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## Consolidated Financial Results for the Six Months Ended September 30, 2024 (Under Japanese GAAP)

November 7, 2024

Company name: GSI Creos Corporation

Listing: Tokyo Stock Exchange (Prime)

Securities code: 8101

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

Representative: Tadaaki Yoshinaga

Representative Director, President and CEO

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Director, Managing Executive Officer

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Scheduled date to file semi-annual securities report: November 13, 2024

Scheduled date to commence dividend payments: -

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated Financial Results for the Six Months Ended September 30, 2024 (April 1, 2024 to September 30, 2024)

#### (1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

Six months ended	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2024	79,652	12.4	1,805	4.8	1,678	(6.9)	1,237	(4.6)
September 30, 2023	70,850	17.1	1,722	53.4	1,802	40.6	1,297	42.7

(Note) Comprehensive income: Six months ended September 30, 2024: ¥ 2,555 million [ 25.9%]

Six months ended September 30, 2023: ¥ 2,028 million [ 13.4%]

Six months ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
September 30, 2024	100.88	-
September 30, 2023	105.83	-

#### (2) Consolidated Financial Position

As of	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
September 30, 2024	79,055	28,993	36.7
March 31, 2024	75,336	27,450	36.4

(Reference) Equity: As of September 30, 2024: ¥ 28,993 million

As of March 31, 2024: ¥ 27,450 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2024	-	0.00	-	83.00	83.00
Fiscal year ending March 31, 2025	-	0.00			
Fiscal year ending March 31, 2025 (Forecast)			-	90.00	90.00

(Note) Revision to the forecast for dividends announced most recently: None

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

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	150,000	2.6	3,100	7.6	3,100	3.4	2,200	8.9	179.36

(Note) Revision to the financial results forecast announced most recently: None

\* Notes:

(1) Significant changes in the scope of consolidation during the period: None  
 Newly included: - (Company name: )  
 Excluded: - (Company name: )

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(4) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

As of September 30, 2024: 12,629,942 shares  
 As of March 31, 2024: 12,629,942 shares

2) Number of treasury shares at the end of the period:

As of September 30, 2024: 356,478 shares  
 As of March 31, 2024: 362,832 shares

3) Average number of shares outstanding during the period:

Six months ended September 30, 2024: 12,269,809 shares  
 Six months ended September 30, 2023: 12,264,545 shares

\* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

\* Proper use of earnings forecasts, and other special matters

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.

Semi-annual Consolidated Financial Statements  
Semi-annual Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	10,346	10,642
Notes receivable - trade	1,335	1,159
Accounts receivable - trade	34,920	37,897
Electronically recorded monetary claims - operating	3,042	2,756
Merchandise and finished goods	11,859	12,265
Work in process	1,117	1,302
Raw materials	180	194
Other	2,760	2,798
Allowance for doubtful accounts	(249)	(254)
Total current assets	65,313	68,762
Non-current assets		
Property, plant and equipment	2,026	1,943
Intangible assets		
Goodwill	313	300
Other	210	213
Total intangible assets	524	514
Investments and other assets		
Investment securities	5,188	5,700
Other	2,283	2,134
Total investments and other assets	7,471	7,835
Total non-current assets	10,023	10,292
Total assets	75,336	79,055
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	25,512	30,092
Electronically recorded obligations - operating	1,409	1,231
Short-term borrowings	14,268	12,232
Current portion of long-term borrowings	595	572
Income taxes payable	453	516
Provisions	545	509
Other	3,850	3,557
Total current liabilities	46,634	48,712
Non-current liabilities		
Long-term borrowings	557	525
Retirement benefit liability	82	85
Other	611	738
Total non-current liabilities	1,251	1,349
Total liabilities	47,886	50,061

(Millions of yen)

	As of March 31, 2024	As of September 30, 2024
Net assets		
Shareholders' equity		
Share capital	7,186	7,186
Capital surplus	867	868
Retained earnings	16,502	16,721
Treasury shares	(284)	(280)
Total shareholders' equity	24,271	24,497
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,436	1,805
Deferred gains or losses on hedges	12	(96)
Foreign currency translation adjustment	1,615	2,684
Remeasurements of defined benefit plans	114	102
Total accumulated other comprehensive income	3,179	4,496
Total net assets	27,450	28,993
Total liabilities and net assets	75,336	79,055

## Semi-annual Consolidated Statements of Income and Comprehensive Income

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Net sales	70,850	79,652
Cost of sales	62,578	71,085
Gross profit	8,271	8,566
Selling, general and administrative expenses	6,549	6,760
Operating profit	1,722	1,805
Non-operating income		
Interest income	25	51
Dividend income	84	95
Share of profit of entities accounted for using equity method	8	-
Foreign exchange gains	13	-
Other	93	100
Total non-operating income	226	247
Non-operating expenses		
Interest expenses	104	153
Share of loss of entities accounted for using equity method	19	23
Foreign exchange losses	-	171
Other	21	25
Total non-operating expenses	145	374
Ordinary profit	1,802	1,678
Extraordinary income		
Gain on sale of non-current assets	-	0
Gain on sale of investment securities	-	97
Gain on sales of investments in capital	39	-
Gain on liquidation of subsidiaries and associates	-	14
Total extraordinary income	39	112
Extraordinary losses		
Loss on retirement of non-current assets	2	0
Other	7	-
Total extraordinary losses	10	0
Profit before income taxes	1,832	1,790
Income taxes - current	478	471
Income taxes - deferred	56	81
Total income taxes	534	552
Profit	1,297	1,237
Profit attributable to owners of parent	1,297	1,237

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
Profit	1,297	1,237
Other comprehensive income		
Valuation difference on available-for-sale securities	(23)	368
Deferred gains or losses on hedges	90	(108)
Foreign currency translation adjustment	672	1,068
Remeasurements of defined benefit plans, net of tax	(8)	(11)
Total other comprehensive income	730	1,317
Comprehensive income	2,028	2,555
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,028	2,555

## Semi-annual Consolidated Statements of Cash Flows

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
<b>Cash flows from operating activities</b>		
Profit before income taxes	1,832	1,790
Depreciation	196	167
Amortization of goodwill	82	46
Increase (decrease) in allowance for doubtful accounts	(50)	(10)
Increase (decrease) in retirement benefit liability	(4)	(21)
Interest and dividend income	(110)	(147)
Interest expenses	104	153
Foreign exchange losses (gains)	(1)	6
Loss on retirement of property, plant and equipment	2	0
Loss (gain) on sale of property, plant and equipment	-	(0)
Loss (gain) on sale of investment securities	-	(97)
Gain on sales of investments in capital	(39)	-
Loss (gain) on liquidation of subsidiaries and associates	-	(14)
Decrease (increase) in trade receivables	2,110	991
Decrease (increase) in inventories	(201)	(110)
Decrease (increase) in other assets	975	547
Increase (decrease) in trade payables	(152)	1,913
Increase (decrease) in other liabilities	(247)	(364)
Other, net	204	(209)
<b>Subtotal</b>	<b>4,699</b>	<b>4,640</b>
Interest and dividends received	115	142
Interest paid	(104)	(153)
Income taxes paid	(413)	(388)
<b>Net cash provided by (used in) operating activities</b>	<b>4,296</b>	<b>4,240</b>
<b>Cash flows from investing activities</b>		
Purchase of securities	-	(500)
Purchase of property, plant and equipment	(56)	(18)
Proceeds from sale of property, plant and equipment	-	0
Purchase of investment securities	(149)	(53)
Proceeds from sale of investment securities	-	171
Proceeds from sale of investments in capital	214	-
Payments for investments in capital	(35)	-
Proceeds from end of liquidation of subsidiaries and affiliates	-	212
Loan advances	(62)	(34)
Proceeds from collection of loans receivable	-	6
Other, net	44	(30)
<b>Net cash provided by (used in) investing activities</b>	<b>(46)</b>	<b>(246)</b>

(Millions of yen)

	For the six months ended September 30, 2023	For the six months ended September 30, 2024
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(3,109)	(2,734)
Repayments of long-term borrowings	(34)	(55)
Repayments of lease liabilities	(92)	(98)
Purchase of treasury shares	(1)	(0)
Dividends paid	(895)	(1,018)
Net cash provided by (used in) financing activities	(4,132)	(3,907)
Effect of exchange rate change on cash and cash equivalents	111	210
Net increase (decrease) in cash and cash equivalents	229	296
Cash and cash equivalents at beginning of period	8,352	10,346
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	174	-
Cash and cash equivalents at end of period	8,756	10,642