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*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, 2024 [Japan GAAP]

May 15, 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

Inquiries: Kunihiro Ono

Director, Managing Executive Officer

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Scheduled Date of Ordinary General Meeting of Shareholders: June 26, 2024

Scheduled Date of Dividend Payments Commencement: June 27, 2024

Scheduled Date of Securities Report Filing: June 26, 2024

Supplementary Documents: Yes

Holding of Financial Results Meeting: Yes

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

1. Consolidated Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(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, 2024	146,194	11.6	2,881	57.5	2,999	67.8	2,019	14.2
Fiscal year ended March 31, 2023	131,054	17.2	1,829	(8.9)	1,787	(5.1)	1,769	8.0

(Note) Comprehensive income Fiscal year ended March 31, 2024 : 2,405 millions of yen 9.1 %

Fiscal year ended March 31, 2023 : 2,204 millions of yen 7.1 %

	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, 2024	164.64	—	7.6	4.1	2.0
Fiscal year ended March 31, 2023	144.29	—	7.0	2.7	1.4

(Reference) Equity in earnings of affiliates Fiscal year ended March 31, 2024 : (33) millions of yen

Fiscal year ended March 31, 2023 : 55 millions of yen

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Fiscal year ended March 31, 2024	75,336	27,450	36.4	2,237.71
Fiscal year ended March 31, 2023	69,412	25,929	37.4	2,114.55

(Reference) Equity capital March 31, 2024 : 27,450 millions of yen

March 31, 2023 : 25,929 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, 2024	183	1,486	43	10,346
Fiscal year ended March 31, 2023	(1,719)	1,257	632	8,352

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, 2023	—	0.00	—	73.00	73.00	895	50.6	3.5
Fiscal year ended March 31, 2024	—	0.00	—	83.00	83.00	1,018	50.4	3.8
Fiscal year ending March 31, 2025 (Forecast)	—	0.00	—	90.00	90.00		50.2	

* The year-end dividend per share in Fiscal year ended March 31, 2024 is changed from 82.00 Yen to 83.00 Yen.

3. Forecast of Consolidated Results for the Fiscal Year Ending March 31, 2025 (April 1, 2024 to March 31, 2025)

(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	150,000	2.6	3,100	7.6	3,100	3.4	2,200	8.9	179.36

*** 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 regulation : No

ii Changes in accounting policies other than in (i) : No

iii Changes in accounting estimate : 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)

Year ended March 31, 2024	12,629,942 shares	Year ended March 31, 2023	12,629,942 shares
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ii Number of treasury stock at the end of period

Year ended March 31, 2024	362,832 shares	Year ended March 31, 2023	367,565 shares
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iii Average number of shares during the period

Year ended March 31, 2024	12,265,763 shares	Year ended March 31, 2023	12,260,615 shares
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[Reference] Summary of Non-Consolidated Results

Non-Consolidated Results for the Fiscal Year Ended March 31, 2024 (April 1, 2023 to March 31, 2024)

(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, 2024	78,049	14.6	1,912	108.9	1,396	18.4	683	(51.5)
Fiscal year ended March 31, 2023	68,088	25.4	915	(2.6)	1,179	(9.2)	1,409	(35.1)

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal year ended March 31, 2024	55.74	—
Fiscal year ended March 31, 2023	114.96	—

(2) Non-Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
Fiscal year ended March 31, 2024	45,905	18,049	39.3	1,471.34
Fiscal year ended March 31, 2023	45,170	18,524	41.0	1,510.66

(Reference) Equity capital March 31, 2024 : 18,049 millions of yen

March 31, 2023 : 18,524 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, 2023)	Current fiscal year (March 31, 2024)
Assets		
Current assets		
Cash and deposits	8,352	10,346
Notes receivable-trade	1,486	1,335
Accounts receivable-trade	31,798	34,920
Electronically recorded monetary claims operating	2,118	3,042
Merchandise	10,179	11,859
Work in process	1,041	1,117
Raw materials	164	180
Other	2,958	2,760
Allowance for doubtful accounts	(450)	(249)
Total current assets	57,650	65,313
Non-current assets		
Property, plant and equipment		
Buildings and structures	3,250	1,957
Accumulated depreciation	(2,493)	(1,576)
Buildings and structures, net	756	381
Machinery, equipment and vehicles	2,148	2,140
Accumulated depreciation	(2,122)	(2,108)
Machinery, equipment and vehicles, net	26	31
Tools, furniture and fixtures	411	454
Accumulated depreciation	(328)	(337)
Tools, furniture and fixtures, net	82	116
Land	2,365	1,073
Leased assets	1,016	871
Accumulated depreciation	(506)	(448)
Leased assets, net	510	423
Construction in progress	—	1
Total property, plant and equipment	3,741	2,026
Intangible assets		
Good will	379	313
Leased assets	111	47
Other	140	163
Total intangible assets	631	524
Investments and other assets		
Investment securities	5,483	5,188
Investments in capital	869	1,071
Long-term loans receivable	7	9
Deferred tax assets	97	107
Retirement benefit asset	420	570
Other	585	676
Allowance for doubtful accounts	(74)	(153)
Total investments and other assets	7,389	7,471
Total non-current assets	11,761	10,023
Total assets	69,412	75,336

	(Millions of yen)	
	Previous fiscal year (March 31,2023)	Current fiscal year (March 31,2024)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	23,959	25,512
Electronically recorded obligations operating	—	1,409
Short-term loans payable	12,821	14,268
Current portion of long-term loans payable	83	595
Lease obligations	196	196
Income taxes payable	341	453
Contract liabilities	620	535
Provision for bonuses	486	503
Provision for directors' bonuses	33	42
Other	2,914	3,118
Total current liabilities	41,456	46,634
Non-current liabilities		
Long-term loans payable	1,153	557
Lease obligations	381	267
Deferred tax liabilities	411	335
Retirement benefit liability	72	82
Asset retirement obligations	7	8
Total non-current liabilities	2,026	1,251
Total liabilities	43,482	47,886
Net assets		
Shareholders' equity		
Capital stock	7,186	7,186
Capital surplus	859	867
Retained earnings	15,377	16,502
Treasury stock	(287)	(284)
Total shareholders' equity	23,135	24,271
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,725	1,436
Deferred gains or losses on hedges	(15)	12
Foreign currency translation adjustment	1,053	1,615
Remeasurements of defined benefit plans	31	114
Total accumulated other comprehensive income	2,793	3,179
Total net assets	25,929	27,450
Total liabilities and net assets	69,412	75,336

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

Consolidated Statements of Income

	(Millions of yen)	
	Previous fiscal year (April 1, 2022- March 31, 2023)	Current fiscal year (April 1, 2023- March 31, 2024)
Net sales	131,054	146,194
Cost of sales	117,033	130,043
Gross profit	14,020	16,151
Selling, general and administrative expenses		
Haulage and warehousing expenses	1,366	1,495
Sales related expenses	1,844	2,355
Provision of allowance for doubtful accounts	238	(141)
Directors' compensations, salaries and allowances	2,821	3,142
Employees' bonuses	397	391
Provision for bonuses	471	488
Provision for directors' bonuses	33	42
Retirement benefit expenses	92	117
Other salaries	748	779
Depreciation	323	349
Other	3,853	4,248
Total selling, general and administrative expenses	12,190	13,269
Operating profit	1,829	2,881
Non-operating income		
Interest income	47	88
Dividends income	74	104
Land and house rent received	5	3
Share of profit of entities accounted for using equity method	143	—
Foreign exchange gains	—	79
Gain on forgiveness of debts	54	—
Other	140	133
Total non-operating income	466	409
Non-operating expenses		
Interest expenses	197	214
Share of loss of entities accounted for using equity method	88	33
Foreign exchange losses	157	—
Other	65	43
Total non-operating expenses	508	292
Ordinary profit	1,787	2,999

	(Millions of yen)	
	Previous fiscal year (April 1, 2022- March 31, 2023)	Current fiscal year (April 1, 2023- March 31, 2024)
Extraordinary income		
Gain on sales of non-current assets	—	113
Gain on sales of investment securities	906	—
Gain on sales of investments in capital	—	41
National subsidies	25	—
Gain on sale of businesses	—	165
Total extraordinary income	931	319
Extraordinary losses		
Loss on retirement of non-current assets	19	3
Loss on tax purpose reduction entry of non-current assets	25	—
Impairment loss	61	491
Head office relocation expenses	112	—
Other	—	8
Total extraordinary losses	219	503
Income before income taxes	2,499	2,815
Income taxes-current	868	789
Income taxes-deferred	(137)	6
Total income taxes	730	796
Profit	1,769	2,019
Profit attributable to owners of parent	1,769	2,019

Consolidated Statements of Comprehensive Income

(Millions of yen)

	Previous fiscal year (April 1,2022- March 31,2023)	current fiscal year (April 1,2023- March 31,2024)
Profit	1,769	2,019
Other comprehensive income		
Valuation difference on available-for-sale securities	(201)	(288)
Deferred gains or losses on hedges	(32)	28
Foreign currency translation adjustment	757	562
Remeasurements of defined benefit plans, net of tax	(88)	83
Total other comprehensive income	435	385
Comprehensive income	2,204	2,405
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,204	2,405

(3) Consolidated Statements of Changes in Shareholders' Equity
Previous fiscal year (April 1, 2022 - March 31, 2023)

(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	14,405	(291)	22,154
Changes of items during the period					
Dividends of surplus			(796)		(796)
Profit attributable to owners of parent			1,769		1,769
Purchase of treasury stock				(0)	(0)
Disposal of treasury stock		4		5	9
Change of scope of consolidation					—
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	4	972	4	981
Balance at the end of period	7,186	859	15,377	(287)	23,135

(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	1,926	17	295	119	2,358	24,512
Changes of items during the period						
Dividends of surplus						(796)
Profit attributable to owners of parent						1,769
Purchase of treasury stock						(0)
Disposal of treasury stock						9
Change of scope of consolidation						—
Net changes of items other than shareholders' equity	(201)	(32)	757	(88)	435	435
Total changes of items during the period	(201)	(32)	757	(88)	435	1,416
Balance at the end of period	1,725	(15)	1,053	31	2,793	25,929

Current fiscal year (April 1, 2023 - March 31, 2024)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of period	7,186	859	15,377	(287)	23,135
Changes of items during the period					
Dividends of surplus			(895)		(895)
Profit attributable to owners of parent			2,019		2,019
Purchase of treasury stock				(1)	(1)
Disposal of treasury stock		6		4	10
Change of scope of consolidation		1			1
Net changes of items other than shareholders' equity					
Total changes of items during the period	—	8	1,124	2	1,135
Balance at the end of period	7,186	867	16,502	(284)	24,271

(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	1,725	(15)	1,053	31	2,793	25,929
Changes of items during the period						
Dividends of surplus						(895)
Profit attributable to owners of parent						2,019
Purchase of treasury stock						(1)
Disposal of treasury stock						10
Change of scope of consolidation			6		6	8
Net changes of items other than shareholders' equity	(288)	28	555	83	378	378
Total changes of items during the period	(288)	28	562	83	385	1,520
Balance at the end of period	1,436	12	1,615	114	3,179	27,450

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Previous fiscal year (April 1, 2022- March 31, 2023)	Current fiscal year (April 1, 2023- March 31, 2024)
Cash flows from operating activities		
Income before income taxes	2,499	2,815
Depreciation	381	391
Impairment loss	61	491
Amortization of goodwill	79	165
Increase (decrease) in allowance for doubtful accounts	230	(140)
Increase (decrease) in retirement benefit liability	(54)	(20)
Interest and dividends income	(122)	(192)
Interest expenses	197	214
Foreign exchange losses (gains)	5	(1)
Loss (gain) on sales of property, plant and equipment	—	(113)
Loss on retirement of property, plant and equipment	19	3
Loss (gain) on sales of investment securities	(906)	—
Loss (gain) on sales of investments in capital	—	(41)
Loss (gain) on sales of businesses	—	(165)
Decrease (increase) in notes and accounts receivable-trade	(4,663)	(1,851)
Decrease (increase) in inventories	(1,448)	(1,295)
Decrease (increase) in other assets	(382)	218
Increase (decrease) in notes and accounts payable-trade	3,895	353
Increase (decrease) in other liabilities	(647)	(138)
Other, net	(142)	189
Subtotal	(995)	883
Interest and dividends income received	130	194
Interest expenses paid	(197)	(214)
Income taxes paid	(657)	(679)
Cash flows from operating activities	(1,719)	183
Cash flows from investing activities		
Purchase of property, plant and equipment	(72)	(149)
Proceeds from sales of property, plant and equipment	—	1,798
Purchase of investment securities	(196)	(148)
Proceeds from sales of investment securities	1,047	—
Payments for investments in capital	(25)	(35)
Proceeds from sales of investments in capital	2	241
Payments of loans receivable	(258)	(12)
Collection of loans receivable	723	60
Purchase of shares of subsidiaries and associates	—	(74)
Payments for investments in capital of subsidiaries and associates	—	(426)
Proceeds from sale of businesses	—	165
Other, net	37	68
Cash flows from investing activities	1,257	1,486

	(Millions of yen)	
	Previous fiscal year (April 1, 2022- March 31, 2023)	Current fiscal year (April 1, 2023- March 31, 2024)
Cash flows from financing activities		
Net increase (decrease) in short-term loans payable	1,645	1,220
Repayments of long-term loans payable	(90)	(83)
Proceeds from sale and leaseback	96	—
Repayments of lease obligations	(221)	(196)
Purchase of treasury stock	(0)	(1)
Cash dividends paid	(796)	(895)
Cash flows from financing activities	632	43
Effect of exchange rate change on cash and cash equivalents	103	106
Net increase (decrease) in cash and cash equivalents	274	1,819
Cash and cash equivalents at the beginning of period	8,078	8,352
Increase in cash and cash equivalents resulting from inclusion of subsidiaries from consolidation	—	174
Cash and cash equivalents at the end of period	8,352	10,346