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Consolidated Financial Results for the Nine Months Ended December 31, 2019 [Japanese GAAP]

President

February 05, 2020

Company name: IWATANI CORPORATION

Stock exchange listing: Tokyo

Code number: 8088

URL: http://www.iwatani.co.jp/ Representative: Mitsuhiro Tanimoto

Contact: Tetsuo Matsuo General Manager Accounting Dept.

Phone: 06-7637-3325

Scheduled date of filing quarterly securities report: February 13, 2020

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2019 (April 01, 2019 to December 31, 2019)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sale	s	Operating	profit	Ordinary	profit	Profit attributable to owners of parent		
Nine months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%	
December 31, 2019	499,490	(4.2)	15,440	(4.4)	18,011	(2.6)	11,396	(2.4)	
December 31, 2018	521,566	8.6	16,151	0.7	18,491	3.4	11,674	8.5	

(Note) Comprehensive income: Nine months ended December 31, 2019: ¥ 14,506 million [114.8%] Nine months ended December 31, 2018: ¥ 6,753 million [(63.3)%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2019	231.60	198.33
December 31, 2018	237.23	203.33

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Million yen	Million yen	%
December 31, 2019	479,724	184,890	36.7
March 31, 2019	457,603	173,986	36.1

(Reference) Equity: As of December 31, 2019: \(\preceq \) 176,232 million
As of March 31, 2019: \(\preceq \) 165,409 million

2. Dividends

	Annual dividends							
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen			
Fiscal year ended March 31, 2019	-	-	-	65.00	65.00			
Fiscal year ending March 31, 2020	-	-	-					
Fiscal year ending March 31, 2020 (Forecast)				65.00	65.00			

(Note) Revision to the forecast for dividends announced most recently:

(Note) Breakdown of the 3rd quarter dividend for the fiscal year ending March 31, 2020:

Commemorative dividend - yen Special dividend - yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2020(April 01, 2019 to March 31, 2020)

(% indicates changes from the previous corresponding period.)

	(/	o marcates en	anges n	om me previe	Jus Corre	sponding period.)			
	Net sale	s	Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	747,300	4.5	30,500	15.3	33,000	10.2	20,500	6.7	416.66

(Note) Revision to the financial results forecast announced most recently: No

- * Notes:
- (1) Changes in significant subsidiaries during the nine months ended December 31, 2019 (changes in specified subsidiaries resulting in changes in scope of consolidation):

New - (Company name:)
Exclusion: - (Company name:)

- (2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
 - 1) Changes in accounting policies due to the revision of accounting standards: No
 - 2) Changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Retrospective restatement: No
- (4) Total number of issued shares (common shares)
 - 1) Total number of issued shares at the end of the period (including treasury shares):

December 31, 2019: 50,273,005 shares March 31, 2019: 50,273,005 shares

2) Total number of treasury shares at the end of the period:

December 31, 2019: 1,058,342 shares March 31, 2019: 1,071,902 shares

3) Average number of shares during the period:

Nine months ended December 31, 2019: 49,210,275 shares Nine months ended December 31, 2018: 49,210,649 shares Assets

Current assets

Other

Land

Other

Other

Total assets

Total non-current assets

Total investments and other assets

77,593

259,768

457,603

85,363

273,248

479,724

	As of March 31,2019	As of December 31,2019	
Liabilities			
Current liabilities			
Notes and accounts payable - trade	72,512	70,291	
Electronically recorded obligations - operating	25,873	25,459	
Short-term borrowings	23,064	30,013	
Current portion of bonds	-	30,024	
Income taxes payable	5,436	1,858	
Provision for bonuses	5,039	2,513	
Other	40,795	40,006	
Total current liabilities	172,722	200,167	
Non-current liabilities			
Bonds payable	35,046	5,000	
Long-term borrowings	52,632	65,140	
Provision for retirement benefits for directors (and other officers)	1,639	1,461	
Provision for loss on litigation	157	157	
Retirement benefit liability	5,770	5,483	
Other	15,648	17,423	
Total non-current liabilities	110,894	94,666	
Total liabilities	283,617	294,834	
Net assets			
Shareholders' equity			
Share capital	20,096	20,096	
Capital surplus	16,680	16,728	
Retained earnings	112,968	121,164	
Treasury shares	(1,521)	(1,506)	
Total shareholders' equity	148,223	156,482	
Accumulated other comprehensive income			
Valuation difference on available-for-sale securities	16,283	19,901	
Deferred gains or losses on hedges	661	1,087	
Foreign currency translation adjustment	(22)	(1,541	
Remeasurements of defined benefit plans	263	302	
Total accumulated other comprehensive income	17,186	19,750	
Non-controlling interests	8,577	8,658	
Total net assets	173,986	184,890	
Total liabilities and net assets	457,603	479,724	

Cost of sales 398,842 374,74: Gross profit 122,724 124,74 Selling, general and administrative expenses 18,508 18,398 Transportation costs 18,508 18,398 Provision of allowance for doubiful accounts 37 1.7 Salaries, allowances and bonuses 29,842 30,888 Provision for bonuses 2,245 2,28 Retirement benefit spenses 1,250 1,22 Provision for tretirement benefits for directors (and other officers) 196 166 Other 4,491 56,53 Total selling, general and administrative expenses 106,572 109,30 Operating profit 16,151 15,44 Non-operating profit 16,151 18,44 Non-operating profit 206 23 Dividend income 1,000 1,11 Interest expenses 3,951 3,86 Other of profit of entitics accounted for using equity method 2,089 2,06 Other 2,089 2,06 Total non-operating income <			(Million yen)
Cost of sales 398,842 374,74: Gross profit 122,724 124,74 Selling, general and administrative expenses 18,508 18,398 Transportation costs 18,508 18,398 Provision of allowance for doubiful accounts 37 1.7 Salaries, allowances and bonuses 29,842 30,888 Provision for bonuses 2,245 2,28 Retirement benefit spenses 1,250 1,22 Provision for tretirement benefits for directors (and other officers) 196 166 Other 4,491 56,53 Total selling, general and administrative expenses 106,572 109,30 Operating profit 16,151 15,44 Non-operating profit 16,151 18,44 Non-operating profit 206 23 Dividend income 1,000 1,11 Interest expenses 3,951 3,86 Other of profit of entitics accounted for using equity method 2,089 2,06 Other 2,089 2,06 Total non-operating income <			
Gross profit 122,724 124,744 Selling, general and administrative expenses 8 Transportation costs 18,508 18,398 Provision of allowance for doubtful accounts 37 17 Salaries, allowances and bonuses 29,842 30,688 Provision for bonuses 2,245 2,288 Retirement benefit expenses 1,250 1,221 Provision for retirement benefits for directors (and other offices) 196 16 Other 54,491 56,532 109,300 Other 54,491 56,532 109,300 Operating profit 16,151 15,440 Non-operating income 206 233 Dividend income 206 233 Dividend income 1,060 1,116 Foreign exchange gains 311 18 Share of profit of entities accounted for using equity method 28 258 Other 2,089 2,269 Total non-operating income 3,951 3,86 Non-operating expenses 3736 643	Net sales	521,566	499,490
Selling, general and administrative expenses 18,508 18,308 Transportation costs 18,508 18,308 Provision of allowance for doubfful accounts 37 17 Salaries, allowances and bonuses 29,842 30,688 Provision for bonuses 2,245 2,288 Retricement benefit expenses 196 160 Other 54,491 56,532 Total selling, general and administrative expenses 106,572 109,300 Oberating profit 16,151 15,440 Non-operating income 206 233 Interest income 206 233 Dividend income 1,060 1,116 Forciga exchange gains 311 188 Share of profit of entities accounted for using equity method 282 258 Other 2,089 2,067 Total non-operating income 3,951 3,36 Non-operating expenses 736 645 Interest expenses 736 645 Interest expenses 1,611 1,29	Cost of sales	398,842	374,745
Transportation costs 18,508 18,398 Provision of allowance for doubtful accounts 37 37 37 37 37 37 37 3	Gross profit	122,724	124,744
Provision of allowance for doubtful accounts	Selling, general and administrative expenses		
Salaries, allowances and bonuses 29,842 30,688 Provision for bonuses 2,245 2,286 Retirement benefit expenses 1,250 1,221 Provision for retirement benefits for directors (and other officers) 196 166 Other \$4,491 \$6,532 Total selling, general and administrative expenses 106,572 109,300 Operating profit 16,151 15,440 Non-operating income 206 23 Interest income 206 23 Dividend income 1,060 1,118 Foreign exchange gains 311 188 Share of profit of entities accounted for using equity method 2,089 2,066 Other 2,089 2,066 Total non-operating income 3,951 3,866 Non-operating expenses 736 648 Interest expenses 736 649 Interest expenses 736 649 Other 512 344 Total non-operating expenses 161 1,29 O	Transportation costs	18,508	18,398
Provision for bonuses 2,245 2,286 Retirement benefit expenses 1,250 1,221 Provision for retirement benefits for directors (and other officers) 196 166 Other \$4,491 \$6,532 Total selling, general and administrative expenses 106,572 109,300 Operating profit 161,51 15,446 Non-operating income 1 1,600 1,116 Interest income 206 233 Dividend income 1,060 1,116 Foreign exchange gains 311 187 Share of profit of entities accounted for using equity method 282 2.56 Other 2,089 2,066 Total non-operating income 3,951 3,866 Non-operating expenses 736 64 Interest expenses 736 64 Other 512 34 Total non-operating expenses 736 64 Other 512 34 Total conspectating expenses 736 64 Other <td>Provision of allowance for doubtful accounts</td> <td>37</td> <td>17</td>	Provision of allowance for doubtful accounts	37	17
Retirement benefit expenses 1,250 1,221 Provision for retirement benefits for directors (and other officers) 196 166 Other \$4,491 \$56,533 Total selling, general and administrative expenses 106,572 109,304 Operating profit 16,151 15,444 Non-operating income 206 23 Dividend income 1,060 1,116 Foreign exchange gains 311 187 Share of profit of entities accounted for using equity method 282 258 Other 2,089 2,067 Total non-operating income 3,951 3,86 Non-operating expenses 736 645 Interest expenses 736 645 Sales discounts 362 30 Other 512 344 Total non-operating expenses 1,611 1,292 Ordinary profit 18,491 18,011 Extraordinary income 10 3 Gain on sales of non-current assets 0 3 Gain on sales	Salaries, allowances and bonuses	29,842	30,689
Provision for retirement benefits for directors (and other officers) 196 166 Other \$4,491 \$6,532 Total selling, general and administrative expenses 106,572 109,300 Operating profit \$1,615 \$1,440 Non-operating income 206 233 Interest income 1,060 1,116 Foreign exchange gains 311 185 Share of profit of entities accounted for using equity method 282 255 Other 2,089 2,066 Total non-operating income 3,951 3,866 Non-operating expenses 736 645 Interest expenses 736 645 Sales discounts 362 300 Other 512 344 Total non-operating expenses 1,611 12,92 Ordinary profit 512 34 Total non-operating expenses 1,611 12,92 Ordinary profit 9 1 Extraordinary income 10 2 Gain on sales of non-current assets </td <td>Provision for bonuses</td> <td>2,245</td> <td>2,284</td>	Provision for bonuses	2,245	2,284
other officers) 190 160 Other \$4,491 \$6,532 Total selling, general and administrative expenses 106,572 103,300 Operating profit 16,151 15,440 Non-operating income 206 233 Dividend income 1,060 1,116 Foreign exchange gains 311 18 Share of profit of entities accounted for using equity method 282 256 Other 2,089 2,067 Total non-operating income 3,951 3,86 Non-operating expenses 362 30 Interest expenses 736 64 Sales discounts 362 30 Other 512 344 Total non-operating expenses 1,611 1,293 Ordinary profit 18,491 18,011 Extraordinary profit 18,491 18,011 Extraordinary income 10 48 Gain on sales of non-current assets 104 48 Gain on bargain purchase - 30	Retirement benefit expenses	1,250	1,221
Total selling, general and administrative expenses 106,572 109,304 Operating profit 16,151 15,440 Non-operating income 206 233 Dividend income 1,060 1,110 Foreign exchange gains 311 187 Share of profit of entities accounted for using equity method 282 258 Other 2,089 2,067 Total non-operating income 3,951 3,864 Non-operating expenses 736 648 Sales discounts 362 300 Other 512 34 Total non-operating expenses 1,611 1,292 Ordinary profit 18,491 18,611 Extraordinary income 1,611 1,292 Gain on sales of non-current assets 10 4 Gain on sales of non-current assets 10 3 Subsidy income 10 2 Extraordinary income 114 797 Extraordinary income 14 797 Extraordinary income 26	other officers)	196	160
Operating profit 16,151 15,440 Non-operating income 206 233 Dividend income 1,060 1,110 Foreign exchange gains 311 188 Share of profit of entities accounted for using equity method 282 258 Other 2,089 2,066 Total non-operating income 3,951 3,866 Non-operating expenses 736 648 Interest expenses 736 648 Sales discounts 362 300 Other 512 34 Total non-operating expenses 1,611 1,292 Ordinary profit 18,491 18,011 Extraordinary income 10 3 Gain on sales of investment securities 0 3 Gain on bargain purchase - 30 Subsidy income 10 3 Extraordinary income 10 3 Extraordinary losses 26 215 Loss on sales of non-current assets 26 215	Other	54,491	56,533
Non-operating income 206 233 Dividend income 1,060 1,110 Foreign exchange gains 311 188 Share of profit of entities accounted for using equity method 282 258 Other 2,089 2,066 Total non-operating income 3,951 3,866 Non-operating expenses 736 648 Sales discounts 362 300 Other 512 344 Total non-operating expenses 1,611 1,293 Other 512 344 Total non-operating expenses 1,611 1,293 Ordinary profit 18,491 18,011 Extraordinary profit 18,491 18,011 Extraordinary income 10 3 Gain on sales of non-current assets 0 3 Gain on bargain purchase - 303 Subsidy income 10 3 Extraordinary income 114 797 Extraordinary losses 26 215 Loss	Total selling, general and administrative expenses	106,572	109,304
Interest income	Operating profit	16,151	15,440
Dividend income 1,060 1,160 Foreign exchange gains 311 187 Share of profit of entities accounted for using equity method 282 258 Other 2,089 2,067 Total non-operating income 3,951 3,866 Non-operating expenses 8 1,610 1,293 Interest expenses 736 648 Sales discounts 362 300 Other 512 344 Total non-operating expenses 1,611 1,293 Ordinary profit 18,491 18,011 Extraordinary income 104 483 Gain on sales of non-current assets 104 483 Gain on bargain purchase - 30 Subsidy income 10 2 Total extraordinary income 114 799 Extraordinary losses 26 215 Loss on sales of non-current assets 26 215 Loss on valuation of investment securities 2 6 Loss on valuation of investment securities	Non-operating income		
Foreign exchange gains 311 187 Share of profit of entities accounted for using equity method 282 258 Other 2,089 2,066 Total non-operating income 3,951 3,866 Non-operating expenses 736 645 Interest expenses 736 645 Sales discounts 362 300 Other 512 344 Total non-operating expenses 1,611 1,293 Ordinary profit 18,491 18,011 Extraordinary income 300 7 Gain on sales of non-current assets 104 483 Gain on sales of investment securities 0 7 Gain on bargain purchase - 300 Subsidy income 10 3 Total extraordinary income 114 797 Extraordinary losses 2 215 Loss on sales of non-current assets 26 215 Loss on retirement of non-current assets 215 22 Loss on retirement of non-current assets	Interest income	206	233
Share of profit of entities accounted for using equity method 282 258 Other 2,089 2,066 Total non-operating income 3,951 3,866 Non-operating expenses 362 30 Interest expenses 736 648 Sales discounts 362 30 Other 512 344 Total non-operating expenses 1,611 1,293 Ordinary profit 18,491 18,011 Extraordinary income 30 483 Gain on sales of non-current assets 10 483 Gain on sales of investment securities 0 7 Gain on bargain purchase - 300 Subsidy income 10 3 Total extraordinary income 114 797 Extraordinary losses 2 2 Loss on sales of non-current assets 26 215 Loss on retirement of non-current assets 215 22 Impairment loss 30 15 Loss on valuation of investment securities 2 <td>Dividend income</td> <td>1,060</td> <td>1,116</td>	Dividend income	1,060	1,116
method 2.08 2.06 Other 2,089 2,066 Total non-operating income 3,951 3,866 Non-operating expenses 8 Interest expenses 736 649 Sales discounts 362 300 Other 512 344 Total non-operating expenses 1,611 1,293 Ordinary profit 18,491 18,011 Extraordinary income 104 483 Gain on sales of non-current assets 104 483 Gain on bargain purchase - 303 Subsidy income 10 3 Total extraordinary income 114 797 Extraordinary losses 26 215 Loss on sales of non-current assets 26 215 Loss on retirement of non-current assets 26 215 Loss on valuation of investment securities 2 66 Loss on valuation of investments in capital 0 - Loss on tax purpose reduction entry of non-current assets 5 19	Foreign exchange gains	311	187
Total non-operating income 3,951 3,864 Non-operating expenses 1 648 Interest expenses 736 648 Sales discounts 362 300 Other 512 344 Total non-operating expenses 1,611 1,292 Ordinary profit 18,491 18,011 Extraordinary income 300 7 Gain on sales of non-current assets 104 483 Gain on bargain purchase - 303 Subsidy income 10 3 Total extraordinary income 114 797 Extraordinary losses 2 2 Loss on sales of non-current assets 26 215 Loss on retirement of non-current assets 26 215 Loss on retirement of subsidiaries and associates - 30 Loss on valuation of investment securities 2 66 Loss on valuation of investment securities 2 61 Loss on valuation of investments in capital 0 1 Loss on tax purpos		282	258
Non-operating expenses	Other	2,089	2,067
Interest expenses 736 649 Sales discounts 362 300 Other 512 344 Total non-operating expenses 1,611 1,293 Ordinary profit 18,491 18,011 Extraordinary income 8 303 Gain on sales of non-current assets 104 483 Gain on sales of investment securities 0 5 Gain on bargain purchase - 303 Subsidy income 10 3 Total extraordinary income 114 797 Extraordinary losses 2 215 Loss on sales of non-current assets 26 215 Loss on sales of non-current assets 26 215 Loss on valuation of investment securities 2 66 Loss on valuation of investment securities 2 61 Loss on valuation of investments in capital 0 0 Loss on tax purpose reduction entry of non-current assets 5 15 Total extraordinary losses 280 616 Pro	Total non-operating income	3,951	3,864
Sales discounts 362 300 Other 512 344 Total non-operating expenses 1,611 1,293 Ordinary profit 18,491 18,011 Extraordinary income 8 Gain on sales of non-current assets 104 483 Gain on bargain purchase - 303 Subsidy income 10 3 Total extraordinary income 114 797 Extraordinary losses 2 215 Loss on sales of non-current assets 26 215 Loss on retirement of non-current assets 26 215 Loss on valuation of investment securities 2 66 Loss on valuation of investment securities 2 66 Loss on valuation of investments in capital 0 - Loss on tax purpose reduction entry of non-current assets 28 66 Total extraordinary losses 280 616 Profit before income taxes 18,325 18,192 Income taxes 6,005 6,202 Profit <	Non-operating expenses		
Other 512 344 Total non-operating expenses 1,611 1,293 Ordinary profit 18,491 18,011 Extraordinary income 300 300 Gain on sales of non-current assets 104 483 Gain on bargain purchase - 303 Subsidy income 10 3 Total extraordinary income 114 797 Extraordinary losses 26 215 Loss on sales of non-current assets 26 215 Loss on retirement of non-current assets 215 223 Impairment loss 30 15 Loss on valuation of investment securities 2 66 Loss on valuation of subsidiaries and associates - 76 Loss on tax purpose reduction entry of non-current assets 5 15 Total extraordinary losses 280 616 Profit before income taxes 18,325 18,192 Income taxes 6,005 6,202 Profit 12,319 11,996 Profit attributable	Interest expenses	736	649
Total non-operating expenses 1,611 1,292 Ordinary profit 18,491 18,011 Extraordinary income Gain on sales of non-current assets 104 483 Gain on sales of investment securities 0 7 Gain on bargain purchase - 303 Subsidy income 10 3 Total extraordinary income 114 797 Extraordinary losses Loss on sales of non-current assets 26 215 Loss on retirement of non-current assets 215 223 Impairment loss 30 15 Loss on valuation of investment securities 2 66 Loss on liquidation of subsidiaries and associates - 76 Loss on valuation of investments in capital 0 - Loss on tax purpose reduction entry of non-current assets 5 15 Total extraordinary losses 280 616 Profit before income taxes 18,325 18,192 Income taxes 6,005 6,202 Profit 12,319 11,990	Sales discounts	362	300
Ordinary profit 18,491 18,011 Extraordinary income 30 Gain on sales of non-current assets 104 483 Gain on sales of investment securities 0 7 Gain on bargain purchase - 303 Subsidy income 10 3 Total extraordinary income 114 797 Extraordinary losses 26 219 Loss on sales of non-current assets 26 219 Loss on retirement of non-current assets 215 223 Impairment loss 30 15 Loss on valuation of investment securities 2 66 Loss on liquidation of subsidiaries and associates - 76 Loss on valuation of investments in capital 0 - Loss on valuation of investments in capital 0 - Loss on tax purpose reduction entry of non-current assets 5 15 Total extraordinary losses 280 616 Profit before income taxes 18,325 18,192 Income taxes 6,005 6,202 Profit 12,319 11,990	Other	512	344
Extraordinary income 483 Gain on sales of non-current assets 104 483 Gain on sales of investment securities 0 7 Gain on bargain purchase - 303 Subsidy income 10 3 Total extraordinary income 114 797 Extraordinary losses 26 219 Loss on sales of non-current assets 26 219 Loss on retirement of non-current assets 215 223 Impairment loss 30 15 Loss on valuation of investment securities 2 66 Loss on liquidation of subsidiaries and associates - 76 Loss on valuation of investments in capital 0 - Loss on tax purpose reduction entry of non-current assets 5 15 Total extraordinary losses 280 616 Profit before income taxes 18,325 18,192 Income taxes 6,005 6,202 Profit 12,319 11,990 Profit attributable to non-controlling interests 645 593	Total non-operating expenses	1,611	1,293
Gain on sales of non-current assets 104 483 Gain on sales of investment securities 0 7 Gain on bargain purchase - 303 Subsidy income 10 3 Total extraordinary income 114 797 Extraordinary losses 26 215 Loss on sales of non-current assets 26 215 Loss on retirement of non-current assets 215 223 Impairment loss 30 15 Loss on valuation of investment securities 2 61 Loss on valuation of subsidiaries and associates - 76 Loss on valuation of investments in capital 0 - Loss on tax purpose reduction entry of non-current assets 280 616 Total extraordinary losses 280 616 Profit before income taxes 18,325 18,192 Income taxes 6,005 6,202 Profit attributable to non-controlling interests 645 593	Ordinary profit	18,491	18,011
Gain on sales of investment securities 0 7 Gain on bargain purchase - 303 Subsidy income 10 3 Total extraordinary income 114 797 Extraordinary losses 2 215 Loss on sales of non-current assets 26 215 Loss on retirement of non-current assets 215 223 Impairment loss 30 15 Loss on valuation of investment securities 2 61 Loss on liquidation of subsidiaries and associates - 76 Loss on valuation of investments in capital 0 - Loss on tax purpose reduction entry of non-current assets 5 16 Total extraordinary losses 280 616 Profit before income taxes 18,325 18,192 Income taxes 6,005 6,202 Profit 12,319 11,996 Profit attributable to non-controlling interests 645 593	Extraordinary income		
Gain on bargain purchase - 303 Subsidy income 10 3 Total extraordinary income 114 797 Extraordinary losses Extraordinary losses Loss on sales of non-current assets 26 215 Loss on retirement of non-current assets 215 223 Impairment loss 30 15 Loss on valuation of investment securities 2 61 Loss on liquidation of subsidiaries and associates - 76 Loss on valuation of investments in capital 0 - Loss on tax purpose reduction entry of non-current assets 5 15 Total extraordinary losses 280 616 Profit before income taxes 18,325 18,192 Income taxes 6,005 6,202 Profit 12,319 11,990 Profit attributable to non-controlling interests 645 593	Gain on sales of non-current assets	104	483
Subsidy income 10 3 Total extraordinary income 114 797 Extraordinary losses 26 219 Loss on sales of non-current assets 215 223 Impairment loss 30 15 Loss on valuation of investment securities 2 61 Loss on liquidation of subsidiaries and associates - 76 Loss on valuation of investments in capital 0 - Loss on tax purpose reduction entry of non-current assets 5 15 Total extraordinary losses 280 616 Profit before income taxes 18,325 18,192 Income taxes 6,005 6,202 Profit 12,319 11,990 Profit attributable to non-controlling interests 645 593	Gain on sales of investment securities	0	7
Total extraordinary income 114 797 Extraordinary losses 26 219 Loss on sales of non-current assets 215 223 Loss on retirement of non-current assets 30 15 Loss on valuation of investment securities 2 61 Loss on valuation of investment securities 2 61 Loss on liquidation of subsidiaries and associates - 76 Loss on valuation of investments in capital 0 - Loss on tax purpose reduction entry of non-current assets 5 19 Total extraordinary losses 280 616 Profit before income taxes 18,325 18,192 Income taxes 6,005 6,202 Profit 12,319 11,990 Profit attributable to non-controlling interests 645 593	Gain on bargain purchase	-	303
Extraordinary losses 26 219 Loss on sales of non-current assets 215 223 Loss on retirement of non-current assets 30 15 Impairment loss 30 15 Loss on valuation of investment securities 2 61 Loss on liquidation of subsidiaries and associates - 76 Loss on valuation of investments in capital 0 - Loss on tax purpose reduction entry of non-current assets 5 19 Total extraordinary losses 280 616 Profit before income taxes 18,325 18,192 Income taxes 6,005 6,202 Profit 12,319 11,990 Profit attributable to non-controlling interests 645 593	Subsidy income	10	3
Loss on sales of non-current assets 26 219 Loss on retirement of non-current assets 215 223 Impairment loss 30 15 Loss on valuation of investment securities 2 61 Loss on liquidation of subsidiaries and associates - 76 Loss on valuation of investments in capital 0 - Loss on tax purpose reduction entry of non-current assets 5 19 Total extraordinary losses 280 616 Profit before income taxes 18,325 18,192 Income taxes 6,005 6,202 Profit 12,319 11,996 Profit attributable to non-controlling interests 645 593	Total extraordinary income	114	797
Loss on retirement of non-current assets 215 223 Impairment loss 30 15 Loss on valuation of investment securities 2 61 Loss on liquidation of subsidiaries and associates - 76 Loss on valuation of investments in capital 0 - Loss on tax purpose reduction entry of non-current assets 5 19 Total extraordinary losses 280 616 Profit before income taxes 18,325 18,192 Income taxes 6,005 6,202 Profit 12,319 11,990 Profit attributable to non-controlling interests 645 593	Extraordinary losses		
Impairment loss 30 15 Loss on valuation of investment securities 2 61 Loss on liquidation of subsidiaries and associates - 76 Loss on valuation of investments in capital 0 - Loss on tax purpose reduction entry of non-current assets 5 15 Total extraordinary losses 280 616 Profit before income taxes 18,325 18,192 Income taxes 6,005 6,202 Profit 12,319 11,996 Profit attributable to non-controlling interests 645 593	Loss on sales of non-current assets	26	219
Loss on valuation of investment securities 2 61 Loss on liquidation of subsidiaries and associates - 76 Loss on valuation of investments in capital 0 - Loss on tax purpose reduction entry of non-current assets 5 19 Total extraordinary losses 280 616 Profit before income taxes 18,325 18,192 Income taxes 6,005 6,202 Profit 12,319 11,990 Profit attributable to non-controlling interests 645 593	Loss on retirement of non-current assets	215	223
Loss on liquidation of subsidiaries and associates - 76 Loss on valuation of investments in capital 0 - Loss on tax purpose reduction entry of non-current assets 5 19 Total extraordinary losses 280 616 Profit before income taxes 18,325 18,192 Income taxes 6,005 6,202 Profit 12,319 11,990 Profit attributable to non-controlling interests 645 593	Impairment loss	30	15
Loss on valuation of investments in capital 0 Loss on tax purpose reduction entry of non-current assets 5 Total extraordinary losses 280 616 Profit before income taxes 18,325 18,192 Income taxes 6,005 6,202 Profit 12,319 11,990 Profit attributable to non-controlling interests 645 593	Loss on valuation of investment securities	2	61
Loss on tax purpose reduction entry of non-current assets 5 19 Total extraordinary losses 280 616 Profit before income taxes 18,325 18,192 Income taxes 6,005 6,202 Profit 12,319 11,990 Profit attributable to non-controlling interests 645 593	Loss on liquidation of subsidiaries and associates	-	76
assets Total extraordinary losses 280 616 Profit before income taxes 18,325 18,192 Income taxes 6,005 6,202 Profit 12,319 11,990 Profit attributable to non-controlling interests 645 593		0	-
Profit before income taxes 18,325 18,192 Income taxes 6,005 6,202 Profit 12,319 11,990 Profit attributable to non-controlling interests 645 593		5	19
Income taxes 6,005 6,202 Profit 12,319 11,990 Profit attributable to non-controlling interests 645 593	Total extraordinary losses	280	616
Profit 12,319 11,990 Profit attributable to non-controlling interests 645 593	Profit before income taxes	18,325	18,192
Profit attributable to non-controlling interests 645 593	Income taxes	6,005	6,202
	Profit	12,319	11,990
Profit attributable to owners of parent 11,674 11,396	Profit attributable to non-controlling interests	645	593
	Profit attributable to owners of parent	11,674	11,396

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

		(Million yen)
	For the nine months ended December 31,2018	For the nine months ended December 31,2019
Profit	12,319	11,990
Other comprehensive income		
Valuation difference on available-for-sale securities	(4,977)	3,531
Deferred gains or losses on hedges	370	427
Foreign currency translation adjustment	(956)	(1,525)
Remeasurements of defined benefit plans, net of tax	73	40
Share of other comprehensive income of entities accounted for using equity method	(76)	42
Total other comprehensive income	(5,565)	2,515
Comprehensive income	6,753	14,506
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	6,215	13,960
Comprehensive income attributable to non-controlling interests	538	545

Results for 3Q FY2019

(1) Consolidated Statements of Income

(Unit: 100 million yen)

					o minion jen)
	3Q FY2018 Apr-Dec 2018	3Q FY2019 Apr-Dec 2019	Change	Rate	FY2019 (Forecast)
Net sales	5,215	4,994	(220)	(4.2%)	7,473
Gross profit	1,227	1,247	20	1.6%	_
Operating profit	161	154	(7)	(4.4%)	305
Ordinary profit	184	180	(4)	(2.6%)	330
Profit attributable to owners of parent	116	113	(2)	(2.4%)	205

^{*} Figures for fiscal year ending March 31, 2020 (forecast) were announced on May 14, 2019.

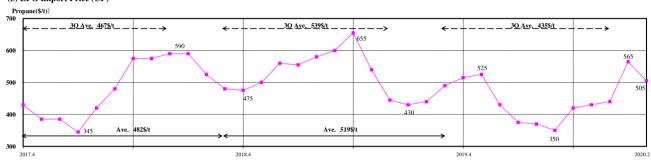
(2) Ordinary Profit Except for Impact of LPG Import Price Fluctuation

(Unit: 100 million yen)

		3Q FY2019 Apr-Dec 2019		Rate	FY2019 (Forecast)
Ordinary profit	184	180	(4)	(2.6%)	330
Impact of LPG import price fluctuation	0	(18)	(18)	_	_
Ordinary profit except for impact of LPG import price fluctuation	184	198	13	7.3%	330

^{*} Please see a slide of "Impact of LPG Import Price Fluctuations" in Financial Results Briefing Materials. (http://www.iwatani.co.jp/eng/investor/data/presentation.html)

(3) LPG Import Price (CP)



(4) Segment Information

(Unit: 100 million yen)

		(Спи 10	minion yen)		
		3Q FY2018 Apr-Dec 2018	3Q FY2019 Apr-Dec 2019	Change	Rate
Enorm	Net sales (Sales to outside customers)	2,433	2,240	(192)	(7.9%)
Energy	Operating profit	58	51	(7)	(13.3%)
Industrial Gases & Machinery	Net sales (Sales to outside customers)	1,363	1,380	17	1.3%
industrial Gases & Machinery	Operating profit	72	81	9	12.8%
Materials	Net sales (Sales to outside customers)	1,193	1,130	△ 63	(5.3%)
iviateriais	Operating profit	39	30	△ 9	(22.5%)
Agri-Bio & Foods	Net sales (Sales to outside customers)	195	204	8	4.4%
Agii-Bio & Foods	Operating profit	5	7	2	42.5%
Others, Adjustments	Net sales (Sales to outside customers)	30	39	9	31.1%
Outers, Aujustinents	Operating profit	(15)	(17)	(1)	_

(5) LPG and Industrial Gases Net Sales · Sales Volume

(c) 22 6 und maderim Guses recognies sures volume								
	Sales volume (thousand tons)				Net sales (100 million yen)			
	3Q FY2018 Apr-Dec 2018	3Q FY2019 Apr-Dec 2019	Change	Rate	3Q FY2018 Apr-Dec 2018	3Q FY2019 Apr-Dec 2019	Change	Rate
Domestic residential use	1,009	1,003	(5)	(0.5%)	1,054	962	(91)	(8.7%)
Domestic industrial use	237	231	(5)	(2.5%)	199	162	(37)	(18.6%)
LPG sub total (except for overseas)	1,247	1,235	(11)	(0.9%)	1,253	1,124	(128)	(10.3%)
LPG total	1,860	1,813	(47)	(2.6%)	1,624	1,384	(240)	(14.8%)
Various Industrial gases	_	_		-	766	760	(6)	(0.9%)

(6) Financial Position

(Unit: 100 million ven	(Un	it: 10	00 mil	llion v	en)
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(Unit: 100 million ye		it: 100 million yen)	
	FY2018 end	3Q FY2019 end	Change
Total assets	4,576	4,797	221
Equity capital	1,654	1,762	108
Interest-bearing debt, gross	1,263	1,411	148
Interest-bearing debt, net	1,064	1,193	129
Equity capital ratio	36.1%	36.7%	0.6pt
Ratio of interest-bearing debt to total assets	27.6%	29.4%	1.8pt
Debt-to-equity ratio, gross	0.76	0.80	0.04pt
Debt-to-equity ratio, net	0.64	0.67	0.03pt

^{*} Interest-bearing debt include lease liabilities in the amount of \(\forall 3.5\) billion.

(7)Capital Expenditure

(Unit: 100 million yen)

	(011	(Cinc. 100 minion yen)	
	3Q FY2019 Apr-Dec 2019	FY2019 (Forecast)	
Energy	86	120	
Industrial Gases & Machinery	111	200	
Materials	32	82	
Agri-Bio & Foods	0	2	
Others, Adjustments	14	26	
Capital expenditure	245	430	
Depreciation expense	134	190	

^{*} Figures for capital expenditure totalize fixed assets, intangible assets (goodwill excluded), and investments in securities.

(8)Non-consolidated

Non-consolidated Statements of Income

(Unit: 100 million yen)

	3Q FY2018 Apr-Dec 2018	3Q FY2019 Apr-Dec 2019	Change	Rate
Net sales	3,764	3,459	(304)	(8.1%)
Operating income	59	38	(21)	(35.5%)
Ordinary income	104	93	(11)	(10.7%)
Net income	79	74	(5)	(6.6%)

Financial Position

(Unit: 100 million ven)

	(Cint: 100 minor yen)		
	FY2018 end	3Q FY2019 end	Change
Total assets	3,230	3,413	182
Equity capital	1,100	1,181	81
Equity capital ratio	34.1%	34.6%	0.5pt