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July 31, 2025

Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)

Company name: Gun-Ei Chemical Industry Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 4229
 URL: <https://www.gunei-chemical.co.jp>
 Representative: Kiichiro Arita, President & CEO & Representative Director
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 Scheduled date to commence dividend payments: —
 Preparation of supplementary material on financial results: None
 Holding of financial results briefing: None

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

1. Consolidated financial results for the three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	7,724	1.2	651	(5.9)	727	(10.2)	463	(12.5)
June 30, 2024	7,634	(4.0)	692	(17.4)	810	(13.3)	530	(14.4)

Note: Comprehensive income For the three months ended June 30, 2025: ¥587 million [(35.6)%]
 For the three months ended June 30, 2024: ¥911 million [(36.5)%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2025	69.90	—
June 30, 2024	79.95	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2025	63,238	51,888	79.2
March 31, 2025	63,018	51,731	78.9

Reference: Equity
 As of June 30, 2025: ¥50,053 million
 As of March 31, 2025: ¥49,745 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	50.00	—	50.00	100.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Forecast)		50.00	—	50.00	100.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating Profit		Ordinary profit		Profit attributable To owners of parent		Basic earnings Per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	
Six Months Ended	15,000	(1.2)	1,100	(11.0)	1,300	(9.5)	800	(19.0)	120.61
Full year	31,000	1.5	2,300	0.3	2,500	(8.0)	1,700	(11.5)	256.29

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

*** Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None
- (4) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of June 30, 2025	8,998,308 shares
As of March 31, 2025	8,998,308 shares

- (ii) Number of treasury shares at the end of the period

As of June 30, 2025	2,365,249 shares
As of March 31, 2025	2,365,148 shares

- (iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2025	6,633,106 shares
Three months ended June 30, 2024	6,629,324 shares

- * Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

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

The forecasts given in this document are based on the current available information in the company and certain reasonable assumptions to the company. And we don't commit to achieve these forecasting numbers. Actual results may differ from these forecasts by a variety of reasons.

Gun Ei Chemical Industry Co., Ltd.

Consolidated Financial Statements

Consolidated balance sheets

As of March 31 and June 30, 2025

	Unit : Millions of yen	
	March 31, 2025	June 30, 2025
Assets		
Current assets		
Cash and deposits	9,251	9,680
Notes and accounts receivable-trade	7,091	7,120
Electronically recorded monetary claims - operating	1,174	1,149
Short-term investment securities	1,698	1,494
Merchandise and finished goods	2,500	2,568
Work in process	876	968
Raw materials and supplies	2,379	2,026
Other	314	264
Allowance for doubtful accounts	(1)	(1)
Total current assets	25,285	25,270
Non-current assets		
Property, plant and equipment		
Buildings and structures	24,386	24,377
Accumulated depreciation and impairment loss	(18,124)	(18,196)
Buildings and structures, net	6,262	6,180
Machinery, equipment and vehicles	36,810	36,588
Accumulated depreciation and impairment loss	(33,301)	(33,241)
Machinery, equipment and vehicles, net	3,508	3,346
Land	7,961	7,961
Lease assets	924	871
Accumulated depreciation and impairment loss	(215)	(211)
Lease assets, net	708	660
Construction in progress	3,595	4,282
Other	3,494	3,485
Accumulated depreciation and impairment loss	(3,036)	(3,048)
Other, net	457	437
Total property, plant and equipment	22,494	22,869
Intangible assets		
Other	153	163
Total intangible assets	153	163
Investments and other assets		
Investment securities	13,211	12,950
Retirement benefit asset	488	549
Other	1,463	1,512
Allowance for doubtful accounts	(78)	(78)
Total investments and other assets	15,084	14,934
Total non-current assets	37,732	37,967
Total assets	63,018	63,238

	Unit : Millions of yen	
	March 31, 2025	June 30, 2025
Liabilities		
Current liabilities		
Accounts payable-trade	4,385	4,251
Accounts payable-other	3,146	3,327
Income taxes payable	370	117
Provision for bonuses	386	214
Other	148	399
Total current liabilities	8,438	8,309
Non-current liabilities		
Lease obligations	735	657
Provision for environmental measures	5	5
Provision for assets removal	22	22
Retirement benefit liability	125	121
Other	1,959	2,233
Total non-current liabilities	2,848	3,040
Total liabilities	11,287	11,349
Net assets		
Shareholders' equity		
Capital stock	5,000	5,000
Capital surplus	25,650	25,650
Retained earnings	20,637	20,769
Treasury shares	(6,215)	(6,215)
Total shareholders' equity	45,072	45,203
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,609	3,979
Foreign currency translation adjustment	868	687
Remeasurements of defined benefit plans	195	182
Total accumulated other comprehensive income	4,673	4,850
Non-controlling interests	1,985	1,834
Total net assets	51,731	51,888
Total liabilities and net assets	63,018	63,238

Consolidated Statements of income and statements of comprehensive income**Consolidated Statements of income**

For the first quarter ended June 30, 2024 and 2025

	Unit : Millions of yen	
	April - June 2024	April - June 2025
Net sales	7,634	7,724
Cost of sales	5,924	5,993
Gross profit	1,709	1,731
Selling, general and administrative expenses	1,016	1,079
Operating income	692	651
Non-operating income		
Interest income	24	28
Dividends income	27	38
Other	71	13
Total non-operating income	122	81
Non-operating expenses		
Interest expenses	3	3
Other	1	1
Total non-operating expenses	5	5
Ordinary income	810	727
Extraordinary income		
Other	0	0
Total extraordinary income	0	0
Extraordinary losses		
Loss on disposal of non-current assets	13	9
Total extraordinary losses	13	9
Income before income taxes	796	718
Income taxes-current	85	90
Income taxes-deferred	147	108
Total income taxes	232	199
Profit	564	518
Profit attributable to non-controlling interests	34	55
Profit attributable to owners of parent	530	463

Consolidated Statements of comprehensive income

For the first quarter ended June 30, 2024 and 2025

	Unit : Millions of yen	
	April - June 2024	April - June 2025
Profit	564	518
Other comprehensive income		
Valuation difference on available-for-sale securities	287	370
Foreign currency translation adjustment	71	(288)
Remeasurements of defined benefit plans, net of tax	(10)	(13)
Total other comprehensive income	347	68
Comprehensive income	911	587
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	857	639
Comprehensive income attributable to non-controlling interests	54	(52)