

Summary of Business Results for the Fiscal Year Ended March 31, 2019

[Japan GAAP] (Consolidated)

May 10, 2019

Company Irom 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 annual shareholders' meeting: June 26, 2019

Expected starting date of dividend payment: June 27, 2019

Expected date of filing of annual securities report: June 26, 2019

Preparation of supplementary financial document: Yes

Results briefing: Yes (for institutional investors and analysts)

(Rounded down to million yen)

1. Consolidated business results for the fiscal year ended March 2019 (April 1, 2018 through March 31, 2019)

(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 | % |
| Year ended Mar. 2019 | 10,578 | 22.7 | 1,219 | 16.8 | 1,186 | 8.6 | 912 | -41.4 |
| Year ended Mar. 2018 | 8,621 | 76.3 | 1,044 | 392.2 | 1,092 | 300.3 | 1,558 | 663.0 |

(Note) Comprehensive income:

Year ended March 2019: 945 million yen (-41.6 %) Year ended March 2018: 1,618 million yen (- %)

| | Net income per share | Diluted net income per share | Return on equity | Ratio of ordinary income to total assets | Ratio of operating income to net sales |
|----------------------|----------------------|------------------------------|------------------|--|--|
| | Yen | Yen | % | % | % |
| Year ended Mar. 2019 | 78.31 | 75.75 | 15.6 | 9.6 | 11.5 |
| Year ended Mar. 2018 | 135.35 | 132.13 | 31.2 | 11.0 | 12.1 |

(Reference) Investment earnings/loss on equity-method:

Year ended March 2019: -2 million yen Year ended March 2018: -3 million yen

(2) Consolidated financial position

| | Total assets | Net assets | Shareholders' equity ratio | Net assets per share |
|-----------------|--------------|-------------|----------------------------|----------------------|
| | Million yen | Million yen | % | Yen |
| As of Mar. 2019 | 13,514 | 6,064 | 44.5 | 523.35 |
| As of Mar. 2018 | 11,267 | 5,745 | 50.4 | 485.67 |

(Reference) Shareholders' equity:

As of March 2019: 6,009 million yen As of March 2018: 5,677 million yen

(3) Consolidated results of cash flows

| | Cash flows from operating activities | Cash flows from investing activities | Cash flows from financing activities | Cash and cash equivalents at the end of period |
|----------------------|--------------------------------------|--------------------------------------|--------------------------------------|--|
| | Million yen | Million yen | Million yen | Million yen |
| Year ended Mar. 2019 | 504 | -2,216 | 2,148 | 2,816 |
| Year ended Mar. 2018 | 1,612 | 88 | -10 | 2,383 |

2. Dividends

| | Annual dividend | | | | | Total dividend (Total) | Dividend payout ratio (Consolidated) | Rate of total dividend to net assets (Consolidated) |
|----------------------------------|-----------------|-----------|-----------|----------|-------|------------------------|--------------------------------------|---|
| | End of 1Q | End of 2Q | End of 3Q | Year-end | Total | | | |
| | Yen | Yen | Yen | Yen | Yen | Million yen | % | % |
| Year ended Mar. 2018 | - | 10.00 | - | 10.00 | 20.00 | 232 | 14.8 | 4.6 |
| Year ended Mar. 2019 | - | 10.00 | - | 10.00 | 20.00 | 231 | 25.5 | 4.0 |
| Year ending Mar. 2020 (forecast) | - | 20.00 | - | 20.00 | 40.00 | | 45.9 | |

3. Forecast of consolidated business results for the fiscal year ending March 2020

(April 1, 2019 through March 31, 2020)

(% change from the previous corresponding period)

| | 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 |
| Year ending Mar. 2020 | 13,000 | 22.9 | 1,300 | 6.6 | 1,300 | 9.6 | 1,000 | 9.6 | 85.79 |

*Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries accompanying changes in the scope of consolidation): None

(2) 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

(3) Shares outstanding (common stock)

① Number of shares outstanding at the end of period (treasury stock included)

As of March 2019 11,711,865 shares

As of March 2018 11,703,665 shares

② Treasury stock at the end of period

As of March 2019 228,395 shares

As of March 2018 14,005 shares

③ Average number of stock during period (quarterly cumulative period)

Year ended March 2019 11,655,737 shares

Year ended March 2018 11,513,861 shares

(Reference) Summary of non-consolidated business results

1. Non-consolidated business results for the fiscal year ended March 2019

(April 1, 2018 through March 31, 2019)

(1) Non-consolidated results of operations (% change from the previous corresponding period)

| | Net sales | | Operating income | | Ordinary income | | Net income | |
|----------------------|-------------|-------|------------------|-------|-----------------|-------|-------------|-------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| Year ended Mar. 2019 | 1,765 | -9.8 | 716 | -39.8 | 723 | -42.4 | 693 | -38.5 |
| Year ended Mar. 2018 | 1,958 | 167.5 | 1,191 | - | 1,256 | - | 1,128 | 973.3 |

| | Net income per share | Diluted net income per share |
|----------------------|----------------------|------------------------------|
| | Yen | Yen |
| Year ended Mar. 2019 | 59.54 | 57.59 |
| Year ended Mar. 2018 | 97.97 | 95.64 |

(2) Non-consolidated financial position

| | Total assets | Net assets | Shareholders' equity ratio | Net assets per share |
|-----------------|--------------|-------------|----------------------------|----------------------|
| | Million yen | Million yen | % | Yen |
| As of Mar. 2019 | 8,953 | 6,069 | 67.2 | 523.80 |
| As of Mar. 2018 | 7,625 | 5,933 | 77.1 | 502.77 |

(Reference) Shareholders' equity:

As of March 2019: 6,015million yen As of March 2018: 5,877million yen

*Financial summary is not subject to auditing procedures

*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. The company does not make promises about the achievements. Actual results may differ significantly from the forecasts due to various factors.