

Financial Results for FY2024

(Results for the Fiscal Year Ended March 31, 2025)

May 21, 2025

Iwatani Corporation

[Security 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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FY2024 Overview

Highlights

▶ Net sales increased. Operating profit, ordinary profit, and profit attributable to owners of parent decreased.

Summary of Financial Results for FY2024

- High import prices compared to the previous year and higher selling prices of LPG, as well as strong sales of industry fields led to increase in net sales for all segments.
(FY2024 average CP in yen: 93,749 yen/t (CP: \$612/t USD Exchange rate: ¥153.36/\$)
(FY2023 average CP in yen: 81,774 yen/t (CP: \$569/t USD Exchange rate: ¥143.50/\$)
- Operating income in the Industrial Gases & Machinery business decreased primarily due to weakening of helium market mainly in China.

Due to the finalization of the amount of “negative goodwill” related to the additional acquisition of Cosmo Energy Holdings shares made in FY2023, the ordinary profit and profit attributable to owners of parent for FY2023 have decreased by 3.895 billion yen each from the amounts announced last year.

All data for FY2023 presented in this document reflect the above-mentioned information.

Net sales

883.0 billion yen YoY +35.1 billion yen +4.1%

Operating profit

46.2 billion yen YoY (4.4) billion yen (8.7)%

Ordinary profit

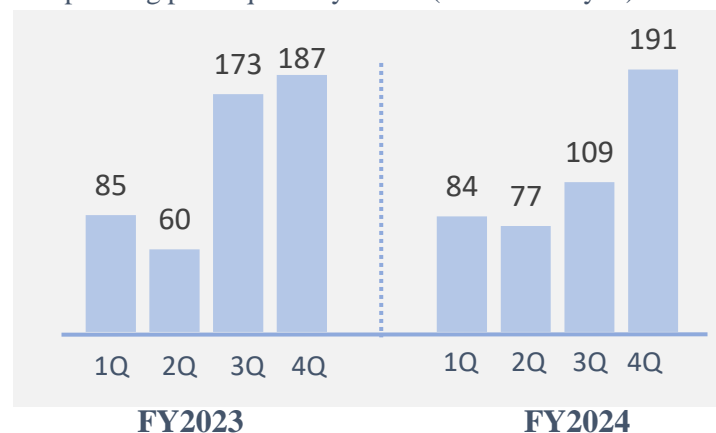
61.4 billion yen YoY (0.8) billion yen (1.3)%

Profit attributable to owners of parent

40.4 billion yen YoY (3.0) billion yen (6.9)%

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■ Operating profit quarterly trends (100 million yen)



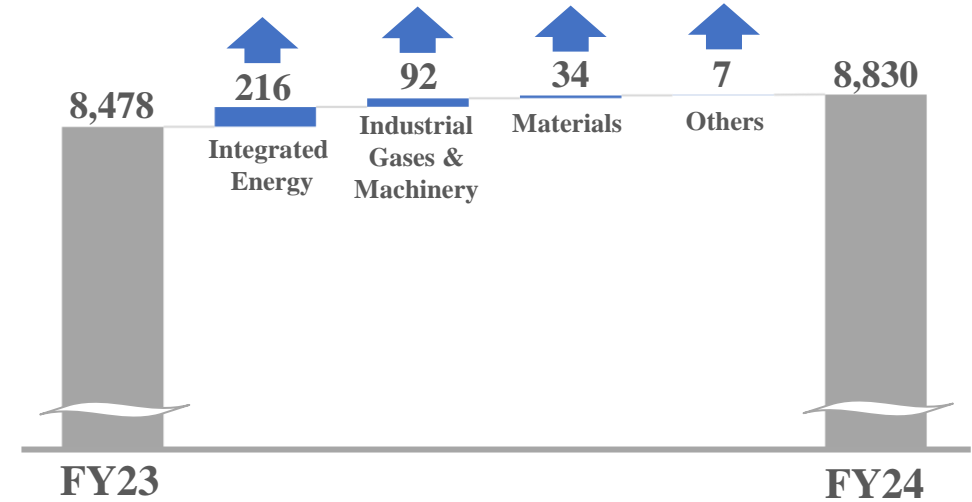
Consolidated Operating Results

Iwatani

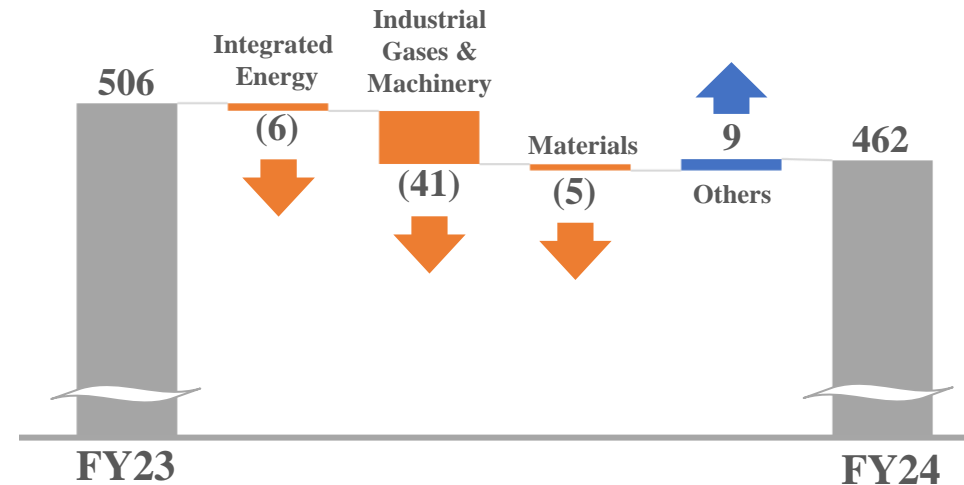
(100 million yen)

	FY24 Results (A)	FY23 Results (B)	YoY (A)-(B) (A)/(B)	FY24 Forecasts
Net sales	8,830	8,478	+351 +4.1%	9,020
Gross profit	2,343	2,294	+48 +2.1%	-
Operating profit	462	506	(44) (8.7)%	527
Operating profit excluding impact of LPG import price fluctuation	460	498	(38) (7.8)%	527
Non-operating profit	152	116	+35 +30.7%	-
Equity gains of affiliated companies related to Cosmo Energy HD	91	54	+36 +66.2%	159
Ordinary profit	614	623	(8) (1.3)%	728
Profit attributable to owners of parent	404	434	(30) (6.9)%	540

■ Net sales



■ Operating profit

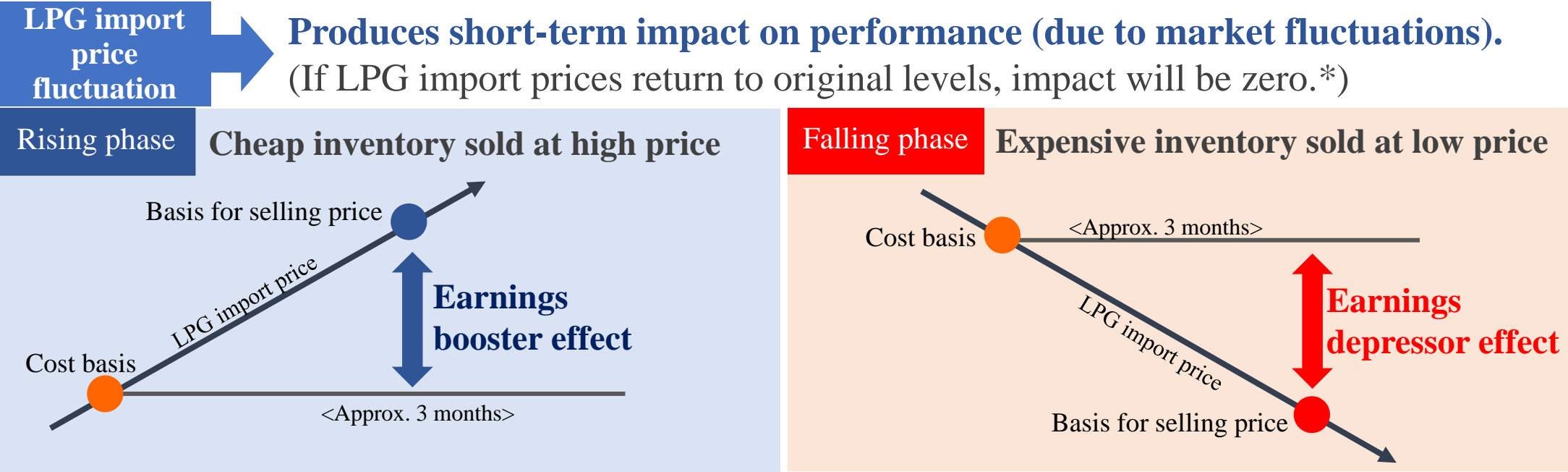
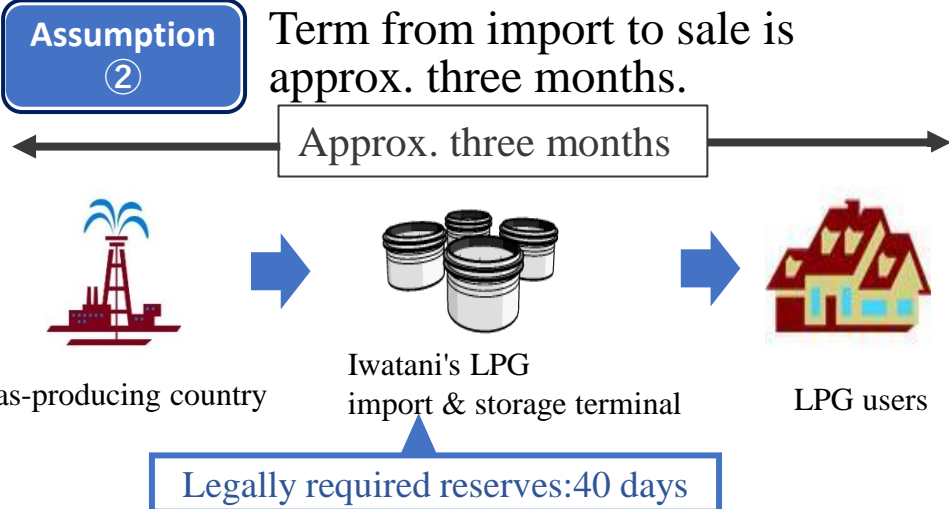


Consolidated Operating Results (Segment Analysis)

	FY24 Results(A)	FY23 Results(B)	YoY (A)-(B)	YoY (A)/(B)
Net sales	8,830	8,478	+351	+4.1%
■ Integrated Energy	3,787	3,571	+216	+6.1%
■ Industrial Gases & Machinery	2,714	2,621	+92	+3.5%
■ Materials	2,016	1,982	+34	+1.7%
■ Others	310	303	+7	+2.5%
Operating profit	462	506	(44)	(8.7)%
■ Integrated Energy	195	201	(6)	(3.2)%
■ Industrial Gases & Machinery	175	217	(41)	(19.0)%
■ Materials	117	123	(5)	(4.5)%
■ Others, Adjustments	(26)	(35)	+9	-
Operating profit excluding impact of LPG import price fluctuation	460	498	(38)	(7.8)%
Equity gains of affiliated companies related to Cosmo Energy HD	91	54	+36	+66.2%
Ordinary profit	614	623	(8)	(1.3)%
Profit attributable to owners of parent	404	434	(30)	(6.9)%

Impact of LPG Import Price Fluctuations

Assumption ① Wholesale price is linked to LPG import price.



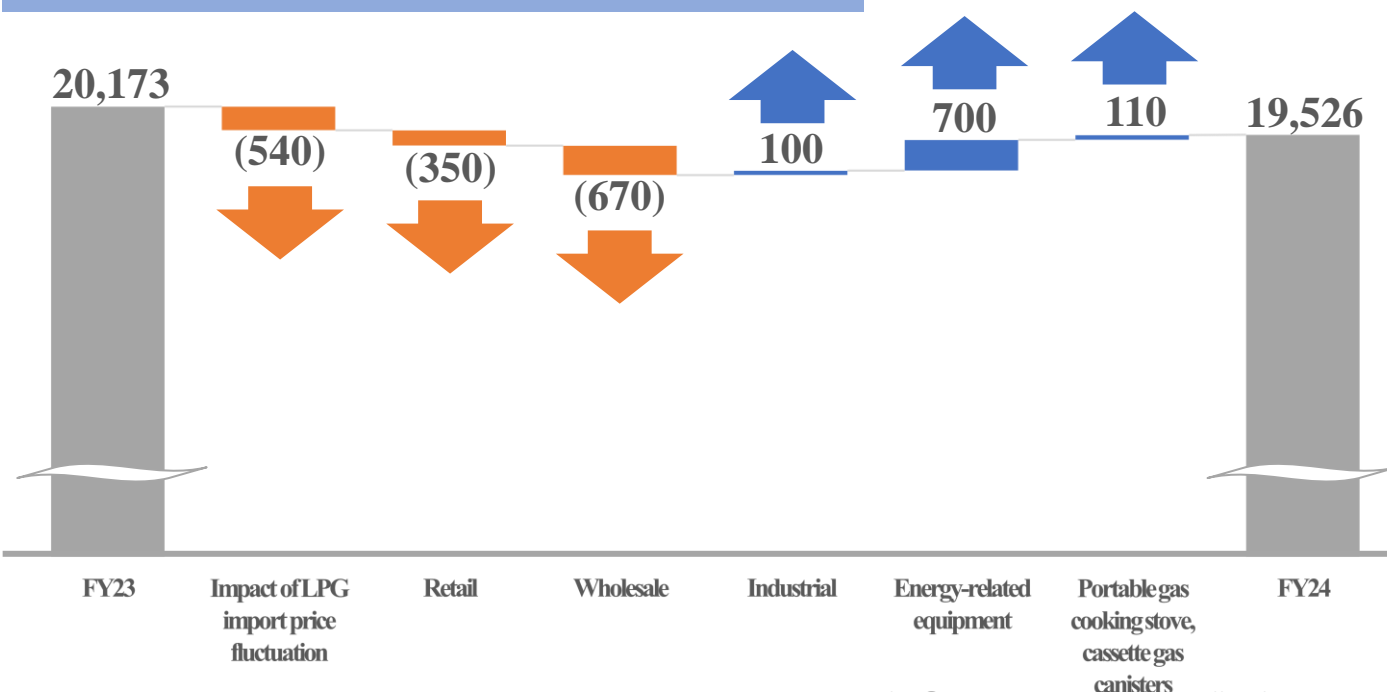
*Actual impact on performance varies depending on inventory volume, time of sale, sales volume, etc.
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Operating Profit Analysis of Integrated Energy

Results

	FY24 Results (A)	FY23 Results (B)	YoY (A)-(B)	YoY (A)/(B)	FY24 Forecasts (C)	Achievement rate (A)/(C)
Net sales	378,782	357,133	+21,649	+6.1%	384,000	98.6%
Operating profit	19,526	20,173	(646)	(3.2)%	21,000	93.0%
Operating profit excluding impact of LPG import price fluctuation	19,308	19,415	(106)	(0.5)%	21,000	91.9%

Analysis of changes in operating profit



Main factors

■ Impact of LPG import price fluctuation (540)

(100 million yen)	1Q	2Q	1H	3Q	4Q	Full year
FY24	(0.7)	(9.8)	(10.5)	+3.6	+9.1	+2.1
FY23	(17.3)	(34.0)	(51.3)	+32.6	+26.3	+7.5
Changes	+16.6	+24.2	+40.8	(29.0)	(17.2)	(5.4)

■ Retail (350)

- increase in sales volume due to new consolidation
- decline in the profitability due to rising costs

■ Wholesale (670)

- decrease in sales volume of LPG

■ Industrial +100

- increase in sales by promoting fuel conversion
- increase in LPG demand for calorific adjustment for city gas

■ Energy-related equipment +700

- solid sales of housing equipment, air conditioning, water heater, etc.

■ Portable gas cooking stove, cassette gas canister +110

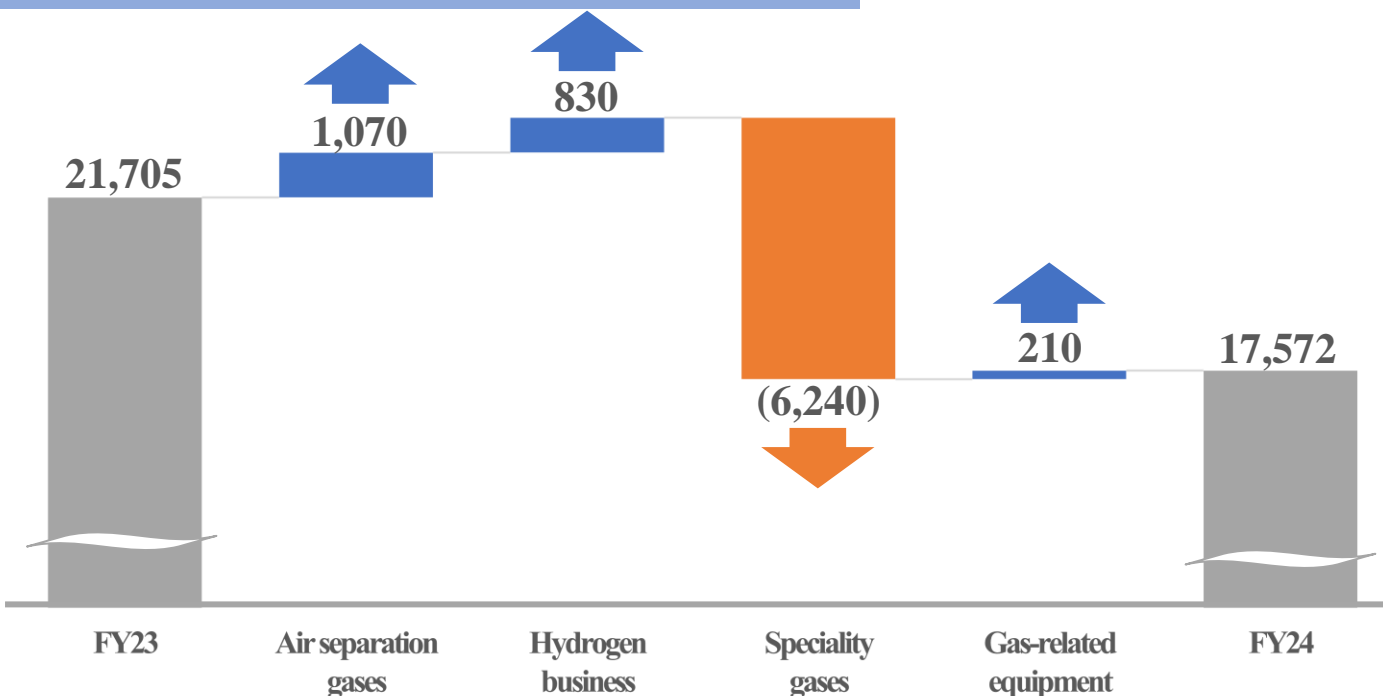
- increase in sales in Japan and overseas

Operating Profit Analysis of Industrial Gases & Machinery

Results

	FY24 Results (A)	FY23 Results (B)	YoY (A)-(B)	YoY (A)/(B)	FY24 Forecasts (C)	Achievement rate (A)/(C)
Net sales	271,449	262,169	+9,279	+3.5%	275,000	98.7%
Operating profit	17,572	21,705	(4,133)	(19.0)%	22,000	79.9%

Analysis of changes in operating profit



Main factors

■ Air separation gases +1,070

-solid sales of air separation gases mainly for the electronic components industries

■ Hydrogen business +830

-increase in sales volume of liquid hydrogen for space development and decarbonization

■ Specialty gases (6,240)

-refrigerant business expanded in Japan and overseas
-weakening in helium markets mainly in China

■ Gas-related equipment +210

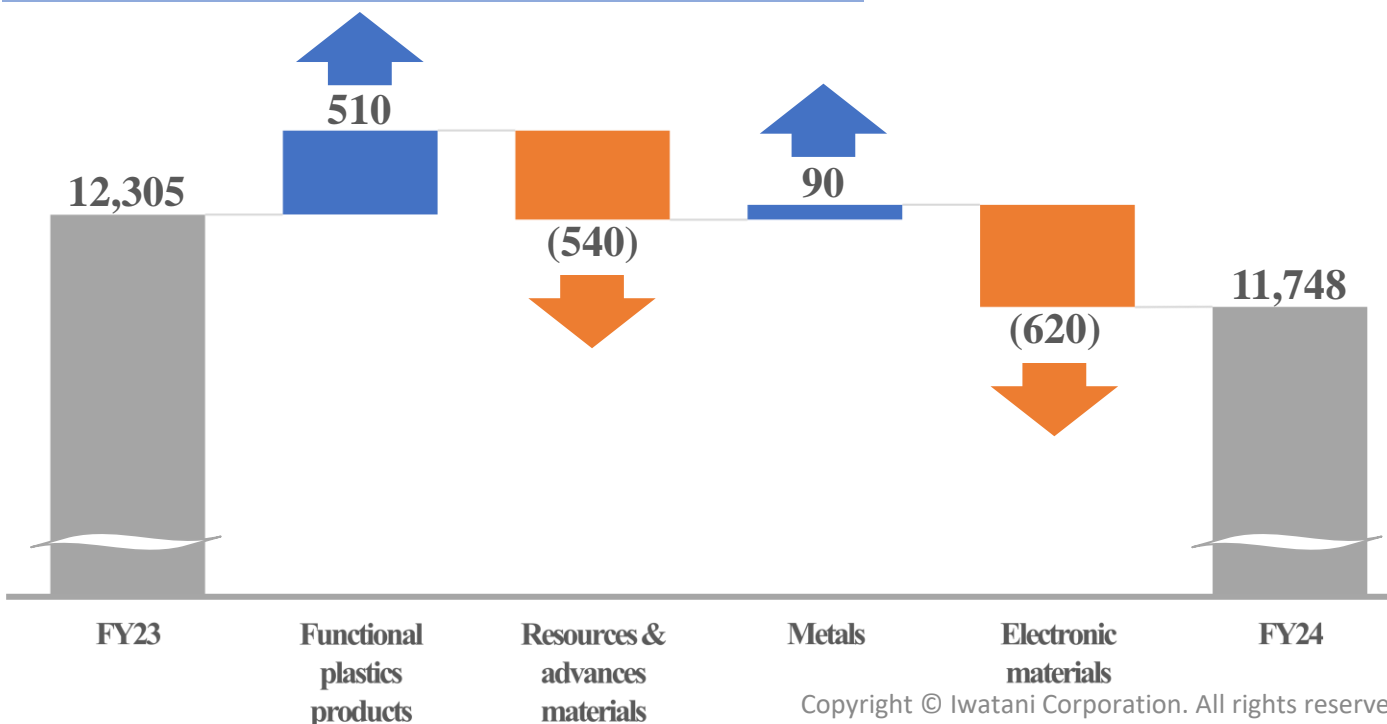
-increase in sales of ammonia supply facilities for decarbonization and denitration
-increase in sales of electronic components

Operating Profit Analysis of Materials

Results

	FY24 Results (A)	FY23 Results (B)	YoY (A)-(B)	YoY (A)/(B)	FY24 Forecasts (C)	Achievement rate (A)/(C)
Net sales	201,685	198,243	+3,442	+1.7%	210,500	95.8%
Operating profit	11,748	12,305	(557)	(4.5)%	12,800	91.8%

Analysis of changes in operating profit



Main factors

■ Functional plastics products +510

- strong sales of molded products for air conditioners and consumer resin products
- increase in sales of resin materials mainly for daily necessities

■ Resources & advanced materials (540)

- increase in sales of biomass fuel
- decline in the profitability of our own mining sites of mineral sands in Australia

■ Metals + 90

- increase in sales of aluminum foil for food packaging
- decline in sales price of stainless steel

■ Electronic materials (620)

- weak sales of rechargeable battery materials for next-generation automobiles

Balance Sheets (Consolidated)

Total assets increased due to trade receivables and capital investment.
Interest-bearing debt increased due to financing for investments in Japan and overseas,
and an increase in operating funds.

(100 million yen)

	FY24 (A)	FY23 (B)	Change (A)-(B)	Major factors for changes
Current assets	3,284	3,095	+188	increase in trade receivables
Property, plant and equipment	2,402	2,254	+147	
Intangible assets	477	365	+112	
Investments and other assets	2,557	2,590	(32)	
Fixed assets	5,437	5,209	+228	increase due to capital investment
Total assets	8,721	8,304	+416	
Current liabilities	2,549	3,125	(575)	short-term debt decreased 104.7 billion yen
Non-Current liabilities	2,200	1,489	+710	bonds payable increased 30 billion yen long-term debt increased 41.5 billion yen
Total liabilities	4,750	4,614	+135	interest-bearing debt 264.4 billion yen (+9.9 billion yen) ratio of interest-bearing debt to total assets 30.3%
Equity capital	3,860	3,584	+276	capital ratio 44.3%
Non-controlling interests	111	106	+5	
Net Assets	3,971	3,690	+281	
Total liabilities and net assets	8,721	8,304	+416	

FY2025 Forecasts

Forecasts for the Fiscal Year Ending March 31, 2026

(100 million yen)

	FY25 Forecasts	FY24 Results	Change	Rate
Net sales	9,364	8,830	+533	+6.0%
■ Integrated Energy	4,060	3,787	+272	+7.2%
■ Industrial Gases & Machinery	2,759	2,714	+44	+1.6%
■ Materials	2,235	2,016	+218	+10.8%
■ Others	310	310	(0)	(0.3)%
Operating profit	491	462	+28	+6.2%
■ Integrated Energy	219	195	+23	+12.2%
■ Industrial Gases & Machinery	188	175	+12	+7.0%
■ Materials	129	117	+11	+9.8%
■ Others, Adjustments	(45)	(26)	(18)	-
Operating profit excluding impact of LPG import price fluctuation	491	460	+30	+6.7%
Equity gains of affiliated companies related to Cosmo Energy HD	106	91	+14	+16.4%
Ordinary profit	631	614	+16	+2.6%
Profit attributable to owners of parent	488	404	+83	+20.6%

Estimated exchange rate

Exchange rate **145 JPY/\$**LPG import price **650 \$/t**

(FY24 results)

Exchange rate 153.36 JPY/\$

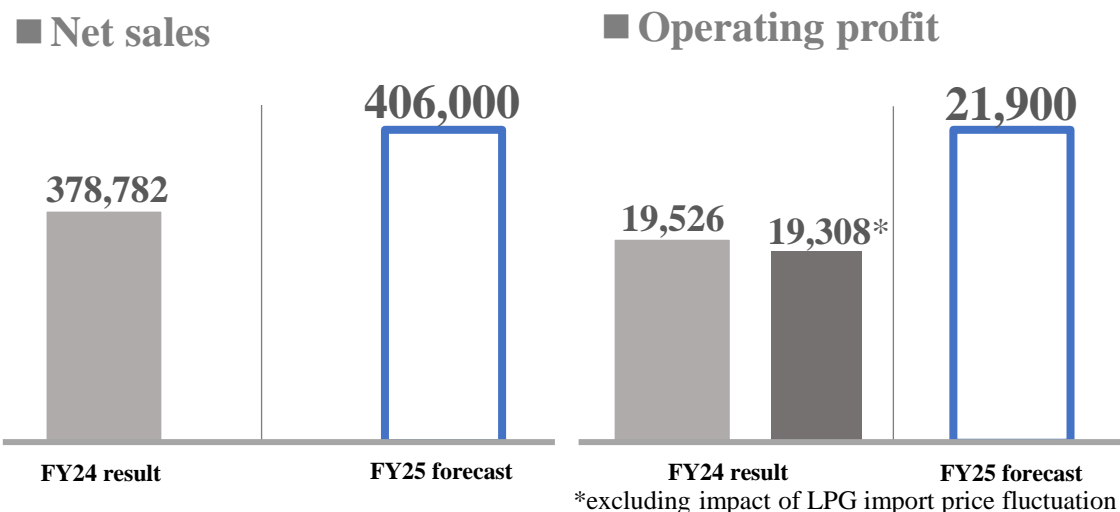
LPG import price 612 \$/t

Dividend forecast

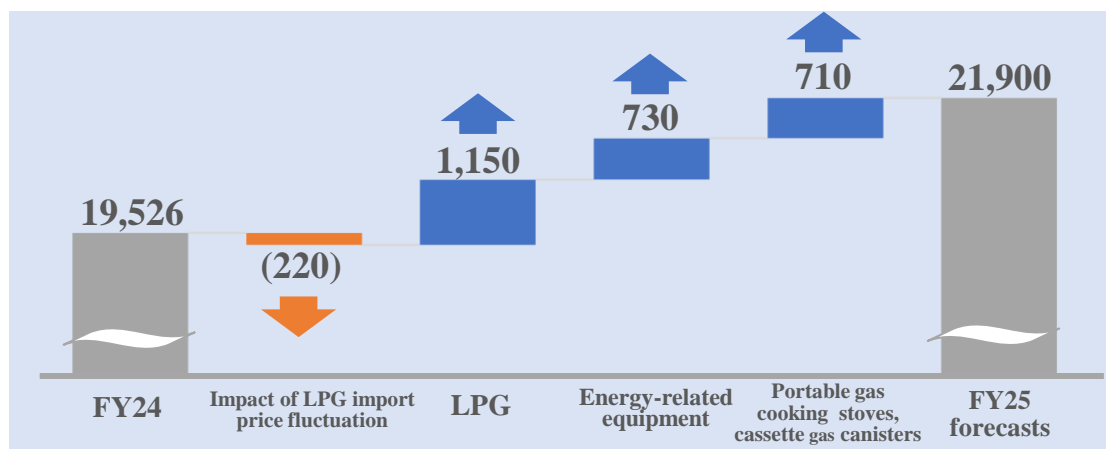
FY25 47.0 yen per share

FY2025 Forecasts of Integrated Energy

Forecasts



Forecasts of changes in operating profit



Measures toward achievement of FY2025 forecasts

-Enlarge LPG business

- increase in sales volume by expanding the number of LPG direct sales customers, mainly through M&A
- strengthen efforts for low-carbon energy through promoting fuel conversion from heavy oil and sales expansion of carbon offset gas
- improve profitability by streamlining logistics

-Increasing sales of energy-related equipment

- expand sales of carbon neutral products (high-efficiency water heater, solar panel, rechargeable batteries, etc.)
- expand sales of LPG emergency generators and GHP for BCP measures

-Expanding cartridge gas business

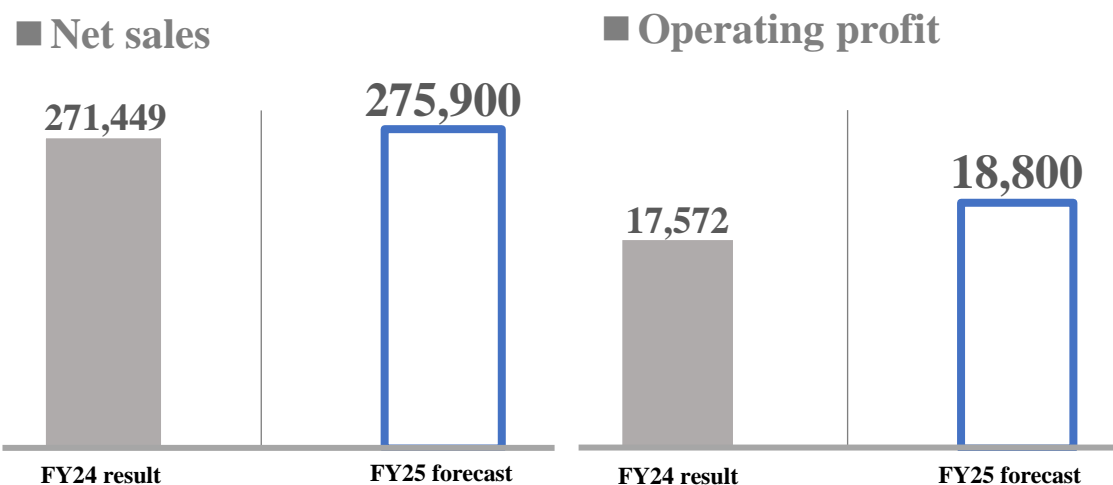
- expand sales in the domestic market by creating demand through developing new product
- expand our international business in seeking to develop new products tailored to local market needs primarily in Southeast Asia

Main factors causing changes in business performance

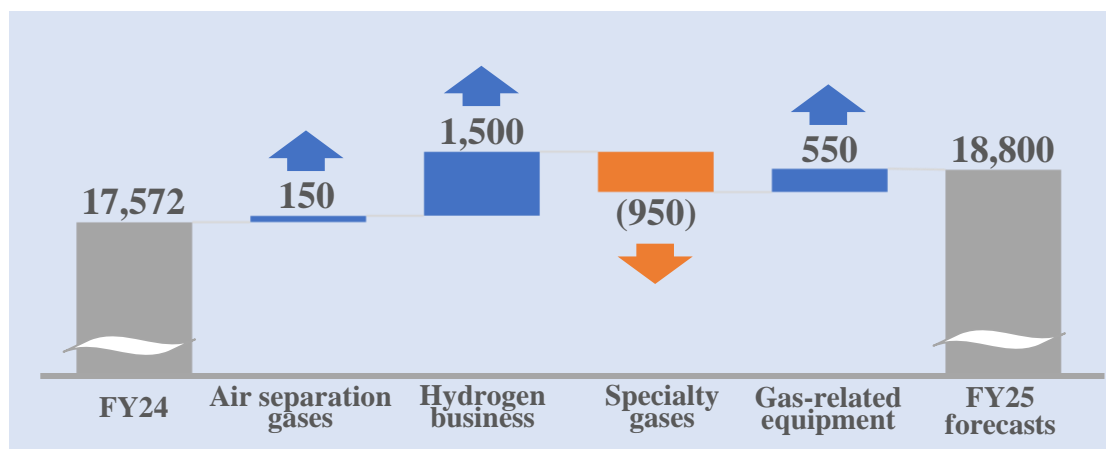
- Trends in LPG import price, exchange rate fluctuations
- Effect of LPG sales volume due to higher temperature

FY2025 Forecasts of Industrial Gases & Machinery

Forecasts



Forecasts of changes in operating profit



Measures toward achievement of FY2025 forecasts

-Reasonable sales price adjustment and expanding sales of air separation gases

- focus on expanding sales to semiconductor (data center and AI markets) and electronic component industries
- appropriate price adjustment to rising procurement and logistics cost

-Capturing new demand for liquid hydrogen

- strengthen sales of liquid hydrogen and related equipment to meet decarbonization demand

-Expanding specialty gases business

- appropriate price adjustment to rising procurement and logistics costs
- focus on stable procurement and supply of helium and carbon dioxide

-Expanding sales of machinery and equipment

- enhance sales in growing fields such as decarbonization

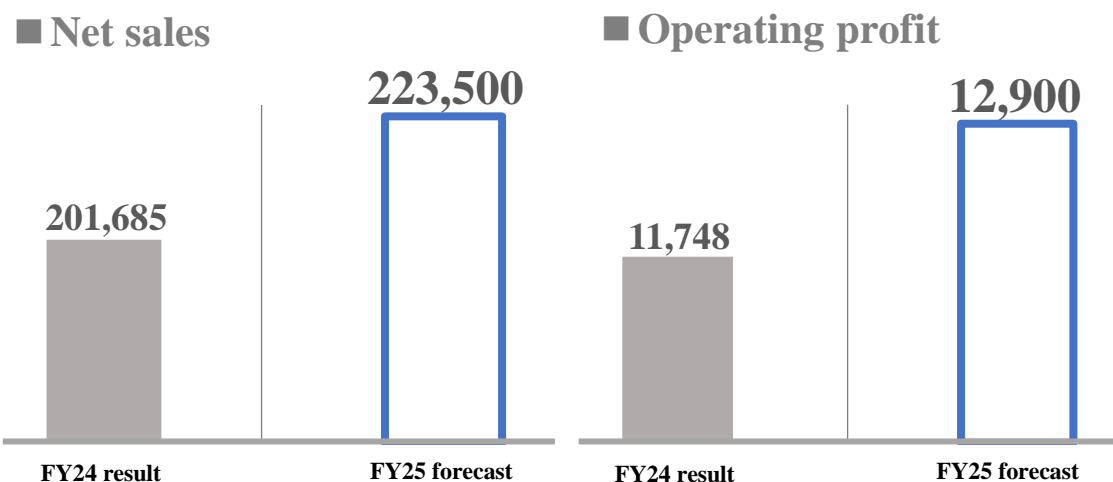
Main factors causing changes in business performance

-Rising manufacturing and logistics costs

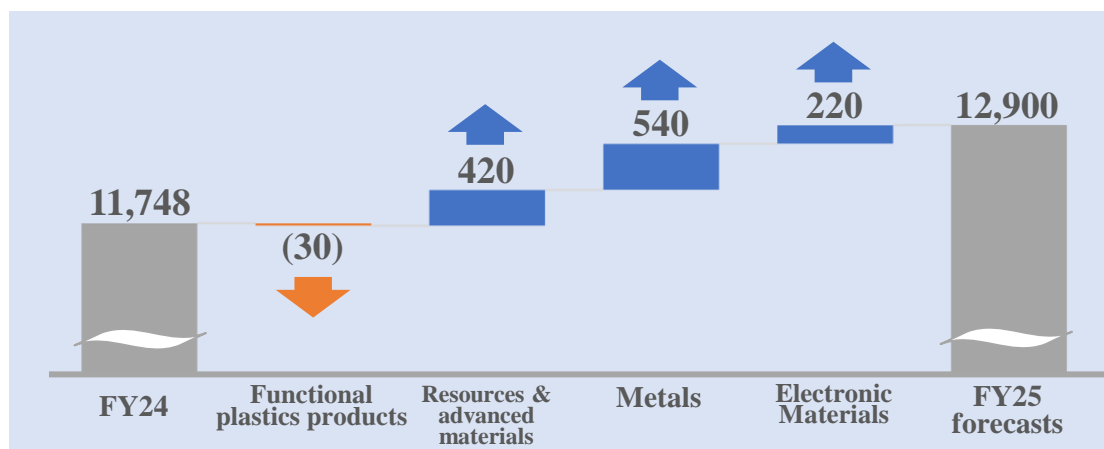
-Production trends in the manufacturing sector

FY2025 Forecasts of Materials

Forecasts



Forecasts of changes in operating profit



Measures toward achievement of FY2025 forecasts

-Strengthening the resources business

- strengthen sales of green titanium ore produced in Norway
- expand sales of biomass fuels
- strengthen efforts to secure critical mineral resources

-Expanding metal business

- expand sales of stainless steel by leveraging domestic processing locations
- expand overseas metal processing business

-Promoting circulation-based businesses

- promote resource recycling business and other initiatives

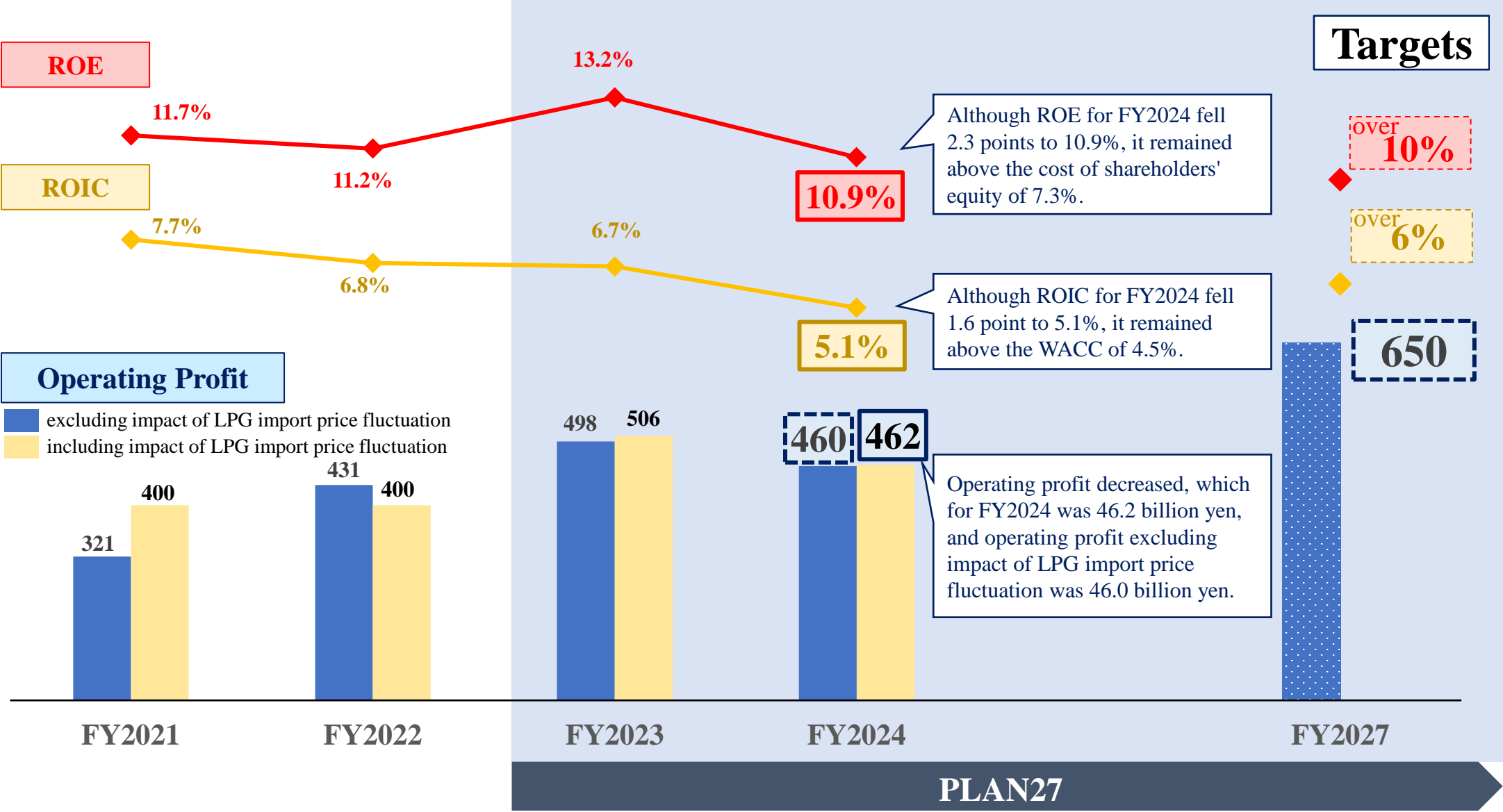
Main factors causing changes in business performance

- Price fluctuations in resource markets
- Exchange rate fluctuations

Progress of Medium-Term Management Plan “PLAN27”

Management Targets

(Management that is conscious of cost of capital and stock price)



Initiatives to the Management that is Conscious of Cost of Capital and **Iwatani** Stock Price

1. Revision of Dividend Policy (From the year ending March 31, 2026, and thereafter)

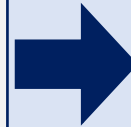
-Change in dividend policy (Unifying the policies)

1.Iwatani's portion of the business

-Progressive dividend with a target payout ratio of at least 20% in FY2027

2.Effects on profits of making Cosmo Energy Holdings an equity method affiliate

-20% of net income excluding the impact of inventory valuation of Cosmo Energy HD multiplied by the equity ratio.



-Progressive dividend

-Payout ratio of 20% or higher in FY2027

-Plan to pay interim dividends

2. Initiatives to Improve Capital Efficiency

-Reduction of strategic shareholdings

⇒including group companies, promoted the divest of shares in FY2024.

continue to take actions to reduce strategic shareholdings

-Divestment of assets held

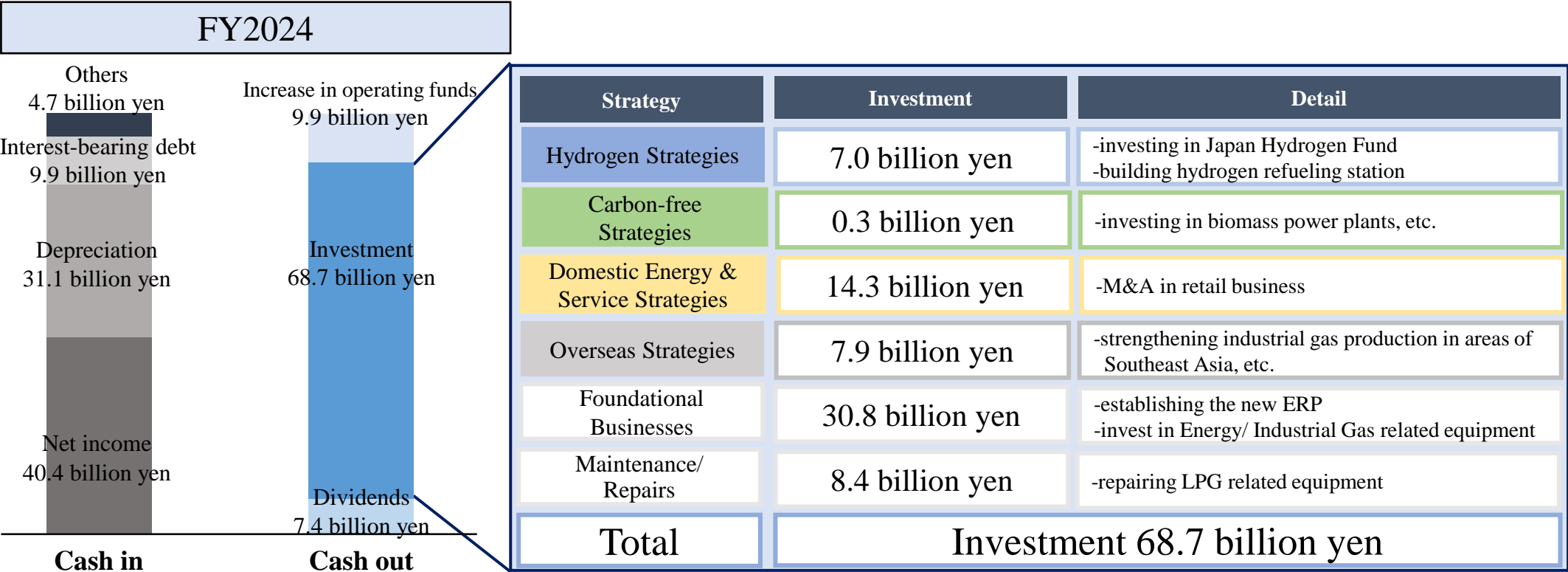
3. Strengthen the Corporate Governance

-Planning to change the term of Member of the Board from 2 years to 1 year

Capital Policies

		PLAN 27		
	FY2022	FY2023	FY2024	FY2027
net DER	0.35	0.61	0.61	Approx. 0.6
Interest-bearing debt	139.4 billion yen	254.5 billion yen	264.4 billion yen	Approx. 290.0 billion yen
Investment amount	70.0 billion yen	172.8 billion yen* ¹	68.7 billion yen	5 years total 470.0 billion yen

*¹ includes the acquisition of Cosmo Energy Holdings shares



Progress of Priority Measures

Hydrogen Strategies

- Conducted application to the support focusing on the price gap under the Hydrogen Society Promotion Act
- Opening Hydrogen refueling stations for commercial vehicles
 1. opened Iwatani Cosmo Hydrogen Refueling Station Heiwajima, a hydrogen refueling station able to refuel fuel cell trucks
 2. opened Iwatani Cosmo Hydrogen Station Ariake Bus Depot, a hydrogen refueling station able to refuel fuel cell buses, located on the premises of a bus depot of the Tokyo Metropolitan Bureau of Transportation



Hydrogen refueling station filling scenes for fuel cell truck and fuel cell bus
(left: Heiwajima, right: Ariake Bus Depot)

- Launching operation of the hydrogen fuel cell ship Mahoroba
started marine passenger ship transportation at Expo 2025 Osaka, Kansai, Japan

Progress of Priority Measures

- No change in policy to develop CO2-free hydrogen supply chain in FY2030
- However, some measures have been changed due to changes in the business environment.

Changes
from the
Original
Plan

Implement Commercialization Feasibility Study Project with Green Innovation Fund

【Change】 at demonstration : production in Australia ⇒ production in Japan
 【Cause】 due to the expectation that hydrogen production in the state of Victoria, Australia, will be delayed



In the commercial phase, several potential overseas locations are being considered as manufacturing sites

Green hydrogen production in Australia

(Feasibility study conducted by Stanwell Corporation, Marubeni Corporation, Keppel Corporation, and Iwatani)

【Change】 abandonment of commercialization
 【Cause】 due to the change of government in Queensland, Australia, additional investment in the project was withdrawn, leading to the conclusion that commercialization would no longer be feasible



Considering hydrogen production in other areas as a source for domestic procurement

Commercialization of hydrogen production from waste plastics in Japan

【Change】 commercialization is temporarily frozen
 【Cause】 due to a significant increase in project costs (plant prices and construction costs)



Under review for commercialization

Progress of Priority Measures

Carbon-free Strategies

-Production of “Green CO2”

- Decided to construct a plant to produce high-purity CO2 derived from sugarcane in Thailand with a local company.

Aiming for stable supply in Southeast Asian countries and Japan as “Green CO2” (Adopted as a part of the “Industrial cooperation programme in the Global South through technology transfer from Japan”)

-Sales / Supply of Carbon offset gas

- sell carbon-offset cassette gas canisters, that offsets CO2 emissions using J – Credits
- started supplying carbon offset LP gas at Expo 2025 Osaka, Kansai, Japan

Domestic Energy & Service Strategies

-An increase of 90,000 households in the number of LPG direct customers

(from 1.11 million in FY2023 to 1.20 million in FY2024)

- increase due to acquisition of ISG Inc., which operates LPG retail business mainly in Chiba and Ibaraki prefecture, as a subsidiary

-Expand utilization of Iwatani GateWay

- signed “Collaboration Agreement on Monitoring and Prevention of Care for the Elderly” with city of Goto, Nagasaki Prefecture

Progress of Priority Measures

Overseas Strategies

-Start the procurement of high-purity green titanium

- the plant of Nordic Mining ASA, Norway, was completed at the end of December 2024. first shipment to Japan is scheduled during FY2025

-Explore new sources of rare earth, designated as critical mineral resources

- established “Japan France Rare Earth Co., Ltd.” with “Japan Organization for Metals and Energy Society” (JOGMEC) and invested in a French rare earth refining company. strengthened the procurement of rare earths for Japan

-Established a supply base for various industrial gases in Singapore

Non-financial Strategies

	FY2022	FY2023	FY2024	PLAN27 (targets)
Ratio of female managers	6.0%	6.9%	7.8%	10% or more
Annual training costs per employee	86 thousand yen	118 thousand yen	138 thousand yen	150 thousand yen
Percentage of childcare leave taken by male employees	30.6%	55.9%	73.5%	100%

Capital and Business Alliance with Cosmo Energy Holdings Co., Ltd.

Overview of Business Alliance

1. Domestic Hydrogen Production utilizing refinery assets at Cosmo's Chiba Refinery

- Discussions are underway regarding the construction of a liquid hydrogen plant
 - business scheme and production scale to be decided within the fiscal year ending March 2026
 - operation is scheduled to start in the latter half of 2020s



2. Expanding hydrogen stations of Iwatani Cosmo Hydrogen Station LLC

-April 2024

Iwatani Cosmo Hydrogen Station Heiwajima opened (for fuel cell trucks)

-March 2025

Iwatani Cosmo Hydrogen Station Ariake Bus Depot (for fuel cell buses)



Iwatani Cosmo Hydrogen Station Heiwajima



Iwatani Cosmo Hydrogen Station Ariake Bus Depot

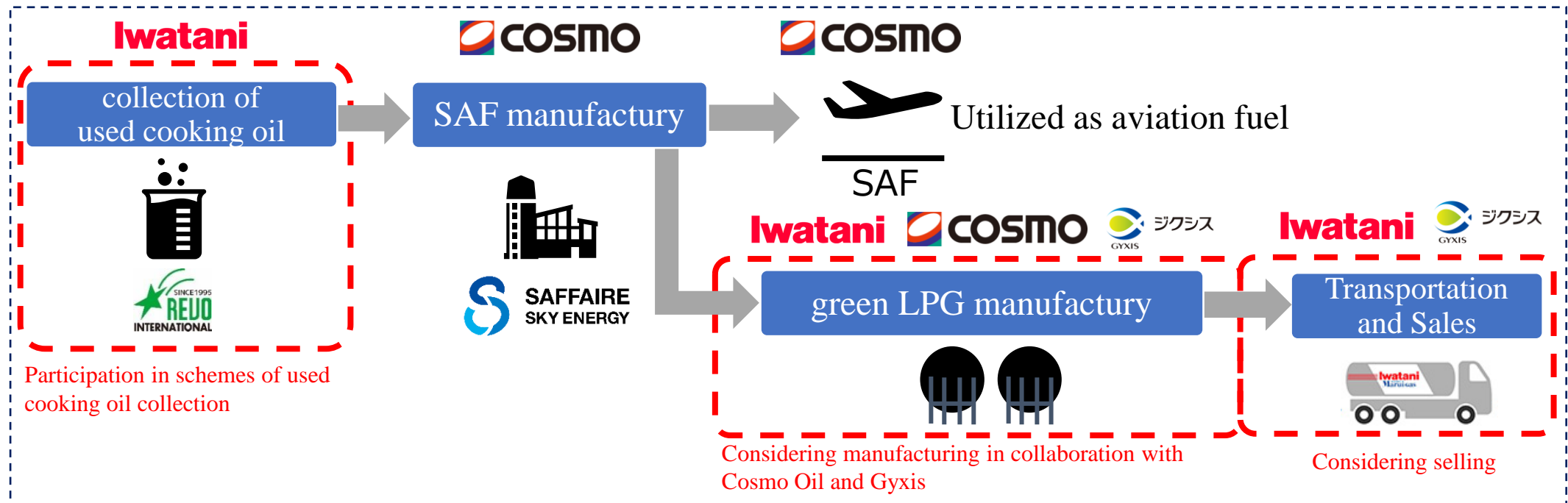
-Scheduled in FY2026

Iwatani Cosmo Hydrogen Station Shinsuna to open (for fuel cell trucks)

Overview of Business Alliance

3. SAF (Sustainable Aviation Fuels), Green LPG production and supply

- considering green LPG production and supply scheme associated with the SAF production
⇒considering to utilize our customer network for collection of used cooking oil for SAF manufacture
- participating in the Fry to Fly Project (from February 2025)



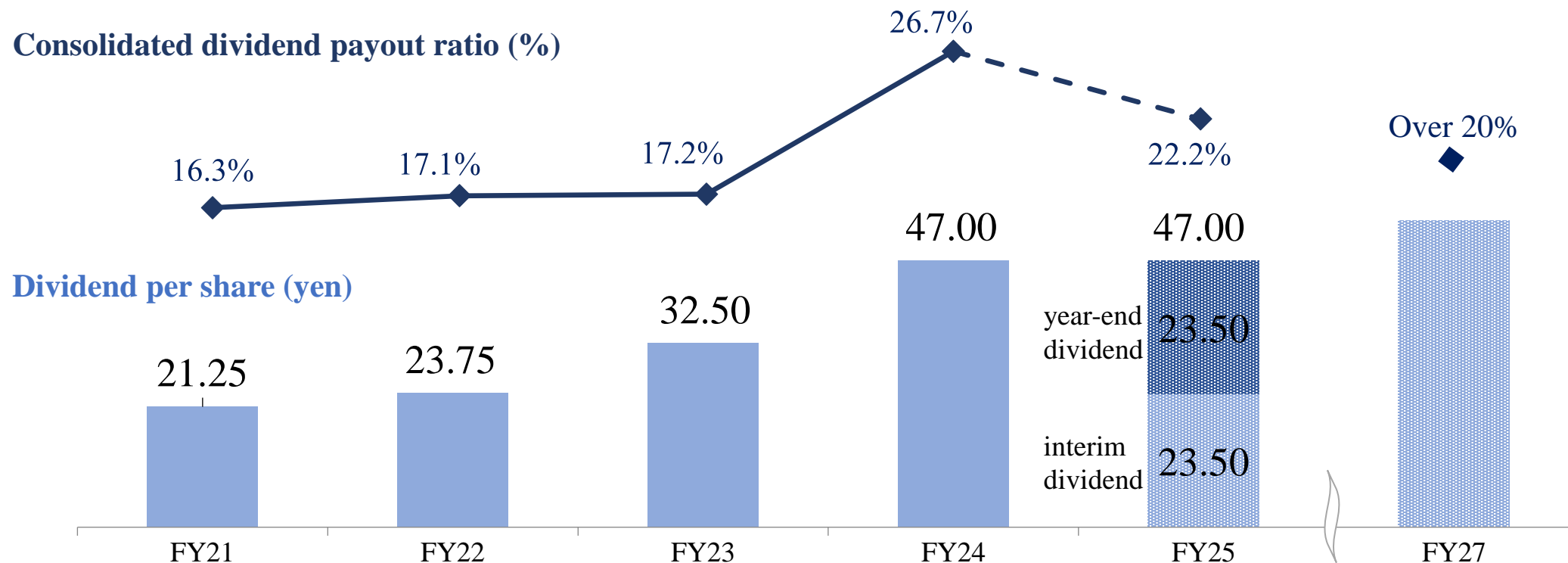
Returns to Shareholder

- Planning to pay dividend by of 47 yen per share, which is increase of 14.50 yen, for the fiscal year ending March 31, 2025

【Return policy to shareholders】 (Subject: Fiscal year ending March 31, 2026 and thereafter)

Progressive dividend + Payout ratio of 20% or higher in the fiscal year ending March 31, 2028

⇒ Annual dividend for the fiscal year ending March 31, 2026 is planned to be 47.00 yen
(interim dividend: 23.50 yen, year-end dividend: 23.50 yen)



*A 4-for-1 share split of common share was conducted with a reference date of September 30, 2024 and an effective date of October 1, 2024.

The amount shown is the amount after the stock split.

For Reference: Consolidated Statements of Cash Flows

Operating cash flow provided 52.4 billion yen. Investing cash flow was an outflow of 58.4 billion yen due to M&A of LP gas retailers and expansion of industrial gas production plants, etc. As a result, free cash flow was an outflow of 5.9 billion yen.

(100 million yen)

	FY2024 (A)	FY2023 (B)	YoY (A)-(B)
Cash flows from operating activities	524	548	(24)
Cash flows from investing activities	(584)	(1,612)	+1,028
Free cash flows	(59)	(1,064)	+1,004
Cash flows from financing activities	(20)	1,054	(1,074)
Effect of exchange rate changes, etc. ^{*1}	19	13	+6
Net increase (decrease) in cash and cash equivalents ^{*2}	(60)	3	(63)
Cash and cash equivalents at beginning of period	336	332	+3
Cash and cash equivalents at end of period	275	336	(60)

*1 “Effect of exchange rate changes, etc.” are the sum of “Effect of exchange rate changes”, “Increase (decrease) in cash and cash equivalents due to changes in scope of consolidation”, and “Increase in cash and cash equivalents resulting from merger with nonconsolidated subsidiaries”.

*2 The difference between “Cash and cash equivalents at beginning of period” and “Cash and cash equivalents at end of period” is shown.

For Reference: PLAN27 Progress by Business Segments

		PLAN27				
(Unit:100 million yen)		FY2022	FY2023	FY2024	FY2025 Forecast	F2027 Target
Integrated Energy	Net Sales	3,932	3,571	3,787	4,060	4,840
	Operating Profit	143	201	195	219	255
Industrial Gases & Machinery	Net Sales	2,404	2,621	2,714	2,759	3,400
	Operating Profit	165	217	175	188	255
Materials	Net Sales	2,424	1,982	2,016	2,235	3,060
	Operating Profit	126	123	117	129	175
Others	Net Sales	302	303	310	310	400
	Operating Profit	(34)	(35)	(26)	(45)	(35)
Total	Net Sales	9,062	8,478	8,830	9,364	11,700
	Operating Profit	400	506	462	491	650

Iwatani