

Summary of Consolidated Financial Results for the Three Months Ended June 30, 2015 (J-GAAP)

August 4, 2015

Listed Company Name: IR Japan Holdings, Ltd.
 Securities Code: 6035
 Listing: Tokyo Stock Exchange URL: <http://www.irjapan.jp/>
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 Scheduled Date to Submit Quarterly Securities Report: August 14, 2015
 Scheduled Date to Start Dividend Payment: —
 Preparation of Results Briefing Materials: Yes
 Holding of Financial Results Briefing: Yes (for institutional investors and analysts)

(Amounts of less than one million yen have been truncated)

1. Consolidated Financial Results for the Three Months Ended June 30, 2015 (from April 1, 2015 to June 30, 2015)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2015	1,015	—	320	—	320	—	209	—
Three months ended June 30, 2014	—	—	—	—	—	—	—	—

Note: Comprehensive income Three months ended June 30, 2015: 210 million yen (—%)
 Three months ended June 30, 2014: — million yen (—%)

	Profit per share—basic	Profit per share—diluted
	Yen	Yen
Three months ended June 30, 2015	22.63	—
Three months ended June 30, 2014	—	—

Note: As IR Japan Holdings, Ltd. (hereinafter “the Company”) was established on February 2, 2015 through a sole-share transfer, there are no actual results for the previous fiscal year.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2015	3,755	2,952	78.6
As of March 31, 2015	3,730	2,853	76.5

Reference: Shareholders' equity As of June 30, 2015: 2,952 million yen
 As of March 31, 2015: 2,853 million yen

2. Dividends

	Full-year dividend				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Total
Fiscal year ended March 31, 2015	Yen —	Yen —	Yen —	Yen 12.00	Yen 12.00
Fiscal year ending March 31, 2016	—				
Fiscal year ending March 31, 2016 (Forecast)		8.00	—	12.00	20.00

Note: Revision of dividends forecast since last announcement: None

Notes:

- As the Company was established on February 2, 2015 through a sole-share transfer, there are no actual dividends paid for the period up to and including the third quarter of the fiscal year ended March 31, 2015.
- The dividend sources for the fiscal year ended March 31, 2015 include other capital surplus. For details, please refer to “Details of dividends paid from other capital surplus” described below.

3. Consolidated Results Forecast for the Fiscal Year Ending March 31, 2016 (from April 1, 2015 to March 31, 2016)

The Group’s results forecast for the fiscal year ending March 31, 2016 has not been determined, as it is difficult to make reasonable predictions at the present time due to the growing demand for large-scale services in recent years that could affect the Group’s financial results. The results forecasts will be disclosed as soon as sufficient information becomes available.

Notes:

- Changes in significant subsidiaries during the period
(changes in specified subsidiaries resulting in changes in the scope of consolidation): None
Newly included: —
Excluded: —
- Application of special accounting treatments in preparing quarterly consolidated financial statements: Yes
Note: For details, please refer to “2. Summary Information (Notes) (2) Application of Special Accounting Treatments in Preparing Quarterly Consolidated Financial Statements” on page 8 of the attachment.
- Change in accounting policies, accounting estimates, and retrospective restatements
 - Change in accounting policies in accordance with revision of accounting standards: Yes
 - Change in accounting policies other than item 1) above: Yes
 - Change in accounting estimates: Yes
 - Retrospective restatements: None
 Note: For details, please refer to “2. Summary Information (Notes) (3) Change in Accounting Policies, Accounting Estimates, and Retrospective Restatements” on page 8 of the attachment.
- Number of shares issued (common stock)
 - Number of shares issued at the end of the period (including treasury shares)

As of June 30, 2015	9,277,555 shares
As of March 31, 2015	9,277,555 shares
 - Number of treasury shares at the end of the period

As of June 30, 2015	75 shares
As of March 31, 2015	75 shares
 - Average number of shares during the period

April – June, 2015	9,277,480 shares
April – June, 2014	— shares

Note: As the Company was established on February 2, 2015 through a sole-share transfer, there are no shares issued from April to June 2014.

Implementation of quarterly review procedure

The quarterly review procedure based on the Financial Instruments and Exchange Act does not apply to these Financial Results, and the quarterly review procedure based on the Financial Instruments and Exchange Act had not been completed as of the release of this document.

Explanation regarding appropriate use of results forecast and additional notes

Forward-looking statements, including the results forecast, contained in this document are based on information available to the Group and on certain assumptions deemed to be reasonable as of the date of release of this document. Actual business results may differ substantially due to a number of factors. For conditions prerequisite to the results forecast, and the points to be noted in the use thereof, please refer to “(3) Forward-looking Statements Including Consolidated Results Forecast” under “1. Qualitative Information on Financial Results for the Three Months Ended June 30, 2015” on page 7 of the attachment.

Details of dividends paid from other capital surplus

Of the dividends for the fiscal year ended March 31, 2015, those paid from other capital surplus are set out as follows.

Record Date	Year-end	Total
Dividend per share	12.00 yen	12.00 yen
Total dividends	111 million yen	111 million yen

Note: Percentage decrease in net assets 0.037

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Note: The Company will hold a briefing for investors, as indicated below. Materials distributed at this briefing are set to be posted on the Company's website immediately after the briefing.

Financial results briefing for institutional investors and analysts: Tuesday, August 4, 2015

1. Qualitative Information on Financial Results for the Three Months Ended June 30, 2015

IR Japan Holdings, Ltd. (hereinafter “the Company”) was established on February 2, 2015 as the wholly owning parent company of IR Japan, Inc. (hereinafter “IR Japan”) through a sole-share transfer. However, as IR Japan is the sole consolidated subsidiary of the Company, there is no effective change from the previous IR Japan. Consequently, the following year-on-year analysis of operating results and financial position is based on the comparison between the operating results and financial position of the Group for the three months ended June 30, 2015 (April 1, 2015, to June 30, 2015) and the operating results and financial position of IR Japan for the three months ended June 30, 2014.

(1) Operating Results

1) General overview

During the three months ended June 30, 2015, net sales for the Group increased 16.3% year on year to over ¥1.0 billion, due to the strong performance of SR consulting services related to the exercise of shareholders’ voting rights. The increase in operating income was limited to 9.6% year on year, due to the impact of an increase in expenses in conjunction with the relocation of offices, but income grew significantly when the temporary increase in expenses related to office relocation is excluded. A significant increase in income was achieved, with ordinary income up 9.4% year on year, and profit attributable to owners of parent up 14.7% year on year.

(Millions of yen)

	Three months ended June 30, 2015 (April to June 2015)			Three months ended June 30, 2014 (April to June 2014)	
	Amount	Change	Percentage change (YoY)	Amount	Percentage change (YoY)
Net sales	1,015	142	16.3	872	-28.3
Operating income	320	28	9.6	292	-28.5
Ordinary income	320	27	9.4	293	-12.3
Profit*	209	26	14.7	182	-8.0

* “Profit” for the three months ended June 30, 2015 indicates the value of the “profit attributable to owners of parent.”

2) Net sales by type of service

The Group engages in consulting business specializing in IR/SR activities, which constitutes a single business segment. An overview of net sales by service type is as follows.

(Millions of yen)

Service	Three months ended June 30, 2015 (April to June 2015)			Three months ended June 30, 2014 (April to June 2014)	
	Amount	Percentage of net sales	Percentage change (YoY)	Amount	Percentage change (YoY)
IR/SR Consulting	830	81.8	20.3	690	-35.0
Disclosure Consulting	126	12.5	-2.0	129	27.6
Databases and Other	57	5.7	10.2	52	-1.9
Total net sales	1,015	100.0	16.3	872	-28.3

IR/SR Consulting

IR/SR Consulting is the Group’s core lineup of services, including shareholder identification surveys, proxy voting simulation, proxy advisory (comprehensive strategy planning for shareholder meetings), the stock transfer agency business, and the rights offering-related business.

During the period under review, net sales from IR/SR Consulting increased 20.3% year on year. May and June, the season for shareholder meetings, saw an increase in proxy advisory services for companies that had received proposals from shareholders either behind the scenes or officially. The Company’s SR consulting services expanded substantially as voting advisory firms set a standard for opposing proposals on the election of CEOs at companies whose average ROE for the past five years fell below 5%, and as engagement with institutional shareholders took on growing importance, reflecting their increasing

stringent criteria for evaluating the independence of outside directors and outside audit & supervisory board members. Furthermore, with the application of the Corporate Governance Code starting in June, there has been steady progress in consulting services related to compliance with the Corporate Governance Code, including the creation of basic governance policies and preparation of corporate governance reports.

In particular, there is keen interest among listed companies with regard to the evaluation of boards of directors, which is as yet unfamiliar within Japan, and we have begun to offer consulting services that not only suit the situation and needs of clients, but that also meet the needs of institutional shareholders, especially institutional shareholders in other countries. Sales of cross-shareholdings held by banks and other institutions are expected to progress in the future, and an increase is anticipated in business such as arranging top-rated institutional investors as purchasers. The Group intends to leverage its greatest strengths—surveys, consulting services and arrangements—underpinned by the Group's independent status, and direct all of its energies to providing integrated SR Consulting services that include setting up a system for the administration of shareholder registers and stock transfer agency administration.

In the stock transfer agency business, as of August 4, 2015, entrustments with 36 companies have been concluded, and the number of shareholders under administration reached 171,876 (compared with entrustments concluded with 27 companies and 174,997 shareholders under administration in the same period of the previous fiscal year). As foreign investors are showing a greater presence and hostile shareholder proposals by activists, etc., are on the increase, the role of stock transfer agents is transforming. Stock transfer agents are increasingly being required to provide strategic and effective responses to shareholders from a global perspective, instead of merely carrying out shareholder administration services. The Group is confident that the superiority of its stock transfer agency business in terms of cost-competitiveness, the added value of the information it provides, delivery speed, flexibility in meeting the needs of its clients and in its adherence to compliance in terms of its independent means of obtaining and managing information sets it apart from its competitors. As collaboration between the investment banking business and the stock transfer agency business is progressing, IR Japan is beginning to see cases where clients who are conducting financing such as rights offerings consider changing their stock transfer agency to the Group as well, in the interest of speed and other factors. The Group finds it highly significant that despite being the first new entrant into the stock transfer agency business in 40 years, it has been able to achieve a certain level of entrustments in its early stages. Furthermore, in an effort to promptly expand the number of entrustments to over 50 companies and to offer innovative, high-value-added stock transfer agency services that meet the varied capital policies and finance needs of companies, the Group will effectively promote its stock transfer agency business in concert with its SR Consulting services.

Disclosure Consulting

Disclosure Consulting consists of IR tool consulting services (support for the planning and creation of disclosure documents required for IR activities, including annual reports, shareholder newsletters, and integrated reports) and legal documentation services (the creation of a variety of disclosure documents in English and the translation of such documents from Japanese to English in connection with business reorganization or M&As).

Sales from Disclosure Consulting for the period under review declined 2.0% compared to the same period of the previous fiscal year. While there was a decrease in entrustments for the creation of disclosure documents in English, such as annual reports, entrustments for the creation of shareholder newsletters, business reports, and IR sites saw an increase, as an appropriate and timely information tool for individual investors. Going forward, the Group expects growth in the SR-related services that form the Group's core business, including Disclosure Consulting services on matters related to compliance with the Corporate Governance Code, such as corporate governance reports and evaluations of boards of directors, as well as English translations of these.

Databases and Other

Databases and Other provides web-based IR support services via IR-Pro, a comprehensive support system for corporate IR activities that provides information on shareholdings revealed through reports on the possession of large volumes and publicly offered domestic and overseas investment trusts, and the Analyst Network, which allows listed companies to accept reservations for IR explanatory meetings and manage attendee information in a single step. IR Japan also operates the *Kabunushi-Hiroba*, a survey system for individual investors.

Sales from Databases and Other for the period under review increased 10.2% compared with the same period of the previous fiscal year. Analyst Network services, which utilize analyst databases held by the Group to distribute corporate information, information from explanatory meetings, and so on, continue to

be well-received and have performed strongly.

3) Seasonal fluctuation

The Group's quarterly net sales tend to be concentrated in the first and second quarters because of the nature of the core business, IR/SR Consulting services. These services are usually in great demand around June, when many Japanese companies organize shareholder meetings. Recently, however, opportunities for recording net sales have grown also in the third and fourth quarters, and the customary seasonal fluctuations are tending toward flattening out, thanks to large-scale service demand distributed evenly throughout the year, as well as to the investment banking business and the stock transfer agency business, both of which are non-seasonal operations.

(2) Financial Position

1) Assets

Total assets as of June 30, 2015 increased ¥25 million from the end of the previous fiscal year, to ¥3,755 million, due primarily to a decrease in cash and deposits of ¥402 million and increases in notes and accounts receivable—trade of ¥377 million and work in process of ¥75 million.

2) Liabilities

Liabilities as of June 30, 2015 decreased ¥73 million from the end of the previous fiscal year, to ¥803 million, due primarily to increases in accounts payable—trade of ¥73 million and short-term loans payable of ¥100 million and a decrease in accounts payable—other of ¥253 million.

3) Net assets

Net assets as of June 30, 2015 increased ¥98 million from the end of the previous fiscal year, to ¥2,952 million, due primarily to an increase in retained earnings of ¥209 million from profit attributable to owners of parent and a decrease in retained earnings of ¥111 million as a result of payment of dividends.

(3) Forward-looking Statements Including Consolidated Results Forecast

1) Forecast for consolidated operating results

The Group finds it difficult to make reasonable predictions of its results at the present time due to the growing demand for large-scale services in recent years that could affect the Group's financial results. The forecast will be disclosed as soon as sufficient information becomes available.

2) Basic policy concerning the distribution of profits and dividend distributions for the fiscal year ending March 31, 2016

The Company makes it a basic policy to distribute profits to its shareholders in line with its business results, while maintaining its financial strength by securing sufficient internal reserves to carry out sound business operations. The Company's Articles of Incorporation stipulate that a decision on the distribution of surplus and other matters as specified in each Item of Paragraph 1, Article 459, of the Companies Act can be made by a resolution of the Board of Directors, unless otherwise specified by laws and regulations, while a decision on year-end dividends is to be made at the General Meeting of Shareholders. The Company's Articles of Incorporation also stipulate that an interim dividend can be provided with the date of record being September 30 of each year.

For the fiscal year ending March 31, 2016, the Company is currently scheduled to pay ¥8 per share as an interim dividend and ¥12 per share as a year-end dividend. The Company would like to appropriate internal reserves for strategic investments for the reinforcement of existing businesses and for future growth business areas to increase its corporate value. However, the Company intends to remain flexible, including in the acquisition of treasury shares, in light of performance trends and other factors.

	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015	Fiscal year ending March 31, 2016 (Forecast)
Dividend per share	14 yen	20 yen	20 yen	20 yen
Interim dividend	4.5 yen	8 yen	8 yen	8 yen
Year-end dividend	9.5 yen	12 yen	12 yen	12 yen
Dividend payout ratio	36.8%	54.4%	50.8%	—

Note: Dividends up to and including the interim dividend for the fiscal year ended March 31, 2015 are actual dividends paid by IR Japan, while the dividends including and after the year-end

dividend for the fiscal year ended March 31, 2015 are dividends to be paid by the Company and dividend forecasts. These dividends take into account the stock split conducted on November 27, 2013.

2. Summary Information (Notes)

(1) Changes in Significant Subsidiaries during the Period

None applicable

(2) Application of Special Accounting Treatments in Preparing Quarterly Consolidated Financial Statements

Calculation of tax expenses

The Company reasonably estimates an effective tax rate after applying tax effect accounting to income before income taxes for the fiscal year in which the first quarter of the fiscal year ending March 31, 2016 is included, and calculates tax expenses by multiplying quarterly income before income taxes by the estimated effective tax rate.

(3) Change in Accounting Policies, Accounting Estimates, and Retrospective Restatements

Changes in accounting policies

[Application of the Accounting Standard for Business Combinations, etc.]

Effective from the first quarter of the fiscal year ending March 31, 2016, the Company has adopted the Accounting Standard for Business Combinations (ASBJ Statement No. 21, September 13, 2013), the Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22, September 13, 2013), and the Accounting Standard for Business Divestitures (ASBJ Statement No. 7, September 13, 2013) and others, and has changed the presentation of net income and other related items.

Changes in accounting policies that are difficult to distinguish from changes in accounting estimates

[Change in the depreciation method for property, plant and equipment]

Effective from the first quarter of the fiscal year ending March 31, 2016, the Company's consolidated subsidiary has changed the depreciation method for property, plant and equipment from the declining-balance method to the straight-line method.

The reason for the change being that, in conjunction with the relocation of offices, the Company and its subsidiary reviewed the actual conditions concerning the utilization of their property, plant and equipment and identified that these assets were utilized evenly over long periods; therefore it was deemed that the straight-line method for the depreciation of property, plant and equipment was a rational and appropriate way to present the true value of these assets.

As a result of this change, operating income, ordinary income and income before income taxes and minority interests for the three months ended June 30, 2015 were uniformly ¥1 million higher than they would have been under the conventional method.

(4) Additional Information

Application of consolidated taxation system

Effective from the first quarter of the fiscal year ending March 31, 2016, the Company and its consolidated subsidiary have adopted the consolidated taxation system, with the Company being a consolidated parent company under such system.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2015	As of June 30, 2015
Assets		
Current assets		
Cash and deposits	1,607,471	1,204,482
Notes and accounts receivable—trade	607,063	984,851
Work in process	15,777	91,726
Other	345,227	346,570
Total current assets	2,575,540	2,627,631
Non-current assets		
Property, plant and equipment	343,253	322,058
Intangible assets		
Software	440,550	422,403
Other	18,577	34,442
Total intangible assets	459,127	456,846
Investments and other assets		
Other	348,958	345,660
Allowance for doubtful accounts	(1,754)	(1,754)
Total investments and other assets	347,203	343,906
Total non-current assets	1,149,584	1,122,810
Deferred assets		
Deferred organization expenses	5,683	5,389
Total deferred assets	5,683	5,389
Total assets	3,730,808	3,755,831
Liabilities		
Current liabilities		
Accounts payable—trade	29,372	103,097
Short-term loans payable	—	100,000
Accounts payable—other	335,320	82,301
Income taxes payable	113,404	94,609
Provision for bonuses	67,925	33,697
Other	204,176	259,082
Total current liabilities	750,199	672,787
Non-current liabilities		
Net defined benefit liability	2,758	3,109
Provision for directors' retirement benefits	124,246	127,462
Total non-current liabilities	127,004	130,572
Total liabilities	877,204	803,360
Net assets		
Shareholders' equity		
Capital stock	795,803	795,803
Capital surplus	784,605	784,605
Retained earnings	1,273,896	1,372,487
Treasury shares	(55)	(55)
Total shareholders' equity	2,854,249	2,952,841
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(645)	(369)
Total accumulated other comprehensive income	(645)	(369)
Total net assets	2,853,604	2,952,471
Total liabilities and net assets	3,730,808	3,755,831

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statement of Income
For the Three Months Ended June 30, 2015

	(Thousands of yen)
	Three Months of FY2015 (from April 1, 2015 to June 30, 2015)
Net sales	1,015,253
Cost of sales	257,102
Gross profit	758,151
Selling, general and administrative expenses	437,397
Operating income	320,754
Non-operating income	
Interest income	178
Referral fee	238
Other	231
Total non-operating income	648
Non-operating expenses	
Interest expenses	162
Loss on sales of notes payable	25
Foreign exchange losses	176
Amortization of deferred organization expenses	293
Total non-operating expenses	658
Ordinary income	320,744
Extraordinary losses	
Loss on retirement of non-current assets	1,574
Total extraordinary losses	1,574
Income before income taxes and minority interests	319,170
Income taxes	109,249
Profit	209,921
Profit attributable to non-controlling interests	—
Profit attributable to owners of parent	209,921

Consolidated Statement of Comprehensive Income
For the Three Months Ended June 30, 2015

	(Thousands of yen)
	Three Months of FY2015 (from April 1, 2015 to June 30, 2015)
Profit	209,921
Other comprehensive income	
Valuation difference on available-for-sale securities	275
Total other comprehensive income	275
Comprehensive income	210,196
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	210,196
Comprehensive income attributable to non-controlling interests	—

(3) Notes Relating to the Quarterly Consolidated Financial Statements

Notes Relating to the Going Concern Assumption

None applicable

Notes Regarding Significant Changes in the Amount of Shareholders' Equity

None applicable

Segment Information and Others

This is not applicable as the Group engages in consulting business specializing in IR/SR activities, which constitutes a single business segment.