

Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2015 (J-GAAP)

February 4, 2016

Listed Company Name: IR Japan Holdings, Ltd.
 Securities Code: 6035
 Listing: Tokyo Stock Exchange URL: <http://www.irjapan.jp/>
 Representative: Shirou Terashita, President and Chief Executive Officer
 Contact: Yoshiki Hamasaki, Section Chief, Corporate Planning Section Tel.: +81-3-3519-6750
 Scheduled Date to Submit Quarterly Securities Report: February 12, 2016
 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 Nine Months Ended December 31, 2015 (from April 1, 2015 to December 31, 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	%
Nine months ended December 31, 2015	2,582	—	511	—	510	—	334	—
Nine months ended December 31, 2014	—	—	—	—	—	—	—	—

Note: Comprehensive income Nine months ended December 31, 2015: 323 million yen (—%)
 Nine months ended December 31, 2014: — million yen (—%)

	Profit per share—basic	Profit per share—diluted
	Yen	Yen
Nine months ended December 31, 2015	36.10	—
Nine months ended December 31, 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 December 31, 2015	3,654	2,973	81.4
As of March 31, 2015	3,730	2,853	76.5

Reference: Shareholders' equity As of December 31, 2015: 2,973 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
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2015	—	—	—	12.00	12.00
Fiscal year ending March 31, 2016	—	10.00	—		
Fiscal year ending March 31, 2016 (Forecast)				18.00	28.00

Note: Revision of dividends forecast since last announcement: Yes

Notes:

1. 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.
2. The dividend sources at the end of the fiscal year ended March 31, 2015 and the second quarter of the fiscal year ending March 31, 2016 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)

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	3,430	6.9	647	17.7	647	17.3	401	9.7	43.22

Note: Revision of consolidated results forecast since last announcement: Yes

Note: For details, please refer to “1. Qualitative Information on Financial Results for the Nine Months Ended December 31, 2015 (3) Forward-looking Statements Including Consolidated Results Forecast” on page 7 of the attachment.

Notes:

- (1) Changes in significant subsidiaries during the period
(changes in specified subsidiaries resulting in changes in the scope of consolidation): None
Newly included: —
Excluded: —
- (2) 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.
- (3) Change in accounting policies, accounting estimates, and retrospective restatements
 - 1) Change in accounting policies in accordance with revision of accounting standards: Yes
 - 2) Change in accounting policies other than item 1) above: Yes
 - 3) Change in accounting estimates: Yes
 - 4) 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.

- (4) Number of shares issued (common stock)
- 1) Number of shares issued at the end of the period (including treasury shares)

As of December 31, 2015	9,277,555 shares
As of March 31, 2015	9,277,555 shares
 - 2) Number of treasury shares at the end of the period

As of December 31, 2015	75 shares
As of March 31, 2015	75 shares
 - 3) Average number of shares during the period

April – December, 2015	9,277,480 shares
April – December, 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 December 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 Nine Months Ended December 31, 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

Of the dividends for the fiscal year ending March 31, 2016, those paid from other capital surplus are set out as follows.

Record Date	Second quarter-end	Total
Dividend per share	10.00 yen	10.00 yen
Total dividends	92 million yen	92 million yen

Note: Percentage decrease in net assets 0.032

Contents of the Attachment

1. Qualitative Information on Financial Results for the Nine Months Ended December 31, 2015	5
(1) Operating Results	5
(2) Financial Position	7
(3) Forward-looking Statements Including Consolidated Results Forecast	7
2. Summary Information (Notes)	8
(1) Changes in Significant Subsidiaries during the Period.....	8
(2) Application of Special Accounting Treatments in Preparing Quarterly Consolidated Financial Statements .	8
(3) Change in Accounting Policies, Accounting Estimates, and Retrospective Restatements	8
(4) Additional Information.....	8
3. Consolidated Financial Statements	9
(1) Consolidated Balance Sheet	9
(2) Consolidated Statements of Income and Comprehensive Income	10
(3) Notes Relating to the Quarterly Consolidated Financial Statements.....	12
Notes Relating to the Going Concern Assumption.....	12
Notes Regarding Significant Changes in the Amount of Shareholders' Equity	12
Segment Information and Others.....	12

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: Thursday, February 4, 2016

1. Qualitative Information on Financial Results for the Nine Months Ended December 31, 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 nine months ended December 31, 2015 (April 1, 2015, to December 31, 2015) and the operating results and financial position of IR Japan for the nine months ended December 31, 2014.

(1) Operating Results

1) General overview

The Group’s net sales for the nine months ended December 31, 2015 increased 1.9% year-on-year, due to an increase in the consulting services related to compliance with the Corporate Governance Code including the evaluation of boards of directors, and an increase in SR Consulting services related to the exercise of shareholders’ voting rights compensating for a decrease in the portion of sales from the proxy advisory service related to a large-scale proxy fight posted in the same quarter of the previous fiscal year. A temporary increase in expenses associated with the relocation of offices posted in the first quarter of the fiscal year ending March 31, 2016 led to the smaller increase in net sales and lower income in the nine months ended December 31, 2015. Specifically, operating income decreased 10.4% year on year, ordinary income was down 10.7% year on year, and profit attributable to owners of parent declined 7.9% year on year.

(Millions of yen)

	Nine months ended December 31, 2015 (April to December 2015)		Nine months ended December 30, 2014 (April to December 2014)	
	Amount	Percentage change (YoY)	Amount	Percentage change (YoY)
Net sales	2,582	1.9	2,533	-7.6
Operating income	511	-10.4	570	-19.3
Ordinary income	510	-10.7	571	-10.7
Profit*	334	-7.9	363	-4.7

* “Profit” for the nine months ended December 31, 2015 indicates the value of the “profit attributable to owners of parent.”

2) Net sales by type of service

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

(Millions of yen)

Service	Nine months ended December 31, 2015 (April to December 2015)			Nine months ended December 31, 2014 (April to December 2014)	
	Amount	Percentage of net sales	Percentage change (YoY)	Amount	Percentage change (YoY)
IR/SR Consulting	1,901	73.6	2.2	1,859	-10.3
Disclosure Consulting sales	506	19.6	0.8	502	0.7
Databases and Other sales	174	6.8	2.3	170	0.9
Total net sales	2,582	100.0	1.9	2,533	-7.6

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 investment banking business, and the stock transfer agency business.

During the period under review, net sales from IR/SR Consulting increased 2.2% year on year. During the third quarter of the fiscal year ending March 16, 2016, various businesses associated with the Corporate Governance Code continued to perform strongly. In addition to the steady increase in sales

from the consulting services related to compliance with the Corporate Governance Code, including the creation of basic governance policies and preparation of corporate governance reports, which have been capturing new clients, there has been an increase in the number of companies that start to make “SR visits,” i.e. visits to personnel who are responsible for the exercise of shareholders’ voting rights after the revision of the corporate governance report, which has resulted in the increase in shareholder identification surveys and SR Consulting businesses in Japan and abroad. Additionally, during the third quarter, the business of evaluating boards of directors got into full swing and our services, which are grounded in a deep understanding of the needs of overseas institutional shareholders, have been rated highly even by our clients. Furthermore, proposing improvement measures for the issues that were identified as a result of the evaluation of boards of directors to the client has led to additional engagements including general corporate governance consulting and executive compensation consulting, thereby allowing us to expand our businesses to the same clients.

We have been enhancing the organization and services of the investment banking division and we are steadily building up entrustments in advisory services related to M&As and proxy fights, and financial advisory services such as those related to rights offerings.

In the stock transfer agency business, as of February 4, 2016, entrustments with 37 companies have been completed, and the number of shareholders under administration reached 198,833 (compared with entrustments concluded with 36 companies and 195,054 shareholders under administration as of November 5, 2015, the time of disclosure for the second quarter of the fiscal year ending March 31, 2016). As a way of capturing new clients, we have been diversifying our sales methods, including acting as an IPO advisor to companies that are planning to go public by providing integrated comprehensive services both before and after the IPO, in addition to the stock transfer agency services. 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 and M&As).

Sales from Disclosure Consulting for the period under review increased 0.8% compared with the same period of the previous fiscal year. There were increases in entrustments for the creation of shareholder newsletters as an information tool for shareholders and SR-related services that form the Group’s core business, including English translations of corporate governance reports.

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 2.3% 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, among others, continue to be well-received and have performed strongly.

3) Seasonal fluctuations

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 December 31, 2015 decreased ¥76 million from the end of the previous fiscal year, to ¥3,654 million, due primarily to decreases in property, plant and equipment of ¥40 million and software of ¥51 million.

2) Liabilities

Liabilities as of December 31, 2015 decreased ¥195 million from the end of the previous fiscal year, to ¥681 million, due primarily to an increase in short-term loans payable of ¥100 million and a decrease in accounts payable—other of ¥275 million.

3) Net assets

Net assets as of December 31, 2015 increased ¥119 million from the end of the previous fiscal year, to ¥2,973 million, due primarily to an increase in retained earnings of ¥334 million from profit attributable to owners of parent, which was partially offset by a decrease in retained earnings of ¥204 million as a result of payment of dividends.

(3) Forward-looking Statements Including Consolidated Results Forecast

1) Forecast for consolidated operating results for the fiscal year ending March 31, 2016 (as of February 4, 2016)

(Millions of yen)

	Forecast	Actual	Amount change (YoY)	Percentage change (YoY)
	Fiscal year ending March 31, 2016	Fiscal year ended March 31, 2015		
	Amount	Amount		
Net sales	3,430	3,209	220	6.9
Operating income	647	549	97	17.7
Ordinary income	647	551	95	17.3
Profit attributable to owners of parent	401	365	35	9.7

As we head into the fourth quarter of the fiscal year ending March 31, 2016, we have achieved a rapid growth in the highly profitable investment banking business including proxy advisory and finance services, in addition to the steady progress being made by the Group's core business of IR/SR Consulting services. Consequently, as we anticipate both net sales and income to exceed a certain level compared to the actual results of the previous fiscal year, we have decided to announce the forecast for consolidated operating results for the fiscal year ending March 31, 2016. The Group's forecast is based on reasonable grounds for calculation as of the present time.

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 will pay ¥10 per share as an interim dividend, an increase of ¥2 from the initial forecast. As for the year-end dividend, the Company had expected to pay ¥12 per share. However, in light of the forecast for increases in both net sales and income, the Company has revised the year-end dividend to ¥18 per share. As a result, the full-year dividend amount with the interim dividend is scheduled to be ¥28 per share, an increase of ¥8 from the previous fiscal year. 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	28 yen
Interim dividend	4.5 yen	8 yen	8 yen	10 yen
Year-end dividend	9.5 yen	12 yen	12 yen	18 yen

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 year-end dividend for the fiscal year ended March 31, 2015 and subsequent dividends are to be paid by the Company and are 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 third 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.

This change was due to the fact 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 nine months ended December 31, 2015 were uniformly ¥5 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 December 31, 2015
Assets		
Current assets		
Cash and deposits	1,607,471	1,615,273
Notes and accounts receivable—trade	607,063	775,642
Work in process	15,777	27,075
Other	345,227	145,693
Allowance for doubtful accounts	—	(2,519)
Total current assets	2,575,540	2,561,164
Non-current assets		
Property, plant and equipment	343,253	302,335
Intangible assets		
Software	440,550	388,844
Other	18,577	79,593
Total intangible assets	459,127	468,438
Investments and other assets		
Other	348,958	319,488
Allowance for doubtful accounts	(1,754)	(1,754)
Total investments and other assets	347,203	317,734
Total non-current assets	1,149,584	1,088,507
Deferred assets		
Deferred organization expenses	5,683	4,801
Total deferred assets	5,683	4,801
Total assets	3,730,808	3,654,474
Liabilities		
Current liabilities		
Accounts payable—trade	29,372	25,555
Short-term loans payable	—	100,000
Accounts payable—other	335,320	60,320
Income taxes payable	113,404	61,049
Provision for bonuses	67,925	33,697
Other	204,176	256,569
Total current liabilities	750,199	537,192
Non-current liabilities		
Net defined benefit liability	2,758	3,282
Provision for directors' retirement benefits	124,246	140,731
Total non-current liabilities	127,004	144,013
Total liabilities	877,204	681,205
Net assets		
Shareholders' equity		
Capital stock	795,803	795,803
Capital surplus	784,605	784,605
Retained earnings	1,273,896	1,404,734
Treasury shares	(55)	(55)
Total shareholders' equity	2,854,249	2,985,088
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(645)	(11,820)
Total accumulated other comprehensive income	(645)	(11,820)
Total net assets	2,853,604	2,973,268
Total liabilities and net assets	3,730,808	3,654,474

(2) Consolidated Statements of Income and Comprehensive Income
Consolidated Statement of Income
For the Nine Months Ended December 31, 2015

	(Thousands of yen)
	Nine Months of FY2015 (from April 1, 2015 to December 31, 2015)
Net sales	2,582,440
Cost of sales	872,665
Gross profit	1,709,774
Selling, general and administrative expenses	1,198,630
Operating income	511,144
Non-operating income	
Interest income	330
Gain on forfeiture of unclaimed dividends	235
Referral fee	238
Other	160
Total non-operating income	965
Non-operating expenses	
Interest expenses	428
Loss on sales of notes payable	77
Foreign exchange losses	210
Amortization of deferred organization expenses	881
Total non-operating expenses	1,597
Ordinary income	510,512
Extraordinary losses	
Loss on retirement of non-current assets	1,574
Total extraordinary losses	1,574
Income before income taxes and minority interests	508,938
Income taxes	173,994
Profit	334,943
Profit attributable to non-controlling interests	—
Profit attributable to owners of parent	334,943

Consolidated Statement of Comprehensive Income
For the Nine Months Ended December 31, 2015

	(Thousands of yen)
	Nine Months of FY2015 (from April 1, 2015 to December 31, 2015)
Profit	334,943
Other comprehensive income	
Valuation difference on available-for-sale securities	(11,174)
Total other comprehensive income	(11,174)
Comprehensive income	323,768
Comprehensive income attributable to	
Comprehensive income attributable to owners of parent	323,768
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 is engaged in the consulting business, specializing in IR/SR activities, which constitute a single business segment.