

Consolidated Statement of Income

Mitsubishi Gas Chemical Company, Inc. and Consolidated Subsidiaries
For the year ended March 31, 2023

	Millions of yen		Thousands of U.S. dollars (note 2)
	2023	2022	2023
Net sales (note 24)	¥ 781,211	¥ 705,656	\$ 5,850,453
Cost of sales (note 13)	613,031	543,070	4,590,961
Gross profit	168,179	162,586	1,259,485
Selling, general and administrative expenses (notes 12 and 13)	119,149	107,225	892,301
Operating profit	49,030	55,360	367,183
Other income (expenses):			
Interest income	1,157	346	8,665
Dividend income	3,021	3,218	22,624
Interest expenses	(1,745)	(858)	(13,068)
Share of profit of entities accounted for using equity method	17,546	14,883	131,401
Gain on sale of investments in securities (note 4)	3,732	3,011	27,949
Rent expenses	(735)	(818)	(5,504)
Loss on valuation of investments in securities (note 4)	—	(286)	—
Personnel expenses for seconded employees	(1,852)	(1,361)	(13,870)
Impairment loss (note 14)	(1,128)	(7,059)	(8,448)
Loss on valuation of shares of subsidiaries and associates (note 4)	(846)	—	(6,336)
Loss on sale/disposal of non-current assets	(1,730)	(1,833)	(12,956)
Land maintenance expenses	(275)	—	(2,059)
Insurance claim income	151	2,616	1,131
Compensation income	649	—	4,860
Gain on recovery of money transfer scam at subsidiary	215	—	1,610
Reversal of Provision for loss on business of subsidiaries and associates	128	—	959
Gain on step acquisitions	—	796	—
Provision for business restructuring	(870)	(1,733)	(6,515)
Provision of allowance for doubtful accounts	(410)	(960)	(3,070)
Provision for loss on business of subsidiaries and associates	—	(188)	—
Fire loss	—	(128)	—
Loss on change in retirement benefit plan at subsidiary (note 8)	—	(109)	—
Other, net	4,199	4,734	31,446
Total other income (expenses)	21,208	14,267	158,826
Profit before income taxes	70,239	69,628	526,017
Income taxes (note 9):			
Current	13,831	16,542	103,580
Deferred	1,619	555	12,125
Total income taxes	15,450	17,098	115,704
Profit	¥ 54,788	¥ 52,530	\$ 410,305
Profit attributable to non-controlling interests	5,703	4,235	42,710
Profit attributable to owners of parent	¥ 49,085	¥ 48,295	\$ 367,595

See accompanying notes to consolidated financial statements.