

# Gun Ei Chemical Industry Co., Ltd.

## Consolidated Financial Statements

### Consolidated balance sheets

As of March 31 and June 30, 2015

	Unit : Millions of yen	
	March 31, 2015	June 30, 2015
Assets		
Current assets		
Cash and deposits	7,524	7,316
Notes and accounts receivable-trade	7,842	7,643
Short-term investment securities	1,808	2,108
Merchandise and finished goods	2,333	2,299
Work in process	44	79
Raw materials and supplies	889	906
Other	479	365
Allowance for doubtful accounts	(0)	(0)
Total current assets	20,922	20,718
Non-current assets		
Property, plant and equipment		
Buildings and structures	21,228	21,245
Accumulated depreciation and impairment loss	(14,856)	(14,946)
Buildings and structures, net	6,371	6,298
Machinery, equipment and vehicles	28,650	28,764
Accumulated depreciation and impairment loss	(25,474)	(25,689)
Machinery, equipment and vehicles, net	3,176	3,074
Land	7,969	7,969
Lease assets	96	96
Accumulated depreciation and impairment loss	(49)	(53)
Lease assets, net	46	42
Construction in progress	24	17
Other	2,710	2,746
Accumulated depreciation and impairment loss	(2,364)	(2,386)
Other, net	346	360
Total property, plant and equipment	17,935	17,763
Intangible assets	15	15
Investments and other assets		
Investment securities	8,125	8,368
Other	1,100	1,092
Allowance for doubtful accounts	(81)	(80)
Total investments and other assets	9,144	9,379
Total non-current assets	27,096	27,158
Total assets	48,018	47,877

	Unit : Millions of yen	
	March 31, 2015	June 30, 2015
Liabilities		
Current liabilities		
Accounts payable-trade	4,070	3,913
Current portion of long-term loans payable	259	259
Accounts payable-other	1,244	1,040
Income taxes payable	441	79
Provision for bonuses	288	162
Other	98	324
Total current liabilities	<u>6,404</u>	<u>5,780</u>
Non-current liabilities		
Long-term loans payable	239	184
Provision for environmental measures	22	22
Provision for assets removal	21	21
Net defined benefit liability	1,197	1,201
Other	738	797
Total non-current liabilities	<u>2,219</u>	<u>2,226</u>
Total liabilities	<u>8,623</u>	<u>8,006</u>
Net assets		
Shareholders' equity		
Capital stock	5,000	5,000
Capital surplus	25,689	25,689
Retained earnings	10,173	10,413
Treasury stock	(4,733)	(4,734)
Total shareholders' equity	<u>36,129</u>	<u>36,369</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,652	1,878
Foreign currency translation adjustment	375	381
Remeasurements of defined benefit plans	(60)	(56)
Total accumulated other comprehensive income	<u>1,967</u>	<u>2,203</u>
Non-controlling interests	<u>1,296</u>	<u>1,297</u>
Total net assets	<u>39,394</u>	<u>39,870</u>
Total liabilities and net assets	<u>48,018</u>	<u>47,877</u>

## Consolidated Statements of income and statements of comprehensive income

### **Consolidated Statements of income**

For the first quarter ended June 30, 2014 and 2015

	Unit : Millions of yen	
	April - June 2014	April - June 2015
Net sales	7,054	7,044
Cost of sales	5,890	5,485
Gross profit	1,164	1,559
Selling, general and administrative expenses	798	858
Operating income	365	700
Non-operating income		
Interest income	18	14
Dividends income	6	7
Equity in earnings of affiliates	0	1
Other	16	9
Total non-operating income	41	31
Non-operating expenses		
Interest expenses	8	4
Foreign exchange losses	5	6
Other	1	18
Total non-operating expenses	14	28
Ordinary income	392	703
Extraordinary income		
Gain on sales of non-current assets	0	0
Total extraordinary income	0	0
Extraordinary loss		
Loss on disposal of non-current assets	1	6
Total extraordinary losses	1	6
Income before income taxes	391	696
Income taxes-current	44	79
Income taxes-deferred	(340)	122
Total income taxes	(295)	202
Profit	687	494
Profit (loss) attributable to non-controlling interests	(4)	38
Profit attributable to owners of parent	691	456

## Consolidated Statements of comprehensive income

For the first quarter ended June 30, 2014 and 2015

	Unit : Millions of yen	
	April - June 2014	April - June 2015
Profit	687	494
Other comprehensive income		
Valuation difference on available-for-sale securities	141	225
Foreign currency translation adjustment	(45)	9
Remeasurements of defined benefit plans, net of tax	31	4
Share of other comprehensive income of associates accounted for using equity method	(5)	0
Total other comprehensive income	121	239
Comprehensive income	808	734
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	830	692
Comprehensive income attributable to non-controlling interests	(21)	42