

Consolidated Financial Results For The Three Months Ended June 30, 2013

(Japanese Accounting Standards)

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GEO HOLDINGS CORPORATION

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

(1) Consolidated Operating Results

	Net Sales		Operating Income		Ordinary Income		Net Income	
	(¥Million)	change(%)	(¥Million)	change(%)	(¥Million)	change(%)	(¥Million)	change(%)
Three Months ended June 30, 2013	57,919	(1.9)	2,966	(22.8)	3,076	(20.6)	1,525	(39.7)
Three Months ended June 30, 2012	59,030	3.3	3,842	(3.6)	3,876	(3.9)	2,528	37.5

	Earning per Share(¥)	Fully diluted earnings per share(¥)
Three Months ended June 30, 2013	2,824.32	2,819.30
Three Months ended June 30, 2012	4,650.93	4,644.95

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio
	(¥million)	(¥million)	%
As of June 30, 2013	118,688	58,713	48.5
As of March 31, 2013	121,353	57,978	46.9

(Reference) Shareholders' equity As of June 30, 2013 ¥ 57,607 million
As of March 31, 2013 ¥ 56,875 million

2. Dividends

(Record date)	Dividend per share (¥)				
	1st quarter end	2nd quarter end	3rd quarter end	Year-end	Annual
Fiscal 2013	-	1,500	-	1,600	3,100
Fiscal 2014	-	-	-	-	-
Fiscal 2014 (Projection)	-	1,600	-	16	-

(Note) Modifications in the dividend projection in this 1st quarter: None

GEO will conduct a 1-to-100 split of its common stock on October 1, 2013. The forecast for the year-end dividend for the fiscal year ending in March 2014 includes the effect of this split. Before the adjustment for this split, the dividend forecast for the fiscal year ending in March 2014 was 3,200 yen per share, which is the sum of 1,600 yen interim and year-end dividends.

3. Projected Results for Fiscal 2014 (April 1, 2013 to March 31, 2014)

	Net Sales		Operating Income		Ordinary Income		Net Income		Earnings per Share
	(¥Million)	change(%)	(¥Million)	change(%)	(¥Million)	change(%)	(¥Million)	change(%)	(¥)
First half year Fiscal 2014	121,000	(0.9)	4,200	(44.2)	4,300	(42.1)	2,200	(31.9)	40.74
Fiscal 2014	263,000	1.4	10,700	(33.0)	11,000	(29.7)	5,500	(34.4)	101.85

(Note) Modifications in the dividend projection in this 1st quarter: No

GEO will conduct a 1-to-100 split of its common stock on October 1, 2013. In the forecasts for the first half of the fiscal year ending in March 2014 and the full fiscal year, the forecasts for net income per share have been calculated as if the stock split had occurred at the beginning of the fiscal year.

4. Other

- (1) Significant change in subsidiaries during the period (changes in specified subsidiaries resulting in the change in consolidation scope): No
- (2) Adoption of simplified accounting treatment and special accounting treatments for quarterly consolidated financial statements: No
- (3) Changes in accounting principles, procedures, and the presentation for quarterly consolidated financial statements (matters to be included in the section , Changes in Basic Important Matters for Preparation of Quarterly Consolidated Financial Statements)
 - 1) Changes due to revisions of accounting standards etc: No
 - 2) Changes other than 1): No
- (4) Number of shares outstanding (common stock)
 - 1) Number of shares outstanding at term end (including treasury stock):

June 30, 2013	543,828 shares
March 31, 2013	543,828 shares
 - 2) Number of shares of treasury stock at term end:

June 30, 2013	3,863 shares
March 31, 2013	3,863 shares
 - 3) Average number of outstanding shares (during the three months ended June 30):

June 30, 2013	539,965shares
March 31, 2013	543,622 shares

*Indication regarding execution of quarterly review

This quarterly financial report is not subject to the quarterly review procedures in accordance with the Financial Instruments and Exchange Act. At the time of disclosure of this quarterly financial result, the quarterly review procedures in accordance with the financial Instruments and Exchange Act are in progress.

*Note to ensure appropriate use of forecasts

The consolidated and nonconsolidated business performance forecasts given in this document are based on assumptions, prospects, and future business plans, currently available on the date this document was published. Actual results may differ from these forecasts for a variety of reasons.

[QUALITATIVE INFORMATION AND NOTES]

1 .Results of Operations and Financial Condition

(1) Analysis of Financial Position

In the first quarter of the current fiscal year, there was a recovery in some sectors of consumer spending and corporate earnings as the yen weakened and stock prices rose in response to expectations regarding the benefits of monetary and economic measures by the Japanese government and Bank of Japan. However, emerging country economic growth is slowing, the weaker yen is causing prices of raw materials and electricity to increase, and a consumption tax hike is planned. As a result, consumers in Japan are adopting a defensive stance that includes a preference for low prices and selecting purchases very carefully. Consumer spending is sluggish due to this increasingly reluctance to spend, resulting in a continuation of a challenging operating environment.

The GEO Group is committed to always being a convenient source of a variety of services that can make customers' lives "more enjoyable" and "more fulfilling." To accomplish this goal, the Group is opening many stores in order to enlarge its sales network and increase market share.

The number of stores increased by 10 to 1,263 as the Group closed 6 GEO Shops, the main format of the Group, while opening (or and opened)16 GEO Shops.

Regarding the 2nd STREET and JUMBLE STORE used merchandise stores, the Group's second store category after GEO Shops, 11 stores were opened during the first quarter and nine small composite stores were closed in order to use store management personnel more effectively. Based on the outlook for more growth in the used merchandise market, the Group is aiming to increase its market share by opening more stores as this market expands. In addition, to raise awareness of its used merchandise stores, the Group aired TV commercials nationwide and used other promotional activities that coincided with a sale at these stores during Japan's Golden Week holiday. The objective is to create stores that customers choose over the stores of competitors.

In the first quarter, sales were 57,919 million yen, down 1.9% from one year earlier. Operating income decreased 22.8% to 2,966 million yen, ordinary income decreased 20.6% to 3,076 million yen and net income decreased 39.7% to 1,525 million yen.

The number of GEO Group stores and other facilities was follows at the end of the first quarter of the fiscal year.
 (Change from previous fiscal year end)

	DMS		Distributor		FC shops		Total	
GEO Group shops	1,342	(+21)	101	(△1)	135	(△1)	1,572	(+19)
Retail shops	1,289	(+21)	101	(△1)	135	(△1)	1,519	(+19)
GEO shops	1,065	(+12)	101	(△1)	97	(△1)	1,263	(+10)
2nd STREET JUNMBLE STORE	308	(+2)			40	(0)	348	(+2)
Amusement centers	53	(0)					53	(0)
GEO DINOS	20	(0)					20	(0)
WAREHOUSE	10	(0)					10	(0)
GEO Fitness	16	(0)					16	(0)
GEO Café, etc.	8	(0)					8	(0)

Note :

- 1.The number of stores are counted on the basis of the brand used by each store.
- 2.When two or more brands are used at a single location,the store is classified as a retail shop.
- 3.When there is a directly operated and distributor or franchised shop at a single location with two or more brands, the location is counted as a shop for each brand used but the location is as a single shop for the total number of retail shops.

(2) Analysis of Financial Position

(Assets)

Total assets were 118,688 million yen at the end of the first quarter, 2,665 million yen less than at the end of the previous fiscal year. Current assets decreased 2,447 million yen to 52,719 million yen mainly because of decreases of 1,797 million yen in cash and deposits and 999 million yen in notes and accounts receivable-trade. Noncurrent assets decreased 218 million yen to 65,968 million yen. There were increases of 222 million yen in lease and guarantee deposits and 245 million yen in investments and other assets and decreases of 375 million yen in property, plant and equipment and 298 million yen in goodwill.

(Liabilities)

Liabilities were 59,974 million yen, 3,401 million yen less than at the end of the previous fiscal year. Current liabilities decreased 3,099 million yen to 36,305 million yen. This was primarily the result of a 3,870 million yen increase in short-term loans payable and decreases of 3,483 million yen in accounts payable-trade and 2,410 million yen in income taxes payable. Noncurrent liabilities decreased 301 million yen to 23,668 million yen. Bonds payable increased 593 million yen and there were decreases of 666 million yen in long-term loans payable and 286 million yen in other noncurrent liabilities.

(Net assets)

Net assets increased 735 million yen to 58,713 million yen. This was attributable primarily to first quarter net income of 1,525 million yen and dividend payments from retained earnings of 863 million yen.

(3) Outlook for the fiscal year ending March 31, 2014

There are no revisions to the fiscal year forecast for consolidated sales and earnings that was announced on May 9,2013.

2. Others

(1) Changes in significant subsidiaries during the period: None

(2) Use of accounting methods that are specific to preparation of the quarterly consolidated financial statements: None

(3) Changes in accounting principles and estimates, and retrospective restatements:None

CONSOLIDATED QUARTERLY BALANCE SHEETS

(Million of yen)

	March31,2013	June30,2013
Assets		
Current assets		
Cash and deposits	24,102	22,305
Accounts receivable-trade	5,035	4,035
Merchandise	18,695	18,792
Other	7,628	7,921
Allowance for doubtful accounts	△ 293	△ 335
Total current assets	55,166	52,719
Noncurrent assets		
Property, plant and equipment		
Buildings and structures, net	15,660	15,597
Other, net	23,463	23,150
Total property, plant and equipment	39,124	38,748
Intangible assets		
Goodwill	1,904	1,605
Other	1,120	1,071
Total intangible assets	3,024	2,677
Investments and other assets		
Lease and guarantee deposits	15,438	15,661
Other	12,548	12,794
Allowance for doubtful accounts	△ 3,949	△ 3,913
Total investments and other assets	24,038	24,542
Total noncurrent assets	66,186	65,968
Total assets	121,353	118,688
Liabilities		
Current liabilities		
Accounts payable-trade	12,386	8,902
Short-term loans payable	130	4,000
Income taxes payable	3,987	1,577
Provision	1,198	724
Other	21,702	21,101
Total current liabilities	39,405	36,305
Noncurrent liabilities		
Bonds payable	1,684	2,277
Long-term loans payable	13,852	13,186
Provision	255	251
Asset retirement obligations	3,575	3,637
Other	4,603	4,316
Total noncurrent liabilities	23,970	23,668
Total liabilities	63,375	59,974

	(Million of yen)	
	March31,2013	June30,2013
Net assets		
Shareholders' equity		
Capital stock	8,603	8,603
Capital surplus	6,078	6,078
Retained earnings	42,300	42,961
Treasury stock	△ 334	△ 334
Total shareholders' equity	56,648	57,309
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	227	298
Total accumulated other comprehensive income	227	298
Subscription rights to shares	155	155
Minority interests	946	950
Total net assets	57,978	58,713
Total liabilities and net assets	121,353	118,688

CONSOLIDATED QUARTERLY STATEMENTS OF COMPREHENSIVE INCOME

(Million of yen)

	Three months ended June30,2012	Three months ended June30,2013
Net sales	59,030	57,919
Cost of sales	32,367	30,934
Gross profit	26,662	26,985
Selling, general and administrative expenses	22,819	24,019
Operating income	3,842	2,966
Non-operating income		
Real estate rent	206	302
Other	179	110
Total non-operating income	385	412
Non-operating expenses		
Interest expenses	130	97
Rent expenses on real estates	108	141
Other	114	63
Total non-operating expenses	353	302
Ordinary income	3,875	3,076
Extraordinary income		
Extraordinary loss		
Impairment loss	114	154
Other	19	25
Total extraordinary losses	133	179
Income before income taxes and minority interests	3,741	2,896
Income taxes-current	1,621	1,656
Income taxes-deferred	△ 359	△ 293
Total income taxes	1,261	1,362
Income before minority interests	2,479	1,533
Minority interests in income (loss)	△ 49	8
Net income	2,528	1,525

CONSOLIDATED QUARTERLY STATEMENTS OF (COMPREHENSIVE) INCOME

	(Million of yen)	
	Three months ended	Three months ended
	June30,2012	June30,2013
Income before minority interests	2,479	1,533
Other comprehensive income		
Valuation difference on available-for-sale securities	△ 43	73
Total other comprehensive income	△ 43	73
Comprehensive income	2,435	1,607
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	2,488	1,596
Comprehensive income attributable to minority interests	△ 52	11