



Financial Results for 3Q FY2023

(Results for the Nine Months Ended December 31, 2023)

February 7, 2024

Iwatani Corporation

[Securities code 8088]

(Forward-Looking Statements)

This material contains forward-looking statements based on expectations and are not guarantees or assurances of future performance. Accordingly, please be fully aware that results may differ materially from those expectations.

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FY2023 3Q Overview

Highlights

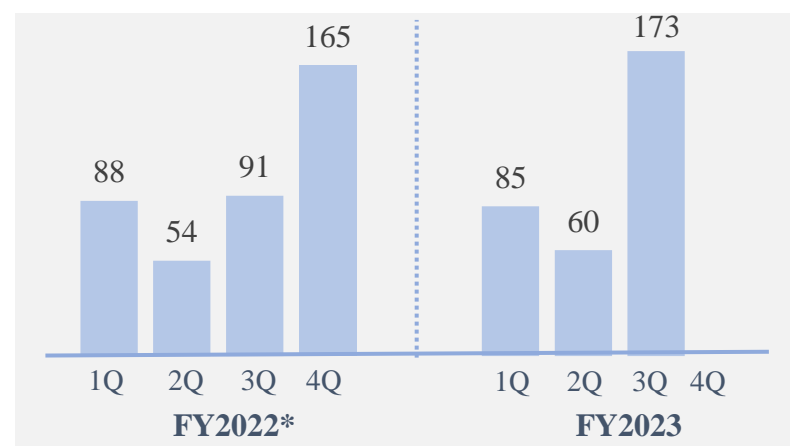
- ▶ Decrease in net sales. Strong sales of products for industrial use mainly in the Industrial Gases & Machinery Division contributed to record-high profit at all levels.

Overview of Consolidated Financial Results for 3Q FY2023

- Net sales decreased due to lower average of LPG import prices and lower sales volumes compared to the previous year, as well as weak sales of rechargeable battery materials.
- Increase in operating profit due to strong sales of products for industrial use mainly in the Industrial Gases & Machinery Division and improvement in the negative impact of LPG import price fluctuation.
- Full-year forecast : No change
Progress against full-year forecast : 68.1% of net sales, 70.9% of operating profit

Net sales	617.5 billion yen	YoY (38.2) billion yen	(5.8%)
Operating profit	31.9 billion yen	YoY +8.3 billion yen	+35.7%
Ordinary profit	36.7 billion yen	YoY +7.4 billion yen	+25.2%
Profit attributable to owners of parent	24.1 billion yen	YoY +4.6 billion yen	+23.7%

■ Operating profit quarterly trends (100 million yen)



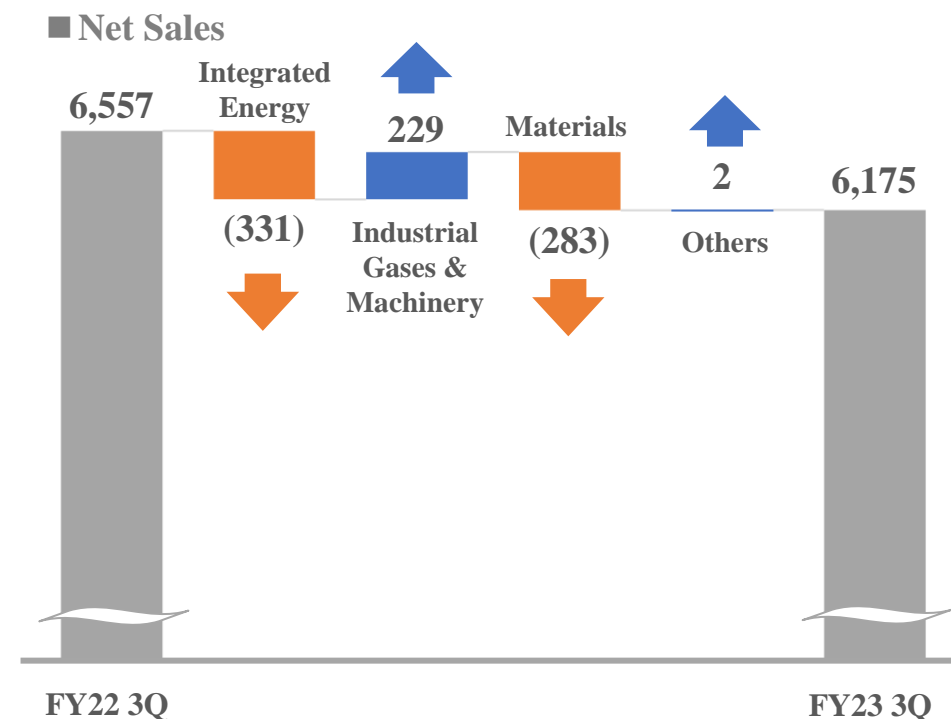
Consolidated Operating Results (Analysis of Net Sales)

	FY23 3Q Results (A)	FY22 3Q Results (B)*	YoY (A)-(B) (A)/(B)	FY23 Forecasts	Progress
Net sales	6,175	6,557	(382) (5.8%)	9,070	68.1%
Gross profit	1,632	1,506	+125 +8.4%	—	—
Operating profit	319	235	+83 +35.7%	450	70.9%
Operating profit excluding impact of LPG import price fluctuation	337	259	+78 +30.4%	450	75.1%
Non-operating income/expenses	48	58	(9) (16.8%)	—	—
Ordinary profit	367	293	+74 +25.2%	503	73.1%
Profit attributable to owners of parent	241	195	+46 +23.7%	335	72.1%

*The figures for the FY2022 reflect the finalization of the provisional accounting treatment for a business combination.

Decrease factors

- Average of LPG import prices remained on a downward trend compared to the previous year
- Decrease in sales of LPG toward large customers
- Decrease in sales of rechargeable battery materials caused by inventory adjustments at sales destinations



Consolidated Operating Results (Analysis of Profit)

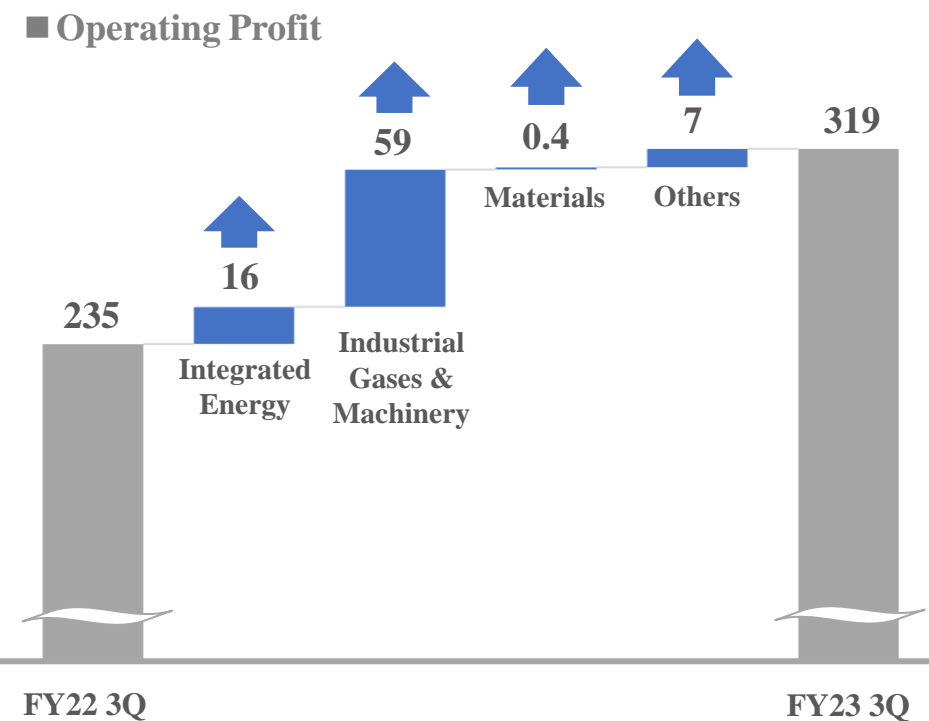
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*The figures for the FY2022 reflect the finalization of the provisional accounting treatment for a business combination.

Increase factors

- Increase in operating profit due to strong sales of products for industrial use mainly in the Industrial Gases & Machinery Division and improvement in the negative impact of LPG import price fluctuation

*achieved record-high profit at all levels for the 3Q



Consolidated Operating Results (Segment Analysis)

	FY23 3Q Results (A)	FY22 3Q Results (B)*	YoY (A)-(B)	YoY (A)/(B)	FY23 Forecasts	Progress
Net sales	6,175	6,557	(382)	(5.8%)	9,070	68.1%
■ Integrated Energy	2,420	2,751	(331)	(12.0%)	3,980	60.8%
■ Industrial Gases & Machinery	1,937	1,707	+229	+13.5%	2,592	74.8%
■ Materials	1,589	1,873	(283)	(15.1%)	2,202	72.2%
■ Others	227	225	+2	+0.9%	296	76.7%
Operating profit	319	235	+83	+35.7%	450	70.9%
■ Integrated Energy	73	56	+16	+29.3%	180	40.6%
■ Industrial Gases & Machinery	169	109	+59	+54.5%	175	96.9%
■ Materials	92	91	+0.4	+0.5%	123	74.9%
■ Others, Adjustments	(15)	(22)	+7	—	(28)	—
Operating profit excluding impact of LPG import price fluctuation	337	259	+78	+30.4%	450	75.1%
Ordinary profit	367	293	+74	+25.2%	503	73.1%
Profit attributable to owners of parent	241	195	+46	+23.7%	335	72.1%

*The figures for the FY2022 reflect the finalization of the provisional accounting treatment for a business combination.

Operating Profit Analysis of Integrated Energy

Results

(100 million yen)

	FY23 3Q Results (A)	FY22 3Q Results (B)	YoY (A)-(B)	YoY (A)/(B)	FY23 Forecasts	Progress
Net Sales	2,420	2,751	(331)	(12.0%)	3,980	60.8%
Operating Profit	73	56	+16	+29.3%	180	40.6%
Operating profit excluding impact of LPG import price fluctuation	91	80	+11	+14.2%	180	51.1%

Analysis of Changes in Operating Profit

(million yen)



Main factors

(million yen)

■ Impact of LPG import price fluctuation +520

(100 million yen)	1Q	2Q	3Q	1Q-3Q total	4Q	Full year
FY23	(17.3)	(34.0)	+32.6	(18.7)	-	-
FY22	+20.4	(15.0)	(29.3)	(23.9)	(7.3)	(31.3)
Changes	(37.7)	(19.0)	+61.9	+5.2	-	-

■ Retail +1,090

-improvement in profitability of LPG

■ Wholesale +100

-improvement in profitability due to appropriate price revisions

■ Industrial (180)

-decrease in LPG sales for calorific adjustment for city gas

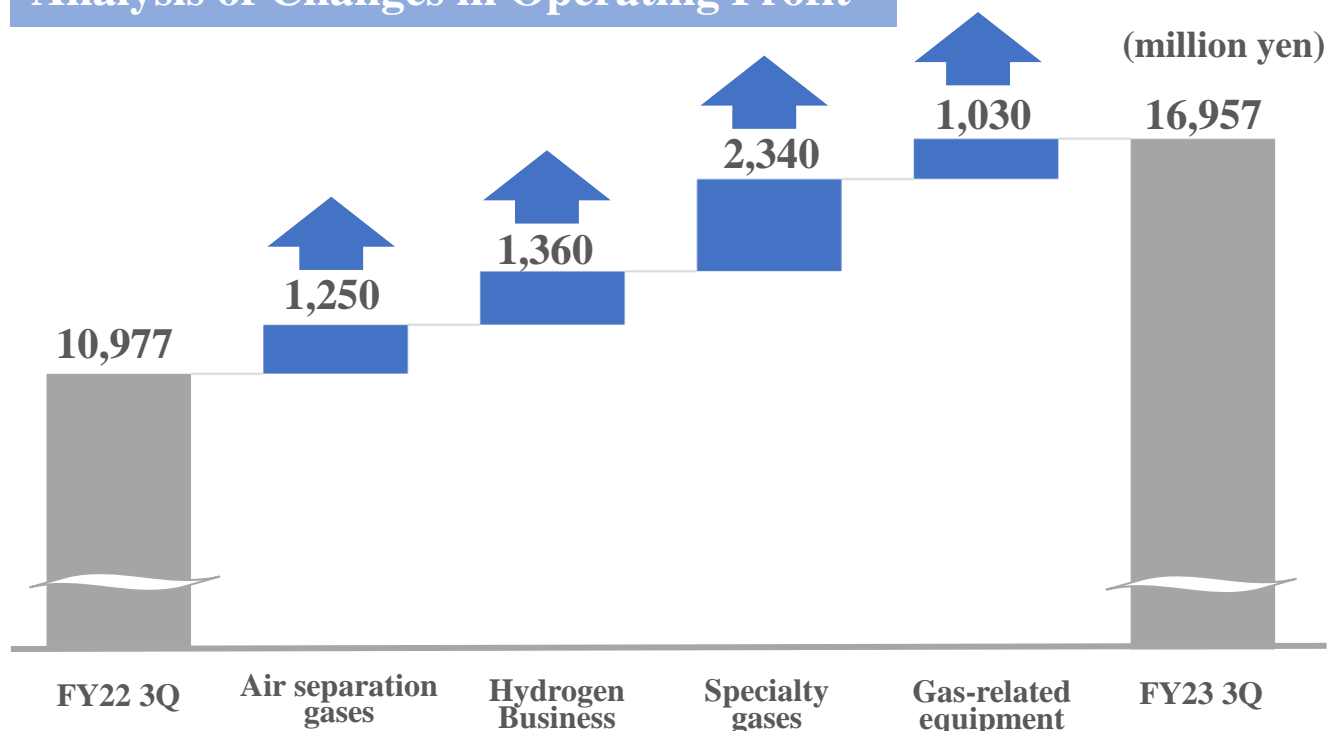
■ Others +130

-strong sales of cassette gas canisters and gas-related safety equipment

Operating Profit Analysis of Industrial Gases & Machinery

Results		(100 million yen)				
	FY23 3Q Results (A)	FY22 3Q Results (B)	YoY (A)-(B)	YoY (A)/(B)	FY23 Forecasts	Progress
Net Sales	1,937	1,707	+229	+13.5%	2,592	74.8%
Operating Profit	169	109	+59	+54.5%	175	96.9%

Analysis of Changes in Operating Profit



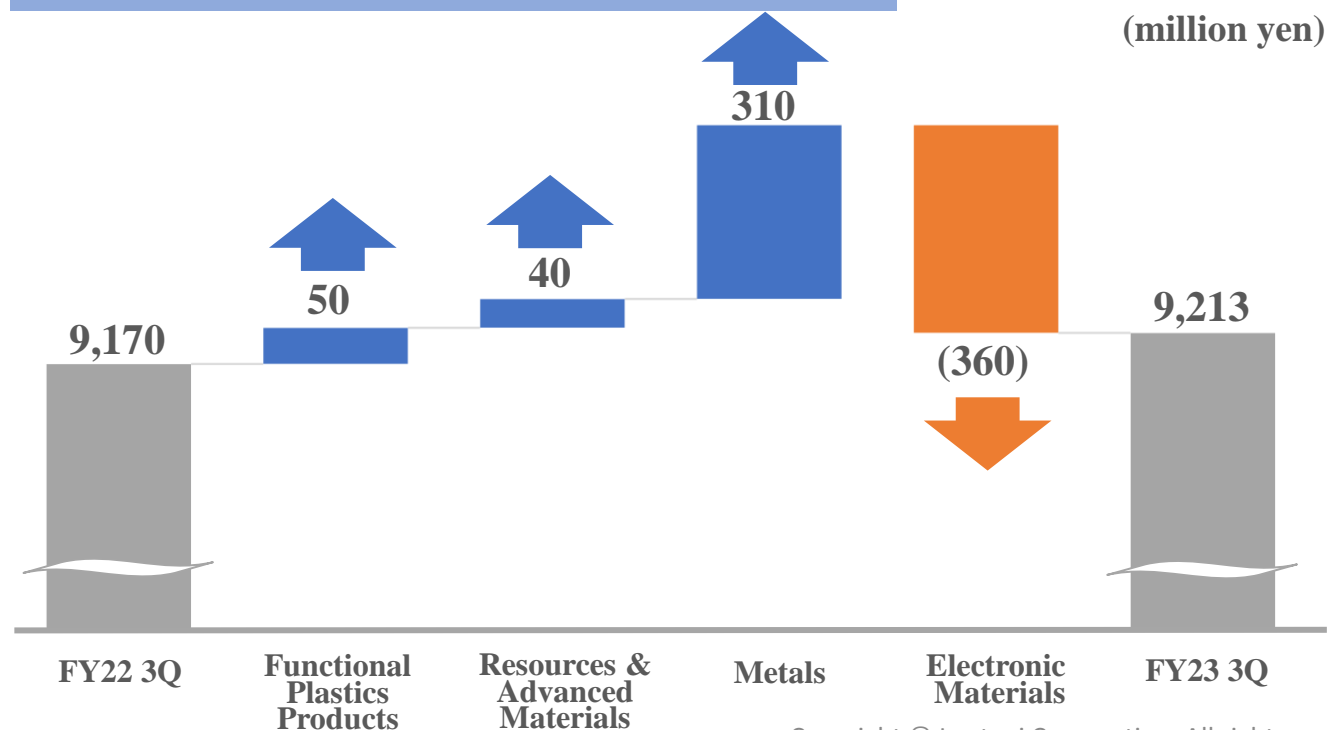
Main factors (million yen)

- Air separation gases +1,250**
 -decrease in sales volume mainly for the electronic component industry
 -took an action toward growing production cost
- Hydrogen business +1,360**
 -decrease in sales volume mainly for the semiconductor industry
 -took an action toward growing production cost
- Specialty gases +2,340**
 -strong sales of carbon dioxide for the beverage industries
 -stable supply of helium
- Gas-related equipment +1,030**
 -increase in sales of power semiconductors-related equipment
 -increase in sales of gas-related equipment

Operating Profit Analysis of Materials

Results		(100 million yen)				
	FY23 3Q Results (A)	FY22 3Q Results (B)	YoY (A)-(B)	YoY (A)/(B)	FY23 Forecasts	Progress
Net Sales	1,589	1,873	(283)	(15.1%)	2,202	72.2%
Operating Profit	92	91	+0.4	+0.5%	123	74.9%

Analysis of Changes in Operating Profit



Main factors

(million yen)

■ Functional Plastics Products +50

-expansion of sales in PET resins for beverage bottles

■ Resources & Advanced Materials +40

-increase in sales of mineral sand business in overseas
-expansion of sales in biomass fuel business

■ Metals +310

-strong sales of stainless steel, processed metal products mainly for air conditioners and automobile parts

■ Electronic Materials (360)

-decrease in sales of battery-related materials for next-generation vehicles
-increase in sales of functional films for smartphone

FY2023 Forecasts

Forecasts for the year ending March 31, 2024

(100 million yen)

	FY23 Forecasts (A)	FY22 Results (B)	Change (A)-(B)	Rate (A)/(B)
Net sales	9,070	9,062	+7	+0.1%
■ Integrated Energy	3,980	3,932	+47	+1.2%
■ Industrial Gases & Machinery	2,592	2,404	+187	+7.8%
■ Materials	2,202	2,424	(222)	(9.2%)
■ Others	296	302	(6)	(2.0%)
Operating profit	450	400	+49	+12.4%
■ Integrated Energy	180	143	+36	+25.9%
■ Industrial Gases & Machinery	175	165	+9	+5.7%
■ Materials	123	126	(3)	(2.4%)
■ Others, Adjustments	(28)	(34)	+6	—
Operating profit excluding impact of LPG import price fluctuation	450	431	+18	+4.2%
Ordinary profit	503	470	+32	+7.0%
Profit attributable to owners of parent	335	320	+14	+4.6%

NO change from the original forecasts announced on May 15, 2023

Estimated exchange rate

Exchange rate 125.0 JPY/\$
LPG import price 700\$/t

FY2022 result
Exchange rate 133.7 JPY/\$
LPG import price 725\$/t

Dividend forecast

FY23 95 yen per share

Iwatani