

\*This document is a translation of the original Japanese document and does not contain all details of it.

\*This document has been prepared for reference only in accordance with accounting principles generally accepted in Japan.

\*If there is any discrepancy between this document and the original Japanese document, the latter shall prevail.

## Summary of Consolidated Financial Statements for the First Quarter of the Fiscal Year Ending March 31, 2020 [Japan GAAP]

August 2, 2019

Stock Exchange Listing: Tokyo (First Section)

### Company Name: GSI Creos Corporation

Code Number: 8101

URL <http://www.gsi.co.jp>

Representative: Tadaaki Yoshinaga Representative Director, President and CEO

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Scheduled Date of Quarterly Report Filing: August 9, 2019

Scheduled Date of Dividend Payments Commencement: —

Supplementary Documents for Quarterly Financial Statements: Yes

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, 2020

(April 1, 2019 to June 30, 2019)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
First quarter ended June 30, 2019	25,185	(20.1)	144	(61.6)	170	(60.1)	258	(13.5)
First quarter ended June 30, 2018	31,505	(6.0)	376	15.3	428	17.1	298	34.8

(Note) Comprehensive income First quarter ended June 30, 2019: 291 millions of yen 14.3%

First quarter ended June 30, 2018: 254 millions of yen —%

	Net income per share	Diluted net income per share
	Yen	Yen
First quarter ended June 30, 2019	40.94	—
First quarter ended June 30, 2018	46.33	—

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
June 30, 2019	55,727	19,030	34.1
March 31, 2019	61,618	18,991	30.8

(Reference) Equity capital June 30, 2019: 19,030 millions of yen

March 31, 2019: 18,991 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, 2019	—	—	—	40.00	40.00
Fiscal year ending March 31, 2020	—	—	—	—	—
Fiscal year ending March 31, 2020 (Forecast)	—	—	—	45.00	45.00

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

### 3. Forecast of Consolidated Results for the Fiscal Year Ending March 31, 2020

(April 1, 2019 to March 31, 2020)

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

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full fiscal year	123,000	(11.2)	1,700	1.0	1,700	2.3	1,200	4.1	189.99

(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: No

(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, 2019	6,464,971 shares	March 31, 2019	6,464,971 shares
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ii Number of treasury stock at the end of period

June 30, 2019	149,043 shares	March 31, 2019	148,875 shares
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iii Average number of shares during the period

Three months ended June 30, 2019	6,316,023 shares	Three months ended June 30, 2018	6,451,307 shares
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**\* This quarterly report is out of scope of the quarterly review procedure performed by a certified public accountant or audit corporation.**

**\* 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, 2019)	First quarter, current fiscal year (June 30, 2019)
<b>Assets</b>		
Current assets		
Cash and deposits	12,437	13,623
Notes and accounts receivable-trade	28,675	20,848
Merchandise	9,195	10,355
Goods in transit	339	38
Other	1,138	836
Allowance for doubtful accounts	(209)	(215)
<b>Total current assets</b>	<b>51,577</b>	<b>45,485</b>
Non-current assets		
Property, plant and equipment	4,466	4,475
Intangible assets	520	501
Investments and other assets	5,054	5,264
<b>Total non-current assets</b>	<b>10,041</b>	<b>10,241</b>
<b>Total assets</b>	<b>61,618</b>	<b>55,727</b>
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	24,283	18,310
Short-term loans payable	13,777	14,055
Current portion of long-term loans payable	232	215
Income taxes payable	247	47
Provision	488	295
Other	2,805	3,010
<b>Total current liabilities</b>	<b>41,834</b>	<b>35,935</b>
Non-current liabilities		
Long-term loans payable	217	174
Net defined benefit liability	130	130
Other	443	457
<b>Total non-current liabilities</b>	<b>791</b>	<b>762</b>
<b>Total liabilities</b>	<b>42,626</b>	<b>36,697</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	7,186	7,186
Capital surplus	855	855
Retained earnings	10,998	11,003
Treasury stock	(177)	(177)
<b>Total shareholders' equity</b>	<b>18,862</b>	<b>18,868</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	66	92
Deferred gains or losses on hedges	(13)	(23)
Foreign currency translation adjustment	(3)	15
Remeasurements of defined benefit plans	80	77
<b>Total accumulated other comprehensive income</b>	<b>129</b>	<b>162</b>
<b>Total net assets</b>	<b>18,991</b>	<b>19,030</b>
<b>Total liabilities and net assets</b>	<b>61,618</b>	<b>55,727</b>

**(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, 2018- June 30, 2018)	Cumulative first quarter, current fiscal year (April 1, 2019- June 30, 2019)
Net sales	31,505	25,185
Cost of sales	28,380	22,327
Gross profit	3,124	2,857
Selling, general and administrative expenses	2,748	2,713
Operating profit	376	144
Non-operating income		
Interest income	9	33
Dividends income	39	44
Foreign exchange gains	15	—
Other	51	30
Total non-operating income	115	107
Non-operating expenses		
Interest expenses	44	45
Foreign exchange losses	—	3
Other	18	31
Total non-operating expenses	63	80
Ordinary profit	428	170
Extraordinary losses		
Loss on retirement of non-current assets	0	0
Loss on sales of golf club memberships	4	—
Total extraordinary losses	4	0
Income before income taxes	423	170
Income taxes-current	118	53
Income taxes-deferred	6	(140)
Total income taxes	125	(87)
Profit	298	258
Profit attributable to owners of parent	298	258

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

(Millions of yen)

	Cumulative first quarter, previous fiscal year (April 1, 2018- June 30, 2018)	Cumulative first quarter, current fiscal year (April 1, 2019- June 30, 2019)
Profit	298	258
Other comprehensive income		
Valuation difference on available-for-sale securities	141	26
Deferred gains or losses on hedges	34	(9)
Foreign currency translation adjustment	(221)	18
Remeasurements of defined benefit plans, net of tax	1	(2)
Total other comprehensive income	(44)	32
Comprehensive income	254	291
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	254	291