

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 Fiscal Year Ended September 30, 2014 [Based on Japanese GAAP]

November 13, 2014

Company name:	Open House Co., Ltd.
Stock exchange listings:	Tokyo Stock Exchange, First section
Code Number:	3288
URL:	<a href="http://openhouse-group.com/ir">http://openhouse-group.com/ir</a>
Representative:	Masaaki Arai, President and CEO
Scheduled date of annual general meeting of shareholders :	December 25, 2014
Scheduled date of dividends:	December 26, 2014
Scheduled date of annual securities report filing:	December 26, 2014
Supplementary materials for financial results:	Yes
Results briefing meeting :	Yes (for institutional investors and analysts, in Japanese)

(Million yen, rounded down)

### 1. Consolidated Financial Results for the fiscal year ended September 30, 2014

(October 1, 2013 to September 30, 2014)

#### (1) Consolidated Operating Results

(% figures indicate year-on-year change)

	Revenue		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY 2014	112,145	15.6	13,746	35.0	12,882	40.3	7,763	37.1
FY 2013	96,999	55.7	10,185	82.0	9,179	103.3	5,661	124.3

(Note) Comprehensive income: From October 1, 2013 to September 30, 2014 ¥7,763 million ( 38.1%)  
From October 1, 2012 to September 30, 2013 ¥5,623 million (123.0%)

	EPS	Diluted EPS	ROE	ROA	Operating income Margin
	Yen	Yen	%	%	%
FY 2014	275.50	270.57	23.2	14.4	12.3
FY 2013	287.82	245.56	25.2	13.6	10.5

(Reference) Equity in net income of affiliated companies: As of September 30, 2014: ¥ — million  
As of September 30, 2013: ¥ — million

(Note) The Company split one share of common stock into 1,000 shares effective June 28, 2013, EPS and Diluted EPS are calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
September 30, 2014	100,577	37,047	36.8	1,290.84
September 30, 2013	78,069	29,963	38.4	1,069.17

(Reference) Shareholders' equity: As of September 30, 2014: ¥37,047 million  
As of September 30, 2013: ¥29,963 million

#### (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at FY end
	Million yen	Million yen	Million yen	Million yen
FY 2014	△11,382	△2,620	12,495	24,426
FY 2013	4,219	△463	12,696	25,850

## 2. Dividends

	Annual dividends per share					Total dividends (Annual)	Payout ratio (Consolidated)	Dividend on equity (Consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
FY 2013	—	0.00	—	25.00	25.00	700	8.7	2.7
FY 2014	—	0.00	—	40.00	40.00	1,148	14.5	3.4
FY 2015 (Forecast)	—	0.00	—	40.00	40.00		12.6	

## 3. Forecast of Consolidated Operating Results for FY2015 (October 1, 2014 to September 30, 2015)

(% figures indicate year-on-year change)

	Revenue		Operating income		Ordinary income		Net income		EPS
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
2Q (Cumulative)	64,000	16.4	6,200	Δ 18.0	5,600	Δ 20.8	3,500	Δ 16.7	121.95
Full year	145,000	29.3	15,700	14.2	14,500	12.6	9,100	17.2	317.07

### \*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) 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

(3) Number of shares issued and outstanding (common stock)

i) Number of shares issued at period-end (including treasury stock)

September 30, 2014: 28,700,000 shares      September 30, 2013: 28,025,000 shares

ii) Treasury stock at period-end

September 30, 2014: — shares      September 30, 2013: — shares

iii) Average number of shares issued

September 30, 2014: 28,180,000 shares      September 30, 2013: 19,668,562 shares

(Note) The Company split one share of common stock into 1,000 shares effective June 28, 2013. Number of shares issued above is calculated on the assumption that the stock split was conducted at the beginning of the previous fiscal year.

## [Reference] Non-Consolidated Financial Results for the fiscal year ended September 30, 2014

(October 1, 2013 to September 30, 2014)

(1) Non-Consolidated Operating Results

(% figures indicate year-on-year change)

	Revenue		Operating income		Ordinary income		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY 2014	5,728	21.7	1,817	38.3	2,186	52.7	1,371	55.5
FY 2013	4,704	12.2	1,314	20.2	1,432	Δ18.5	882	Δ26.5

	EPS	Diluted EPS
	Yen	Yen
FY 2014	48.68	47.81
FY 2013	44.86	38.46

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
September 30, 2014	15,941	14,260	89.5	496.87
September 30, 2013	15,223	13,562	89.1	483.93

(Reference) Shareholders' equity: As of September 30, 2014: ¥14,260 million  
As of September 30, 2013: ¥13,562 million

### \* 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 Financial Statements

### 1) Consolidated Balance Sheets

(Million yen)

	End of FY 2013 (September 30, 2013)	End of FY 2014 (September 30, 2014)
<b>Assets</b>		
Current assets		
Cash and cash equivalents	26,077	26,426
Accounts receivable, trade	276	256
Real estate for sale	6,928	9,541
Real estate for sale in process	35,802	53,826
Operating loans	4,700	5,076
Deferred tax assets	674	906
Other	1,916	2,248
Allowance for doubtful accounts	△89	△86
<b>Total current assets</b>	<b>76,286</b>	<b>98,196</b>
Fixed asset		
Tangible fixed assets		
Buildings and structures	390	563
Accumulated depreciation	△173	△186
Buildings and structures, net	216	376
Land	38	206
Other	329	438
Accumulated depreciation	△268	△301
Other, net	60	137
<b>Total tangible fixed assets</b>	<b>315</b>	<b>720</b>
Intangible fixed assets	205	161
Investments and other assets		
Investment securities	133	242
Deferred tax assets	18	19
Other	1,075	1,214
<b>Total investments and other assets</b>	<b>1,227</b>	<b>1,476</b>
<b>Total fixed assets</b>	<b>1,748</b>	<b>2,358</b>
Deferred assets		
Bond issuance cost	33	23
<b>Total deferred assets</b>	<b>33</b>	<b>23</b>
<b>Total assets</b>	<b>78,069</b>	<b>100,577</b>

(Million yen)

	End of FY 2013 (September 30, 2013)	End of FY 2014 (September 30, 2014)
<b>Liabilities</b>		
Current liabilities		
Accounts payable	2,561	3,640
Short-term loans payable	15,253	24,721
Current portion of long-term loans payable	7,271	7,097
Current portion of bonds	1,380	440
Income taxes payable	2,812	3,579
Advances received	2,876	3,114
Guarantee deposits received	1,488	1,503
Provision for bonuses	442	581
Provision for warranties for completed construction	286	358
Other	1,281	1,232
<b>Total current liabilities</b>	<b>35,655</b>	<b>46,269</b>
Long-term liabilities		
Bonds payable	400	730
Long-term loans payable	11,944	16,418
Deferred tax liabilities	—	45
Provision for retirement benefits	9	—
Net defined benefit liability	—	10
Other	96	56
<b>Total long-term liabilities</b>	<b>12,450</b>	<b>17,261</b>
<b>Total liabilities</b>	<b>48,105</b>	<b>63,530</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stocks	3,972	3,982
Capital surplus	5,873	5,883
Retained earnings	20,159	27,222
<b>Total shareholders' equity</b>	<b>30,005</b>	<b>37,088</b>
Other comprehensive income		
Net unrealized holding gains/losses on securities	5	11
Foreign currency translation adjustment	△46	△53
Accumulated other comprehensive income	△41	△41
<b>Total net assets</b>	<b>29,963</b>	<b>37,047</b>
<b>Total liabilities and net assets</b>	<b>78,069</b>	<b>100,577</b>

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

(Million yen)

	FY2013 (From October 1, 2012 to September 30, 2013)	FY2014 (From October 1, 2013 to September 30, 2014)
Revenue	96,999	112,145
Cost of revenue	79,997	91,150
Gross profit	17,001	20,994
Selling, general and administrative expenses	6,816	7,248
Operating income	10,185	13,746
Non-operating income		
Interest income	2	8
Dividends income	0	1
Rentals received	12	24
Foreign exchange gain	257	119
Insurance income	7	18
Other	37	9
Total non-operating income	318	180
Non-operating expenses		
Interest expenses	895	794
Commission	263	129
Other	165	120
Total non-operating expenses	1,324	1,044
Ordinary income	9,179	12,882
Extraordinary income		
Gain on sales of fixed assets	0	—
Total extraordinary income	0	—
Income before income taxes and minority interests	9,180	12,882
Income taxes-current	3,753	5,312
Income taxes-deferred	△234	△194
Total income taxes	3,518	5,118
Income before minority interests	5,661	7,763
Net income	5,661	7,763

**Consolidated Statements of Comprehensive Income**

(Million yen)

	FY2013 (From October 1, 2012 to September 30, 2013)	FY2014 (From October 1, 2013 to September 30, 2014)
Net income before minority interests	5,661	7,763
Other comprehensive income		
Valuation difference on available-for-sale securities	7	6
Foreign currency translation adjustment	△45	△6
Total other comprehensive income	△37	0
Comprehensive income	5,623	7,763
(Breakdown)		
Comprehensive income attributable to shareholders' of the parent	5,623	7,763

### 3) Consolidated Statements of Changes in Shareholders' Equity

FY2013 (From October 1, 2012 to September 30, 2013)

(Million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at October 1, 2012	241	24	14,971	△224	15,013
Change of items during the period					
Issuance of new shares	3,730	3,730			7,461
Dividends from surplus			△473		△473
Net income			5,661		5,661
Disposal of treasury stock		2,118		224	2,342
Net changes of items other than shareholders' equity					
Total changes of items during the period	3,730	5,849	5,187	224	14,991
Balance at September 30, 2013	3,972	5,873	20,159	–	30,005

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at October 1, 2012	△2	△1	△3	15,010
Change of items during the period				
Issuance of new shares				7,461
Dividends from surplus				△473
Net income				5,661
Disposal of treasury stock				2,342
Net changes of items other than shareholders' equity	7	△45	△37	△37
Total changes of items during the period	7	△45	△37	14,953
Balance at September 30, 2013	5	△46	△41	29,963

FY2014 (From October 1, 2013 to September 30, 2014)

(Million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at October 1, 2013	3,972	5,873	20,159	—	30,005
Change of items during the period					
Issuance of new shares	10	10			20
Dividends from surplus			△ 700		△ 700
Net income			7,763		7,763
Disposal of treasury stock					-
Net changes of items other than shareholders' equity					-
Total changes of items during the period	10	10	7,062	-	7,083
Balance at September 30, 2014	3,982	5,883	27,222	-	37,088

	Accumulated other comprehensive income			Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income	
Balance at October 1, 2013	5	△ 46	△ 41	29,963
Change of items during the period				
Issuance of new shares				20
Dividends from surplus				△ 700
Net income				7,763
Disposal of treasury stock				-
Net changes of items other than shareholders' equity	6	△ 6	0	0
Total changes of items during the period	6	△ 6	0	7,083
Balance at September 30, 2014	11	△ 53	△ 41	37,047



#### 4) Consolidated Statements of Cash Flows

(Million yen)

	FY2013 (From October 1, 2012 to September 30, 2013)	FY2014 (From October 1, 2013 to September 30, 2014)
<b>Cash flow from operating activities</b>		
Net income before income taxes and minority interests	9,180	12,882
Depreciation and amortization	146	147
Increase (decrease) in provision for bonuses	93	138
Increase (decrease) in provision for retirement benefits	△4	△9
Increase (decrease) in allowance for doubtful accounts	△0	△3
Increase (decrease) in provision for warranties for completed construction	96	71
Increase (decrease) in net defined benefit liability	—	10
Interest and dividends income	△3	△9
Foreign exchange losses (gains)	△243	△88
Interest expense	895	794
Depreciation of bond issuance cost	28	24
Stock issuance cost	38	—
Decrease (increase) in notes and accounts receivable-trade	△100	18
Decrease (increase) in inventories	△3,038	△20,595
Increase (decrease) in notes and accounts payable-trade	473	1,079
Decrease (increase) in operating loans	△163	△376
Increase (decrease) in advances received	837	237
Increase (decrease) in guarantee deposits received	△78	15
Other, net	△197	△394
<b>Subtotal</b>	<b>7,957</b>	<b>△6,056</b>
Interest and dividends received	2	5
Interest paid	△930	△790
Income taxes paid	△2,810	△4,541
<b>Net cash provided by (used in) operating activities</b>	<b>4,219</b>	<b>△11,382</b>
<b>Cash flows from investing activities</b>		
Payments into time deposits	△155	△2,000
Proceeds from withdrawal of time deposits	165	150
Purchases of tangible fixed assets	△108	△493
Purchases of intangible fixed assets	△40	△13
Purchases of investment securities	△100	△101
Payment of investment in capital of subsidiaries and affiliates	△168	—
Payments for lease and guarantee deposits	△90	△189
Proceeds from collection of lease and guarantee deposits	63	40
Other, net	△29	△13
<b>Net cash used in investing activities</b>	<b>△463</b>	<b>△2,620</b>

(Million yen)

	FY2013 (From October 1, 2012 to September 30, 2013)	FY2014 (From October 1, 2013 to September 30, 2014)
<b>Cash flows from financing activities</b>		
Proceeds from short-term loans payable	36,836	45,944
Repayment of short-term loans payable	△35,601	△36,477
Proceeds from long-term loans payable	20,239	19,496
Repayment of long-term loans payable	△18,834	△15,196
Proceeds from issuance of corporate bonds	1,105	786
Payments for redemption of bonds	△100	△1,410
Proceeds from issuance of common stock	7,324	—
Proceeds from issuance of shares resulting from exercise of subscription rights to shares	—	20
Proceeds from sales of treasury stock	2,342	—
Cash dividends paid	△473	△700
Other, net	△142	32
<b>Net cash provided by (used in) financing activities</b>	<b>12,696</b>	<b>12,495</b>
Effect of exchange rate changes on cash and cash equivalents	118	83
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>16,570</b>	<b>△1,424</b>
Cash and cash equivalents at the beginning of the period	9,279	25,850
<b>Cash and cash equivalents at the end of the period</b>	<b>25,850</b>	<b>24,426</b>

## 5) Segment and Other Information

1. The reportable segments of the Group comprise those business units for which separate financial information is available, and which are subject to a regular review conducted by the Company's Board of Directors in order to determine the allocation of management resources and evaluate their performance.

The Group is comprised of the three reportable segments of "Real Estate Brokerage," "Real Estate Sales" and "Real Estate financing".

2. Income by reportable segments is calculated based on operating income.

3. Information about net sales, profit or loss, assets, liabilities and other items by reportable segment

### Previous fiscal year FY2013 (October 1, 2012 to September 30, 2013)

(Million yen)

	Reportable Segment				Adjustments (Note 1)	Amount Recorded on Consolidated Statements of Income (Note 2)
	Real Estate Brokerage	Real Estate Sales	Real Estate Financing	Total		
Revenue						
Revenue from Outside Customers	2,551	94,082	365	96,999	—	96,999
Intersegment revenue and transfers	2,153	—	4	2,157	△ 2,157	—
Total	4,704	94,082	369	99,156	△ 2,157	96,999
Segment Income (Loss)	1,464	8,678	160	10,303	△ 118	10,185
Segment Assets	2,004	60,091	5,187	67,283	10,785	78,069
Other items						
Depreciation and amortization	38	56	4	99	46	146
Increases in property, plant and equipment and intangible assets	68	55	32	157	34	191

(NOTE)

#### 1. Adjustment:

- 1) Adjustment of -¥118 million for segment income includes intersegment elimination of ¥32 million and corporate expenses of -¥150 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) Adjustment of ¥10,785 million for segment assets includes intersegment elimination of -¥869 million and corporate expenses of ¥11,655 million that is not distributed to the reportable segments.  
Corporate assets mainly consist of cash and cash equivalents, funds for long-term investment (investment securities), and assets of the administration division not attributable to reportable segments.
- 3) Adjustment in depreciation and amortization consists of depreciation and amortization of corporate assets.
- 4) Adjustment of increases in tangible fixed assets and intangible fixed assets consists of increases of tangible and intangible fixed assets related to corporate assets.

2. Segment income has been adjusted to operating income described in consolidated statements of income.

**Reporting fiscal year FY2014 (October 1, 2013 to September 30, 2014)**

(Million yen)

	Reportable Segment				Adjustments (Note 1)	Amount Recorded on Consolidated Statements of Income (Note 2)
	Real Estate Brokerage	Real Estate Sales	Real Estate Financing	Total		
Revenue						
Revenue from Outside Customers	3,007	108,760	376	112,145		112,145
Intersegment revenue and transfers	2,720	-	-	2,720	△ 2,720	-
Total	5,728	108,760	376	114,865	△ 2,720	112,145
Segment Income (Loss)	1,987	11,718	168	13,874	△ 128	13,746
Segment Assets	2,513	85,839	5,328	93,681	6,895	100,577
Other items						
Depreciation and amortization	41	62	7	111	35	147
Increases in property, plant and equipment and intangible assets	141	325	-	467	277	745

(NOTE)

1. Adjustment:

- 1) Adjustment of -¥128 million for segment income includes intersegment elimination of ¥42 million and corporate expenses of -¥170 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) Adjustment of ¥6,895 million for segment assets includes intersegment elimination of -¥1,062 million and corporate expenses of ¥7,958 million that is not distributed to the reportable segments.  
Corporate assets mainly consist of cash and cash equivalents, funds for long-term investment (investment securities), and assets of the administration division not attributable to reportable segments.
- 3) Adjustment in depreciation and amortization consists of depreciation and amortization of corporate assets.
- 4) Adjustment of increases in tangible fixed assets and intangible fixed assets consists of increases of tangible and intangible fixed assets related to corporate assets.

2. Segment income has been adjusted to operating income described in consolidated statements of income.