

**Iwatani**

**Financial Results for 1Q FY2024  
(Results for the Fiscal Year Ended June 30<sup>th</sup>, 2024)**

**August 9, 2024  
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.

# **FY2024 1Q Overview**

# Highlights

- ▶ Net sales decreased. Operating profit decreased. Ordinary profit and profit attributable to owners of parent reached record highs.

## Summary of Financial Results for FY2024 1Q

- The LPG import prices were higher than those in the previous fiscal year, leading to an increase in its selling price. However, due to the sluggish sales of stainless steel and rechargeable battery materials, and the weakening of the helium markets mainly in Asia, revenues decreased.
- Operating profit declined due to weak sales of products for the industrial sector in the Industrial Gases & Machinery and Material businesses. However, due to factors such as the equity method investment earnings of Cosmo Energy Holdings (hereinafter referred to as Cosmo Energy HD) being recorded as non-operating income and expenses, both ordinary profit and profit attributable to owners of parent have increased.
- Full-year forecasts : No change

Net sales

**197.5** billion yen YoY (4.3) billion yen (2.2)%

Operating profit

**8.4** billion yen YoY (0.09) billion yen (1.1)%

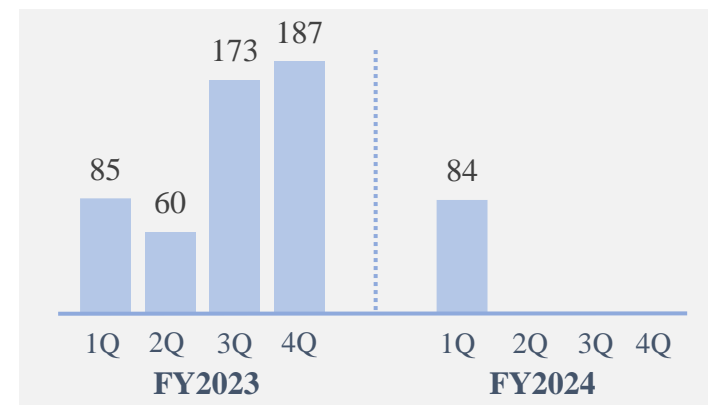
Ordinary profit

**15.0** billion yen YoY +4.4 billion yen +41.7%

Profit attributable to owners of parent

**11.6** billion yen YoY +4.4 billion yen +61.7%

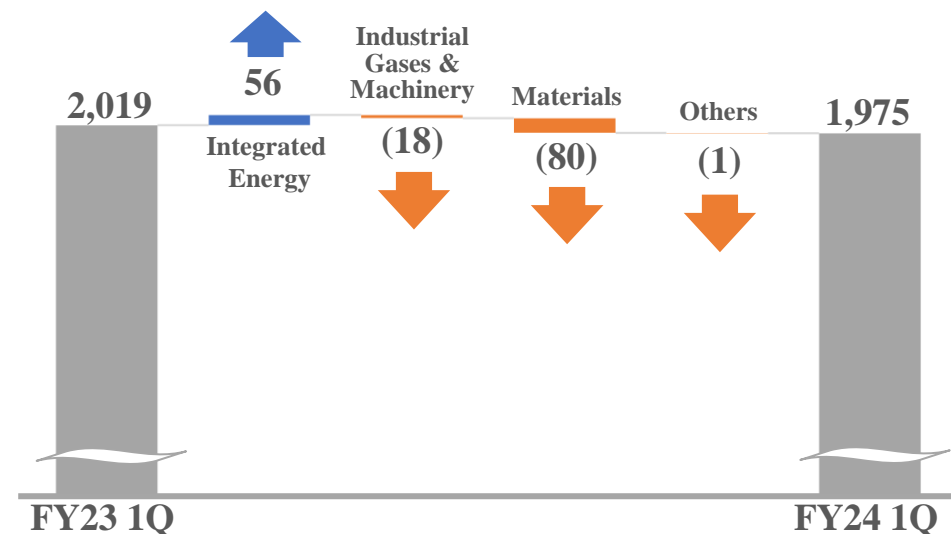
■ Operating profit quarterly trends (100 million yen)



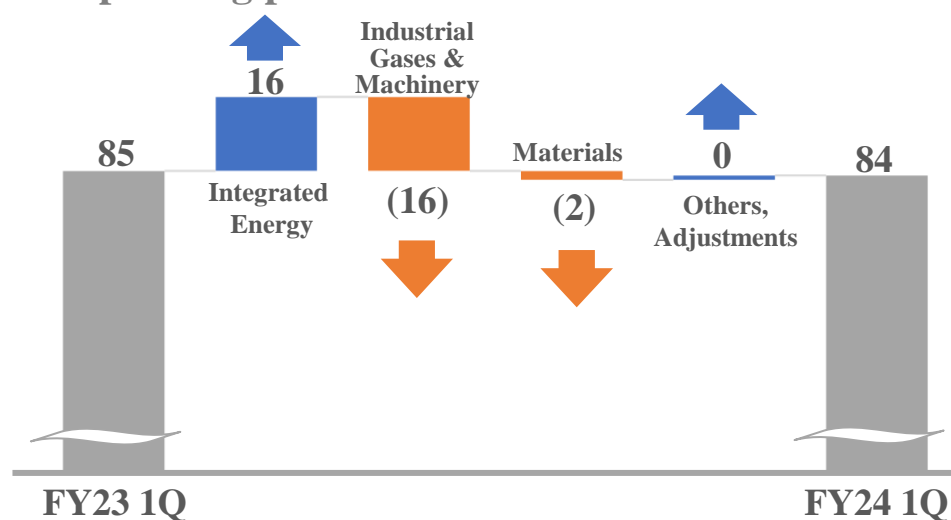
# Consolidated Operating Results

	FY24 1Q results (A)	FY23 1Q results (B)	YoY (A)-(B) (A)/(B)	FY24 forecasts	Progress
Net Sales	1,975	2,019	(43) (2.2%)	9,020	21.9%
Gross profit	536	516	+20 +3.9%	-	-
Operating profit	84	85	(0) (1.1%)	527	16.0%
Operating profit excluding impact of LPG import price fluctuation	84	102	(17) (17.1%)	527	16.1%
Non-operating profit	66	21	+45 +214.9%	-	-
Equity gains of affiliated companies related to Cosmo Energy HD	49	-	+49 -	-	-
Ordinary profit	150	106	+44 +41.7%	728	20.7%
Profit attributable to owners of parent	116	71	+44 +61.7%	540	21.5%

## Net sales



## Operating profit



# Consolidated Operating Results (Segment Analysis)

	FY24 1Q Results(A)	FY23 1Q Results(B)	Year on year(C) (A) - (B)	Year on year (A) / (B)	FY24 Forecast	Progress
Net sales	1,975	2,019	(43)	(2.2)%	9,020	21.9%
■ Integrated Energy	825	769	+56	+7.3%	3,840	21.5%
■ Industrial Gases & Machinery	603	621	(18)	(2.9)%	2,750	22.0%
■ Materials	473	553	(80)	(14.5)%	2,105	22.5%
■ Others	72	74	(1)	(2.4)%	325	22.3%
Operating profit	84	85	(0)	(1.1)%	527	16.0%
■ Integrated Energy	32	16	+16	+104.1%	210	15.6%
■ Industrial Gases & Machinery	32	48	(16)	(32.9)%	220	14.9%
■ Materials	25	27	(2)	(8.7)%	128	19.8%
■ Others, Adjustments	(6)	(7)	+0	-	(31)	-
Operating profit excluding impact of LPG import price fluctuation	84	102	(17)	(17.1)%	527	16.1%
Equity gains of affiliated companies related to Cosmo Energy HD	49	-	+49	-	-	-
Ordinary profit	150	106	+44	+41.7%	728	20.7%
Profit attributable to owners of parent	116	71	+44	+61.7%	540	21.5%

# Operating Profit Analysis of Integrated Energy

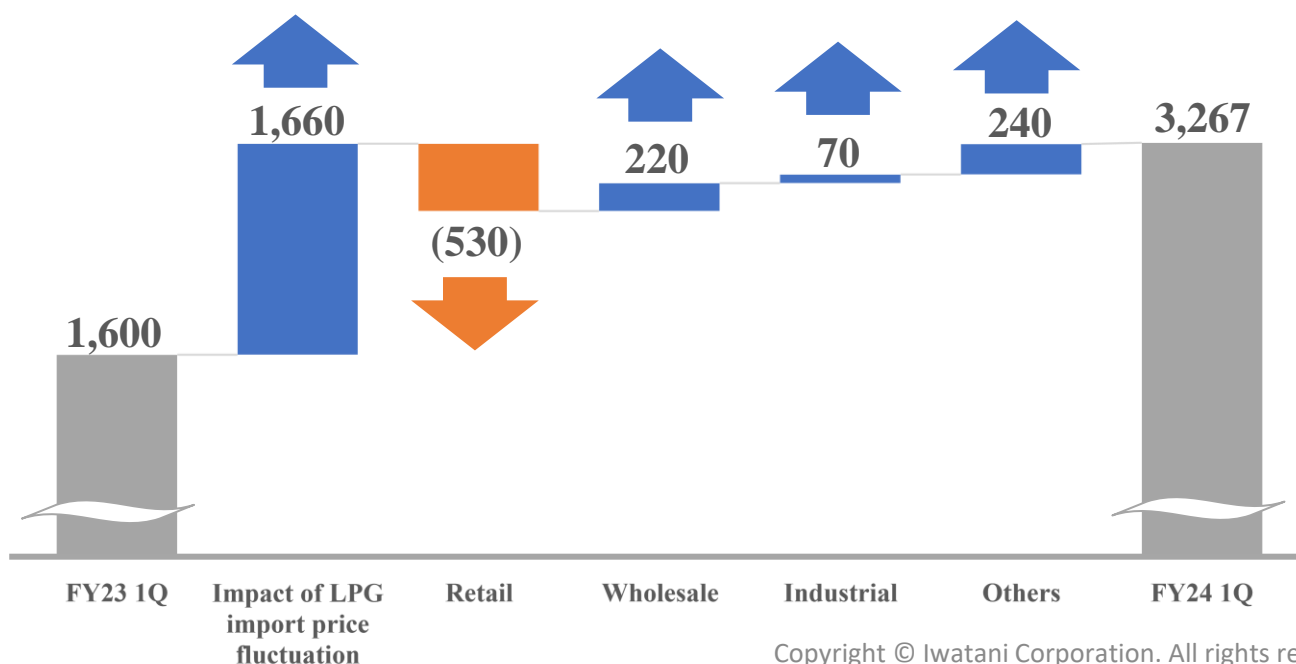
## Results

(100 million yen)

	FY24 1Q Results (A)	FY23 1Q Results (B)	YoY (A)-(B)	YoY (A)/(B)	FY24 Forecasts (C)	Progress (A)/(C)
Net sales	825	769	+56	+7.3%	3,840	21.5%
Operating profit	32	16	+16	+104.1%	210	15.5%
Operating profit excluding impact of LPG import price fluctuation	33	33	+0	+0.3%	210	15.9%

## Analysis of changes in operating profit

(million yen)



## Main factors

(million yen)

### ■ Impact of LPG import price fluctuation +1,660

(100 million yen)	1Q	2Q	1H	3Q	4Q	Full year
FY24	(0.7)	-	-	-	-	-
FY23	(17.3)	(34.0)	(51.3)	+32.6	+26.3	+7.5
Changes	+16.6	-	-	-	-	-

### ■ Retail (530)

-decrease in profitability of LPG due to rising LPG import prices

### ■ Wholesale +220

-improvement in profitability of LPG

### ■ Industrial +70

-increase in LPG demand for calorific adjustment for city gas

### ■ Others +240

-steady sales of gas-related safety equipment

# Operating Profit Analysis of Industrial Gases & Machinery

## Results

(100 million yen)

	FY24 1Q Results (A)	FY23 1Q Results (B)	YoY (A)-(B)	YoY (A)/(B)	FY24 Forecasts (C)	Progress (A)/(C)
Net sales	603	621	(18)	(2.9)%	2,750	22.0%
Operating profit	32	48	(16)	(32.9)%	220	14.9%

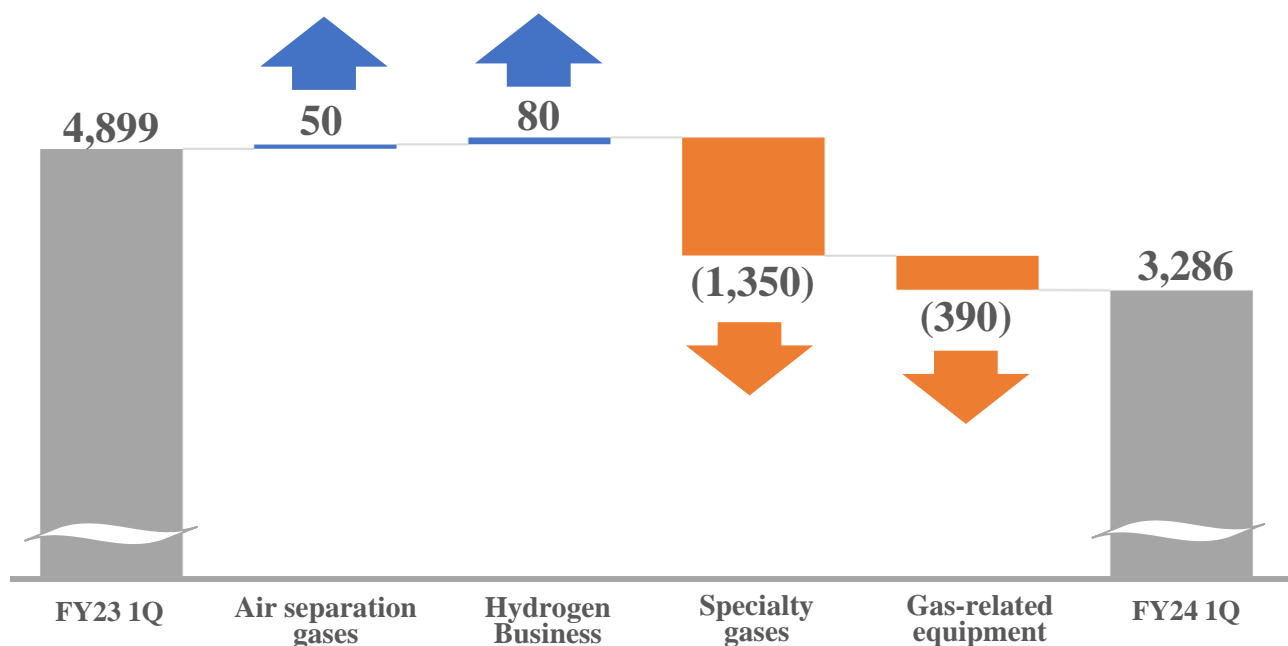
## Main factors

(million yen)

- Air separation gases +50**  
 -steady sales, mainly for the electronic components industry
- Hydrogen Business +80**  
 -increase in sales volume of liquid hydrogen for the space development and others
- Specialty gases (1,350)**  
 -helium market weakened mainly in Asia, resulting in lower profitability
- Gas-related equipment (390)**  
 -decrease in sales of automobile-related equipment and gas supply facilities

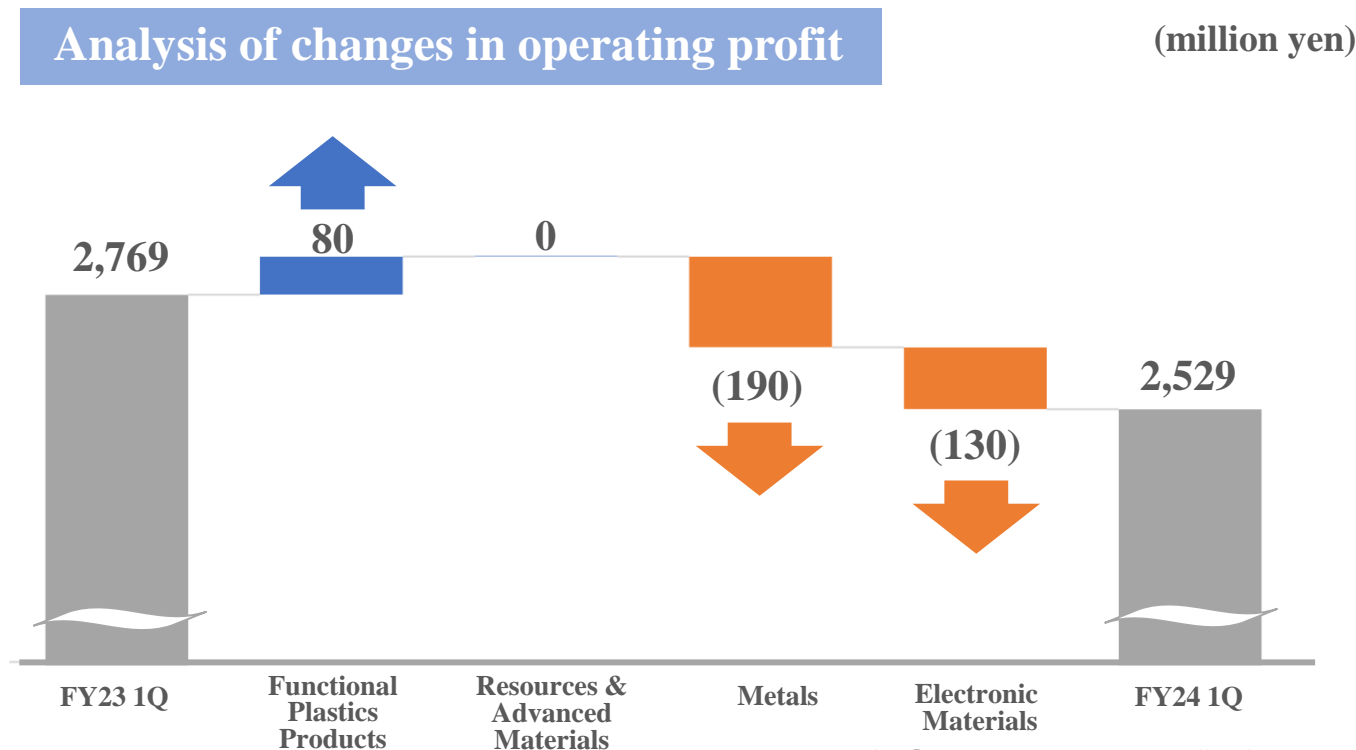
## Analysis of changes in operating profit

(million yen)



# Operating Profit Analysis of Materials

Results		(100 million yen)				
	FY24 1Q Results (A)	FY23 1Q Results (B)	YoY (A)-(B)	YoY (A)/(B)	FY24 Forecasts (C)	Progress (A)/(C)
Net sales	473	553	(80)	(14.5)%	2,105	22.5%
Operating profit	25	27	(2)	(8.7)%	128	19.8%



## Main factors (million yen)

### ■ Functional Plastics Products +80

-increase in sales of plastic products, mainly for air conditioners

### ■ Resources & Advanced Materials +0

-production and sales at our own mining sites remained strong in the mineral sands overseas business  
-sluggish sales of catalyst raw materials for the petrochemical industry

### ■ Metals (190)

-decrease in stainless steel due to falling market prices and inventory adjustments at sales destinations

### ■ Electronic Materials (130)

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



# FY2024 Forecasts

# Forecasts for the Year Ending March 31, 2025

(100 million yen)

	FY24 forecasts	FY23 results	Change	Rate
Net sales	9,020	8,478	+541	+6.4%
■ Integrated Energy	3,840	3,571	+268	+7.5%
■ Industrial Gases & Machinery	2,750	2,621	+128	+4.9%
■ Materials	2,105	1,982	+122	+6.2%
■ Others	325	303	+21	+7.1%
Operating profit	527	506	+20	+4.1%
■ Integrated Energy	210	201	+8	+4.1%
■ Industrial Gases & Machinery	220	217	+2	+1.4%
■ Materials	128	123	+4	+4.0%
■ Others, Adjustments	(31)	(35)	+4	-
Operating profit excluding impact of LPG import price fluctuation	527	498	+28	+5.7%
Equity gains of affiliated companies related to Cosmo Energy HD	159	93	+65	+69.5%
Ordinary profit	728	662	+65	+10.0%
Profit attributable to owners of parent	540	473	+66	+14.0%

Change from forecasts: No change

\*Announced on May 13<sup>th</sup>, 2024

## Estimated exchange rate

Exchange rate **145 JPY/USD**

LPG import price **650 \$/ton**

(FY23 results)

Exchange rate 143.5 JPY/USD

LPG import price 569 \$/ton

## Dividend forecast

**FY24 130 yen per share**

\*The dividend for FY24 does not include the impact of accounting for Cosmo Energy HD using the equity method

\*A 4-for-1 stock split of shares of common stock will be conducted with an effective date of October 1, 2024, record of as September 30, 2024. The result shown on the table are before the stock split.

**Iwatani**