

Note: Please note that this document is a Japanese-English translation of the summary of the official announcement in Japanese "Kessan Tanshin" for reference purposes only.

Summary of Consolidated Financial Results For the Third Quarter Ended September 30, 2014 [Based on Japanese GAAP]

August 14, 2014

Company name: Open House Co., Ltd.
 Stock exchange listings: Tokyo Stock Exchange, First section
 Code Number: 3288
 URL: <http://openhouse-group.com/ir>
 Representative: Masaaki Arai, President and CEO
 Scheduled date of quarterly securities report filing: August 14, 2014
 Supplementary materials for quarterly financial results: Yes
 Quarterly results briefing meeting: No

(Million yen, rounded down)

1. Consolidated Financial Results for the Third Quarter Ended September 30, 2014 (October 1, 2013 to June 30, 2014)

(1) Consolidated operating results (Year-to-date)

(% figures indicate year-on-year change)

	Revenue		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY 2014 3Q	72,737	34.7	8,490	128.8	7,766	147.1	4,625	131.9
FY 2013 3Q	53,993	—	3,710	—	3,143	—	1,994	—

(Note) Comprehensive income: From October 1, 2013 to June 30, 2014 ¥4,632 million (138.7%)
 From October 1, 2012 to June 30, 2013 ¥1,940 million (—%)

	EPS		Diluted EPS	
	Yen		Yen	
FY 2014 3Q	165.03		161.21	
FY 2013 3Q	105.40		—	

(Note)

- Since consolidated financial Statements for the fiscal year ended September 2012 were not prepared, the percentage changes from the same period for the third quarter ended September 2013 are not shown.
- The Company split one share of common stock into 1,000 shares effective June 28, 2013, EPS is calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.
- Diluted EPS for the third quarter ended September 2013 is not shown since the shares were not listed, thus a stock average calculation is not possible.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
June 30, 2014	91,846	33,912	36.9
September 30, 2013	78,069	29,963	38.4

(Reference) Shareholders' equity: As of June 30, 2014: ¥33,912 million yen
 As of September 30, 2013: ¥29,963 million yen

2. Dividends

	Annual dividends per share (Yen)				
	1Q-end	2Q-end	3Q-end	Year-end	Total
FY 2013	—	0.00	—	25.00	25.00
FY 2014	—	0.00	—		
FY 2014 (Forecast)				40.00	40.00

(Note) Revision of the latest dividend forecast: None
 Breakdown for dividends of FY2014 (Forecast) Common dividend: ¥35.00 Commemorative dividend: ¥5.00

3. Forecast of Consolidated Operating Results for FY2014 (October 1, 2013 to September 30, 2014)

(% figures indicate year-on-year change)

	Revenue		Operating income		Ordinary income		Net income		EPS
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	115,000	18.6	13,700	34.5	12,600	37.3	7,700	36.0	273.33

(Note) Revision of the latest consolidated results forecast: None

*Notes:

- (1) Significant changes in consolidated subsidiaries during the period
(Changes in specific subsidiaries resulting in a change in the scope of consolidation): None
 - (2) Adoptions of special accounting methods in presentation of quarterly financial statements: Yes
 - (3) Changes in accounting policies, changes of accounting estimates, and revisions and restatements
 - i) Changes in accounting policies in accordance with changes in accounting principles: None
 - ii) Changes in accounting policies other than the above: None
 - iii) Changes in accounting estimates: None
 - iv) Revisions and restatements: None
 - (4) Number of shares issued and outstanding (common stock)
 - i) Number of shares issued at period-end (including treasury stock)
June 30, 2014: 28,600,000 shares September 30, 2013: 28,025,000 shares
 - ii) Treasury stock at period-end
June 30, 2014: — shares September 30, 2013: — shares
 - iii) Average number of shares issued (cumulative consolidated quarterly periods)
June 30, 2014: 28,027,106 shares June 30, 2013: 18,925,000 shares
- (Note) The Company split one share of common stock into 1,000 shares effective June 28, 2013. Number of shares above is calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

* Notes regarding forward-looking statements:

Consolidated business forecasts are based on assumptions from information available to management at the time of disclosure and those deemed to be reasonable.

Actual results may differ significantly from forecast due to various unpredictable reasons.

Consolidated Quarterly Financial Statements

1) Consolidated Quarterly Balance Sheets

(Million yen)

	End of FY 2013 (September 30, 2013)	End of FY 2014 3Q (June 30, 2014)
Assets		
Current assets		
Cash and cash equivalents	26,077	16,304
Accounts receivable, trade	276	223
Real estate for sale	6,928	10,062
Real estate for sale in process	35,802	55,902
Operating loans	4,700	4,856
Other	2,591	2,334
Allowance for doubtful accounts	△89	△90
Total current assets	76,286	89,593
Fixed assets		
Tangible fixed assets	315	628
Intangible fixed assets	205	164
Investments and other assets	1,227	1,432
Total fixed assets	1,748	2,226
Deferred assets	33	25
Total assets	78,069	91,846
Liabilities		
Current liabilities		
Accounts payable	2,561	2,970
Short-term loans payable	15,253	24,664
Current portion of long-term loans payable	7,271	7,636
Current portion of bonds	1,380	440
Income taxes payable	2,812	1,397
Reserves	729	639
Other	5,646	6,017
Total current liabilities	35,655	43,765
Long-term liabilities		
Bonds payable	400	820
Long-term loans payable	11,944	13,271
Reserves	9	10
Other	96	66
Total long-term liabilities	12,450	14,167
Total liabilities	48,105	57,933

(Million yen)

	End of FY 2013 (September 30, 2013)	End of FY 2014 3Q (June 30, 2014)
Net assets		
Shareholders' equity		
Capital stocks	3,972	3,980
Capital surplus	5,873	5,882
Retained earnings	20,159	24,084
Total shareholders' equity	30,005	33,947
Other comprehensive income		
Net unrealized holding gains/losses on securities	5	13
Foreign currency translation adjustment	△46	△48
Accumulated other comprehensive income	△41	△34
Total net assets	29,963	33,912
Total liabilities and net assets	78,069	91,846

2) Consolidated Quarterly Statements of Income and Consolidated Quarterly Statements of Comprehensive Income
Consolidated Quarterly Statements of Income

(Million yen)

	3Q ended September 30, 2013 (From October 1, 2012 to June 30, 2013)	3Q ended September 30, 2014 (From October 1, 2013 to June 30, 2014)
Revenue	53,993	72,737
Cost of revenue	45,132	59,007
Gross profit	8,861	13,730
Selling, general and administrative expenses	5,150	5,239
Operating income	3,710	8,490
Non-operating income		
Interest income	1	5
Dividends income	0	1
Foreign exchange gain	284	34
Other	41	36
Total non-operating income	328	78
Non-operating expenses		
Interest expenses	662	604
Commission	182	108
Other	50	89
Total non-operating expenses	895	802
Ordinary income	3,143	7,766
Income before income taxes and minority interests	3,143	7,766
Income taxes-current	1,148	3,141
Income before minority interests	1,994	4,625
Net income	1,994	4,625

Consolidated Quarterly Statements of Comprehensive Income

(Million yen)

	3Q ended September 30, 2013 (From October 1, 2012 to June 30, 2013)	3Q ended September 30, 2014 (From October 1, 2013 to June 30, 2014)
Net income before minority interests	1,994	4,625
Other comprehensive income		
Valuation difference on available-for-sale securities	6	8
Foreign currency translation adjustment	△61	△1
Total other comprehensive income	△54	6
Comprehensive income	1,940	4,632
(Breakdown)		
Comprehensive income attributable to shareholders' of the parent	1,940	4,632

3) Notes to Consolidated Quarterly Financial Statements

(Notes on Going Concern Assumptions)

Not applicable.

(Notes on Significant Changes in the Amount of Shareholders' Equity)

Not applicable.

(Segment and Other Information)

The third quarter of the fiscal year ended September 30, 2014 (October 1, 2013 to June 30, 2014)

Information relating to the amounts of revenue, income and loss by reportable segment

(Million yen)

	Reportable Segment				Adjustments (Note 1)	Amount Recorded on Consolidated Quarterly Statements of Income (Note 2)
	Real Estate Brokerage	Real Estate Sales	Real Estate Financing	Total		
Revenue						
Revenue from Outside Customers	2,172	70,280	283	72,737	—	72,737
Intersegment revenue and transfers	1,959	—	—	1,959	△1,959	—
Total	4,132	70,280	283	74,696	△1,959	72,737
Segment Income (Loss)	1,411	7,050	122	8,584	△94	8,490

(NOTE)

1. Adjustment of -¥94 million for segment income includes intersegment elimination of ¥31 million and corporate expenses of -¥126 million that is not distributed to the reportable segments. Corporate expenses are primarily general and administrative expenses that do not belong to the reportable segments.
2. Segment income has been adjusted to operating income described in consolidated quarterly statements of income.