

Summary of Business Results for the Third Quarter Ended December 31, 2018 [Japan GAAP] (Consolidated)

February 7, 2019

Company **I'rom Group Co., Ltd.** Registered on the TSE
 Stock Code 2372 URL: <http://www.iromgroup.co.jp/>
 Representative Toyotaka Mori, President and CEO
 Contact Hiroaki Inukai, Director, CFO TEL: +81-3-3264-3148
 Expected date of filing of quarterly report: February 8, 2019 Expected starting date of dividend payment: -
 Preparation of quarterly supplementary financial document: None
 Quarterly results briefing: None

(Rounded down to million yen)

1. Consolidated business results for the nine months ended December 2019

(April 1, 2018 through December 31, 2018)

(1) Consolidated results of operations (% change from the previous corresponding period)

| | Net sales | | Operating income | | Ordinary income | | Net income attributable to owners of parent | |
|-----------------------------|-------------|-------|------------------|------|-----------------|-----|---|-------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| Nine months ended Dec. 2018 | 7,954 | 28.5 | 875 | 13.7 | 858 | 4.8 | 687 | △52.8 |
| Nine months ended Dec. 2017 | 6,191 | 108.3 | 769 | - | 819 | - | 1,457 | - |

(Note) Comprehensive income

Nine months ended December 2018: 698 million yen (△57.5 %)

Nine months ended December 2017: 1,644 million yen (- %)

| | Net income per share | | Diluted net income per share | |
|-----------------------------|----------------------|--|------------------------------|--|
| | Yen | | Yen | |
| Nine months ended Dec. 2018 | 58.86 | | 56.76 | |
| Nine months ended Dec. 2017 | 126.82 | | 125.14 | |

(2) Consolidated financial position

| | Total assets | Net assets | Shareholders' equity ratio |
|-----------------|--------------|-------------|----------------------------|
| | Million yen | Million yen | % |
| As of Dec. 2018 | 12,798 | 6,013 | 46.5 |
| As of Mar. 2018 | 11,267 | 5,745 | 50.4 |

(Reference) Shareholders' equity:

As of December 2018: 5,948 million yen

As of March 2018: 5,677 million yen

2. Dividends

| | Annual dividend | | | | |
|----------------------------------|-----------------|-----------|-----------|----------|-------|
| | End of 1Q | End of 2Q | End of 3Q | Year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Year ended Mar. 2018 | — | 10.00 | — | 10.00 | 20.00 |
| Year ending Mar. 2019 | — | 10.00 | — | 10.00 | 20.00 |
| Year ending Mar. 2019 (forecast) | — | — | — | 10.00 | 20.00 |

(Note) Revisions to dividend forecast for the current quarter: None

3. Forecast of consolidated business results for the fiscal year ending March 2019

(April 1, 2018 through March 31, 2019)

| | Net sales | | Operating income | | Ordinary income | | Net income attributable to owners of parent | | Net income per share | |
|-----------------------|-------------|------|------------------|------|-----------------|-----|---|-------|----------------------|-----|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Yen | Yen |
| Year ending Mar. 2019 | 11,500 | 33.4 | 1,200 | 14.9 | 1,200 | 9.8 | 700 | △55.1 | 60.80 | |

(Note) Revisions to business forecast for the current quarter: None

※Notes

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying changes in the scope of consolidation): None
- (2) Application of accounting procedures specific to preparation of the consolidated quarterly financial statements:
None
- (3) Changes in accounting policies, accounting estimates and restatement
- | | |
|--|--------|
| ① Changes in accounting policies associated with revision of accounting standards: | : None |
| ② Changes in accounting policies other than ① | : None |
| ③ Changes in accounting estimates | : None |
| ④ Restatement | : None |
- (4) Shares outstanding (common stock)
- | | |
|---|-------------------|
| ① Number of shares outstanding at the end of period (treasury stock included) | |
| As of December 2018 | 11,707,665 shares |
| As of March 2018 | 11,703,665 shares |
| ② Treasury stock at the end of period | |
| As of December 2018 | 104,065 shares |
| As of March 2018 | 14,005 shares |
| ③ Average number of stock during period (quarterly cumulative period) | |
| Nine months ended December 2018 | 11,681,296 shares |
| Nine months ended December 2017 | 11,491,782 shares |

*Implementation status of quarterly review procedure

This financial summary is not subject to the quarterly review procedures pursuant to the Financial Instruments and Exchange Act. At the time of disclosure of this report, the procedures for review of financial statements pursuant to the Financial Instruments and Exchange Act have not been completed.

*Explanation regarding appropriate use of business forecasts and other special instructions

Forecasts regarding future performance in this material are based on information currently available to the Company and certain assumptions that the Company deems to be reasonable at the time this report was prepared. Actual results may differ significantly from the forecasts due to various factors.