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

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Summary of Consolidated Financial Statements for the First Quarter of the Fiscal Year Ending March 31, 2021 [Japan GAAP]

August 3, 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 Quarterly Report Filing: August 7, 2020

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, 2021 (April 1, 2020 to June 30, 2020)

(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, 2020	26,212	4.1	875	507.0	872	410.3	565	118.8
First quarter ended June 30, 2019	25,185	(20.1)	144	(61.6)	170	(60.1)	258	(13.5)

(Note) Comprehensive income
 First quarter ended June 30, 2020 : 3,599 millions of yen — %
 First quarter ended June 30, 2019 : 291 millions of yen 14.3 %

	Net income per share	Diluted net income per share
	Yen	Yen
First quarter ended June 30, 2020	90.34	—
First quarter ended June 30, 2019	40.94	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
June 30, 2020	58,868	22,510	38.2
March 31, 2020	58,532	19,193	32.8

(Reference) Equity capital
 June 30, 2020 : 22,510 millions of yen
 March 31, 2020 : 19,193 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, 2020	—	—	—	45.00	45.00
Fiscal year ending March 31, 2021	—	—	—	—	—
Fiscal year ending March 31, 2021 (Forecast)	—	—	—	50.00	50.00

(Note) Revisions to the dividend forecast published most recently : Yes

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

(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	110,000	(4.8)	2,100	76.2	2,000	64.8	1,300	28.8	207.65

(Note) Revisions to the consolidated results forecasts published most recently : Yes

*** 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, 2020	6,464,971 shares	March 31, 2020	6,464,971 shares
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ii Number of treasury stock at the end of period

June 30, 2020	204,491 shares	March 31, 2020	204,402 shares
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iii Average number of shares during the period

Three months ended June 30, 2020	6,260,502 shares	Three months ended June 30, 2019	6,316,023 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 and other 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, 2020)	First quarter, current fiscal year (June 30, 2020)
Assets		
Current assets		
Cash and deposits	11,899	11,067
Notes and accounts receivable-trade	25,432	23,050
Merchandise	9,382	9,312
Goods in transit	264	181
Other	1,469	1,112
Allowance for doubtful accounts	(190)	(198)
Total current assets	48,258	44,526
Non-current assets		
Property, plant and equipment	4,425	4,380
Intangible assets	463	436
Investments and other assets	5,384	9,525
Total non-current assets	10,273	14,342
Total assets	58,532	58,868
Liabilities		
Current liabilities		
Notes and accounts payable-trade	21,124	16,252
Short-term loans payable	13,757	14,736
Current portion of long-term loans payable	136	112
Income taxes payable	89	252
Provision	469	276
Other	3,021	3,130
Total current liabilities	38,599	34,762
Non-current liabilities		
Long-term loans payable	173	149
Retirement benefit liability	125	110
Other	440	1,334
Total non-current liabilities	739	1,594
Total liabilities	39,339	36,357
Net assets		
Shareholders' equity		
Capital stock	7,186	7,186
Capital surplus	855	855
Retained earnings	11,754	12,038
Treasury stock	(245)	(246)
Total shareholders' equity	19,550	19,834
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(284)	2,807
Deferred gains or losses on hedges	0	3
Foreign currency translation adjustment	(114)	(175)
Remeasurements of defined benefit plans	41	41
Total accumulated other comprehensive income	(357)	2,676
Total net assets	19,193	22,510
Total liabilities and net assets	58,532	58,868

**(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, 2019- June 30, 2019)	Cumulative first quarter, current fiscal year (April 1, 2020- June 30, 2020)
Net sales	25,185	26,212
Cost of sales	22,327	22,781
Gross profit	2,857	3,430
Selling, general and administrative expenses	2,713	2,554
Operating profit	144	875
Non-operating income		
Interest income	33	47
Dividends income	44	48
Other	30	31
Total non-operating income	107	127
Non-operating expenses		
Interest expenses	45	44
Foreign exchange losses	3	36
Other	31	50
Total non-operating expenses	80	130
Ordinary profit	170	872
Extraordinary losses		
Loss on retirement of non-current assets	0	0
Loss on valuation of investment securities	—	14
Loss on valuation of investments in capital	—	20
Total extraordinary losses	0	35
Income before income taxes	170	836
Income taxes-current	53	256
Income taxes-deferred	(140)	14
Total income taxes	(87)	271
Profit	258	565
Profit attributable to owners of parent	258	565

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

(Millions of yen)

	Cumulative first quarter, previous fiscal year (April 1, 2019- June 30, 2019)	Cumulative first quarter, current fiscal year (April 1, 2020- June 30, 2020)
Profit	258	565
Other comprehensive income		
Valuation difference on available-for-sale securities	26	3,091
Deferred gains or losses on hedges	(9)	3
Foreign currency translation adjustment	18	(60)
Remeasurements of defined benefit plans, net of tax	(2)	(0)
Total other comprehensive income	32	3,033
Comprehensive income	291	3,599
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	291	3,599