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\*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 Fiscal Year Ended March 31, 2020 [Japan GAAP]

May 15, 2020

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

Inquiries: Kunihiro Ono Executive Officer, General Manager of Corporate Planning Department Tel: +81-3-5211-1802

Scheduled Date of Ordinary General Meeting of Shareholders: June 26, 2020

Scheduled Date of Dividend Payments Commencement: June 29, 2020

Scheduled Date of Securities Report Filing: June 26, 2020

Supplementary Documents: Yes

Holding of Financial Results Meeting: No

(Note: Amounts less than one million of yen have been rounded down.)

### 1. Consolidated Results for the Fiscal Year Ended March 31, 2020 (April 1, 2019 to March 31, 2020)

(1) Consolidated Operating Results (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	%
Fiscal year ended March 31, 2020	115,548	(16.6)	1,191	(29.2)	1,213	(26.9)	1,008	(12.4)
Fiscal year ended March 31, 2019	138,487	3.6	1,683	7.0	1,661	10.6	1,152	26.1

(Note) Comprehensive income Fiscal year ended March 31, 2020 : 522 millions of yen 14.5 %  
Fiscal year ended March 31, 2019 : 455 millions of yen (59.4) %

	Net income per share	Diluted net income per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2020	159.85	—	5.3	2.0	1.0
Fiscal year ended March 31, 2019	178.92	—	6.1	2.7	1.2

(Reference) Equity in earnings of affiliates Fiscal year ended March 31, 2020 : (12) millions of yen  
Fiscal year ended March 31, 2019 : 31 millions of yen

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2020	58,532	19,193	32.8	3,065.74
March 31, 2019	61,618	18,991	30.8	3,006.92

(Reference) Equity capital March 31, 2020 : 19,193 millions of yen  
March 31, 2019 : 18,991 millions of yen

### (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2020	913	(828)	(577)	11,899
Fiscal year ended March 31, 2019	2,199	(196)	(2,131)	12,437

### 2. Dividends

	Annual dividend per share					Total cash dividends	Payout ratio (Consolidated)	Dividend rate to net assets (Consolidated)
	1Q	2Q	3Q	Fiscal year end	Annual			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2019	—	—	—	40.00	40.00	252	22.4	1.3
Fiscal year ended March 31, 2020	—	—	—	45.00	45.00	281	28.2	1.5
Fiscal year ending March 31, 2021 (Forecast)	—	—	—	—	—	—	—	—

(Note) Regarding the dividend forecast for the fiscal year ending March 2021, We are aiming for a dividend per share of the fiscal year ended March 2020 or more. We will disclose it once ready with reasonable the forecast of consolidated results for the fiscal year ending March 2021.

### 3. Forecast of Consolidated Results for the Fiscal Year Ending March 31, 2021 (April 1, 2020 to March 31, 2021)

\* Forecast of consolidated results for the fiscal year ending in March 2021 will disclose promptly after investigating the effects of new coronavirus pandemic (COVID-19).

**\* Notes**

- (1) Changes in Significant Subsidiaries During the Period  
(Changes in Specified Subsidiaries Associated with Changes in the Scope of Consolidation) : No
- (2) 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

(3) Number of Shares Issued and Outstanding (Common Stock)

i Number of shares issued and outstanding at the end of period (including treasury stock)

March 31, 2020	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

March 31, 2020	204,402 shares	March 31, 2019	148,875 shares
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iii Average number of shares during the period

Year ended March 31, 2020	6,311,847 shares	Year ended March 31, 2019	6,440,742 shares
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**[Reference] Summary of Non-Consolidated Results**

Non-Consolidated Results for the Fiscal Year Ended March 31, 2020 (April 1, 2019 to March 31, 2020)

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

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2020	64,227	(12.7)	626	(0.7)	1,054	12.0	945	42.9
Fiscal year ended March 31, 2019	73,588	3.5	631	75.5	941	46.2	661	55.7

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended March 31, 2020	149.80	-
Fiscal year ended March 31, 2019	102.74	-

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2020	36,860	12,947	35.1	2,068.10
March 31, 2019	39,518	12,644	32.0	2,001.89

(Reference) Equity capital      March 31, 2020 : 12,947 millions of yen  
 March 31, 2019 : 12,644 millions of yen

**\* This financial report is out of scope of the audit 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.

**Consolidated Financial Statements**  
**(1)Consolidated Balance Sheets**

(Millions of yen)

	Previous fiscal year (March 31, 2019)	Current fiscal year (March 31, 2020)
<b>Assets</b>		
Current assets		
Cash and deposits	12,437	11,899
Notes and accounts receivable-trade	28,675	25,432
Merchandise	9,195	9,382
Goods in transit	339	264
Other	1,138	1,469
Allowance for doubtful accounts	(209)	(190)
<b>Total current assets</b>	<b>51,577</b>	<b>48,258</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures	3,791	3,792
Accumulated depreciation	(2,278)	(2,355)
Buildings and structures, net	1,512	1,436
Machinery, equipment and vehicles	2,565	2,590
Accumulated depreciation	(2,406)	(2,427)
Machinery, equipment and vehicles, net	158	162
Tools, furniture and fixtures	443	462
Accumulated depreciation	(350)	(374)
Tools, furniture and fixtures, net	92	88
Land	2,536	2,534
Leased assets	229	334
Accumulated depreciation	(73)	(130)
Leased assets, net	155	203
Construction in progress	9	—
<b>Total property, plant and equipment</b>	<b>4,466</b>	<b>4,425</b>
Intangible assets		
Leased assets	454	352
Other	65	110
<b>Total intangible assets</b>	<b>520</b>	<b>463</b>
Investments and other assets		
Investment securities	2,781	2,508
Investments in capital	910	967
Long-term loans receivable	100	523
Deferred tax assets	335	540
Net defined benefit asset	384	344
Other	788	658
Allowance for doubtful accounts	(246)	(158)
<b>Total investments and other assets</b>	<b>5,054</b>	<b>5,384</b>
<b>Total non-current assets</b>	<b>10,041</b>	<b>10,273</b>
<b>Total assets</b>	<b>61,618</b>	<b>58,532</b>

	(Millions of yen)	
	Previous fiscal year (March 31, 2019)	Current fiscal year (March 31, 2020)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	24,283	21,124
Short-term loans payable	13,777	13,757
Current portion of long-term loans payable	232	136
Lease obligations	59	86
Income taxes payable	247	89
Provision for bonuses	459	454
Provision for directors' bonuses	28	15
Other	2,745	2,935
Total current liabilities	41,834	38,599
Non-current liabilities		
Long-term loans payable	217	173
Lease obligations	162	163
Deferred tax liabilities	273	267
Net defined benefit liability	130	125
Asset retirement obligations	8	10
Total non-current liabilities	791	739
<b>Total liabilities</b>	<b>42,626</b>	<b>39,339</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	7,186	7,186
Capital surplus	855	855
Retained earnings	10,998	11,754
Treasury stock	(177)	(245)
Total shareholders' equity	18,862	19,550
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	66	(284)
Deferred gains or losses on hedges	(13)	0
Foreign currency translation adjustment	(3)	(114)
Remeasurements of defined benefit plans	80	41
Total accumulated other comprehensive income	129	(357)
<b>Total net assets</b>	<b>18,991</b>	<b>19,193</b>
<b>Total liabilities and net assets</b>	<b>61,618</b>	<b>58,532</b>

## (2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

### Consolidated Statements of Income

	(Millions of yen)	
	Previous fiscal year (April 1, 2018- March 31, 2019)	Current fiscal year (April 1, 2019- March 31, 2020)
Net sales	138,487	115,548
Cost of sales	125,322	103,164
Gross profit	13,165	12,384
Selling, general and administrative expenses		
Haulage and warehousing expenses	1,412	1,323
Sales related expenses	1,835	1,795
Provision of allowance for doubtful accounts	6	3
Directors' compensations, salaries and allowances	2,702	2,701
Employees' bonuses	353	344
Provision for bonuses	425	422
Provision for directors' bonuses	28	15
Retirement benefit expenses	163	147
Other salaries	808	790
Depreciation	210	252
Other	3,534	3,396
Total selling, general and administrative expenses	11,481	11,193
Operating profit	1,683	1,191
Non-operating income		
Interest income	59	109
Dividends income	52	57
Land and house rent received	5	6
Share of profit of entities accounted for using equity method	43	11
Foreign exchange gain	—	32
Other	83	78
Total non-operating income	244	297
Non-operating expenses		
Interest expenses	173	186
Share of loss of entities accounted for using equity method	12	23
Foreign exchange losses	28	—
Provision of allowance for doubtful accounts	(0)	27
Other	53	37
Total non-operating expenses	267	275
Ordinary profit	1,661	1,213

	(Millions of yen)	
	Previous fiscal year (April 1, 2018- March 31, 2019)	Current fiscal year (April 1, 2019- March 31, 2020)
<b>Extraordinary income</b>		
Gain on sales of non-current assets	0	0
Gain on sales of investment securities	52	10
Gain on sales of investments in capital	—	30
Other	—	1
<b>Total extraordinary income</b>	<b>52</b>	<b>42</b>
<b>Extraordinary losses</b>		
Loss on retirement of non-current assets	11	6
Impairment loss	17	—
Loss on valuation of investments in capital	79	0
Loss on valuation of investments in capital of subsidiaries and associates	0	—
Other	4	4
<b>Total extraordinary losses</b>	<b>112</b>	<b>11</b>
Income before income taxes	1,600	1,245
Income taxes-current	489	280
Income taxes-deferred	(41)	(44)
<b>Total income taxes</b>	<b>448</b>	<b>236</b>
Profit	1,152	1,008
Profit attributable to owners of parent	1,152	1,008

## Consolidated Statements of Comprehensive Income

(Millions of yen)

	Previous fiscal year (April 1, 2018- March 31, 2019)	Current fiscal year (April 1, 2019- March 31, 2020)
Profit	1,152	1,008
Other comprehensive income		
Valuation difference on available-for-sale securities	(540)	(350)
Deferred gains or losses on hedges	22	14
Foreign currency translation adjustment	(193)	(111)
Remeasurements of defined benefit plans, net of tax	14	(39)
Total other comprehensive income	(696)	(486)
Comprehensive income	455	522
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	455	522

**(3) Consolidated Statements of Changes in Shareholders' Equity**  
**Previous fiscal year (April 1, 2018 - March 31, 2019)**

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of period	7,186	855	10,071	(22)	18,090
Changes of items during the period					
Dividends of surplus			(225)		(225)
Profit attributable to owners of parent			1,152		1,152
Purchase of treasury stock				(154)	(154)
Disposal of treasury stock					
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	—	926	(154)	772
Balance at the end of period	7,186	855	10,998	(177)	18,862

(Millions of yen)

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at the beginning of period	606	(36)	190	65	826	18,916
Changes of items during the period						
Dividends of surplus						(225)
Profit attributable to owners of parent						1,152
Purchase of treasury stock						(154)
Disposal of treasury stock						—
Net changes of items other than shareholders' equity	(540)	22	(193)	14	(696)	(696)
Total changes of items during the period	(540)	22	(193)	14	(696)	75
Balance at the end of period	66	(13)	(3)	80	129	18,991

Current fiscal year (April 1, 2019 - March 31, 2020)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of period	7,186	855	10,998	(177)	18,862
Changes of items during the period					
Dividends of surplus			(252)		(252)
Profit attributable to owners of parent			1,008		1,008
Purchase of treasury stock				(80)	(80)
Disposal of treasury stock		0		11	12
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	0	756	(68)	688
Balance at the end of period	7,186	855	11,754	(245)	19,550

(Millions of yen)

	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at the beginning of period	66	(13)	(3)	80	129	18,991
Changes of items during the period						
Dividends of surplus						(252)
Profit attributable to owners of parent						1,008
Purchase of treasury stock						(80)
Disposal of treasury stock						12
Net changes of items other than shareholders' equity	(350)	14	(111)	(39)	(486)	(486)
Total changes of items during the period	(350)	14	(111)	(39)	(486)	201
Balance at the end of period	(284)	0	(114)	41	(357)	19,193

**(4) Consolidated Statements of Cash Flows**

(Millions of yen)

	Previous fiscal year (April 1, 2018- March 31, 2019)	Current fiscal year (April 1, 2019- March 31, 2020)
<b>Cash flows from operating activities</b>		
Income before income taxes	1,600	1,245
Depreciation	295	350
Impairment loss	17	—
Increase (decrease) in allowance for doubtful accounts	(91)	(106)
Increase (decrease) in net defined benefit liability	4	(21)
Interest and dividends income	(111)	(167)
Interest expenses	173	186
Foreign exchange losses (gains)	0	21
Loss (gain) on sales of property, plant and equipment	(0)	(0)
Loss on retirement of property, plant and equipment	11	6
Loss (gain) on sales of investment securities	(52)	(10)
Loss on valuation of investments in capital of subsidiaries and associates	0	—
Loss (gain) on sales of investments in capital	—	(30)
Loss on valuation of investments in capital	79	0
Decrease (increase) in notes and accounts receivable-trade	1,165	3,169
Decrease (increase) in inventories	(1,196)	(152)
Decrease (increase) in other assets	22	(307)
Increase (decrease) in notes and accounts payable-trade	813	(3,026)
Increase (decrease) in other liabilities	7	233
Other, net	36	(11)
Subtotal	2,777	1,377
Interest and dividends income received	112	160
Interest expenses paid	(173)	(187)
Income taxes paid	(517)	(437)
Cash flows from operating activities	2,199	913
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(115)	(78)
Proceeds from sales of property, plant and equipment	0	2
Purchase of investment securities	(628)	(259)
Proceeds from sales of investment securities	530	39
Payments for investments in capital	(11)	(132)
Proceeds from sales of investments in capital	27	66
Payments of loans receivable	(25)	(485)
Collection of loans receivable	45	35
Other, net	(20)	(17)
Cash flows from investing activities	(196)	(828)

	(Millions of yen)	
	Previous fiscal year (April 1, 2018- March 31, 2019)	Current fiscal year (April 1, 2019- March 31, 2020)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term loans payable	(1,459)	(6)
Proceeds from long-term loans payable	100	100
Repayments of long-term loans payable	(232)	(240)
Repayments of lease obligations	(159)	(98)
Purchase of treasury stock	(154)	(80)
Cash dividends paid	(225)	(252)
Cash flows from financing activities	(2,131)	(577)
Effect of exchange rate change on cash and cash equivalents	(69)	(45)
Net increase (decrease) in cash and cash equivalents	(198)	(538)
Cash and cash equivalents at the beginning of period	12,636	12,437
Cash and cash equivalents at the end of period	12,437	11,899