

Translation

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## Summary of Consolidated Financial Results for the Three Months Ended June 30, 2013 (Based on Japanese GAAP)

August 9, 2013

Company name GOLDWIN INC.  
 Stock exchange listing Tokyo  
 Stock Code 8111 URL <http://www.goldwin.co.jp>  
 Representative President and Representative Director Akio Nishida  
 Director, Senior Managing Officer, Executive  
 Inquiries General Manager, General Administration Kiyoto Futatsukawa TEL 03-3481-7203  
 Headquarters  
 Scheduled date to file Quarterly Securities Report August 9, 2013  
 Scheduled date to commence dividend payments -  
 Preparation of supplementary material on quarterly earnings no  
 Holding of quarterly earnings performance review no -

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2013 (from April 1, 2013 to June 30, 2013)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

	Net sales		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended June 30, 2013	9,412	(2.4)	(574)	-	(210)	-	(217)	-
Three months ended June 30, 2012	9,645	27.0	(581)	-	(167)	-	(212)	-

	Net income per share		Diluted net income per share	
	Yen		Yen	
Three months ended June 30, 2013	(3.70)		-	
Three months ended June 30, 2012	(3.62)		-	

(2) Consolidated financial position

	Total assets		Net assets		Equity ratio		Net assets per share	
	Millions of yen		Millions of yen		%		Yen	
As of June 30, 2013	46,422		21,343		45.8		361.13	
As of March 31, 2013	45,176		21,433		47.2		362.81	

2. Cash dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2013	-	0.00	-	6.00	6.00
Year ending March 31, 2014	-				
Year ending March 31, 2014 (Forecast)		0.00	-	7.00	7.00

3. Forecast for the year ending March 31, 2014 (from April 1, 2013 to March 31, 2014)

Percentages indicate year-on-year changes

	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 months ending September 30, 2013	24,100	0.1	450	11.1	850	3.5	700	2.9	11.92
Full year	53,000	0.9	2,100	10.4	3,200	1.0	2,300	(12.8)	39.15

4. Notes

- (1) Changes in significant subsidiaries during the three months ended June 30, 2013  
 (changes in specified subsidiaries resulting in the change in scope of consolidation): no
- (2) Application of special accounting for preparing quarterly consolidated financial statements: no
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections
- Changes in accounting policies due to revisions to accounting standards and other regulations: no
  - Changes in accounting policies due to other reasons: no
  - Changes in accounting estimates: no
  - Restatement of prior period financial statements after error corrections: no

(4) Number of issued shares

Total number of issued shares at the end of the period (including treasury stock)

As of June 30, 2013	59,560,218 shares	As of March 31, 2013	59,393,218 shares
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Number of shares of treasury stock at the end of the period

As of June 30, 2013	632,204 shares	As of March 31, 2013	645,169 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2013	58,793,038 shares	Three months ended June 30, 2012	58,665,693 shares
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**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2013	As of June 30, 2013
Assets		
Current assets		
Cash and deposits	4,606	8,196
Notes and accounts receivable-trade	11,090	8,477
Merchandise and finished goods	9,057	8,318
Work in process	78	86
Raw materials and supplies	637	642
Other	1,239	1,569
Allowance for doubtful accounts	(8)	(5)
Total current assets	26,701	27,286
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	1,682	1,681
Land	755	751
Other, net	1,303	1,260
Total property, plant and equipment	3,741	3,692
Intangible assets		
Right of trademark	77	68
Other	782	734
Total intangible assets	860	802
Investments and other assets		
Investment securities	9,841	10,584
Guarantee deposits	2,114	2,143
Other	2,244	2,237
Allowance for doubtful accounts	(326)	(325)
Total investments and other assets	13,873	14,639
Total noncurrent assets	18,475	19,135
Total assets	45,176	46,422

(Millions of yen)

	As of March 31, 2013	As of June 30, 2013
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	11,037	10,609
Short-term loans payable	1,028	3,370
Current portion of bonds	36	36
Current portion of long-term loans payable	1,398	1,343
Income taxes payable	268	195
Provision for bonuses	660	988
Provision for sales returns	507	281
Other	2,916	2,765
<b>Total current liabilities</b>	<b>17,853</b>	<b>19,589</b>
<b>Noncurrent liabilities</b>		
Long-term loans payable	1,982	1,686
Provision for retirement benefits	2,351	2,318
Other	1,555	1,484
<b>Total noncurrent liabilities</b>	<b>5,889</b>	<b>5,488</b>
<b>Total liabilities</b>	<b>23,742</b>	<b>25,078</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	7,041	7,079
Capital surplus	3,719	3,757
Retained earnings	11,602	11,031
Treasury stock	(278)	(271)
<b>Total shareholders' equity</b>	<b>22,085</b>	<b>21,598</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	300	300
Deferred gains or losses on hedges	(20)	(18)
Foreign currency translation adjustment	(1,051)	(599)
<b>Total accumulated other comprehensive income</b>	<b>(770)</b>	<b>(317)</b>
Subscription rights to shares	60	-
Minority interests	59	63
<b>Total net assets</b>	<b>21,433</b>	<b>21,343</b>
<b>Total liabilities and net assets</b>	<b>45,176</b>	<b>46,422</b>

**Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)**

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2012	Three months ended June 30, 2013
Net sales	9,645	9,412
Cost of sales	5,620	5,432
Gross profit	4,025	3,980
Reversal of provision for sales returns	102	226
Gross profit-net	4,127	4,207
Selling, general and administrative expenses	4,709	4,781
Operating loss	(581)	(574)
Non-operating income		
Interest income	1	3
Dividends income	28	28
Equity in earnings of affiliates	434	372
Other	29	26
Total non-operating income	494	430
Non-operating expenses		
Interest expenses	47	34
Loss on sales of notes payable	13	14
Other	19	17
Total non-operating expenses	80	66
Ordinary loss	(167)	(210)
Extraordinary income		
Gain on sales of noncurrent assets	-	1
Gain on reversal of subscription rights to shares	-	39
Total extraordinary income	-	40
Extraordinary loss		
Loss on disposal of noncurrent assets	0	0
Loss on sales of investment securities	0	-
Other	0	0
Total extraordinary losses	0	0
Loss before income taxes and minority interests	(167)	(170)
Income taxes-current	33	34
Income taxes-deferred	1	5
Total income taxes	35	39
Loss before minority interests	(203)	(209)
Minority interests in income	8	7
Net loss	(212)	(217)

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Three months ended June 30, 2012	Three months ended June 30, 2013
Loss before minority interests	(203)	(209)
Other comprehensive income		
Valuation difference on available-for-sale securities	(162)	(0)
Deferred gains or losses on hedges	(6)	1
Foreign currency translation adjustment	53	99
Share of other comprehensive income of associates accounted for using equity method	475	352
Total other comprehensive income	359	453
Comprehensive income	156	243
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	147	235
Comprehensive income attributable to minority interests	8	7