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Summary of Consolidated Financial Statements for the Third Quarter of the Fiscal Year Ending March 31, 2024 [Japanese GAAP]

February 2, 2024

Stock Exchange Listing: Tokyo (Prime Market)

Company Name: GSI Creos Corporation

Code Number: 8101

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

Representative: Tadaaki Yoshinaga Representative Director, President and CEO

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Scheduled Date of Quarterly Report Filing: February 9, 2024

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 Third Quarter of the Fiscal Year Ending March 31, 2024 (April 1, 2023 to December 31, 2023)

(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	%
Third quarter ended December 31, 2023	110,802	8.8	2,215	26.9	2,270	19.7	1,641	24.8
Third quarter ended December 31, 2022	101,813	23.1	1,745	0.6	1,897	9.7	1,316	0.0
(Note) Comprehensive income	Third quarter ended December 31, 2023		: 2,320 millions of yen		4.6 %			
	Third quarter ended December 31, 2022		: 2,218 millions of yen		5.3 %			

	Net income per share	Diluted net income per share
	Yen	Yen
Third quarter ended December 31, 2023	133.87	—
Third quarter ended December 31, 2022	107.36	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
Third quarter ended December 31, 2023	72,889	27,361	37.5
Fiscal year ended March 31, 2023	69,412	25,929	37.4

(Reference) Equity capital Third quarter ended December 31, 2023 : 27,361 millions of yen

Fiscal year ended March 31, 2023 : 25,929 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, 2023		0.00		73.00	73.00
Fiscal year ending March 31, 2024		0.00			
Fiscal year ending March 31, 2024 (Forecast)				82.00	82.00

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

3. Forecast of Consolidated Results for the Fiscal Year Ending March 31, 2024 (April 1, 2023 to March 31, 2024)

(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	147,000	12.2	2,800	53.0	2,800	56.6	2,000	13.1	163.06

(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

Changes in accounting policies due to revisions of accounting standards and other regulations : No

Changes in accounting policies other than in () : No

Changes in accounting estimates : No

Retrospective restatement : No

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

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

Third quarter ended December 31, 2023	12,629,942 shares	Fiscal year ended March 31, 2023	12,629,942 shares
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Number of treasury stock at the end of period

Third quarter ended December 31, 2023	362,734 shares	Fiscal year ended March 31, 2023	367,565 shares
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Average number of shares during the period

Nine months ended December 31, 2023	12,265,350 shares	Nine months ended December 31, 2022	12,260,060 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, 2023)	Third quarter, current fiscal year (December 31, 2023)
Assets		
Current assets		
Cash and deposits	8,352	7,490
Notes receivable-trade	1,486	1,512
Electronically recorded monetary claims-operating	2,118	3,200
Accounts receivable-trade	31,798	33,861
Merchandise	10,179	11,383
Work in process	1,041	1,167
Raw materials	164	208
Other	2,958	2,461
Allowance for doubtful accounts	(450)	(310)
Total current assets	57,650	60,976
Non-current assets		
Property, plant and equipment	3,741	3,671
Intangible assets		
Goodwill	379	852
Other	252	225
Total Intangible assets	631	1,078
Investments and other assets		
Investment securities	5,483	5,287
Other	1,905	1,875
Total investments and other assets	7,389	7,162
Total non-current assets	11,761	11,912
Total assets	69,412	72,889
Liabilities		
Current liabilities		
Notes and accounts payable-trade	23,959	27,747
Electronically recorded obligations-operating	-	1,463
Short-term loans payable	12,821	10,154
Current portion of long-term loans payable	83	94
Income taxes payable	341	277
Provisions	519	324
Other	3,731	3,625
Total current liabilities	41,456	43,688
Non-current liabilities		
Long-term loans payable	1,153	1,080
Retirement benefit liability	72	88
Other	800	669
Total non-current liabilities	2,026	1,839
Total liabilities	43,482	45,527
Net assets		
Shareholders' equity		
Capital stock	7,186	7,186
Capital surplus	859	862
Retained earnings	15,377	16,124
Treasury stock	(287)	(284)
Total shareholders' equity	23,135	23,889
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,725	1,504
Deferred gains or losses on hedges	(15)	(12)
Foreign currency translation adjustment	1,053	1,961
Remeasurements of defined benefit plans	31	18
Total accumulated other comprehensive income	2,793	3,472
Total net assets	25,929	27,361
Total liabilities and net assets	69,412	72,889

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income
(Quarterly Consolidated Statements of Income)
(Cumulative Third Quarter)

(Millions of yen)

	Cumulative third quarter, previous fiscal year (April 1, 2022- December 31, 2022)	Cumulative third quarter, current fiscal year (April 1, 2023- December 31, 2023)
Net sales	101,813	110,802
Cost of sales	91,249	98,562
Gross profit	10,564	12,240
Selling, general and administrative expenses	8,818	10,024
Operating profit	1,745	2,215
Non-operating income		
Interest income	31	69
Dividend income	74	103
Share of profit of entities accounted for using equity method	221	11
Other	160	104
Total non-operating income	487	288
Non-operating expenses		
Interest expenses	127	145
Share of loss of entities accounted for using equity method	50	29
Foreign exchange losses	126	30
Other	31	29
Total non-operating expenses	335	234
Ordinary profit	1,897	2,270
Extraordinary income		
Gain on sale of non-current assets	-	2
Gain on sales of investments in capital	-	40
Total extraordinary income	-	43
Extraordinary losses		
Loss on retirement of non-current assets	1	2
Headoffice relocation expenses	38	-
Other	-	8
Total extraordinary losses	40	10
Income before income taxes	1,856	2,303
Income taxes-current	478	598
Income taxes-deferred	61	62
Total income taxes	540	661
Profit	1,316	1,641
Profit attributable to owners of parent	1,316	1,641

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

(Millions of yen)

	Cumulative third quarter, previous fiscal year (April 1, 2022- December 31, 2022)	Cumulative third quarter, current fiscal year (April 1, 2023- December 31, 2023)
Profit	1,316	1,641
Other comprehensive income		
Valuation difference on available-for-sale securities	(293)	(220)
Deferred gains or losses on hedges	(77)	3
Foreign currency translation adjustment	1,293	908
Remeasurements of defined benefit plans, net of tax	(21)	(12)
Total other comprehensive income	901	678
Comprehensive income	2,218	2,320
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,218	2,320