2013 To May 31, 2013)
Profit before Gain on Minority Interests	291	1,395
Other Comprehensive Income		
Valuation gain (loss) on other securities	(77)	1,00
Foreign currency translation adjustment	40	(25)
Total Other Comprehensive Income	(37)	74
Comprehensive Income	253	1,469
(Breakdown)		
Comprehensive income for shareholders of the parent company	230	1,573
Comprehensive income for minority interests	23	(103)

Consolidated Cash Flow Statement

(Million Yen)

	Feb 13 Q1 (From Mar 1, 2012 To May 31, 2012)	Feb 14 Q1 (From Mar 1, 2013 To May 31, 2013)
Cash Flows from Operating Activities:		
Income before income taxes	308	1,410
Depreciation	56	57
Share-based compensation expenses	7	20
Amortization of goodwill	27	34
Amortization of negative goodwill	(22)	(22)
Increase (decrease) in accrued bonuses	89	79
Increase (decrease) in allowance for doubtful accounts	(1)	40
Interest and dividend income	(9)	(9)
Interest on debt	70	58
Loss (gain) on sales of investment securities	-	(198)
Loss (gain) on sales/retirement of fixed assets	0	(0)
Decrease (increase) in trading notes and receivable	385	(23)
Decrease (increase) in operational investments in securities	0	(1,268)
Loss on valuation of investment securities	-	14
Decrease (increase) in real estate for sale	(2,189)	4,575
Loss on valuation of real estate for sale	18	-
Decrease (increase) in accounts receivable	(19)	(122)
Increase (decrease) in accounts payable	59	(35)
Increase (decrease) in accrued expenses	(113)	(318)
Increase (decrease) in security deposits received	41	(233)
Others	(103)	657
Sub-total	(1,394)	4,715
Interest and dividend income received	9	9
Interest expenses paid	(71)	(62)
Income taxes paid	(88)	(37)
Net Cash from (Used for) Operating Activities	(1,544)	4,624

(Million Yen)

	Feb 12 Q1 (From Mar 1, 2012 To May 31, 2012)	Feb 13 Q1 (From Mar 1, 2013 To May 31, 2013)
Cash Flows from Investing Activities:		
Payments into time deposits	(0)	(0)
Proceeds from sales of investment securities	-	272
Proceeds from redemption of investment securities	30	-
Acquisition of property and equipment	(14)	(313)
Proceeds from sale of property and equipment	-	0
Acquisition of intangible assets	(0)	(310)
Payments for investments in capital	(1)	(1)
Proceeds from sales of investments in capital	-	4
Payments for acquisitions of subsidiaries resulting in the change of consolidation scope	-	(1,409)
Collection of loans receivable	0	0
Others	(0)	(2)
Net Cash from (Used for) Investing Activities	14	(1,760)
Cash Flows from Financing Activities:		
Increase (decrease) in short-term bank loans, net	285	2,149
Proceeds from long-term loans	2,100	5,100
Repayment of long-term loans	(548)	(1,817)
Repayment of non-recourse loans	(209)	(7,995)
Share issuance to minority shareholders	20	-
Proceeds from exercise of stock option	-	78
Cash dividends paid	-	(413)
Net Cash from (Used for) Financing Activities	1,647	(2,898)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	35	25
Increase (Decrease) in Cash and Cash Equivalents	152	(9)
Cash and Cash Equivalents at Beginning of Period	9,438	9,512
Cash and Cash Equivalents Excluded from Consolidation	-	(312)
Cash and Cash Equivalents at End of Period	9,591	9,189