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Summary of Consolidated Financial Statements for the First Quarter of the Fiscal Year Ending March 31, 2015 [Japan GAAP]

August 1, 2014

Stock Exchange Listing: Tokyo (First Section)

Company Name: GSI Creos Corporation

Code Number: 8101 URL <http://www.gsi.co.jp>
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 Scheduled Date of Quarterly Report Filing: August 8, 2014
 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, 2015 (April 1, 2014 to June 30, 2014)

(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, 2014	33,111	1.9	290	60.2	188	51.2	102	74.7
First quarter ended June 30, 2013	32,505	9.0	181	(62.9)	124	(65.5)	58	(80.0)

(Note) Comprehensive income First quarter ended June 30, 2014: 93 millions of yen Δ 73.4%
 First quarter ended June 30, 2013: 351 millions of yen 33.9%

	Net income per share	Diluted net income per share
	Yen	Yen
First quarter ended June 30, 2014	1.59	—
First quarter ended June 30, 2013	0.91	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
June 30, 2014	64,632	14,812	22.8
March 31, 2014	66,829	14,792	22.1

(Reference) Equity capital June 30, 2014: 14,762 millions of yen
 March 31, 2014: 14,742 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, 2014	—	—	—	2.00	2.00
Fiscal year ending March 31, 2015	—	—	—	2.00	2.00
Fiscal year ending March 31, 2015 (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, 2015 (April 1, 2014 to March 31, 2015)

(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
Full fiscal year	150,000	(5.4)	1,500	(10.0)	1,200	(12.5)	1,000	(2.4)	15.57

(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: Yes

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, 2014	64,649,715 shares	March 31, 2014	64,649,715 shares
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ii Number of treasury stock at the end of period

June 30, 2014	413,957 shares	March 31, 2014	413,027 shares
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iii Average number of shares during the period

June 30, 2014	64,236,230 shares	June 30, 2013	64,260,470 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, 2014)	First quarter, current fiscal year (June 30, 2014)
Assets		
Current assets		
Cash and deposits	8,130	8,127
Notes and accounts receivable-trade	34,937	31,449
Merchandise	10,542	11,893
Goods in transit	50	18
Other	1,869	2,014
Allowance for doubtful accounts	(762)	(729)
Total current assets	54,769	52,774
Non-current assets		
Property, plant and equipment	5,414	5,420
Intangible assets	974	948
Investments and other assets	5,671	5,489
Total non-current assets	12,060	11,858
Total assets	66,829	64,632
Liabilities		
Current liabilities		
Notes and accounts payable-trade	27,958	25,159
Short-term loans payable	16,149	17,443
Current portion of long-term loans payable	1,496	1,496
Income taxes payable	91	94
Provision	413	220
Other	2,803	2,425
Total current liabilities	48,913	46,839
Non-current liabilities		
Long-term loans payable	1,860	1,577
Net defined benefit liability	885	665
Other	377	737
Total non-current liabilities	3,123	2,980
Total liabilities	52,036	49,820
Net assets		
Shareholders' equity		
Capital stock	7,186	7,186
Capital surplus	895	895
Retained earnings	6,782	6,810
Treasury stock	(70)	(70)
Total shareholders' equity	14,793	14,821
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(124)	0
Deferred gains or losses on hedges	(1)	(18)
Foreign currency translation adjustment	163	51
Remeasurements of defined benefit plans	(88)	(92)
Total accumulated other comprehensive income	(50)	(59)
Minority interests	49	49
Total net assets	14,792	14,812
Total liabilities and net assets	66,829	64,632

(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, 2013- June 30, 2013)	Cumulative first quarter, current fiscal year (April 1, 2014- June 30, 2014)
Net sales	32,505	33,111
Cost of sales	29,307	29,708
Gross profit	3,198	3,403
Selling, general and administrative expenses	3,017	3,113
Operating income	181	290
Non-operating income		
Interest income	4	5
Dividends income	45	43
Other	30	17
Total non-operating income	80	66
Non-operating expenses		
Interest expenses	83	83
Foreign exchange losses	26	67
Other	26	18
Total non-operating expenses	136	168
Ordinary income	124	188
Extraordinary income		
Gain on sales of investment securities	3	—
Total extraordinary income	3	—
Extraordinary loss		
Loss on sales of non-current assets	—	1
Loss on retirement of non-current assets	0	11
Loss on valuation of investment securities	1	—
Loss on valuation of golf club membership	8	—
Total extraordinary loss	10	13
Income before income taxes and minority interests	117	175
Income taxes-current	57	70
Income taxes-deferred	1	2
Total income taxes	58	72
Income before minority interests	58	102
Minority interests in income	0	0
Net income	58	102

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

(Millions of yen)

	Cumulative first quarter, previous fiscal year (April 1, 2013- June 30, 2013)	Cumulative first quarter, current fiscal year (April 1, 2014- June 30, 2014)
Income before minority interests	58	102
Other comprehensive income		
Valuation difference on available-for-sale securities	52	124
Deferred gains or losses on hedges	3	(17)
Foreign currency translation adjustment	236	(111)
Remeasurements of defined benefit plans, net of tax	—	(3)
Total other comprehensive income	292	(8)
Comprehensive income	351	93
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	351	93
Comprehensive income attributable to minority interests	0	0