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Consolidated Financial and Non-Financial Summary

Fiscal year period: April 1 to March 31

	FY2010	FY2011	FY2012	FY2013	FY2014
Operating results (Millions of yen)					
Net sales	¥ 451,033	452,217	467,979	534,443	529,570
Operating income	23,363	9,083	11,421	11,488	14,996
Ordinary income	36,394	26,116	27,651	30,804	42,000
Profit (loss) attributable to owners of the parent	18,950	12,327	(7,793)	14,921	43,346
Equity in earnings of affiliates	17,873	20,532	19,045	20,466	27,895

Financial position (Millions of yen)					
Current assets	¥ 244,522	254,037	261,397	287,642	372,166
Total assets	577,045	595,250	613,908	657,838	790,784
Current liabilities	182,527	193,464	195,438	178,897	225,068
Net assets	288,257	292,111	294,895	323,858	422,851
Interest-bearing debt	182,679	185,185	182,644	204,489	215,614

Cash flows (Millions of yen)					
Operating activity cash flow	¥ 39,773	37,348	31,169	27,182	76,982
Investing activity cash flow	(24,626)	(37,274)	(30,818)	(29,883)	(23,531)
Financing activity cash flow	(1,849)	(9,876)	(14,356)	7,124	(25,005)
Total cash and cash equivalents at end of year	46,768	35,701	26,907	37,310	72,678

Per share data (Yen)					
Earnings per share (EPS)*1	¥ 83.85	54.56	(34.50)	66.07	191.94
Net assets per share*1	1,230.50	1,246.92	1,256.81	1,382.52	1,672.25

Ratios (%)					
Operating income margin	5.2	2.0	2.4	2.1	2.8
Return on equity (ROE)	6.9	4.4	(2.8)	5.0	12.6
Return on assets (ROA)	6.5	4.5	4.6	4.8	5.8
Return on invested capital (ROIC)	8.0	5.5	5.8	6.1	7.2
Equity ratio	48.2	47.3	46.2	47.5	47.8

Others					
Capital expenditure (millions of yen)	¥ 35,400	42,423	30,982	25,409	22,226
Depreciation and amortization (millions of yen)	28,950	27,763	23,096	23,528	23,770
Research and Development cost (millions of yen)	16,380	17,449	15,332	16,122	16,873
Number of employees	4,979	5,216	5,323	5,445	8,254

Work-life Balance (MGC alone)					
Ratio of taking annual leave (union members) (%)	83.5%	83.6%	86.7%	87.6%	91.0%
Average overtime per month (union members) (hours)	13.0	13.0	13.2	12.9	13.0

Environmental Management					
GHG emissions*2 (kt-CO ₂ -e)	1,278	1,312	1,341	1,106	1,085
Calculated value added of GHG emissions intensity (100 million yen/kt CO ₂ -e)	—	—	—	—	—
Lost-time injury frequency rate (MGC alone)	0.28	0.54	0.80	0	0
Lost-time injury severity rate (MGC alone)	0.007	0.006	0.011	0	0

*1 With and effective date of October 1, 2016, MGC conducted a reverse stock split for MGC's ordinary shares on a 2:1 basis. As a result, each amount per share in the above table are calculated assuming that the reverse stock split had been conducted at the beginning of FY2010.

*2 Including domestic consolidated subsidiaries from FY2015 and overseas consolidated subsidiaries from FY2017. Others on a non-consolidated basis.

*3 U.S. dollar amounts are translated from yen, for convenience only, at the approximate rate of ¥110.71= US\$1 prevailing on March 31, 2021.

FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2020
(Thousands of U.S. dollars)*3						
593,502	556,480	635,909	648,986	613,344	595,718	\$ 5,380,887
34,018	43,762	62,741	41,386	34,260	44,510	402,041
45,432	62,430	80,711	69,199	31,116	50,240	453,798
34,134	48,013	60,531	55,000	21,158	36,070	325,806
16,683	21,125	18,277	28,408	(1,282)	5,162	46,626
(Thousands of U.S. dollars)*3						
341,237	326,674	384,249	378,845	358,669	402,141	\$ 3,632,382
739,582	738,188	785,687	804,038	771,733	836,364	7,554,548
214,676	188,426	206,835	188,420	163,574	167,947	1,516,999
423,135	473,370	519,144	553,282	548,141	581,411	5,251,657
181,427	118,713	106,964	95,751	74,713	98,476	889,495
(Thousands of U.S. dollars)*3						
84,671	82,711	90,720	64,042	74,234	55,464	\$ 500,985
(31,922)	(31,119)	(33,614)	(42,761)	(33,922)	(40,370)	(364,646)
(47,335)	(60,217)	(33,038)	(31,396)	(49,563)	5,154	46,554
75,828	67,177	90,304	80,379	70,043	91,075	822,645
U.S. dollars*3						
153.85	221.83	281.39	257.46	100.50	173.41	\$ 1.57
1,707.01	1,967.94	2,187.99	2,354.25	2,368.11	2,520.34	22.77
5.7	7.9	9.9	6.4	5.6	7.5	7.5
9.0	12.0	13.6	11.3	4.3	7.1	7.1
5.9	8.4	10.6	8.7	3.9	6.2	6.2
7.3	10.4	13.2	10.9	4.9	7.7	7.7
51.0	57.5	59.5	62.6	63.8	62.7	62.7
(Thousands of U.S. dollars)*3						
30,512	35,010	30,959	39,279	42,389	40,282	\$ 363,852
26,705	25,631	27,027	27,451	29,591	30,686	277,175
18,936	19,267	18,987	18,607	19,696	19,905	179,794
8,176	8,034	8,009	8,276	8,954	8,998	8,998
91.0%	86.0%	90.3%	91.0%	95.7%	85.3%	85.3%
13.4	13.8	14.1	13.8	13.2	12.6	12.6
1,082	1,006	1,355	1,401	1,371	1,363	1,363
–	–	1.26	1.20	1.18	1.15	1.15
0.27	0	0	0.29	0	0.28	0.28
0.002	0	0	0.000	0	0.008	0.008

Consolidated Financial Statements

Consolidated Balance Sheet

Mitsubishi Gas Chemical Company, Inc. and Consolidated Subsidiaries
March 31, 2021

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Assets			
Current assets:			
Cash and deposits	¥ 101,785	¥ 78,227	\$ 919,384
Notes and accounts receivable – trade	159,018	141,279	1,436,347
Securities	269	3,514	2,430
Inventories	121,275	114,797	1,095,430
Other	20,209	21,975	182,540
Less allowance for doubtful receivables	416	1,124	3,758
Total current assets	402,141	358,669	3,632,382
Non-current assets:			
Property, plant and equipment:			
Buildings and structures	234,992	220,252	2,122,591
Machinery, equipment and vehicles	501,700	484,798	4,531,659
Land	40,774	41,109	368,296
Leased assets	3,429	2,611	30,973
Construction in progress	24,766	23,113	223,702
Other	53,054	51,266	479,216
	858,718	823,151	7,756,463
Less accumulated depreciation	608,786	583,313	5,498,925
Total property, plant and equipment	249,931	239,838	2,257,529
Intangible assets, net:			
Goodwill	4,914	5,293	44,386
Leased assets	5	0	45
Software	2,456	2,251	22,184
Other	3,123	3,052	28,209
Total intangible assets	10,499	10,597	94,833
Investments and other assets:			
Investment securities	158,718	149,158	1,433,637
Long-term loans receivable	5,012	3,153	45,271
Deferred tax assets	3,145	3,482	28,408
Net defined benefit asset	1,396	974	12,610
Other investments and other assets	6,064	6,500	54,774
Less allowance for doubtful receivables	545	640	4,923
Total investments and other assets	173,792	162,628	1,569,795
Total non-current assets	434,223	413,063	3,922,166
Total assets	¥ 836,364	¥ 771,733	\$ 7,554,548

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Liabilities and Net Assets			
Current liabilities:			
Notes and accounts payable - trade	¥ 75,308	¥ 70,776	\$ 680,228
Short-term borrowing and current installments of long-term borrowing	40,087	43,980	362,090
Lease obligations	543	429	4,905
Accrued expenses	20,225	18,008	182,684
Income taxes payable	5,809	5,539	52,470
Provision for bonuses	5,770	5,616	52,118
Other	20,201	19,225	182,468
Total current liabilities	167,947	163,574	1,516,999
Non-current liabilities:			
Long-term borrowing	56,202	29,043	507,651
Lease obligations	1,643	1,260	14,841
Retirement benefit liability	7,150	9,333	64,583
Provision for directors' retirement benefits	217	433	1,960
Deferred tax liabilities	11,828	9,200	106,838
Asset retirement obligations	5,113	3,560	46,184
Other	4,850	7,183	43,808
Total non-current liabilities	87,006	60,016	785,891
Total liabilities	254,953	223,591	2,302,890
Stockholders' equity:			
Common stock: Authorized 492,428,000 shares; issued 225,739,199 shares in 2021 and 2020	41,970	41,970	379,099
Additional paid-in capital	34,301	34,234	309,827
Retained earnings	459,790	439,701	4,153,103
Treasury stock, at cost; 17,726,057 and 17,758,765 shares in 2021 and 2020	(21,562)	(21,600)	(194,761)
Total stockholders' equity	514,499	494,306	4,647,268
Accumulated other comprehensive income:			
Valuation difference on available-for-sale securities	14,419	7,789	130,241
Deferred (losses) gains on hedges	(618)	4	(5,582)
Foreign currency translation adjustments	(3,542)	(6,701)	(31,993)
Remeasurements of defined benefit plans	(494)	(2,877)	(4,462)
Total accumulated other comprehensive income	9,765	(1,785)	88,203
Non-controlling interests	57,146	55,619	516,177
Total net assets	581,411	548,141	5,251,657
Total liabilities and net assets	¥ 836,364	¥ 771,733	\$ 7,554,548

Consolidated Statement of Income

Mitsubishi Gas Chemical Company, Inc. and Consolidated Subsidiaries
For the year ended March 31, 2021

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Net sales	¥ 595,718	¥ 613,344	\$ 5,380,887
Cost of sales	454,760	481,950	4,107,669
Gross profit	140,958	131,394	1,273,218
Selling, general and administrative expenses	96,448	97,133	871,177
Operating profit	44,510	34,260	402,041
Other income (expenses):			
Interest income	362	565	3,270
Dividend income	2,391	2,226	21,597
Rental income	1,424	1,551	12,862
Interest expenses	(800)	(968)	(7,226)
Share of profit (loss) of entities accounted for using equity method	5,162	(1,282)	46,626
Gain on sale of investments in securities	1,800	2,676	16,259
Rent expenses	(1,396)	(1,628)	(12,610)
Loss on valuation of investments in securities	(107)	(939)	(966)
Provision for loss on liquidation of subsidiaries and associates	—	(1,098)	—
Personnel expenses for seconded employees	(1,368)	(1,512)	(12,357)
Loss on tax purpose reduction entry of non-current assets	—	(5,652)	—
Gain on sale of non-current assets	257	859	2,321
Loss on sale/disposal of non-current assets	(1,461)	(1,803)	(13,197)
Impairment loss	(1,695)	(381)	(15,310)
Loss from money transfer scam at subsidiary	(984)	—	(8,888)
Loss on withdrawal from business	(287)	—	(2,592)
Loss on liquidation of subsidiaries	(242)	—	(2,186)
Other, net	1,388	7,470	12,537
Total other income (expenses)	4,441	82	40,114
Profit before income taxes	48,951	34,343	442,155
Income taxes:			
Current	10,180	8,373	91,952
Deferred	(611)	1,482	(5,519)
Total income taxes	9,568	9,855	86,424
Profit	¥ 39,383	¥ 24,487	\$ 355,731
Profit attributable to non-controlling interests	3,312	3,329	29,916
Profit attributable to owners of parent	¥ 36,070	¥ 21,158	\$ 325,806

Consolidated Statement of Comprehensive Income

Mitsubishi Gas Chemical Company, Inc. and Consolidated Subsidiaries
For the year ended March 31, 2021

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Profit	¥ 39,383	¥ 24,487	\$ 355,731
Other comprehensive income arising during the year:			
Valuation difference on available-for-sale securities	6,737	(5,172)	60,853
Deferred (losses) gains on hedges	(24)	3	(217)
Foreign currency translation adjustments	3,036	(3,431)	27,423
Remeasurements of defined benefit plans	2,829	(3,386)	25,553
Shares of other comprehensive income of entities accounted for by the equity method	1,137	1,488	10,270
Total other comprehensive income arising during the year	13,718	(10,498)	123,909
Comprehensive income	¥ 53,101	¥ 13,988	\$ 479,641
Comprehensive income attributable to:			
Owners of the parent	¥ 49,213	¥ 11,884	\$ 444,522
Non-controlling interests	3,887	2,104	35,110

Consolidated Statement of Cash Flows

Mitsubishi Gas Chemical Company, Inc. and Consolidated Subsidiaries
For the year ended March 31, 2021

	Millions of yen		Thousands of U.S. dollars
	2021	2020	2021
Cash flows from operating activities:			
Profit before income taxes	¥ 48,951	¥ 34,343	\$ 442,155
Adjustments to reconcile profit before income taxes to net cash provided by operating activities:			
Depreciation and amortization	30,686	29,591	277,175
Loss on sale/disposal of property, plant and equipment	1,165	778	10,523
Impairment loss	1,695	381	15,310
Loss on tax purpose reduction entry of non-current assets	—	5,652	—
Share of profit (loss) of entities accounted for using equity method	(5,162)	1,282	(46,626)
(Decrease) increase in allowance for doubtful receivables	(773)	187	(6,982)
Increase (decrease) in net defined benefit liability	609	(48)	5,501
Decrease in provision for directors' retirement benefits	(184)	(245)	(1,662)
Decrease in provision for loss on guarantees	—	(2,358)	—
Interest and dividend income	(2,754)	(2,791)	(24,876)
Interest expenses	800	968	7,226
Gain on sale of short-term investments and investments in securities	(1,766)	(2,682)	(15,952)
Loss on devaluation of short-term investments and investments in securities	347	762	3,134
(Increase) decrease in trade notes and accounts receivable	(16,283)	19,048	(147,078)
(Increase) decrease in inventories	(5,527)	5,694	(49,923)
Increase (decrease) in trade notes and accounts payable	2,687	(13,799)	24,271
Other, net	(1,271)	(8,347)	(11,480)
Sub total	53,221	68,416	480,724
Interest and dividend received	2,725	2,755	24,614
Dividend received from entities accounted for using equity method	3,577	10,693	32,310
Interest paid	(791)	(1,030)	(7,145)
Loss from money transfer scam at subsidiary	(984)	—	(8,888)
Income taxes paid	(9,259)	(7,173)	(83,633)
Other, net	6,975	572	63,002
Net cash provided by (used in) operating activities	55,464	74,234	500,985
Cash flows from investing activities:			
Capital expenditures	(38,234)	(43,453)	(345,353)
Proceeds from sale of property, plant and equipment	805	1,144	7,271
Proceeds from sale of investment securities	4,951	4,702	44,720
Purchase of investments in securities and subsidiaries	(4,619)	(1,544)	(41,722)
Loan advances	(4,375)	(731)	(39,518)
Proceeds from collection of loans receivable	429	398	3,875
Proceeds from purchase of shares of subsidiaries resulting in change in scope of consolidation	—	5,810	—
Other, net	672	(248)	6,070
Net cash provided by (used in) investing activities	(40,370)	(33,922)	(364,646)
Cash flows from financing activities:			
Increase (decrease) in short-term borrowing	967	(14,927)	8,735
Proceeds from long-term borrowing	17,508	8,697	158,143
Payments on long-term borrowing	(5,886)	(15,768)	(53,166)
Proceeds from issuance of bonds	20,000	—	180,652
Redemption of bonds	(10,000)	—	(90,326)
Purchase of treasury stock	(4)	(8,733)	(36)
Proceeds from sale of treasury stock	0	—	0
Dividends paid to stockholders	(14,559)	(14,861)	(131,506)
Dividends paid to non-controlling interests	(1,906)	(1,890)	(17,216)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(396)	(1,208)	(3,577)
Other, net	(568)	(870)	(5,131)
Net cash provided by (used in) financing activities	5,154	(49,563)	46,554
Effect of exchange rate changes on cash and cash equivalents	698	(1,342)	6,305
Increase (decrease) in cash and cash equivalents	20,947	(10,594)	189,206
Cash and cash equivalents at beginning of year	70,043	80,379	632,671
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	84	258	759
Cash and cash equivalents at end of year	¥ 91,075	¥ 70,043	\$ 822,645

Consolidated Statement of Changes in Net Assets

Mitsubishi Gas Chemical Company, Inc. and Consolidated Subsidiaries
For the year ended March 31, 2021

	Stockholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total
Balance as of April 1, 2019	¥ 41,970	¥ 34,298	¥ 439,080	¥ (19,930)	¥ 495,418
Changes arising during year:					
Cash dividends			(14,861)		(14,861)
Profit attributable to owners of parent			21,158		21,158
Purchase of treasury stock				(8,733)	(8,733)
Disposition of treasury stock		11		40	51
Retirement of treasury stock		(7,023)		7,023	—
Transfer to additional paid-in capital from retained earnings		6,959	(6,959)		—
Change in scope of consolidation			1,246		1,246
Change in treasury stock of parent arising from transactions with non-controlling interests		(10)			(10)
Reversal of revaluation reserve for land			37		37
Net changes other than stockholders' equity					
Total changes during the year	—	(63)	621	(1,669)	(1,111)
Balance as of March 31, 2020	¥ 41,970	¥ 34,234	¥ 439,701	¥ (21,600)	¥ 494,306
Changes arising during year:					
Cash dividends			(14,559)		(14,559)
Profit attributable to owners of parent			36,070		36,070
Purchase of treasury stock				(4)	(4)
Disposition of treasury stock		14		42	57
Change in scope of consolidation			(3)		(3)
Change in scope of equity method			(1,418)		(1,418)
Change in treasury stock of parent arising from transactions with non-controlling interests		51			51
Net changes other than stockholders' equity					
Total changes during the year	—	66	20,088	37	20,192
Balance as of March 31, 2021	¥ 41,970	¥ 34,301	¥ 459,790	¥ (21,562)	¥ 514,499

	Stockholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total
Balance as of March 31, 2020	\$ 379,099	\$ 309,222	\$ 3,971,647	\$ (195,104)	\$ 4,464,872
Changes arising during year:					
Cash dividends			(131,506)		(131,506)
Profit attributable to owners of parent			325,806		325,806
Purchase of treasury stock				(36)	(36)
Disposition of treasury stock		126		379	515
Change of scope of consolidation			(27)		(27)
Change in scope of equity method			(12,808)		(12,808)
Change in treasury stock of parent arising from transactions with non-controlling interests		461			461
Net changes other than stockholders' equity					
Total changes during the year	—	596	181,447	334	182,386
Balance as of March 31, 2021	\$ 379,099	\$ 309,827	\$ 4,153,103	\$ (194,761)	\$ 4,647,268

Millions of yen							
Valuation difference on available-for-sale securities	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Deferred (losses) gains on hedges	Surplus on revaluation of land	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total		
¥ 13,023	¥ 1	¥ 222	¥ (6,327)	¥ 623	¥ 7,542	¥ 50,321	¥ 553,282
							(14,861)
							21,158
							(8,733)
							51
							—
							—
							1,246
							(10)
							37
(5,233)	3	(222)	(374)	(3,500)	(9,327)	5,298	(4,029)
(5,233)	3	(222)	(374)	(3,500)	(9,327)	5,298	(5,141)
¥ 7,789	¥ 4	¥ —	¥ (6,701)	¥ (2,877)	¥ (1,785)	¥ 55,619	¥ 548,141
							(14,559)
							36,070
							(4)
							57
							(3)
							(1,418)
							51
6,630	(622)		3,159	2,382	11,550	1,526	13,077
6,630	(622)	—	3,159	2,382	11,550	1,526	33,269
¥ 14,419	¥ (618)	¥ —	¥ (3,542)	¥ (494)	¥ 9,765	¥ 57,146	¥ 581,411

Thousands of U.S. dollars							
Valuation difference on available-for-sale securities	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Deferred (losses) gains on hedges	Surplus on revaluation of land	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total		
\$ 70,355	\$ 36	\$ —	\$ (60,528)	\$ (25,987)	\$ (16,123)	\$ 502,385	\$ 4,951,143
							(131,506)
							325,806
							(36)
							515
							(27)
							(12,808)
							461
59,886	(5,618)		28,534	21,516	104,327	13,784	118,119
59,886	(5,618)	—	28,534	21,516	104,327	13,784	300,506
\$ 130,241	\$ (5,582)	\$ —	\$ (31,993)	\$ (4,462)	\$ 88,203	\$ 516,177	\$ 5,251,657