FY2025 1st Half Financial Results
(Results for the Six Months Ended September 30, 2025)

November 20, 2025

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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FY2025 1st Half Overview

Highlights

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

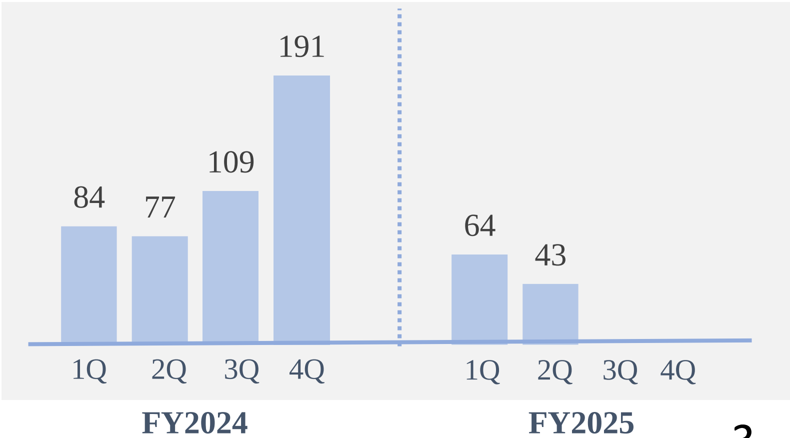
Summary of Financial Results for the 1st Half of FY2025

- Net sales increased, driven by strong sales of products for the industrial field, mainly in the Materials business, despite the decrease in LPG sales price due to lower import prices.
- Operating profit declined due to lower profitability in helium and the negative impact of LPG import price fluctuations.
- Full-year financial forecasts: no change

Due to the finalization of the amount of "negative goodwill" related to the additional acquisition of Cosmo Energy Holdings, the ordinary profit and profit attributable to owners of parent for the 1st Half of FY2024 have decreased by 1.645 billion yen each from the amounts announced last year.
All data for 1st Half of FY2024 presented in this document reflect the above-mentioned information.

Net sales	**409.1 billion yen**	YoY	+9.1 billion yen	+2.3%
Operating profit	**10.7 billion yen**	YoY	(5.3) billion yen	(33.3)%
Ordinary profit	**18.0 billion yen**	YoY	(2.6) billion yen	(12.8)%
Profit attributable to owners of parent	**20.3 billion yen**	YoY	+6.8 billion yen	+51.1%

■ Operating profit quarterly trends (100 million yen)



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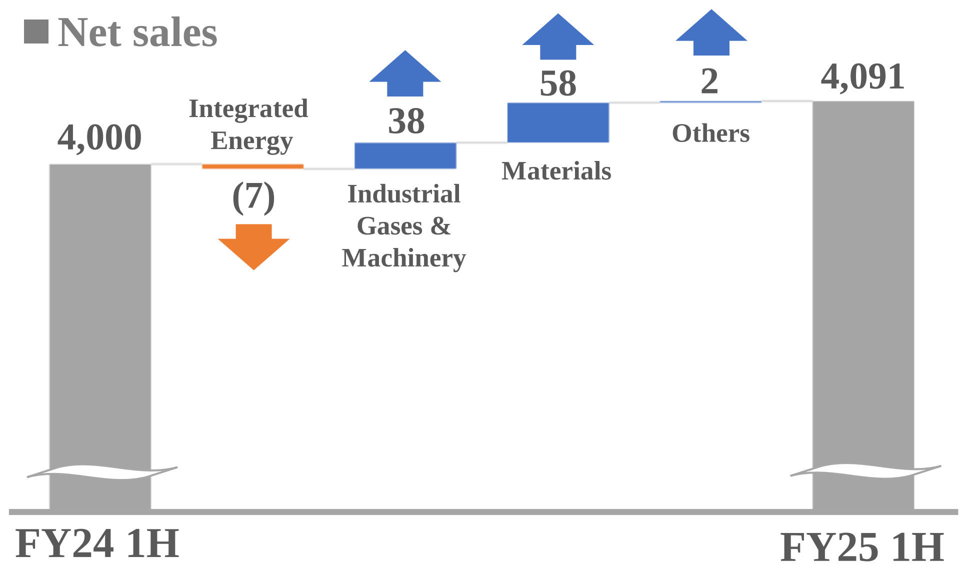
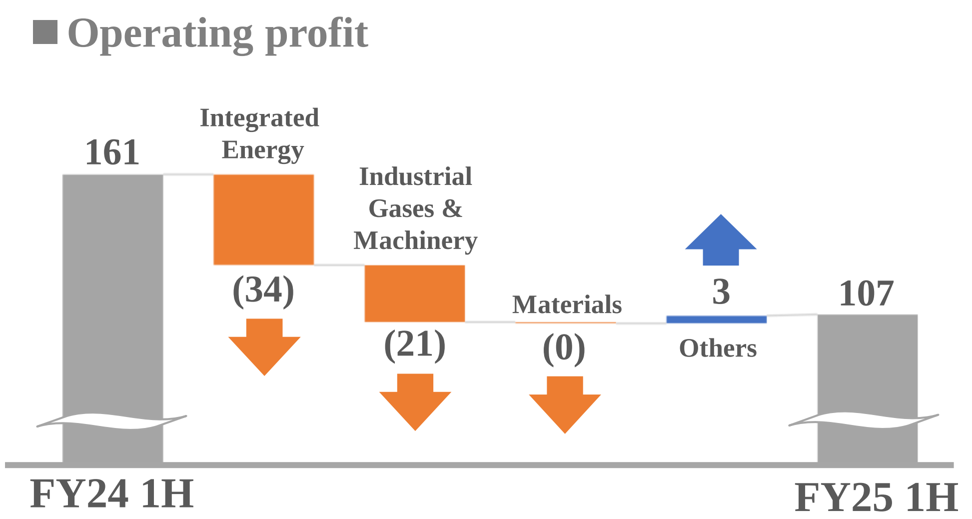
Consolidated Operating Results

(100 million yen)

	FY25 1H Results (A)	FY24 1H Results (B)	YoY (A) - (B) (A) / (B)	FY25 Forecasts	Progress
Net sales	4,091	4,000	+91 +2.3%	9,364	43.7%
Gross profit	1,065	1,066	(0) (0.1)%	-	-
Operating profit	107	161	(53) (33.3)%	491	21.9%
Operating profit excluding impact of LPG import price fluctuation	138	171	(33) (19.3)%	491	28.3%
Non-operating profit	72	44	+27 +61.0%	-	-
Equity gains of affiliated companies related to Cosmo Energy HD	47	19	+28 +146.3%	106	-
Ordinary profit	180	206	(26) (12.8)%	631	28.5%
Profit attributable to owners of parent	203	134	+68 +51.1%	488	41.6%





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Consolidated Operating Results (Segment Analysis)

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(100 million yen)

	FY25 1H Results (A)	FY24 1H Results (B)	YoY (A) - (B)	YoY (A) / (B)	FY25 Forecasts	Progress
Net sales	4,091	4,000	+91	+2.3%	9,364	43.7%
■ Integrated Energy	1,564	1,572	(7)	(0.5)%	4,060	38.5%
■ Industrial Gases & Machinery	1,324	1,285	+38	+3.0%	2,759	48.0%
■ Materials	1,049	991	+58	+5.8%	2,235	47.0%
■ Others	152	150	+2	+1.5%	310	49.1%
Operating profit	107	161	(53)	(33.3)%	491	21.9%
■ Integrated Energy	(2)	32	(34)	-	219	-
■ Industrial Gases & Machinery	58	79	(21)	(27.1)%	188	31.0%
■ Materials	60	61	(0)	(1.0)%	129	47.1%
■ Others, Adjustments	(9)	(12)	+3	-	(45)	-
Operating profit excluding impact of LPG import price fluctuation	138	171	(33)	(19.3)%	491	28.3%
Equity gains of affiliated companies related to Cosmo Energy HD	47	19	+28	+146.3%	106	-
Ordinary profit	180	206	(26)	(12.8)%	631	28.5%
Profit attributable to owners of parent	203	134	+68	+51.1%	488	41.6%

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Impact of LPG Import Price Fluctuations

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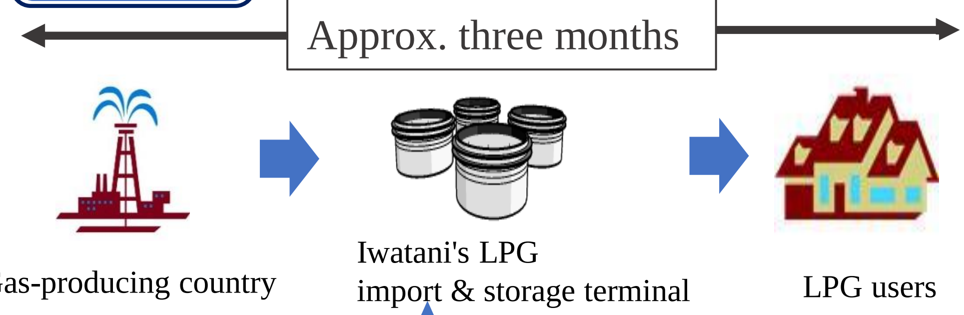
Assumption ① Wholesale price is linked to LPG import price.

Assumption ② Term from import to sale is approx. three months.

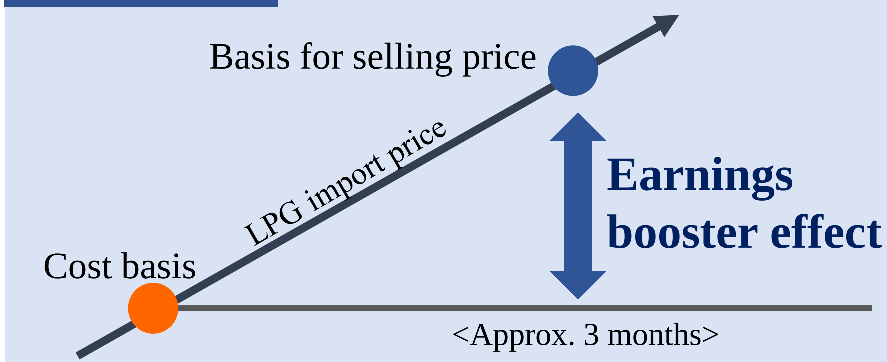
LPG import price → linked to → **Wholesale price**

-LPG from Middle East(CP)
-LPG from the US(MB)

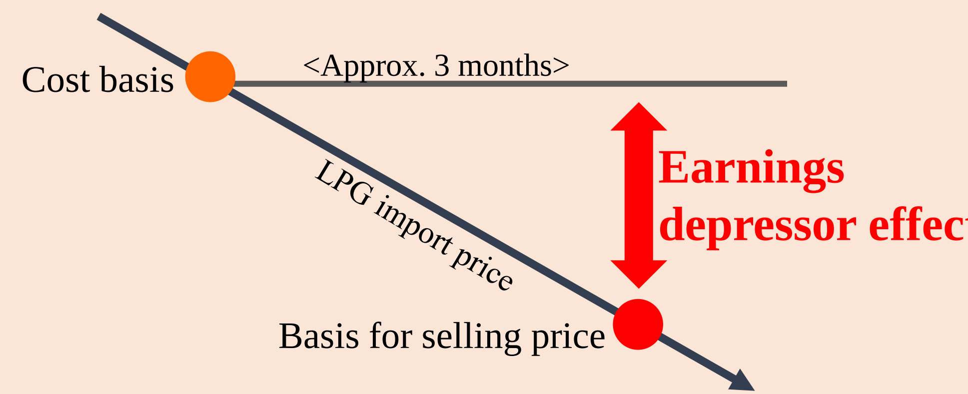


LPG import price fluctuation → **Produces short-term impact on performance(due to market fluctuations)**
(If LPG import prices return to original levels, impact will be zero.)

Rising phase — **Cheap inventory sold at high price**



Falling phase — **Expensive inventory sold at low price**



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Operating Profit Analysis of Integrated Energy

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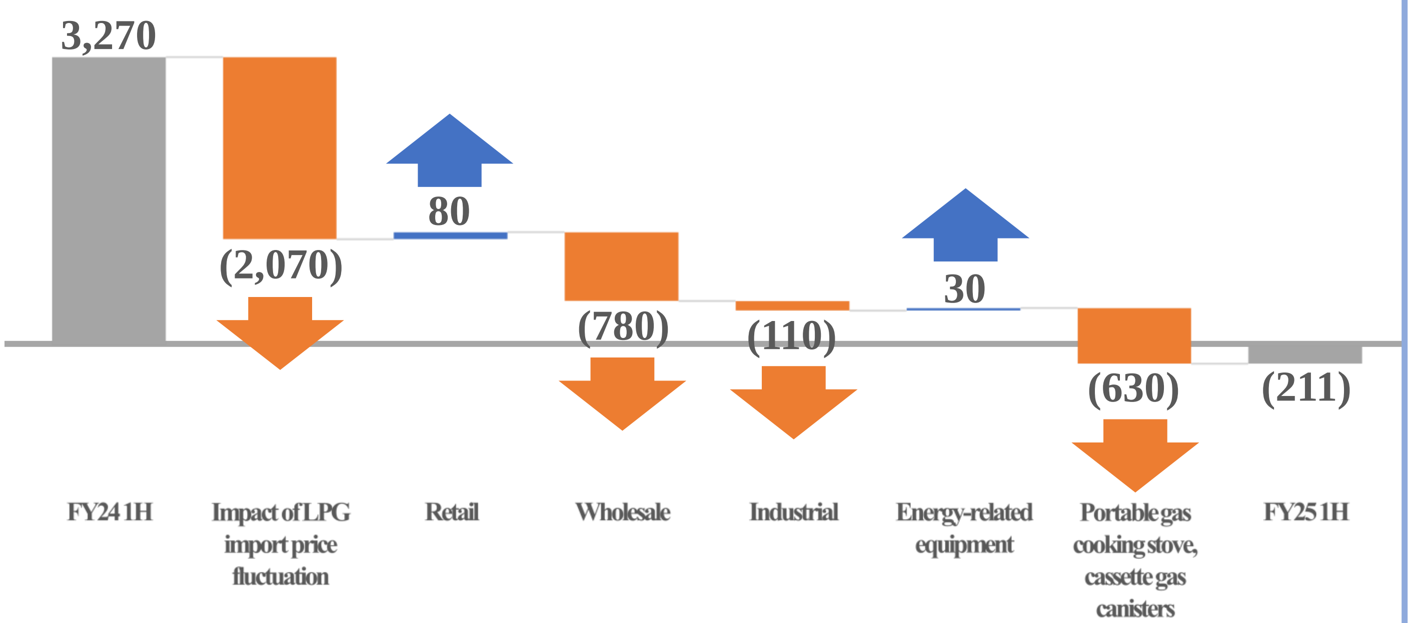
(million yen)

Results

	FY25 1H Results (A)	FY24 1H Results (B)	YoY (A) - (B)	YoY (A) / (B)	FY25 Forecasts (C)	Progress (A) / (C)
Net sales	156,492	157,263	(770)	(0.5)%	406,000	38.5%
Operating profit	(211)	3,270	(3,482)	-	21,900	-
Operating profit excluding impact of LPG import price fluctuation	2,911	4,327	(1,416)	(32.7)%	21,900	13.3%

Analysis of changes in operating profit



Main factors

■ **Impact of LPG import price fluctuation (2,070)**

(100 million yen)	1Q	2Q	1H	3Q	4Q	Full year
FY25 1Q	(11.8)	(19.4)	(31.2)	-	-	-
FY24 1Q	(0.7)	(9.8)	(10.5)	+3.6	+9.1	+2.1
Changes	(11.1)	(9.6)	(20.7)	-	-	-

■ **Retail +80**

-increase in sales volume, partly due to the impact of new consolidation

■ **Wholesale (780)**

-decrease in sales volume of LPG

■ **Industrial (110)**

-increase in sales volume due to new customer acquisitions, whereas costs rose

■ **Energy-related equipment +30**

-solid sales of water heaters, installation works, etc.

■ **Portable gas cooking stove, cassette gas canister (630)**

-decrease in sales in Japan and China

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Operating Profit Analysis of Industrial Gases & Machinery

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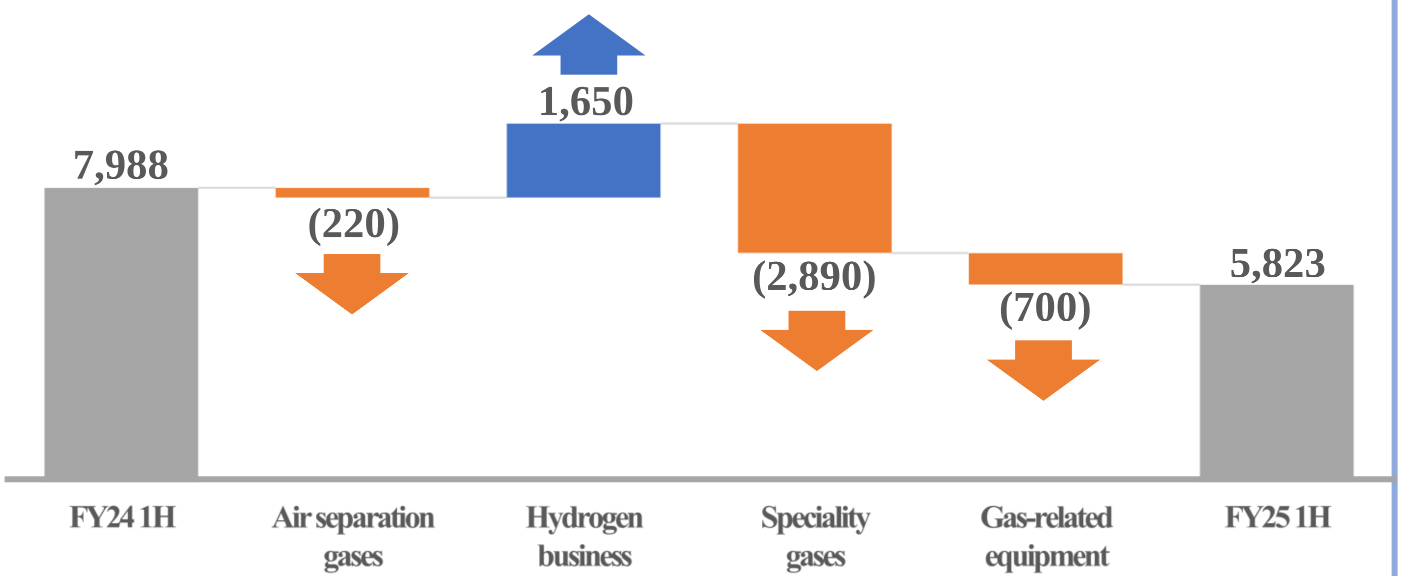
(million yen)

Results

	FY25 1H Results (A)	FY24 1H Results (B)	YoY (A) - (B)	YoY (A) / (B)	FY25 Forecasts (C)	Progress (A) / (C)
Net sales	132,447	128,583	+3,864	+3.0%	275,900	48.0%
Operating profit	5,823	7,988	(2,165)	(27.1)%	18,800	31.0%

Analysis of changes in operating profit



Main factors

■ **Air separation gases** (220)
-decrease in the profitability due to sluggish demand in China

■ **Hydrogen business** +1,650
-increase in sales of hydrogen and hydrogen-related equipment

■ **Specialty gases** (2,890)
-decline in the profitability due to weakening in helium markets

■ **Gas-related equipment** (700)
-decrease in sales of equipment for the automotive and semiconductor industries

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Operating Profit Analysis of Materials

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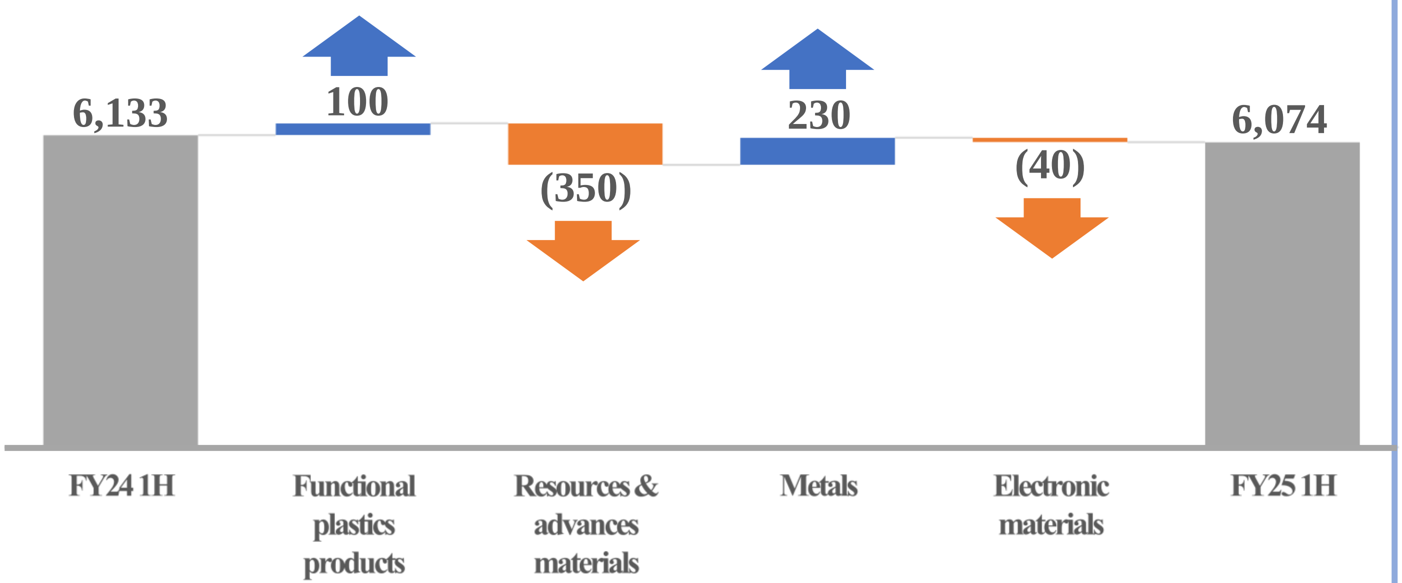
(million yen)

Results

	FY25 1H Results (A)	FY24 1H Results (B)	YoY (A) - (B)	YoY (A) / (B)	FY25 Forecasts (C)	Progress (A) / (C)
Net sales	104,955	99,155	+5,800	+5.8%	223,500	47.0%
Operating profit	6,074	6,133	(59)	(1.0)%	12,900	47.1%

Analysis of changes in operating profit



Main factors

■ Functional plastics products +100
- -increase in sales volume of eco-friendly PET resins
- -solid sales of resin products

■ Resources & advanced materials (350)
- -increase in sales of rare earths and other items due to the efforts to ensure stable supply
- -decline in the profitability of our own mining sites of mineral sands in Australia

■ Metals + 230
- -increase in sales of stainless steel due to the impact of new consolidation

■ Electronic materials (40)
- -sluggish sales of high-performance film materials

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Consolidated Balance Sheets

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(100 million yen)

	Sept. 30, 2025 (A)	Mar. 31, 2025 * (B)	Change (A) - (B)	Major factors for changes
Current assets	2,977	3,284	(307)	decrease in notes and accounts receivable
Property, plant and equipment	2,388	2,402	(13)	
Intangible assets	498	486	+12	
Investments and other assets	2,640	2,557	+82	increase in investment securities
Fixed assets	5,526	5,445	+80	
Total assets	8,504	8,730	(226)	
Current liabilities	2,269	2,549	(280)	decrease in notes and accounts payable
Non-Current liabilities	2,133	2,208	(75)	repayment of long-term debt
Total liabilities	4,402	4,758	(356)	interest-bearing debt 253.3 billion yen((11.0) billion yen) ratio of interest-bearing debt to total assets 29.8%
Equity	3,985	3,860	+125	equity ratio 46.9%
Non-controlling interests	115	111	+4	
Net Assets	4,101	3,972	+129	
Total liabilities and net assets	8,504	8,730	(226)	

*During the interim consolidated accounting period of FY2025, the provisional accounting treatment related to the acquisition of all shares of ISG, Inc. was finalized.
Figures for the fiscal year ended Mar. 31, 2025, reflect the finalized content of this provisional accounting treatment.

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Consolidated Statements of Cash Flows

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(100 million yen)

Operating cash flows were an inflow of 23.0 billion yen. Investing cash flows were an outflow of 2.7 billion yen due to capacity expansion of industrial gas manufacturing plants and LPG centers, despite the proceeds from the sale of fixed assets. As a result, free cash flows were an inflow of 20.3 billion yen.

	FY25 1H (A)	FY24 1H (B)	YoY (A) - (B)
Cash flows from operating activities	**230**	**132**	**+97**
Cash flows from investing activities	**(27)**	**(308)**	**+281**
Free cash flows	**203**	**(176)**	**+379**
Cash flows from financing activities	**(219)**	**101**	**(321)**
Effect of exchange rate changes, etc. *1	**(1)**	**20**	**(22)**
Net increase (decrease) in cash and cash equivalents *2	**(17)**	**(53)**	**+36**
Cash and cash equivalents at beginning of period	**275**	**336**	**(60)**
Cash and cash equivalents at end of period	**258**	**282**	**(23)**

*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.

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FY2025 Forecasts

Forecasts for the Year Ending March 31, 2026

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(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 earnings 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%

No change from original forecasts (May 14, 2025)

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 per share

Fiscal Year Ending Mar. 31, 2026

-interim dividend : 23.5 JPY
-year-end dividend: 23.5 JPY (forecast)
-annual dividend : 47.0 JPY (forecast)

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FY2025 Forecasts of Integrated Energy

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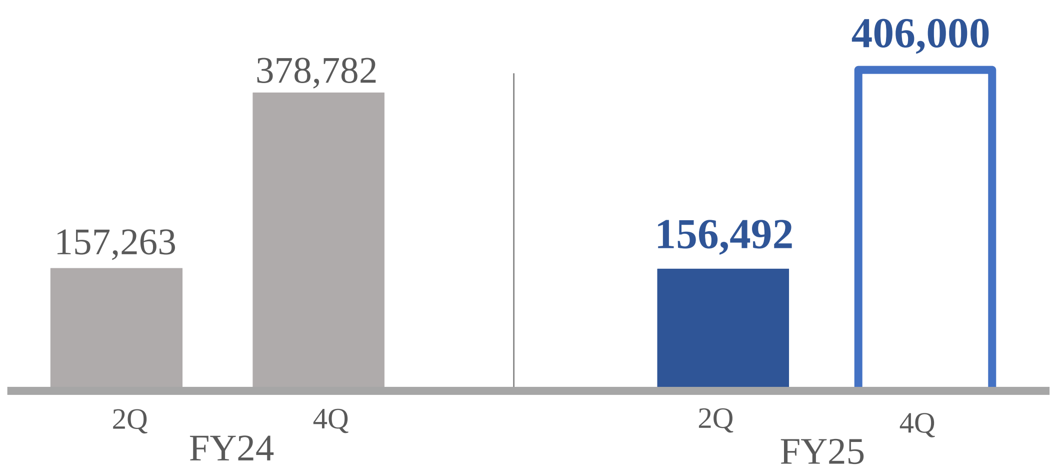
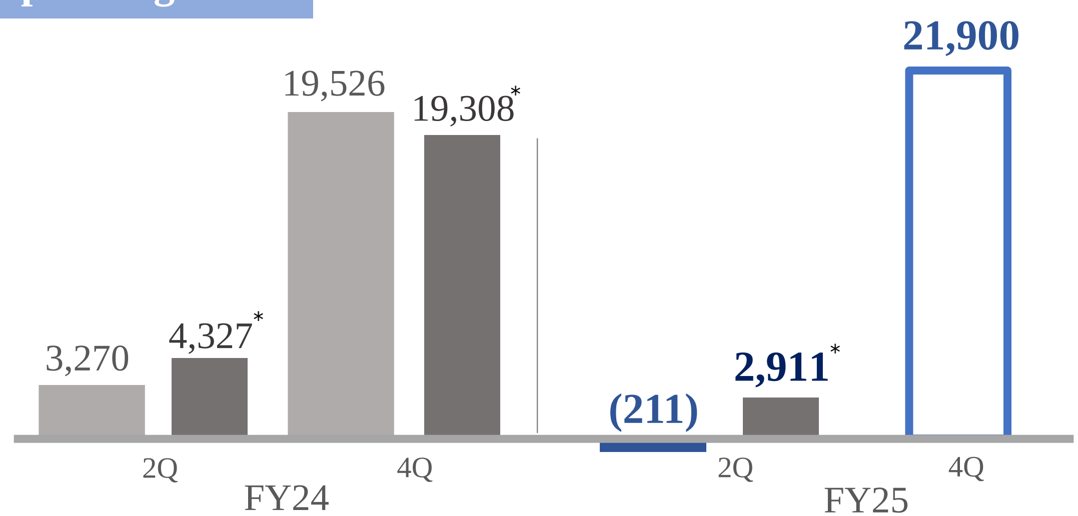
(million yen)

Net Sales

No change from original forecasts



Operating Profit



*excluding impact of LPG import price fluctuation

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 demands through developing new products
- 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

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FY2025 Forecasts of Industrial Gases & Machinery

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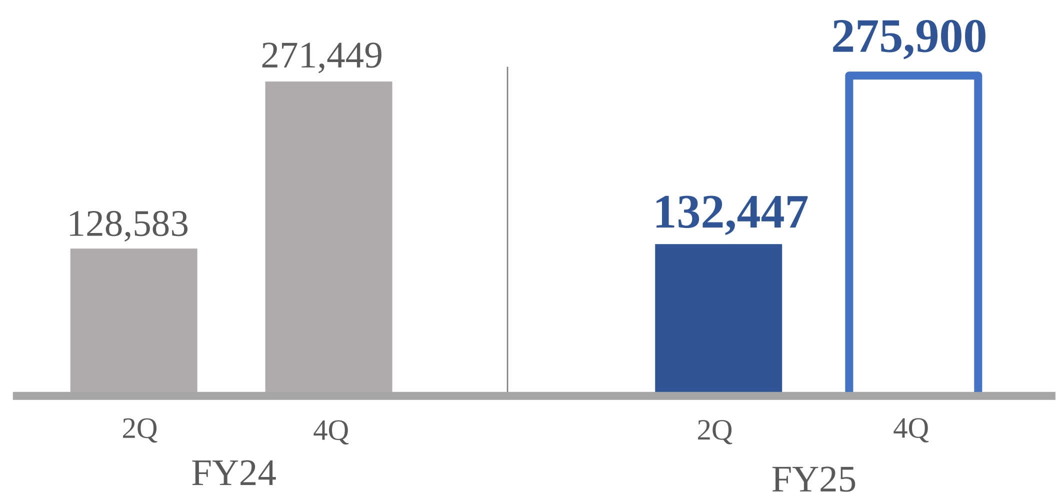
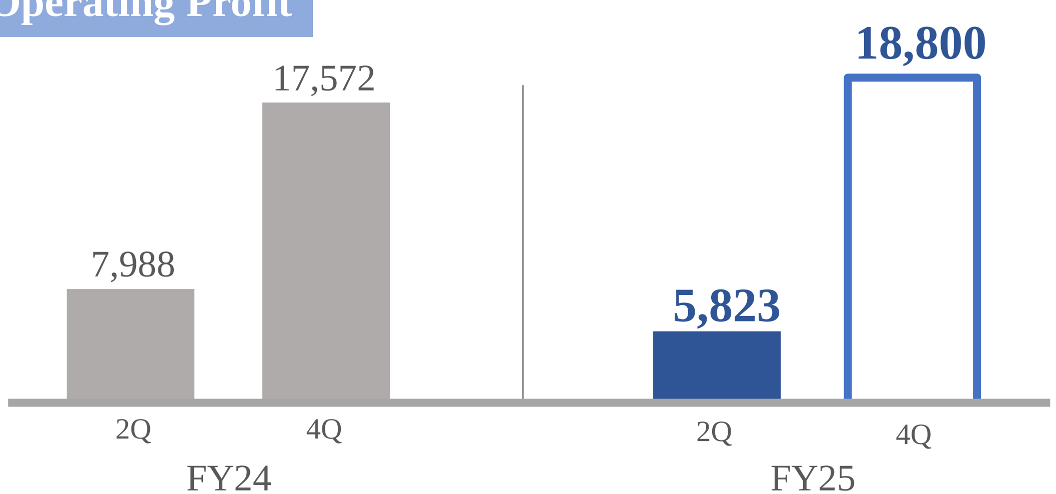
(million yen)

Net Sales

No change from original forecasts



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 carbon dioxide and semiconductor gas

-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

-Changes in product prices

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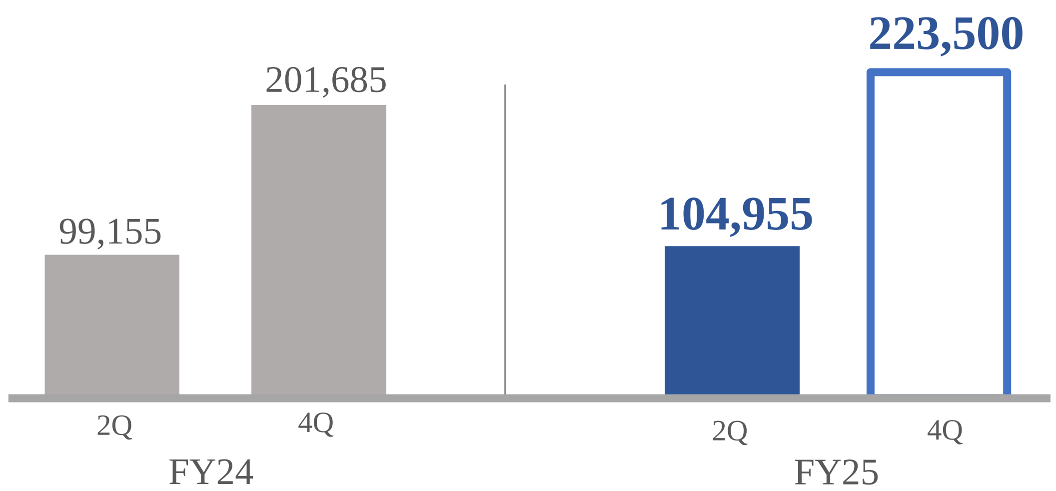
FY2025 Forecasts of Materials

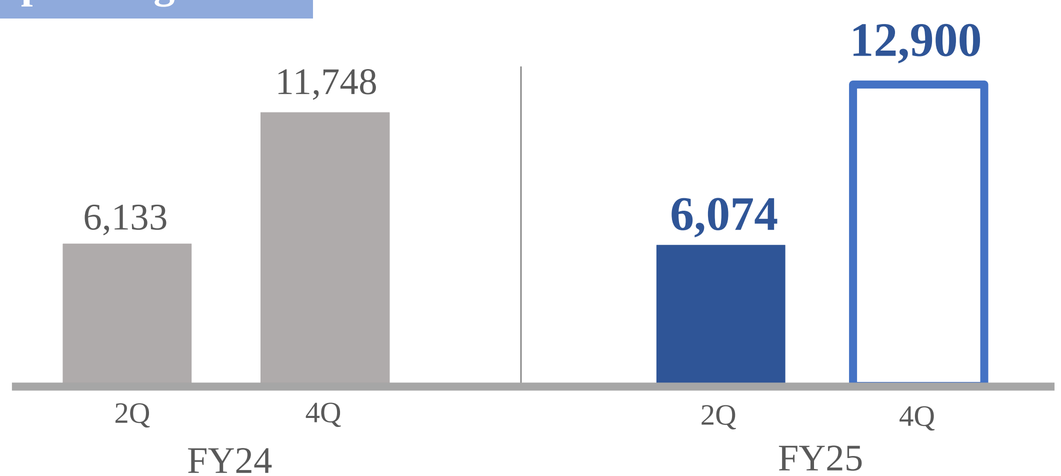
(million yen)

Net Sales

No change from original forecasts



Operating Profit



Measures toward achievement of FY2025 forecasts

-Strengthening the resources business

- strengthen sales of mineral sands and rare earths
- 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

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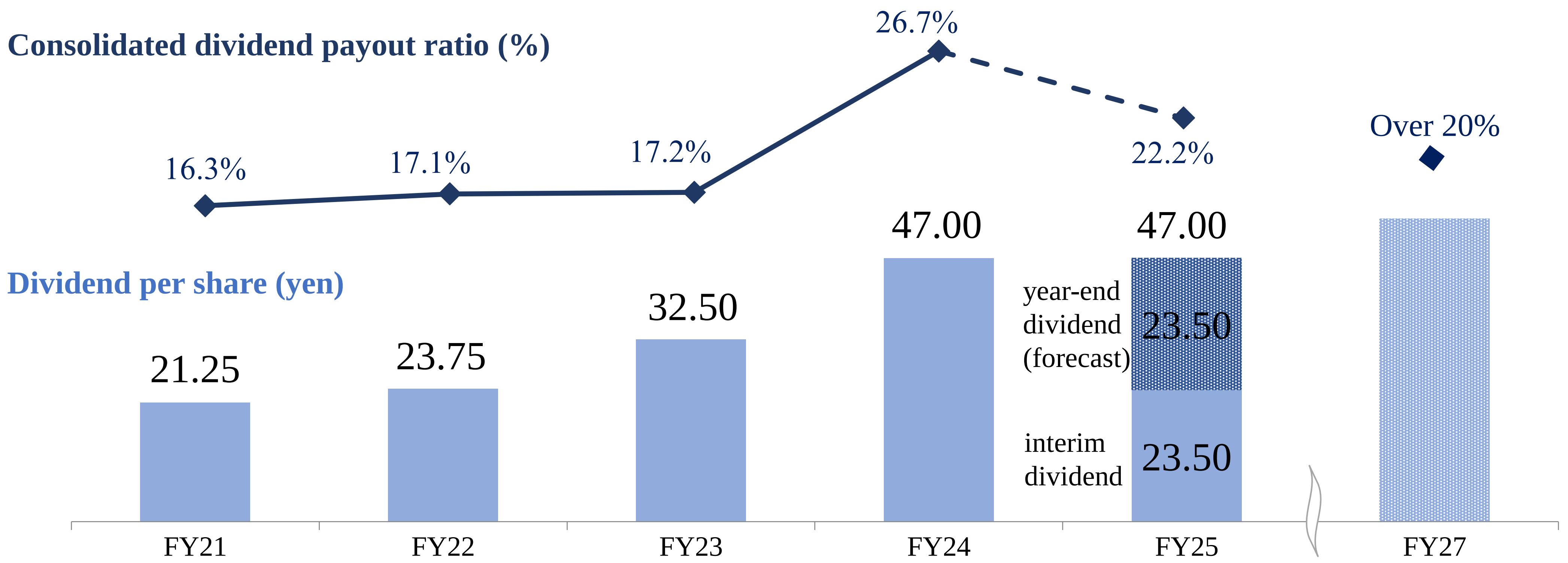
Returns to Shareholder

【Return policy to shareholders】

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

⇒ the annual dividend for the fiscal year ending March 31, 2026 is expected 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.

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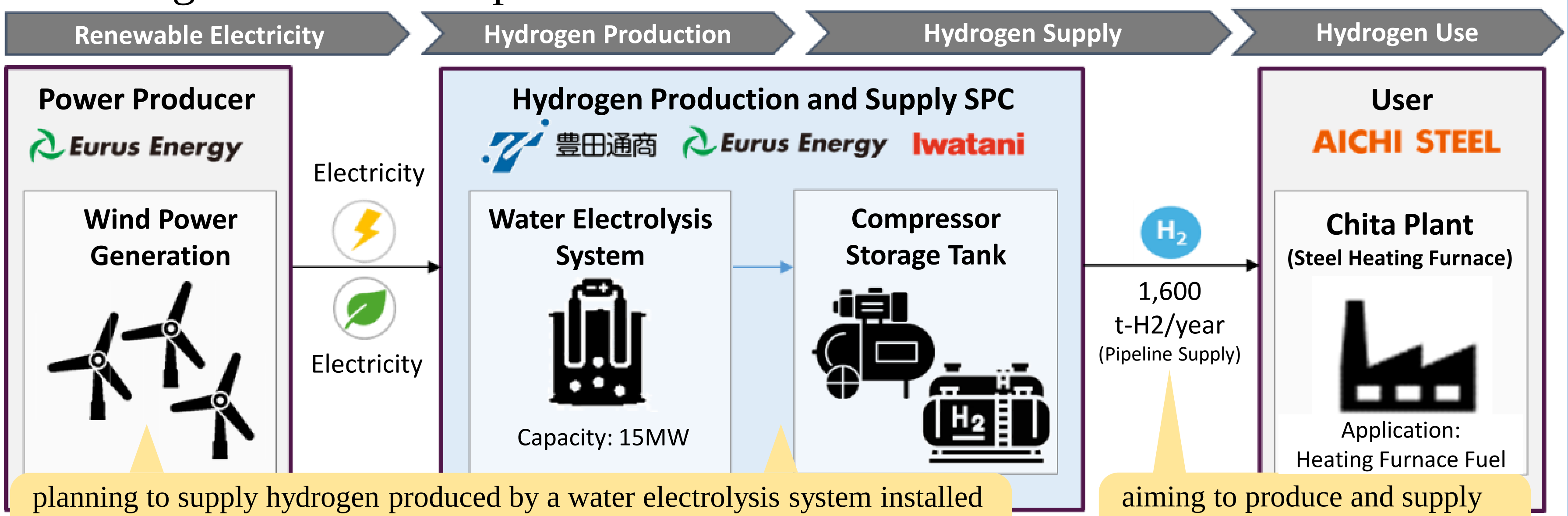
Progress of Medium-Term Management Plan: "PLAN27"

Progress of Priority Measures

Hydrogen Strategies

Onsite Low-Carbon Hydrogen Production and Supply Project certified for price gap support under the Hydrogen Society Promotion Act

- began discussion for the onsite low-carbon hydrogen production and supply project with Toyota Tsusho Corporation and Eurus Energy Corporation
  - planning to establish a joint company in March 2027 and aiming to commence operations around 2030



planning to supply hydrogen produced by a water electrolysis system installed within the premises of Aichi Steel Corporation, utilizing electricity derived from renewable energy

aiming to produce and supply approximately 1,600 tons of hydrogen annually

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Progress of Priority Measures

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Hydrogen Strategies

Concluded an agreement with the Tokyo Metropolitan Government regarding the hydrogen fuel cell ship Mahoroba

- concluded an agreement with the Tokyo Metropolitan Government to implement a project utilizing Mahoroba, which carried approximately 15,000 passengers during its operations at the Expo 2025 Osaka, Kansai, Japan.
- scheduled to operate in Tokyo Port within FY2026
- promote the advantages of hydrogen and the appeal of hydrogen energy

Hydrogen fuel cell ship Mahoroba

Signing ceremony with the Tokyo Metropolitan Government

"Iwatani Cosmo Hydrogen Station LLC" Promote hydrogen-refueling station construction

- hydrogen stations at Heiwajima and at the Ariake bus depot in Tokyo are operating successfully
- the hydrogen station under construction in Shinsuna, Tokyo is scheduled to open around 2027

Construction of liquid hydrogen plant utilizing Chiba refinery of Cosmo Oil Co., Ltd.

- scheduling to determine business scheme and production scale within FY2025
- planning to start the operation in the latter half of the 2020s
- considering to use the manufactured hydrogen within the refinery as well as for external sales

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Progress of Priority Measures

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Carbon-free Strategies

Construction of a new bioethanol-based liquified CO_2 plant (Thailand)

- planning to start operations in April 2027
- adopted as a part of the "Industrial cooperation programme in the Global South through technology transfer from Japan"

Raw CO2 Procurement → **CO2 Manufacture** → **CO2 Supply**

raw CO2 derived from sugarcane

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purification and liquefaction of raw CO2

Green CO2

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supply to Thailand and other Southeast Asian countries

export to Japan

reducing environmental impact while contributing to alleviate the shortage of CO2

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Progress of Priority Measures

Overseas Strategies	

Overseas Strategies

Expansion of refrigerant business in Southeast Asia

- demand for refrigerant for air conditioners and automobiles is growing in Southeast Asia
- acquired a refrigerant business company in Malaysia and expanded refrigerant filling plants in Thailand and Indonesia
- started a business for recovery and regeneration of used CFCs
- sales are growing mainly among Japanese air conditioning manufacturers

CFCs plant in Malaysia

Acquisition of shares in Bangkok Sanyo Spring Co., Ltd. (Thailand)

- acquired 100% of shares of Bangkok Sanyo Spring Co., Ltd.
- manufactures metal press parts for automobiles as well as precision components for multifunction printers and digital cameras, along with resin-molded products
- entering the metal press processing business for automotive and precision parts in Thailand by leveraging the company’s processing technology
- aiming to further expand the sales of metal products starting from Thailand

Bangkok Sanyo Spring factory interior

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