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

August 4, 2023

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: August 9, 2023

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, 2024 (April 1, 2023 to June 30, 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	%
First quarter ended June 30, 2023	32,989	31.4	964	78.6	1,010	34.4	738	32.2
First quarter ended June 30, 2022	25,098	2.7	540	(25.1)	751	5.3	558	15.0

(Note) Comprehensive income First quarter ended June 30, 2023 : 801 millions of yen (40.3) %
First quarter ended June 30, 2022 : 1,342 millions of yen (12.7) %

	Net income per share	Diluted net income per share
	Yen	Yen
First quarter ended June 30, 2023	60.21	—
First quarter ended June 30, 2022	45.58	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
June 30, 2023	66,131	25,837	39.1
March 31, 2023	69,412	25,929	37.4

(Reference) Equity capital June 30, 2023 : 25,837 millions of yen
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	—	—	—	—	—
Fiscal year ending March 31, 2024 (Forecast)	—	0.00	—	80.00	80.00

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

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	137,000	4.5	2,800	53.0	2,800	56.6	1,950	10.2	159.05

(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, 2023	12,629,942 shares	March 31, 2023	12,629,942 shares
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ii Number of treasury stock at the end of period

June 30, 2023	367,737 shares	March 31, 2023	367,565 shares
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iii Average number of shares during the period

Three months ended June 30, 2023	12,262,284 shares	Three months ended June 30, 2022	12,256,171 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)	First quarter, current fiscal year (June 30, 2023)
Assets		
Current assets		
Cash and deposits	8,352	8,314
Notes receivable-trade	1,486	1,593
Electronically recorded monetary claims-operating	2,118	2,177
Accounts receivable-trade	31,798	28,487
Merchandise	10,179	10,187
Work in process	1,041	1,309
Raw materials	164	217
Other	2,958	2,070
Allowance for doubtful accounts	(450)	(303)
Total current assets	57,650	54,053
Non-current assets		
Property, plant and equipment	3,741	3,691
Intangible assets		
Goodwill	379	919
Other	252	239
Total Intangible assets	631	1,159
Investments and other assets		
Investment securities	5,483	5,398
Other	1,905	1,829
Total investments and other assets	7,389	7,227
Total non-current assets	11,761	12,077
Total assets	69,412	66,131
Liabilities		
Current liabilities		
Notes and accounts payable-trade	23,959	23,533
Short-term loans payable	12,821	10,753
Current portion of long-term loans payable	83	83
Income taxes payable	341	262
Provisions	519	306
Other	3,731	3,385
Total current liabilities	41,456	38,324
Non-current liabilities		
Long-term loans payable	1,153	1,130
Retirement benefit liability	72	77
Other	800	761
Total non-current liabilities	2,026	1,969
Total liabilities	43,482	40,293
Net assets		
Shareholders' equity		
Capital stock	7,186	7,186
Capital surplus	859	861
Retained earnings	15,377	15,220
Treasury stock	(287)	(287)
Total shareholders' equity	23,135	22,980
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,725	1,663
Deferred gains or losses on hedges	(15)	26
Foreign currency translation adjustment	1,053	1,140
Remeasurements of defined benefit plans	31	26
Total accumulated other comprehensive income	2,793	2,856
Total net assets	25,929	25,837
Total liabilities and net assets	69,412	66,131

**(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, 2022- June 30, 2022)	Cumulative first quarter, current fiscal year (April 1, 2023- June 30, 2023)
Net sales	25,098	32,989
Cost of sales	21,808	28,802
Gross profit	3,290	4,186
Selling, general and administrative expenses	2,750	3,222
Operating profit	540	964
Non-operating income		
Interest income	13	11
Dividends income	55	80
Foreign exchange gains	4	8
Share of profit of entities accounted for using equity method	167	9
Other	24	20
Total non-operating income	265	131
Non-operating expenses		
Interest expenses	33	58
Share of loss of entities accounted for using equity method	14	11
Other	6	15
Total non-operating expenses	53	85
Ordinary profit	751	1,010
Extraordinary income		
Gain on sale of investment securities	—	36
Total extraordinary income	—	36
Extraordinary losses		
Loss on retirement of non-current assets	1	0
Total extraordinary losses	1	0
Income before income taxes	750	1,046
Income taxes-current	173	292
Income taxes-deferred	17	16
Total income taxes	191	308
Profit	558	738
Profit attributable to owners of parent	558	738

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

(Millions of yen)

	Cumulative first quarter, previous fiscal year (April 1, 2022- June 30, 2022)	Cumulative first quarter, current fiscal year (April 1, 2023- June 30, 2023)
Profit	558	738
Other comprehensive income		
Valuation difference on available-for-sale securities	336	(61)
Deferred gains or losses on hedges	37	42
Foreign currency translation adjustment	417	87
Remeasurements of defined benefit plans, net of tax	(7)	(4)
Total other comprehensive income	783	63
Comprehensive income	1,342	801
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,342	801