

\*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 Third Quarter of the Fiscal Year Ending March 31, 2022 [Japan GAAP]

February 3, 2022

Stock Exchange Listing: Tokyo

## 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, 2022

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, 2022

(April 1, 2021 to December 31, 2021)

(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, 2021	82,705	—	1,736	(47.4)	1,729	(47.1)	1,316	(26.5)
Third quarter ended December 31, 2020	87,793	0.4	3,302	237.5	3,270	247.9	1,789	116.3

(Note) Comprehensive income  
 Third quarter ended December 31, 2021 : 2,107 millions of yen (55.6) %  
 Third quarter ended December 31, 2020 : 4,744 millions of yen 570.4 %

	Net income per share	Diluted net income per share
	Yen	Yen
Third quarter ended December 31, 2021	106.62	—
Third quarter ended December 31, 2020	142.86	—

\* GSI Creos Corporation has conducted a two-for-one stock split for its common stock effectively on April 1, 2021. Net income per share has been calculated as if the stock split of shares was conducted at the beginning of the previous fiscal year.

\*\*“Accounting Standards for Revenue Recognition” (ASBJ Statement No. 29) has been adopted since the beginning of the first quarter of the current consolidated fiscal year. Figures for the third quarter of the fiscal year ending March 2022 are stated after the application of the new accounting standard, and about net sales, the ratio of figures changes from the same period of the previous fiscal year is not indicated.

### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
December 31, 2021	64,489	24,558	38.1
March 31, 2021	60,465	23,239	38.4

(Reference) Equity capital  
 December 31, 2021 : 24,558 millions of yen  
 March 31, 2021 : 23,239 millions of yen

\*\*“Accounting Standards for Revenue Recognition” (ASBJ Statement No. 29) has been adopted since the beginning of the first quarter of the current consolidated fiscal year. Figures for the third quarter of the fiscal year ending March 2022 are stated after the application of the new accounting standard.

### 2. Dividends

	Annual dividend per share				
	1Q	2Q	3Q	Fiscal year end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2021	—	0.00	—	60.00	60.00
Fiscal year ending March 31, 2022	—	0.00	—	—	—
Fiscal year ending March 31, 2022 (Forecast)	—	—	—	62.00	62.00

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

\* GSI Creos Corporation has conducted a two-for-one stock split for its common stock effectively on April 1, 2021. The dividend per share for the fiscal year ended March 31, 2021 is the actual amount before the stock split of shares.

But the dividend per share for the fiscal year ending March 31, 2022 (forecast) is the amount after the stock split.

\*Details of the fiscal year end dividend for the fiscal year ending March 31, 2022 (forecast)

Ordinary dividend : 55.00 Yen

Commemorative Dividend for 90th Anniversary of GSI Creos Corporation : 7.00 Yen

**3. Forecast of Consolidated Results for the Fiscal Year Ending March 31, 2022**  
**(April 1, 2021 to March 31, 2022)**

(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	116,000	—	2,000	(44.9)	2,000	(46.0)	1,500	(26.0)	121.71

(Note) Revisions to the consolidated results forecasts published most recently : No

\* “Accounting Standard for Revenue Recognition” (ASBJ Statement No.29) has been adopted from the beginning of the fiscal year ending March 31, 2022. The new accounting standard is applied to the earnings forecast above, and about net sales, the ratio of figures changes from the same period of the previous year is not indicated.

**\* 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 : Yes

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)

December 31, 2021	12,629,942 shares	March 31, 2021	12,929,942 shares
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ii Number of treasury stock at the end of period

December 31, 2021	373,648 shares	March 31, 2021	382,886 shares
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iii Average number of shares during the period

Nine months ended December 31, 2021	12,345,041 shares	Nine months ended December 31, 2020	12,529,622 shares
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\* GSI Creos Corporation has conducted a two-for-one stock split for its common stock effectively on April 1, 2021. Number of shares issued and outstanding (including treasury stock), number of treasury stock and average number of shares have been calculated as if the stock split of shares was conducted at the beginning of the previous fiscal year.

**\* 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, 2021)	Third quarter, current fiscal year (December 31, 2021)
<b>Assets</b>		
Current assets		
Cash and deposits	14,594	8,520
Notes and accounts receivable-trade	22,803	30,341
Merchandise	8,534	8,923
Work in process	749	833
Raw materials	124	92
Other	737	2,939
Allowance for doubtful accounts	(158)	(177)
Total current assets	47,387	51,473
Non-current assets		
Property, plant and equipment	4,148	3,569
Intangible assets	357	734
Investments and other assets		
Investment securities	6,129	6,761
Other	2,442	1,949
Total investments and other assets	8,572	8,711
Total non-current assets	13,077	13,015
Total assets	60,465	64,489
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	18,773	20,844
Short-term loans payable	11,631	13,506
Current portion of long-term loans payable	87	87
Income taxes payable	1,279	67
Provision	560	272
Other	3,543	3,656
Total current liabilities	35,875	38,435
Non-current liabilities		
Long-term loans payable	231	271
Retirement benefit liability	90	82
Other	1,028	1,141
Total non-current liabilities	1,350	1,495
Total liabilities	37,225	39,930
<b>Net assets</b>		
Shareholders' equity		
Capital stock	7,186	7,186
Capital surplus	859	855
Retained earnings	13,485	14,080
Treasury stock	(230)	(291)
Total shareholders' equity	21,301	21,829
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,216	2,614
Deferred gains or losses on hedges	4	9
Foreign currency translation adjustment	(427)	(29)
Remeasurements of defined benefit plans	144	134
Total accumulated other comprehensive income	1,938	2,729
Total net assets	23,239	24,558
Total liabilities and net assets	60,465	64,489

(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, 2020- December 31, 2020)	Cumulative third quarter, current fiscal year (April 1, 2021- December 31, 2021)
Net sales	87,793	82,705
Cost of sales	76,387	72,923
Gross profit	11,406	9,781
Selling, general and administrative expenses	8,103	8,045
Operating profit	3,302	1,736
Non-operating income		
Interest income	79	42
Dividends income	60	61
Other	115	88
Total non-operating income	255	193
Non-operating expenses		
Interest expenses	121	97
Foreign exchange losses	81	63
Other	85	38
Total non-operating expenses	287	200
Ordinary profit	3,270	1,729
Extraordinary income		
Gain on sales of non-current assets	—	0
Gain on sale of investment securities	—	53
Gain on sales of investments in capital	—	45
Total extraordinary income	—	99
Extraordinary losses		
Impairment loss	328	—
Loss on retirement of non-current assets	3	2
Loss on valuation of investment securities	18	15
Loss on sale of share of subsidiaries and associates	—	27
Loss on valuation of investments in capital	20	—
Total extraordinary losses	370	46
Income before income taxes	2,899	1,783
Income taxes-current	1,183	525
Income taxes-deferred	(73)	(57)
Total income taxes	1,109	467
Profit	1,789	1,316
Profit attributable to owners of parent	1,789	1,316

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

(Millions of yen)

	Cumulative third quarter, previous fiscal year (April 1, 2020- December 31, 2020)	Cumulative third quarter, current fiscal year (April 1, 2021- December 31, 2021)
Profit	1,789	1,316
Other comprehensive income		
Valuation difference on available-for-sale securities	3,080	398
Deferred gains or losses on hedges	(13)	4
Foreign currency translation adjustment	(113)	398
Remeasurements of defined benefit plans, net of tax	0	(10)
Total other comprehensive income	2,954	790
Comprehensive income	4,744	2,107
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,744	2,107