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Summary of Consolidated Financial Statements for the First Quarter of the Fiscal Year Ending March 31, 2014 [Japan GAAP]

August 2, 2013

Stock Exchange Listing: Tokyo (First Section)

Company Name: GSI Creos Corporation

Code Number: 8101 URL <http://www.gsi.co.jp>

Representative: Yoshihiro Fukase, Representative Director and President

Inquiries: Fumihiro Onishi, General Manager, Corporate Planning Department Tel: +81-3-5211-1802

Scheduled Date of Quarterly Report Filing: August 9, 2013

Scheduled Date of Dividend Payments Commencement: —

Supplementary Documents for Quarterly Financial Statements: No

Holding of Quarterly Financial Results Meeting: No

(Note: Amounts less than one million of yen have been rounded down.)

1. Consolidated Results for the First Quarter of the Fiscal Year Ending March 31, 2014 (April 1, 2013 to June 30, 2013)

(1) Consolidated Operating Results (Cumulative Total) (Percentage figures represent changes from the same period of the previous year.)

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First quarter ended June 30, 2013	32,505	9.0	181	(62.9)	124	(65.5)	58	(80.0)
First quarter ended June 30, 2012	29,812	6.6	488	4.9	361	(8.2)	292	(7.8)

(Note) Comprehensive income First quarter ended June 30, 2013: 351 millions of yen 33.9%

First quarter ended June 30, 2012: 262 millions of yen 13.8%

	Net income per share		Diluted net income per share	
	Yen		Yen	
First quarter ended June 30, 2013	0.91		—	
First quarter ended June 30, 2012	4.55		—	

(2) Consolidated Financial Position

	Total assets		Net assets		Equity ratio	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2013	61,852		13,223		21.3	
March 31, 2013	59,906		13,000		21.6	

(Reference) Equity capital June 30, 2013: 13,173 millions of yen

March 31, 2013: 12,950 millions of yen

2. Dividends

	Annual dividend per share				
	1Q	2Q	3Q	Fiscal year end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2013	—	—	—	2.00	2.00
Fiscal year ending March 31, 2014	—	—	—	2.00	2.00
Fiscal year ending March 31, 2014 (Forecast)	—	—	—	2.00	2.00

(Note) Revisions to the dividend forecast published most recently: No

3. Forecast of Consolidated Results for the Fiscal Year Ending March 31, 2014 (April 1, 2013 to March 31, 2014)

(Percentage figures represent changes from the same period of the previous year.)

	Net sales		Operating income		Ordinary income		Net income		Net income per share	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	
Six-month period	70,000	13.9	750	(10.3)	650	(14.3)	500	(19.1)	7.78	
Full fiscal year	135,000	3.3	1,600	9.7	1,400	8.5	1,000	9.1	15.56	

(Note) Revisions to the consolidated results forecasts published most recently: No

*** Notes**

(1) Changes in Significant Subsidiaries During the Period

(Changes in Specified Subsidiaries Associated with Changes in the Scope of Consolidation): No

(2) Application of Special Accounting Methods to the Preparation of Quarterly Financial Statements: Yes

(3) Changes in Accounting Policies and Estimates, and Retrospective Restatement

i Changes in accounting policies due to revisions of accounting standards and other regulations: No

ii Changes in accounting policies other than in (i): No

iii Changes in accounting estimates: No

iv Retrospective restatement: No

(4) Number of Shares Issued and Outstanding (Common Stock)

i Number of shares issued and outstanding at the end of period (including treasury stock)

June 30, 2013	64,649,715 shares	March 31, 2013	64,649,715 shares
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ii Number of treasury stock at the end of period

June 30, 2013	396,835 shares	March 31, 2013	379,465 shares
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iii Average number of shares during the period

June 30, 2013	64,260,470 shares	June 30, 2012	64,349,247 shares
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*** Status of Implementation of Quarterly Review Procedure**

This quarterly report is exempt from the quarterly review procedure based on the Financial Instruments and Exchange Act. Furthermore, quarterly consolidated financial statements were undergoing the review procedure process at the time of the release of this report.

*** Cautionary Statement with Respect to Forecasts of Consolidated Business Results and Special Notes**

Earning forecasts presented in this report are based on information available and assumptions deemed reasonable at the time. Therefore, they do not constitute a guarantee that they will be realized. Actual results could differ significantly from forecasts due to a variety of factors.

Quarterly Consolidated Financial Statements
(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	Previous fiscal year (March 31, 2013)	First quarter, current fiscal year (June 30, 2013)
Assets		
Current assets		
Cash and deposits	7,970	8,771
Notes and accounts receivable-trade	30,281	29,788
Merchandise	9,206	10,800
Goods in transit	33	82
Other	1,308	1,446
Allowance for doubtful accounts	(516)	(449)
Total current assets	48,283	50,440
Noncurrent assets		
Property, plant and equipment	5,446	5,419
Intangible assets	553	546
Investments and other assets	5,624	5,446
Total noncurrent assets	11,623	11,412
Total assets	59,906	61,852
Liabilities		
Current liabilities		
Notes and accounts payable-trade	21,923	23,646
Short-term loans payable	16,300	16,652
Current portion of long-term loans payable	1,357	1,319
Income taxes payable	300	166
Provision	403	213
Other	2,442	2,776
Total current liabilities	42,727	44,774
Noncurrent liabilities		
Long-term loans payable	2,865	2,586
Provision for retirement benefits	950	913
Other	363	355
Total noncurrent liabilities	4,178	3,855
Total liabilities	46,906	48,629
Net assets		
Shareholders' equity		
Capital stock	7,186	7,186
Capital surplus	908	895
Retained earnings	5,873	5,819
Treasury stock	(65)	(68)
Total shareholders' equity	13,903	13,833
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(345)	(293)
Deferred gains or losses on hedges	(102)	(99)
Foreign currency translation adjustment	(504)	(267)
Total accumulated other comprehensive income	(952)	(659)
Minority interests	49	49
Total net assets	13,000	13,223
Total liabilities and net assets	59,906	61,852

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income
(Quarterly Consolidated Statements of Income)
(Cumulative First Quarter)

(Millions of yen)

	Cumulative first quarter, previous fiscal year (April 1, 2012- June 30, 2012)	Cumulative first quarter, current fiscal year (April 1, 2013- June 30, 2013)
Net sales	29,812	32,505
Cost of sales	26,519	29,307
Gross profit	3,292	3,198
Selling, general and administrative expenses	2,804	3,017
Operating income	488	181
Non-operating income		
Interest income	4	4
Dividends income	40	45
Other	10	30
Total non-operating income	55	80
Non-operating expenses		
Interest expenses	101	83
Foreign exchange losses	45	26
Other	35	26
Total non-operating expenses	182	136
Ordinary income	361	124
Extraordinary income		
Gain on sales of investment securities	—	3
Total extraordinary income	—	3
Extraordinary loss		
Loss on retirement of noncurrent assets	0	0
Loss on valuation of investment securities	—	1
Loss on valuation of golf club membership	—	8
Total extraordinary loss	0	10
Income before income taxes and minority interests	361	117
Income taxes-current	83	57
Income taxes-deferred	(15)	1
Total income taxes	68	58
Income before minority interests	292	58
Minority interests in income	0	0
Net income	292	58

(Quarterly Consolidated Statements of Comprehensive Income)
(Cumulative First Quarter)

(Millions of yen)

	Cumulative first quarter, previous fiscal year (April 1, 2012- June 30, 2012)	Cumulative first quarter, current fiscal year (April 1, 2013- June 30, 2013)
Income before minority interests	292	58
Other comprehensive income		
Valuation difference on available-for-sale securities	(186)	52
Deferred gains or losses on hedges	25	3
Foreign currency translation adjustment	130	236
Total other comprehensive income	(30)	292
Comprehensive income	262	351
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	262	351
Comprehensive income attributable to minority interests	0	0