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## Consolidated Financial Results for the Year Ended March 31, 2020 [Japanese GAAP]

May 14, 2020

Company name: IWATANI CORPORATION

Stock exchange listing: Tokyo

Code number: 8088

URL: <http://www.iwatani.co.jp/>

Representative: Hiroshi Majima

Contact: Tetsuo Matsuo

Phone: 06-7637-3325

President

Managing Officer, General Manager Accounting Dept.

Scheduled date of Annual General Meeting of Shareholders: June 24, 2020

Scheduled date of commencing dividend payments: June 25, 2020

Scheduled date of filing annual securities report: June 25, 2020

Availability of supplementary briefing material on annual financial results: Yes

Schedule of annual financial results briefing session: Yes

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

### 1. Consolidated Financial Results for the Fiscal Year Ended March 31, 2020 (April 01, 2019 to March 31, 2020)

#### (1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended March 31, 2020	686,771	(4.0)	28,728	8.6	32,270	7.7	20,994	9.2
March 31, 2019	715,085	6.6	26,456	(2.7)	29,952	1.9	19,221	9.4

(Note) Comprehensive income: Fiscal year ended March 31, 2020: ¥ 20,780 million [ 30.2%]  
Fiscal year ended March 31, 2019: ¥ 15,955 million [ (30.9)%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended March 31, 2020	Yen 426.63	Yen 365.50	% 12.1	% 7.0	% 4.2
March 31, 2019	390.62	334.88	12.0	6.6	3.7

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended March 31, 2020: ¥ 471 million  
Fiscal year ended March 31, 2019: ¥ 590 million

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of March 31, 2020	Million yen 469,715	Million yen 191,152	% 38.8	Yen 3,703.65
March 31, 2019	457,603	173,986	36.1	3,361.91

(Reference) Equity: As of March 31, 2020: ¥ 182,266 million  
As of March 31, 2019: ¥ 165,409 million

#### (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal year ended March 31, 2020	Million yen 40,264	Million yen (30,885)	Million yen (3,587)	Million yen 25,121
March 31, 2019	39,117	(23,693)	(13,614)	19,510

## 2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2019	-	-	-	65.00	65.00	3,201	16.6	2.0
March 31, 2020	-	-	-	95.00	95.00	4,680	22.3	2.7
Fiscal year ending March 31, 2021 (Forecast)	-	-	-	75.00	75.00		21.3	

(Note) Breakdown of the year-end dividend for the fiscal year ended March 31, 2020 :

Commemorative dividend	- yen
Special dividend	- yen

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2021 (April 01, 2020 to March 31, 2021)

(% 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	%	Yen
Full year	677,500	(1.4)	24,700	(14.0)	27,600	(14.5)	17,300	(17.6)	351.54

### \* Notes:

(1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No

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

(2) 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

(3) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

March 31, 2020:	50,273,005 shares
March 31, 2019:	50,273,005 shares

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

March 31, 2020:	1,060,379 shares
March 31, 2019:	1,071,902 shares

3) Average number of shares during the period:

Fiscal Year ended March 31, 2020:	49,211,123 shares
Fiscal Year ended March 31, 2019:	49,208,311 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2020 (April 01, 2019 to March 31, 2020)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Net income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2020	472,954	(7.0)	9,250	18.4	16,241	17.6	12,478	17.4
March 31, 2019	508,773	5.8	7,812	(32.0)	13,813	(19.3)	10,626	(13.7)

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2020	253.30	216.89
March 31, 2019	215.75	184.83

(2) Non-consolidated Financial Position

As of	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
March 31, 2020	331,220	118,272	35.7	2,400.81
March 31, 2019	323,079	110,013	34.1	2,233.77

(Reference) Equity: As of March 31, 2020: ¥ 118,272 million  
As of March 31, 2019: ¥ 110,013 million

# Consolidated Financial Statements

## Consolidated Balance Sheets

(Million yen)

	As of March 31,2019	As of March 31,2020
<b>Assets</b>		
Current assets		
Cash and deposits	19,947	25,525
Notes and accounts receivable - trade	119,857	107,041
Electronically recorded monetary claims - operating	2,322	13,467
Merchandise and finished goods	33,222	33,695
Work in process	3,376	3,737
Raw materials and supplies	4,421	4,800
Other	14,957	15,705
Allowance for doubtful accounts	(269)	(200)
Total current assets	197,835	203,772
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	38,240	38,528
Storage tanks and cylinders, net	7,475	7,126
Machinery, equipment and vehicles, net	37,130	38,479
Tools, furniture and fixtures, net	12,884	14,857
Land	62,251	65,331
Leased assets, net	3,798	3,673
Construction in progress	2,661	3,797
Total property, plant and equipment	164,441	171,793
Intangible assets		
Goodwill	14,135	12,904
Other	3,596	3,863
Total intangible assets	17,732	16,767
Investments and other assets		
Investment securities	63,544	63,769
Long-term loans receivable	183	141
Retirement benefit asset	1,424	1,145
Deferred tax assets	3,263	3,233
Other	9,766	9,666
Allowance for doubtful accounts	(588)	(575)
Total investments and other assets	77,593	77,381
Total non-current assets	259,768	265,942
<b>Total assets</b>	<b>457,603</b>	<b>469,715</b>

(Million yen)

	As of March 31,2019	As of March 31,2020
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	72,512	67,844
Electronically recorded obligations - operating	25,873	25,068
Short-term borrowings	23,064	19,434
Current portion of long-term borrowings	11,661	3,671
Current portion of bonds payable	-	35,016
Lease obligations	759	834
Income taxes payable	5,436	6,650
Provision for bonuses	5,039	5,152
Other	28,374	27,459
Total current liabilities	172,722	191,131
Non-current liabilities		
Bonds payable	35,046	-
Long-term borrowings	52,632	64,743
Lease obligations	3,196	2,877
Deferred tax liabilities	5,806	5,207
Provision for retirement benefits for directors (and other officers)	1,639	1,493
Provision for loss on litigation	157	163
Retirement benefit liability	5,770	5,615
Other	6,645	7,332
Total non-current liabilities	110,894	87,432
<b>Total liabilities</b>	<b>283,617</b>	<b>278,563</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	20,096	20,096
Capital surplus	16,680	16,728
Retained earnings	112,968	130,762
Treasury shares	(1,521)	(1,515)
Total shareholders' equity	148,223	166,071
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	16,283	14,119
Deferred gains or losses on hedges	661	1,608
Foreign currency translation adjustment	(22)	558
Remeasurements of defined benefit plans	263	(91)
Total accumulated other comprehensive income	17,186	16,194
Non-controlling interests	8,577	8,885
<b>Total net assets</b>	<b>173,986</b>	<b>191,152</b>
<b>Total liabilities and net assets</b>	<b>457,603</b>	<b>469,715</b>

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31,2019	For the fiscal year ended March 31,2020
Net sales	715,085	686,771
Cost of sales	544,471	510,512
Gross profit	170,613	176,259
Selling, general and administrative expenses		
Transportation costs	25,313	25,244
Provision of allowance for doubtful accounts	22	14
Salaries, allowances and bonuses	38,265	39,251
Provision for bonuses	4,422	4,492
Retirement benefit expenses	1,709	1,804
Provision for retirement benefits for directors (and other officers)	262	227
Depreciation	11,551	12,308
Rent expenses	9,970	9,747
Commission expenses	8,959	9,548
Amortization of goodwill	2,852	2,912
Other	40,827	41,981
Total selling, general and administrative expenses	144,157	147,531
Operating profit	26,456	28,728
Non-operating income		
Interest income	278	289
Dividend income	1,194	1,223
Foreign exchange gains	409	378
Share of profit of entities accounted for using equity method	590	471
Subsidy income	725	877
Other	2,539	2,533
Total non-operating income	5,738	5,774
Non-operating expenses		
Interest expenses	962	874
Sales discounts	501	415
Cancellation penalty	-	260
Other	777	681
Total non-operating expenses	2,242	2,231
Ordinary profit	29,952	32,270

(Million yen)

	For the fiscal year ended March 31,2019	For the fiscal year ended March 31,2020
Extraordinary income		
Gain on sales of non-current assets	146	517
Gain on sales of investment securities	152	58
Gain on bargain purchase	-	303
Insurance claim income	115	-
Subsidy income	84	213
Total extraordinary income	497	1,092
Extraordinary losses		
Loss on sales of non-current assets	40	229
Loss on retirement of non-current assets	452	431
Impairment loss	135	85
Loss on valuation of investment securities	31	111
Loss on valuation of investments in capital	0	-
Loss on liquidation of subsidiaries and associates	-	76
Provision for loss on litigation	157	-
Loss on tax purpose reduction entry of non-current assets	194	229
Total extraordinary losses	1,012	1,164
Profit before income taxes	29,438	32,197
Income taxes - current	9,209	10,306
Income taxes - deferred	59	66
Total income taxes	9,268	10,373
Profit	20,169	21,824
Profit attributable to non-controlling interests	948	829
Profit attributable to owners of parent	19,221	20,994

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31,2019	For the fiscal year ended March 31,2020
Profit	20,169	21,824
Other comprehensive income		
Valuation difference on available-for-sale securities	(3,306)	(2,193)
Deferred gains or losses on hedges	717	949
Foreign currency translation adjustment	(1,586)	584
Remeasurements of defined benefit plans, net of tax	67	(343)
Share of other comprehensive income of entities accounted for using equity method	(106)	(39)
Total other comprehensive income	(4,214)	(1,043)
Comprehensive income	15,955	20,780
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	15,120	20,003
Comprehensive income attributable to non-controlling interests	834	777



Consolidated Statements of Changes in Net Assets

For the fiscal year ended March 31, 2019

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	20,096	18,077	96,455	(1,508)	133,121
Changes during period					
Dividends of surplus			(2,708)		(2,708)
Profit attributable to owners of parent			19,221		19,221
Purchase of treasury shares				(13)	(13)
Disposal of treasury shares		0		0	0
Purchase of shares of consolidated subsidiaries		(1,397)			(1,397)
Change in treasury shares arising from change in equity in entities accounted for using equity method				0	0
Net changes in items other than shareholders' equity					
Total changes during period	-	(1,397)	16,512	(13)	15,101
Balance at end of period	20,096	16,680	112,968	(1,521)	148,223

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	19,593	(58)	1,548	203	21,287	11,491	165,901
Changes during period							
Dividends of surplus							(2,708)
Profit attributable to owners of parent							19,221
Purchase of treasury shares							(13)
Disposal of treasury shares							0
Purchase of shares of consolidated subsidiaries							(1,397)
Change in treasury shares arising from change in equity in entities accounted for using equity method							0
Net changes in items other than shareholders' equity	(3,309)	719	(1,571)	59	(4,101)	(2,914)	(7,016)
Total changes during period	(3,309)	719	(1,571)	59	(4,101)	(2,914)	8,085
Balance at end of period	16,283	661	(22)	263	17,186	8,577	173,986

For the fiscal year ended March 31,2020

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	20,096	16,680	112,968	(1,521)	148,223
Changes during period					
Dividends of surplus			(3,201)		(3,201)
Profit attributable to owners of parent			20,994		20,994
Purchase of treasury shares				(16)	(16)
Disposal of treasury shares		37		23	60
Purchase of shares of consolidated subsidiaries		10			10
Change in treasury shares arising from change in equity in entities accounted for using equity method					-
Net changes in items other than shareholders' equity					
Total changes during period	-	48	17,793	6	17,848
Balance at end of period	20,096	16,728	130,762	(1,515)	166,071

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	16,283	661	(22)	263	17,186	8,577	173,986
Changes during period							
Dividends of surplus							(3,201)
Profit attributable to owners of parent							20,994
Purchase of treasury shares							(16)
Disposal of treasury shares							60
Purchase of shares of consolidated subsidiaries							10
Change in treasury shares arising from change in equity in entities accounted for using equity method							-
Net changes in items other than shareholders' equity	(2,164)	946	580	(354)	(991)	308	(682)
Total changes during period	(2,164)	946	580	(354)	(991)	308	17,165
Balance at end of period	14,119	1,608	558	(91)	16,194	8,885	191,152

## Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31,2019	For the fiscal year ended March 31,2020
<b>Cash flows from operating activities</b>		
Profit before income taxes	29,438	32,197
Depreciation	17,917	19,197
Impairment loss	135	85
Amortization of goodwill	2,855	2,914
Gain on bargain purchase	-	(303)
Insurance claim income	(115)	-
Loss on tax purpose reduction entry of non-current assets	194	229
Increase (decrease) in allowance for doubtful accounts	(63)	(79)
Increase (decrease) in provision for bonuses	113	123
Increase (decrease) in retirement benefit liability	(73)	(155)
Decrease (increase) in retirement benefit asset	(158)	278
Increase (decrease) in provision for retirement benefits for directors (and other officers)	100	9
Increase (decrease) in provision for loss on litigation	157	5
Interest and dividend income	(1,473)	(1,512)
Interest expenses	962	874
Foreign exchange losses (gains)	33	385
Share of loss (profit) of entities accounted for using equity method	(590)	(471)
Loss (gain) on sales and retirement of non-current assets	347	144
Loss (gain) on sales of investment securities	(152)	(58)
Loss (gain) on valuation of investment securities	31	111
Loss (gain) on valuation of investments in capital	0	-
Loss (gain) on liquidation of subsidiaries and associates	-	76
Decrease (increase) in trade receivables	(1,042)	1,532
Decrease (increase) in inventories	(2,040)	(633)
Increase (decrease) in trade payables	3,853	(5,611)
Increase (decrease) in advances received	204	(279)
Other, net	(1,860)	(638)
<b>Subtotal</b>	<b>48,772</b>	<b>48,424</b>
Interest and dividends received	1,388	1,437
Dividends received from entities accounted for using equity method	147	157
Interest paid	(853)	(753)
Income taxes (paid) refund	(10,337)	(9,002)
<b>Net cash provided by (used in) operating activities</b>	<b>39,117</b>	<b>40,264</b>

(Million yen)

	For the fiscal year ended March 31,2019	For the fiscal year ended March 31,2020
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(20,863)	(22,169)
Proceeds from sales of property, plant and equipment	1,115	1,211
Purchase of intangible assets	(3,557)	(3,636)
Proceeds from sales of intangible assets	15	10
Purchase of investment securities	(548)	(3,328)
Proceeds from sales and redemption of investment securities	182	139
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(2,159)
Payments for sales of shares of subsidiaries resulting in change in scope of consolidation	-	(120)
Proceeds from sales of investments in capital	1	74
Loan advances	(3,092)	(4,587)
Collection of loans receivable	3,187	4,562
Other, net	(134)	(881)
Net cash provided by (used in) investing activities	(23,693)	(30,885)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(3,416)	(3,881)
Proceeds from long-term borrowings	17,128	16,623
Repayments of long-term borrowings	(15,246)	(11,726)
Redemption of bonds	(3,000)	-
Net decrease (increase) in treasury shares	(10)	88
Repayments of lease obligations	(1,243)	(1,158)
Dividends paid	(2,703)	(3,196)
Dividends paid to non-controlling interests	(304)	(227)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(4,817)	(108)
Net cash provided by (used in) financing activities	(13,614)	(3,587)
Effect of exchange rate change on cash and cash equivalents	(502)	(208)
Net increase (decrease) in cash and cash equivalents	1,306	5,582
Cash and cash equivalents at beginning of period	17,769	19,510
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	297	27
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	138	-
Cash and cash equivalents at end of period	19,510	25,121

# Non-consolidated Financial Statements

## Non-consolidated Balance Sheets

(Million yen)

	As of March 31,2019	As of March 31,2020
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	5,084	6,847
Notes receivable - trade	16,456	12,064
Electronically recorded monetary claims - operating	-	11,022
Accounts receivable - trade	68,862	62,011
Lease receivables	7	2
Merchandise	21,611	21,171
Advance payments - trade	3,892	2,368
Prepaid expenses	567	577
Accounts receivable - other	2,909	5,258
Other	5,533	13,628
Allowance for doubtful accounts	(124)	(67)
<b>Total current assets</b>	<b>124,800</b>	<b>134,885</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings	16,371	16,733
Structures	3,149	3,576
Storage tanks and cylinders	4,593	4,156
Machinery and equipment	10,040	8,917
Vehicles	217	161
Tools, furniture and fixtures	1,129	1,107
Land	42,164	42,906
Leased assets	251	177
Construction in progress	705	765
<b>Total property, plant and equipment</b>	<b>78,622</b>	<b>78,502</b>
<b>Intangible assets</b>		
Goodwill	12	5
Industrial property	10	26
Leasehold interests in land	48	48
Software	953	794
Other	123	702
<b>Total intangible assets</b>	<b>1,147</b>	<b>1,577</b>

(Million yen)

	As of March 31,2019	As of March 31,2020
<b>Investments and other assets</b>		
Investment securities	42,575	39,949
Shares of subsidiaries and associates	49,371	51,425
Investments in capital	21	21
Investments in capital of subsidiaries and associates	8,684	8,921
Long-term loans receivable	1	0
Long-term loans receivable from subsidiaries and associates	13,725	11,542
Distressed receivables	413	391
Long-term prepaid expenses	177	152
Prepaid pension costs	648	890
Other	3,393	3,442
Allowance for doubtful accounts	(505)	(483)
<b>Total investments and other assets</b>	<b>118,507</b>	<b>116,253</b>
Total non-current assets	198,278	196,334
<b>Total assets</b>	<b>323,079</b>	<b>331,220</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes payable - trade	3,031	1,195
Electronically recorded obligations - operating	25,855	24,401
Accounts payable - trade	53,907	52,111
Short-term borrowings	9,751	8,660
Current portion of long-term borrowings	9,500	2,003
Current portion of bonds payable	-	35,016
Lease obligations	48	33
Accounts payable - other	11,334	9,963
Accrued expenses	406	439
Income taxes payable	1,885	3,059
Advances received	2,138	1,966
Deposits received	154	177
Unearned revenue	12	12
Provision for bonuses	2,038	2,042
Other	1,762	2,202
<b>Total current liabilities</b>	<b>121,826</b>	<b>143,288</b>
<b>Non-current liabilities</b>		
Bonds payable	35,046	-
Long-term borrowings	47,153	60,947
Lease obligations	203	143
Deferred tax liabilities	5,498	4,957
Provision for retirement benefits	1,525	1,480
Asset retirement obligations	555	813
Other	1,257	1,316
<b>Total non-current liabilities</b>	<b>91,239</b>	<b>69,659</b>
<b>Total liabilities</b>	<b>213,065</b>	<b>212,947</b>

(Million yen)

	As of March 31,2019	As of March 31,2020
<b>Net assets</b>		
Shareholders' equity		
Share capital	20,096	20,096
Capital surplus		
Legal capital surplus	5,100	5,100
Other capital surplus	12,912	12,950
Total capital surpluses	18,012	18,050
Retained earnings		
Other retained earnings		
Reserve for tax purpose reduction entry of non-current assets	290	282
Retained earnings brought forward	56,832	66,117
Total retained earnings	57,123	66,399
Treasury shares	(1,440)	(1,427)
Total shareholders' equity	93,791	103,118
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	15,492	13,570
Deferred gains or losses on hedges	728	1,583
Total valuation and translation adjustments	16,221	15,153
Total net assets	110,013	118,272
Total liabilities and net assets	323,079	331,220

## Non-consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31,2019	For the fiscal year ended March 31,2020
Net sales	508,773	472,954
Cost of sales	439,899	400,482
Gross profit	68,873	72,471
Selling, general and administrative expenses	61,061	63,221
Operating profit	7,812	9,250
Non-operating income		
Interest income	313	327
Dividend income	5,055	5,756
Foreign exchange gains	379	364
Subsidy income	725	877
Other	896	1,083
Total non-operating income	7,370	8,409
Non-operating expenses		
Interest expenses	303	299
Interest on bonds	43	34
Sales discounts	490	413
Cancellation penalty	-	260
Other	532	410
Total non-operating expenses	1,369	1,418
Ordinary profit	13,813	16,241
Extraordinary income		
Gain on sales of non-current assets	44	219
Gain on sales of investment securities	-	33
Gain on sales of shares of subsidiaries and associates	147	0
Gain on liquidation of subsidiaries and associates	22	-
Subsidy income	46	192
Total extraordinary income	260	445
Extraordinary losses		
Loss on sales of non-current assets	9	4
Loss on retirement of non-current assets	115	166
Impairment loss	106	5
Loss on valuation of investment securities	29	65
Loss on valuation of shares of subsidiaries and associates	-	19
Loss on tax purpose reduction entry of non-current assets	42	192
Total extraordinary losses	302	454
Profit before income taxes	13,771	16,233
Income taxes - current	3,254	3,854
Income taxes - deferred	(109)	(99)
Total income taxes	3,145	3,755
Profit	10,626	12,478



Non-consolidated Statements of Changes in Net Assets

For the fiscal year ended March 31, 2019

(Million yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings		Total retained earnings
					Reserve for tax purpose reduction entry of non-current assets	Retained earnings brought forward	
Balance at beginning of period	20,096	5,100	12,912	18,012	299	48,905	49,205
Changes during period							
Dividends of surplus						(2,708)	(2,708)
Profit						10,626	10,626
Reversal of reserve for tax purpose reduction entry of non-current assets					(9)	9	-
Purchase of treasury shares							
Disposal of treasury shares			0	0			
Net changes in items other than shareholders' equity							
Total changes during period	-	-	0	0	(9)	7,926	7,917
Balance at end of period	20,096	5,100	12,912	18,012	290	56,832	57,123

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	(1,429)	85,884	18,675	(95)	18,579	104,464
Changes during period						
Dividends of surplus		(2,708)				(2,708)
Profit		10,626				10,626
Reversal of reserve for tax purpose reduction entry of non-current assets		-				-
Purchase of treasury shares	(10)	(10)				(10)
Disposal of treasury shares	0	0				0
Net changes in items other than shareholders' equity			(3,182)	824	(2,357)	(2,357)
Total changes during period	(10)	7,906	(3,182)	824	(2,357)	5,549
Balance at end of period	(1,440)	93,791	15,492	728	16,221	110,013

For the fiscal year ended March 31,2020

(Million yen)

	Shareholders' equity						
	Share capital	Capital surplus			Retained earnings		
		Legal capital surplus	Other capital surplus	Total capital surplus	Other retained earnings		Total retained earnings
				Reserve for tax purpose reduction entry of non-current assets	Retained earnings brought forward		
Balance at beginning of period	20,096	5,100	12,912	18,012	290	56,832	57,123
Changes during period							
Dividends of surplus						(3,201)	(3,201)
Profit						12,478	12,478
Reversal of reserve for tax purpose reduction entry of non-current assets					(8)	8	-
Purchase of treasury shares							
Disposal of treasury shares			37	37			
Net changes in items other than shareholders' equity							
Total changes during period	-	-	37	37	(8)	9,284	9,276
Balance at end of period	20,096	5,100	12,950	18,050	282	66,117	66,399

	Shareholders' equity		Valuation and translation adjustments			Total net assets
	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total valuation and translation adjustments	
Balance at beginning of period	(1,440)	93,791	15,492	728	16,221	110,013
Changes during period						
Dividends of surplus		(3,201)				(3,201)
Profit		12,478				12,478
Reversal of reserve for tax purpose reduction entry of non-current assets		-				-
Purchase of treasury shares	(10)	(10)				(10)
Disposal of treasury shares	23	60				60
Net changes in items other than shareholders' equity			(1,922)	854	(1,068)	(1,068)
Total changes during period	13	9,327	(1,922)	854	(1,068)	8,259
Balance at end of period	(1,427)	103,118	13,570	1,583	15,153	118,272

## (1) Consolidated Statements of Income

(Unit: 100 million yen)

	FY2018	FY2019	Change	Rate	FY2019 (Forecast)	Change	Rate	PLAN20
Net sales	7,150	6,867	(283)	(4.0%)	7,473	(605)	(8.1%)	8,080
Gross profit	1,706	1,762	56	3.3%	—	—	—	—
Operating profit	264	287	22	8.6%	305	(17)	(5.8%)	315
Ordinary profit	299	322	23	7.7%	330	(7)	(2.2%)	330
Profit attributable to owners of parent	192	209	17	9.2%	205	4	2.4%	200

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

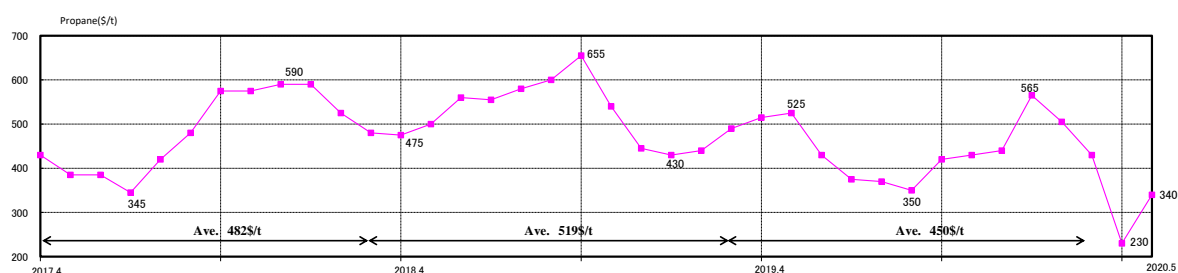
## (2) Ordinary Profit Except for Impact of LPG Import Price Fluctuation

(Unit: 100 million yen)

	FY2018	FY2019	Change	Rate	FY2019 (Forecast)	Change	Rate	PLAN20
Ordinary profit	299	322	23	7.7%	330	(7)	(2.2%)	330
Impact of LPG import price fluctuation	(28)	(2)	25	—	—	—	—	—
Ordinary profit except for impact of LPG import price fluctuation	327	325	(2)	(0.7%)	330	(4)	(1.4%)	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)

		FY2018	FY2019	Change	Rate
Energy	Net sales (Sales to outside customers)	3,361	3,135	(226)	(6.7%)
	Operating profit	111	139	28	25.9%
Industrial Gases & Machinery	Net sales (Sales to outside customers)	1,881	1,905	24	1.3%
	Operating profit	112	119	7	6.8%
Materials	Net sales (Sales to outside customers)	1,591	1,495	△ 95	(6.0%)
	Operating profit	57	45	△ 12	(21.5%)
Agri-Bio & Foods	Net sales (Sales to outside customers)	264	273	8	3.3%
	Operating profit	7	11	3	49.2%
Others, Adjustments	Net sales (Sales to outside customers)	52	58	6	11.7%
	Operating profit	(24)	(29)	(5)	—

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

	Sales volume (thousand tons)				Net sales (100 million yen)			
	FY2018	FY2019	Change	Rate	FY2018	FY2019	Change	Rate
Domestic residential use	1,453	1,430	(22)	(1.5%)	1,492	1,390	(102)	(6.9%)
Domestic industrial use	343	319	(23)	(6.8%)	274	226	(47)	(17.4%)
LPG sub total (except for overseas)	1,796	1,750	(45)	(2.5%)	1,766	1,616	(150)	(8.5%)
LPG total	2,559	2,456	(103)	(4.0%)	2,210	1,938	(272)	(12.3%)
Various Industrial gases	—	—	—	—	1,023	1,017	(6)	(0.6%)

### (6) Financial Position

(Unit: 100 million yen)

	FY2018 end	FY2019 end	Change	PLAN20
Total assets	4,576	4,697	121	—
Share capital	1,654	1,822	168	—
Interest-bearing debt, gross	1,263	1,265	2	—
Interest-bearing debt, net	1,064	1,010	(53)	—
Equity capital ratio	36.1%	38.8%	2.7pt	—
Ratio of ordinary income to total assets	6.6%	7.0%	0.4pt	—
Rate of return on equity	12.0%	12.1%	0.1pt	10.0% or higher
Ratio of interest-bearing debt to total assets	27.6%	26.9%	(0.7pt)	—
Debt-to-equity ratio, gross	0.76pt	0.69pt	(0.07pt)	—
Debt-to-equity ratio, net	0.64pt	0.55pt	(0.09pt)	0.7pt

\* Interest-bearing debt include lease liabilities in the amount of ¥3.7 billion.

### (7) Capital Expenditure

(Unit: 100 million yen)

	FY2018	FY2019	FY2020 (Forecast)
Energy	150	111	116
Industrial Gases & Machinery	139	158	232
Materials	16	51	46
Agri-Bio & Foods	1	0	4
Others, Adjustments	23	24	42
Capital expenditure	332	346	440
Depreciation	170	183	195

\* Figures for capital expenditure totalize property, plant and equipment, intangible assets (goodwill excluded), and investment securities.

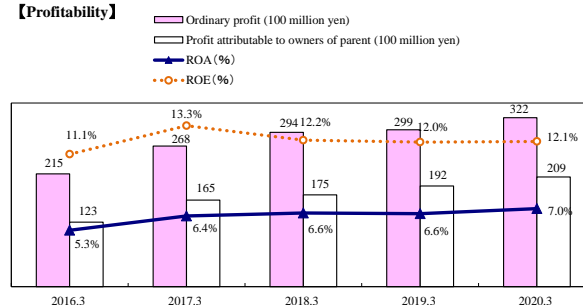
### (8) Cash Flows

(Unit: 100 million yen)

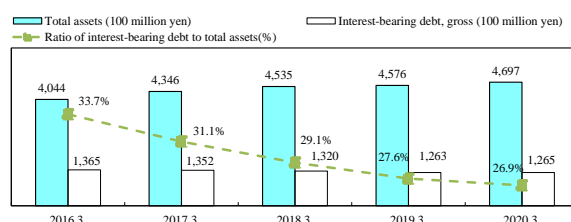
	FY2018	FY2019	Change
Cash and cash equivalents at beginning of period	177	195	17
Cash flows from operating activities	391	402	11
Cash flows from investing activities	(236)	(308)	(71)
Free cash flow	154	93	(60)
Cash flows from financing activities	(136)	(35)	100
Effect of exchange rate change on cash and cash equivalents	(5)	(2)	2
Net increase (decrease) in cash and cash equivalents	13	55	42
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	2	0	(2)
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	1	—	(1)
Cash and cash equivalents at end of period	195	251	56

### (9) Changes in the main management indicators (five-year)

#### 【Profitability】



#### 【Financial condition】



### (10) Results Forecast for FY2020

(Unit: 100 million yen)

	FY2019	FY2020 (Forecast)	Change	Rate	PLAN20
Net sales	6,867	6,775	(92)	(1.4%)	8,080
Operating profit	287	247	(40)	(14.0%)	315
Ordinary profit	322	276	(46)	(14.5%)	330
Profit attributable to owners of parent	209	173	(36)	(17.6%)	200

\* Figures for results forecast for FY 2020 is calculated based on the assumption that the impact of COVID-19 would continue for 1st half of FY 2020, especially from April to June, 2020.

### (11) Results Forecast for FY2020 (Segment Information)

(Unit: 100 million yen)

	FY2019	FY2020 (Forecast)	Change	Rate	PLAN20	
Energy	Net sales (Sales to outside customers)	3,135	3,013	(122)	(3.9%)	3,730
	Operating profit	139	140	0	0.1%	159
Industrial Gases & Machinery	Net sales (Sales to outside customers)	1,905	1,897	(8)	(0.4%)	2,100
	Operating profit	119	84	(35)	(29.9%)	107
Materials	Net sales (Sales to outside customers)	1,495	1,492	(3)	(0.2%)	1,790
	Operating profit	45	42	(3)	(6.8%)	52
Agri-Bio & Foods	Net sales (Sales to outside customers)	273	318	44	16.4%	380
	Operating profit	11	12	0	1.4%	16
Others, Adjustments	Net sales (Sales to outside customers)	58	55	(3)	(6.2%)	80
	Operating profit	(29)	(31)	(1)	5.5%	(19)

### (12) Key Business Indications for PLAN20

	FY2018	FY2019	PLAN20
Energy	LPG direct sales customers (10 thousand households)	99	100
	Portable gas cooking stove sales volume (thousand units)	3,869	3,796
	Cassette gas canister sales volume (million units)	121	132
Industrial Gases & Machinery	Air separation gas sales volume (billion m3)	1.6	1.5
	LH2 sales volume (million m3)	70	59