

Summary of FY March 2013 Second Quarter Consolidated Financial Results [Japan GAAP] (April 1, 2012 to September 30, 2012)

Corporate Name: PROTO CORPORATION
 Securities Code: 4298
 Representative: Tatsuzo Irikawa, President and Chief Operating Officer
 Contact: Shigeyoshi Shimizu, Director
 Scheduled date of filing of quarterly report: November 13, 2012
 Scheduled date for dividend payment: November 19, 2012
 Quarterly earnings supplementary explanatory documents: Yes
 Quarterly earnings presentation: Yes (for institutional investors and analysts)

October 29, 2012
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(¥ million, rounded down)

1. Consolidated Financial Results for the Six Months Ended September 30, 2012

(1) Consolidated Operating Results

(Percentage represents change to the corresponding previous quarterly period.)

	Net Sales		Operating Income		Ordinary Income		Net Income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Six months ended September 30, 2012	19,199	30.4	2,967	3.2	3,053	5.5	1,740	6.0
Six months ended September 30, 2011	14,725	4.2	2,875	(14.3)	2,895	(14.7)	1,642	(15.5)

Note: Comprehensive income As of September 30, 2012: ¥1,712 million, 2.4%
 As of September 30, 2011: ¥1,671 million, —%

	Net Income per Share (Yen)	Net Income per Share (fully diluted) (Yen)
Six months ended September 30, 2012	83.20	—
Six months ended September 30, 2011	78.51	—

Note: We implemented the stock split as of October 1, 2012. However, Net Income per Share and Net Income per Share (fully diluted) were calculated on the assumption that the said stock split was implemented at the beginning of the previous consolidated fiscal year.

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity Ratio (%)
As of September 30, 2012	33,351	23,837	71.5
As of March 31, 2012	28,585	22,569	79.0

Reference: Equity capital As of September 30, 2012: ¥23,837 million As of March 31, 2012: ¥22,569 million

2. Cash Dividends

	Cash Dividends per Share				
	1 st Quarter End	2 nd Quarter End	3 rd Quarter End	Year-End	Annual
	¥	¥	¥	¥	¥
Year ended March 2012	—	42.50	—	42.50	85.00
Year ending March 2013	—	37.50	—	—	—
Year ending March 2013 (Forecast)	—	—	—	18.75	—

Note: Changes in the latest forecasts released: None

We implemented the two for one stock split for our common stocks effective as of October 1, 2012. Therefore, the year-end dividend for the fiscal year ending March 2013 (projection) is taking into account the impact of the said stock split.

3. Forecast of the Consolidated Results for the Year Ending March 31, 2013

(Percentage represents change to the corresponding previous period.)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share (Yen)
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	
Year Ending March 31, 2013	39,000	27.5	5,100	(12.8)	5,260	(12.4)	3,030	(7.5)	144.84

Note: Changes in the latest forecasts released: Yes

We implemented the two for one stock split for our common stocks effective as of October 1, 2012. Therefore, Net Income per Share was calculated on the assumption that the said stock split was implemented at the beginning of the current consolidated fiscal year.

*** Notes**

(1) Major changes in consolidated subsidiaries during the six months ended September 30, 2012: Yes

Newly consolidated: 2 companies (Kings Auto Co., Ltd. and PROTO SINGAPORE Pte. Ltd.)

Newly excluded: 1 company (Goo Auto Inc.)

(2) Application of accounting methods which are exceptional for quarterly consolidated financial statements: Yes

(3) Changes in accounting policies, accounting estimates and restatement of corrections

1) Changes in accounting policies resulting from the revision of the accounting standards and other regulations: Yes

2) Other changes in accounting policies: None

3) Changes in accounting estimates: Yes

4) Restatement of corrections: None

Note: Since the first quarter consolidated accounting period, we have changed the depreciation method, and this is applicable to “the changes of the accounting policy that is hard to distinguish from the change in accounting estimate”.

(4) Numbers of outstanding shares (common stock)

1) Numbers of outstanding shares (including treasury stock)	As of September 30, 2012	20,940,000 shares	As of March 31, 2012	20,940,000 shares
2) Number of treasury stock	As of September 30, 2012	20,090 shares	As of March 31, 2012	20,010 shares
3) The average number of outstanding shares over period (cumulative term)	Six months ended September 30, 2012	20,919,944 shares	Six months ended September 30, 2011	20,920,116 shares

Note: We implemented the stock split as of October 1, 2012. However, Numbers of outstanding shares, Number of treasury stock and The average number of outstanding shares over period were calculated on the assumption that the said stock split was implemented at the beginning of the previous consolidated fiscal year.

*Indication of quarterly review procedure implementation status

This quarterly financial report is exempt from quarterly review procedure based upon the Financial Instruments and Exchange Act. It is under the review procedure process at the time of disclosure of this report.

*Explanation for appropriate use of forecasts and other notes

1. The forward-looking statements such as operational forecasts contained in this statements summary are based on the information currently available to the Company and certain assumptions which are regarded as legitimate. Actual results may differ significantly from these forecasts due to various factors.
2. We implemented the two for one stock split for our common stocks as of October 1, 2012. Net Income per Share in the consolidated business forecast was calculated on the assumption that the said stock split was carried out in the beginning of the previous consolidated fiscal year.

Reference: Non-Consolidated Performance Summary

Forecast of the Non-Consolidated Results for the Year Ending March 31, 2013

(Percentage represents change to the corresponding previous period.)

	Net Sales		Operating Income		Ordinary Income		Net Income		Net Income per Share (Yen)
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	
Year Ending March 31, 2013	25,535	4.0	4,880	(12.5)	5,000	(14.8)	2,947	(11.1)	140.87

Note: Changes in the latest forecasts released: Yes

We implemented the two for one stock split for our common stocks effective as of October 1, 2012. Therefore, Net Income per Share was calculated on the assumption that the said stock split was implemented at the beginning of the current consolidated fiscal year.