

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 Second Quarter Ended September 30, 2014 [Based on Japanese GAAP]

May 15, 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:	May 15, 2014
Supplementary materials for quarterly financial results:	Yes
Quarterly results briefing meeting:	Yes (for institutional investors and analysts, in Japanese)

(Yen in millions, rounded down)

### 1. Consolidated Financial Results for the Second Quarter Ended September 30, 2014 (October 1, 2013 to March 31, 2014)

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

(% figures indicate year-on-year change)

	Revenue		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
FY 2014 2Q	54,993	54.2	7,557	224.7	7,072	259.8	4,203	230.2
FY 2013 2Q	35,669	—	2,327	—	1,965	—	1,272	—

(Note) Comprehensive income: From October 1, 2013 to March 31, 2014 ¥4,203 million (237.3%)  
From October 1, 2012 to March 31, 2013 ¥1,246 million (—%)

	EPS	Diluted EPS
	Yen	Yen
FY 2014 2Q	150.00	146.52
FY 2013 2Q	67.26	—

(Note)

- Though consolidated financial statements for the second quarter ended September 30 2013 were not prepared based on the Financial Instruments and Exchange Act, the figures for the second quarter ended September 2013 and the percentage change from the same period for the second quarter ended September 2014 are presented for reference.
- 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 second 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
	Millions of yen	Millions of yen	%
March 31, 2014	86,918	33,466	38.5
September 30, 2013	78,069	29,963	38.4

(Reference) Shareholders' equity: As of March 31, 2014: ¥33,466 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)	—	—	—	35.00	35.00

(Note) Change to the latest dividend forecast announced: None  
Breakdown for dividends of FY2014 (Forecast) Common dividend: ¥30.00 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
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	115,000	18.6	13,700	34.5	12,600	37.3	7,700	36.0	274.75

(Note) Change to the latest consolidated results forecast announced: 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 to 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)  
March 31, 2014: 28,025,000 shares      September 30, 2013: 28,025,000 shares
    - ii ) Treasury stock at period-end  
March 31, 2014: — shares      September 30, 2013: — shares
    - iii) Average number of shares issued (cumulative consolidated quarterly periods)  
March 31, 2014: 28,025,000 shares      March 31, 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

(Yen in millions, rounded down)

(Millions of yen)

	End of FY 2013 (September 30, 2013)	End of FY 2014 2Q (March 31, 2014)
<b>Assets</b>		
Current assets		
Cash and cash equivalents	26,077	21,656
Accounts receivable, trade	276	195
Real estate for sale	6,928	7,451
Real estate for sale in process	35,802	48,592
Operating loans	4,700	4,728
Other	2,591	2,401
Allowance for doubtful accounts	△89	△89
Total current assets	76,286	84,936
Fixed assets		
Tangible fixed assets	315	397
Intangible fixed assets	205	178
Investments and other assets	1,227	1,381
Total fixed assets	1,748	1,957
Deferred assets	33	24
<b>Total assets</b>	<b>78,069</b>	<b>86,918</b>
<b>Liabilities</b>		
Current liabilities		
Accounts payable	2,561	2,701
Short-term loans payable	15,253	22,936
Current portion of long-term loans payable	7,271	5,982
Current portion of bonds	1,380	340
Income taxes payable	2,812	2,889
Reserves	729	826
Other	5,646	5,202
Total current liabilities	35,655	40,878
Long-term liabilities		
Bonds payable	400	500
Long-term loans payable	11,944	11,987
Reserves	9	9
Other	96	76
Total long-term liabilities	12,450	12,573
<b>Total liabilities</b>	<b>48,105</b>	<b>53,452</b>

(Millions of yen)

	End of FY 2013 (September 30, 2013)	End of FY 2014 2Q (March 31, 2014)
Net assets		
Shareholders' equity		
Capital stocks	3,972	3,972
Capital surplus	5,873	5,873
Retained earnings	20,159	23,662
Total shareholders' equity	30,005	33,508
Other comprehensive income		
Net unrealized holding gains/losses on securities	5	7
Foreign currency translation adjustment	△46	△48
Accumulated other comprehensive income	△41	△41
Total net assets	29,963	33,466
Total liabilities and net assets	78,069	86,918

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

(Millions of yen)

	2Q ended September 30, 2014 (From October 1, 2013 to March 31, 2014)
Revenue	54,993
Cost of revenue	44,053
Gross profit	10,940
Selling, general and administrative expenses	3,382
Operating income	7,557
Non-operating income	
Interest income	4
Dividends income	0
Foreign exchange gain	50
Other	26
Total non-operating income	81
Non-operating expenses	
Interest expenses	410
Commission	86
Other	69
Total non-operating expenses	566
Ordinary income	7,072
Income before income taxes and minority interests	7,072
Income taxes-current	2,868
Income before minority interests	4,203
Net income	4,203

## Consolidated Quarterly Statements of Comprehensive Income

(Millions of yen)

	2Q ended September 30, 2014 (From October 1, 2013 to March 31, 2014)
Net income before minority interests	4,203
Other comprehensive income	
Valuation difference on available-for-sale securities	1
Foreign currency translation adjustment	△2
Total other comprehensive income	△0
Comprehensive income	4,203
(Breakdown)	
Comprehensive income attributable to shareholders' of the parent	4,203

### 3) Consolidated Quarterly Statements of Cash Flows

(Millions of yen)

	2Q ended September 30, 2014 (From October 1, 2013 to March 31, 2014)
<b>Cash flows from operating activities</b>	
Income before income taxes and minority interests	7,072
Depreciation and amortization	64
Increase (Decrease) in allowance for doubtful accounts	0
Increase (Decrease) in reserves	97
Interest and dividends income	△4
Foreign exchange gain or loss	△42
Interest expense	410
Decrease (Increase) in notes and accounts receivable-trade	80
Decrease (Increase) in inventories	△13,300
Increase (Decrease) in notes and accounts payable-trade	140
Increase (Decrease) in loans receivable	△28
Other	△243
Subtotal	△5,752
Interest and dividends received	2
Interest paid	△397
Income taxes paid	△2,783
Net cash provided by (used in) operating activities	△8,931
<b>Cash flows from investing activities</b>	
Decrease in time deposits	△2,000
Increase in time deposits	150
Purchase of tangible fixed assets	△122
Purchase of intangible fixed assets	△13
Purchase of investment securities	△101
Payments for lease and guarantee deposits	△85
Proceeds from collection of lease and guarantee deposits	27
Other	△6
Net cash provided by (used in) investing activities	△2,150
<b>Cash flows from financing activities</b>	
Proceeds from short-term loans payable	25,035
Repayment of short-term loans payable	△17,352
Proceeds from long-term loans payable	5,974
Repayment of long-term loans payable	△7,220
Proceeds from issuance of bonds	294
Redemption of bonds	△1,240
Cash dividends paid	△700
Other	54
Net cash provided by (used in) financing activities	4,844
Effect of exchange rate changes on cash and cash equivalents	44
Net increase (decrease) in cash and cash equivalents	△6,193
Cash and cash equivalents at beginning of period	25,850
Cash and cash equivalents at end of period	19,656

#### 4) 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 second quarter of the fiscal year ended September 30, 2014 (October 1, 2013 to March 31, 2014)

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

(Millions of 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	1,373	53,429	190	54,993	—	54,993
Intersegment revenue and transfers	1,198	—	—	1,198	△1,198	—
Total	2,572	53,429	190	56,192	△1,198	54,993
Segment Income (Loss)	840	6,705	76	7,622	△64	7,557

(NOTE)

1. Adjustment of -¥64 million for segment income includes intersegment elimination of ¥18 million and corporate expenses of -¥83 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.