

# Gun Ei Chemical Industry Co., Ltd.

## Consolidated Financial Statements

### Consolidated balance sheets

As of March 31 and June 30, 2021

	Unit : Millions of yen	
	March 31, 2021	June 30, 2021
Assets		
Current assets		
Cash and deposits	6,740	6,681
Notes and accounts receivable-trade	7,571	7,941
Short-term investment securities	4,400	3,900
Merchandise and finished goods	2,098	2,009
Work in process	729	840
Raw materials and supplies	1,177	1,510
Other	222	244
Allowance for doubtful accounts	(3)	(2)
Total current assets	22,938	23,125
Non-current assets		
Property, plant and equipment		
Buildings and structures	22,865	22,889
Accumulated depreciation and impairment loss	(16,607)	(16,716)
Buildings and structures, net	6,257	6,172
Machinery, equipment and vehicles	32,529	32,716
Accumulated depreciation and impairment loss	(29,439)	(29,686)
Machinery, equipment and vehicles, net	3,090	3,029
Land	7,969	7,969
Lease assets	138	815
Accumulated depreciation and impairment loss	(54)	(67)
Lease assets, net	84	748
Construction in progress	513	583
Other	3,130	3,100
Accumulated depreciation and impairment loss	(2,679)	(2,660)
Other, net	451	439
Total property, plant and equipment	18,366	18,943
Intangible assets		
Goodwill	333	296
Other	79	80
Total intangible assets	412	376
Investments and other assets		
Investment securities	9,018	8,696
Other	1,322	1,356
Allowance for doubtful accounts	(73)	(73)
Total investments and other assets	10,267	9,979
Total non-current assets	29,046	29,299
Total assets	51,984	52,425

Unit : Millions of yen

	March 31, 2021	June 30, 2021
Liabilities		
Current liabilities		
Accounts payable-trade	3,720	4,161
Accounts payable-other	1,341	1,138
Income taxes payable	472	107
Provision for bonuses	388	205
Other	136	401
Total current liabilities	<u>6,059</u>	<u>6,015</u>
Non-current liabilities		
Provision for environmental measures	5	5
Provision for assets removal	22	22
Retirement benefit liability	1,508	943
Other	638	1,427
Total non-current liabilities	<u>2,174</u>	<u>2,398</u>
Total liabilities	<u>8,233</u>	<u>8,414</u>
Net assets		
Shareholders' equity		
Capital stock	5,000	5,000
Capital surplus	25,690	25,690
Retained earnings	15,997	16,309
Treasury shares	(6,227)	(6,227)
Total shareholders' equity	<u>40,461</u>	<u>40,772</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,662	1,538
Foreign currency translation adjustment	68	146
Remeasurements of defined benefit plans	11	10
Total accumulated other comprehensive income	<u>1,743</u>	<u>1,695</u>
Non-controlling interests	<u>1,546</u>	<u>1,542</u>
Total net assets	<u>43,750</u>	<u>44,011</u>
Total liabilities and net assets	<u>51,984</u>	<u>52,425</u>

## Consolidated Statements of income and statements of comprehensive income

### **Consolidated Statements of income**

For the first quarter ended June 30, 2020 and 2021

	Unit : Millions of yen	
	April - June 2020	April - June 2021
Net sales	6,325	7,094
Cost of sales	4,908	5,301
Gross profit	1,416	1,792
Selling, general and administrative expenses	952	1,015
Operating income	463	776
Non-operating income		
Interest income	12	7
Dividends income	18	22
Foreign exchange gains	15	—
Other	7	63
Total non-operating income	53	93
Non-operating expenses		
Interest expenses	0	2
Foreign exchange losses	—	2
Other	0	1
Total non-operating expenses	1	6
Ordinary income	516	863
Extraordinary income		
Other	0	0
Total extraordinary income	0	0
Extraordinary loss		
Loss on disposal of non-current assets	2	3
Total extraordinary losses	2	3
Income before income taxes	514	859
Income taxes-current	71	39
Income taxes-deferred	77	210
Total income taxes	149	249
Profit	365	609
Profit attributable to non-controlling interests	46	32
Profit attributable to owners of parent	318	577

## Consolidated Statements of comprehensive income

For the first quarter ended June 30, 2020 and 2021

	Unit : Millions of yen	
	April - June 2020	April - June 2021
Profit	365	609
Other comprehensive income		
Valuation difference on available-for-sale securities	336	(125)
Deferred gains or losses on hedges	0	—
Foreign currency translation adjustment	(334)	121
Remeasurements of defined benefit plans, net of tax	2	(0)
Total other comprehensive income	4	(4)
Comprehensive income	369	605
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	457	529
Comprehensive income attributable to non-controlling interests	(88)	76