Medium-Term Management Plan

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Medium-Term Management Plan: PLAN27 (2023 to 2027)

Theme **Establishing a hydrogen energy-based society**

Basic Policy **Business expansion to achieve "solutions to social issues" and "sustained growth"**

Priority Measures

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Carbon-free Strategies	● Expand business by promoting low-/zero-carbon solutions business ● Invest in the realization of a carbon-free society	➡ P.23
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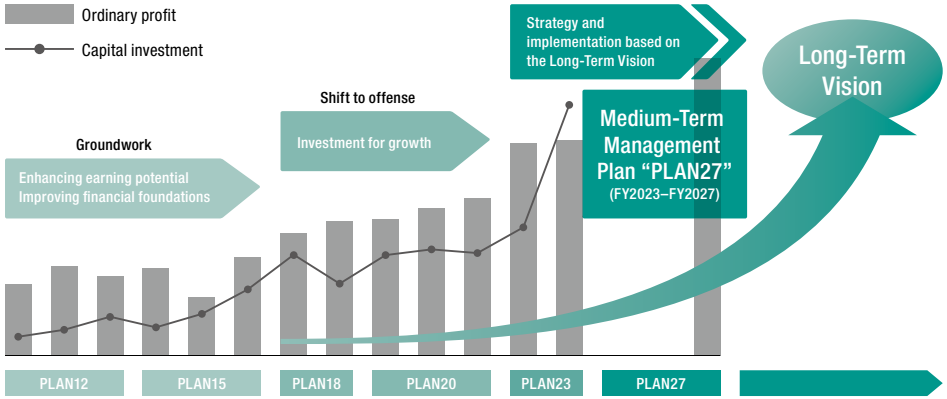
Progress Toward Targets

	FY2022 results	FY2023 results	FY2027 targets
Operating profit [figures in brackets exclude the impact of LPG import price fluctuations]	¥40.0 billion [¥43.1 billion]	¥50.6 billion [¥49.8 billion]	¥65.0 billion
ROE	11.2%	14.3%	10% or higher
ROIC	6.8%	6.7%	6% or higher

Progress on and Positioning of the Medium-Term Management Plan

Since FY2000, based on our eight medium-term management plans, we have made steady progress with business structural reforms, improvements in earnings capability, and our financial makeup. Following preceding periods in which we lay the foundations and shifted to an aggressive posture, PLAN27 covers a crucial period for achieving the goals of the Long-Term Vision.



Capital Policies and Returns to Shareholders

Perspective on Capital Policies

We plan to invest a total of ¥470.0 billion*1 over the course of five years by raising funds from operating cash flows and via interest-bearing debt. We will prioritize investments to achieve sustained growth and realize a hydrogen energy-based society, founded on the premise of steady growth in earnings in our core businesses. To maintain low capital costs, we will draw on interest-bearing debt in place of equity financing. While maintaining our external financial rating of A to secure our fundraising capabilities, we have adopted a policy of using interest-bearing debt up to a maximum net DER of 0.7.

*1 Excluding acquisition of additional shares of Cosmo Energy Holdings

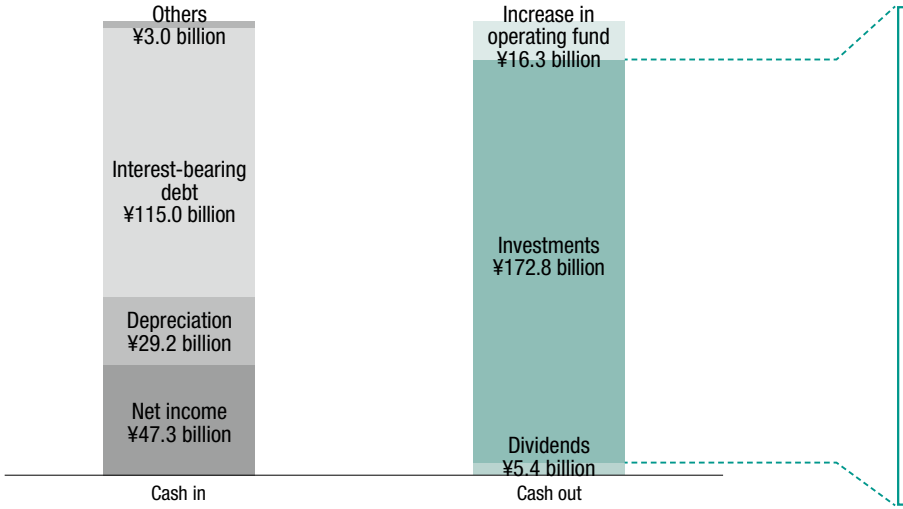
PLAN27 Basic approach to capital allocation

- **Secure financial soundness and use financial leveraging (net DER of 0.7 or less)**
- **Proactive investment toward the realization of a hydrogen energy-based society and sustained growth**
- **Progressive dividend with a target payout ratio of 20% or higher*2**

*2 Based on net income excluding the impact of LPG import price fluctuations (FY2027 target)

Increase in cash flow from operations	● Stable cash generation based on steady growth of foundational businesses
Capital structure optimization	● Secure financial soundness and use financial leverage Secure financing capability by maintaining 'A' rating from external agencies Use interest-bearing debt with a cap of net DER 0.7
Promotion of growth investment & Improvement of profitability	● Proactive investment that will help expand profit ● Investment in development of liquid hydrogen supply chain ● Selection of investments that takes profitability into account
Returns to shareholders	● Increase dividends steadily in line with growth while securing investment capital

FY2023 Cash Allocation



Strategy	Investment	Details
Hydrogen Strategies	¥6.4 billion	-building hydrogen-refueling station -hydrogen-related equipment
Carbon-free Strategies	¥0.7 billion	-fuel cell and solar power generation equipment for in-house use
Domestic Energy & Services Strategies	¥1.2 billion	-M&A in retail business
Overseas Strategies	¥11.8 billion	-strengthening industrial gas production and supply in China, Stoutheast Asia, etc.
Foundational Businesses	¥141.7 billion	-acquisition of additional shares of Cosmo Energy HD
Maintenance/ repairs	¥10.8 billion	-repairs of LPG related facilities
Total	**Investment: ¥172.8 billion**	

Capital Policies and Returns to Shareholders

Perspective on Returns to Investors

Our basic policy on dividends of surplus calls for returns to shareholders through continuous, stable dividends while investing the surplus to support growth strategies, thereby maximizing corporate value and meeting the needs of shareholders.
The PLAN27 medium-term management plan calls for steady growth in dividends to reflect growth in profit, targeting a payout ratio of 20% or higher (based on net income excluding the impact of LPG import price fluctuations) by FY2027, the final year of the plan, based on payments of progressive dividends, without rollbacks.
In March 2024, Cosmo Energy Holdings was added to the scope of application of the equity method. As a result, we plan to pay dividends in the categories shown at right.

Dividend policy

① Net income excluding the effects on profits of making Cosmo Energy Holdings an equity method affiliate (unrelated to PLAN27)

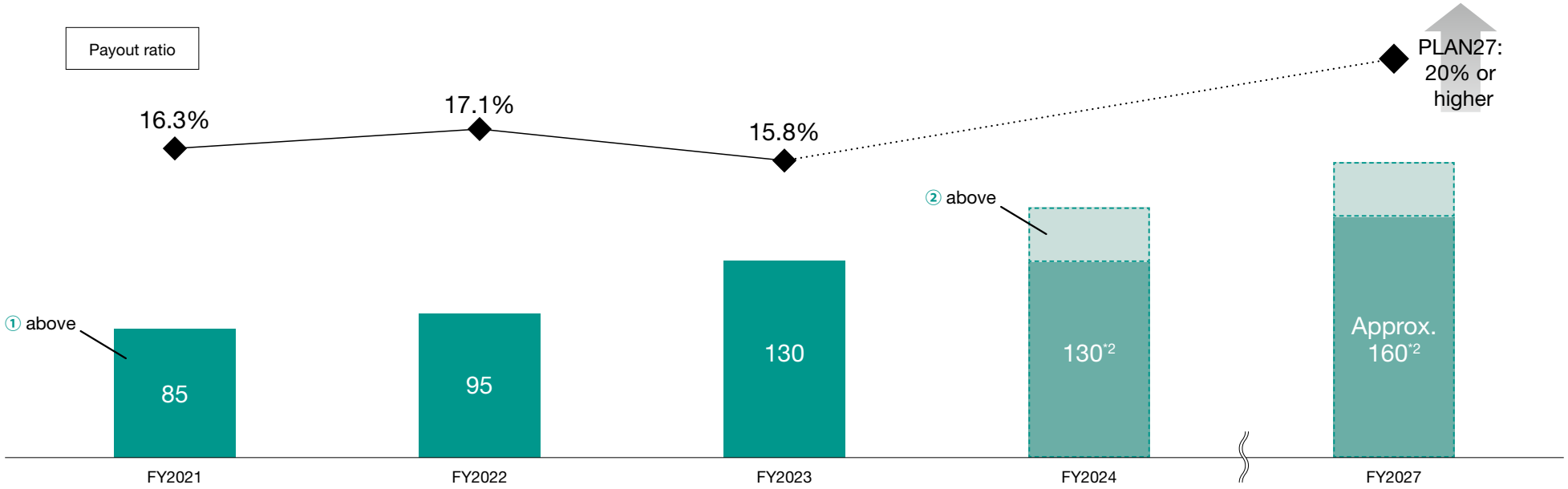
- Progressive dividends with a payout ratio of 20% or higher*

  * Based on net income excluding the impact of LPG import price fluctuations FY2027 target

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

- Paying dividends of 20% of the net income of Cosmo Energy Holdings, excluding effects of inventory valuation, multiplied by our equity stake

Trend in Dividends per Share (¥) *1



*1 We plan to implement a four-for-one stock split on common stock with a basis date of September 30, 2024, and an effective date of October 1, 2024. Amounts shown predate this stock split.
*2 Excluding dividends on the effects on profits of making Cosmo Energy Holdings an equity method affiliate

Hydrogen Strategies

Related Key Issues (Materiality)

Create businesses that will lead to the realization of a sustainable society

Promote innovation with the use of technologies and expertise

Manabu Tsuyoshi
Member of the Board,
Senior Managing Officer,
General Manager,
Hydrogen Business Division

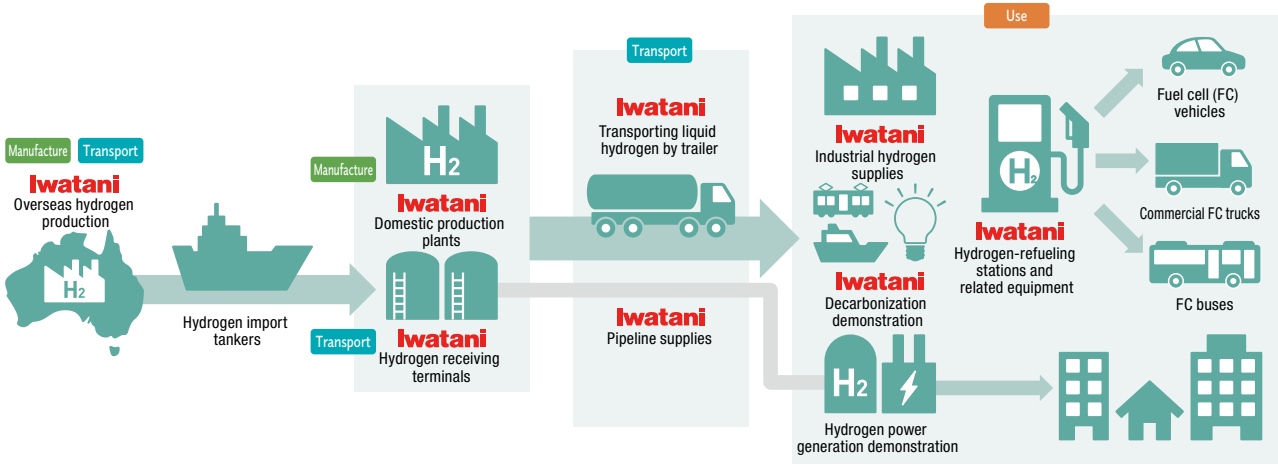
Establishing a Hydrogen Energy-Based Society

Hydrogen energy has come to be recognized as essential to environmental and climate initiatives. But establishing a hydrogen energy-based society will require the generation of demand as well as measures that ensure the stable supply of low-cost, low-carbon hydrogen. With this in mind, national and local governments have introduced various subsidy programs. In May 2024, the Japanese government passed the Hydrogen Society Promotion Act. This law seeks to realize stable supplies of large volumes of low-carbon hydrogen and other supplies to consumers at low cost through various measures, including government support that focuses on price differentials relative to other energy sources and support for facility development, with the government bridging the price differential and providing support for supply facilities, including receiving facilities and piping. Further, plans are underway to launch full-scale initiatives this year under the Liquefied Hydrogen Supply Chain Commercialization Demonstration Project in which we participate, which has been selected for funding from the Green Innovation Fund, with the year 2030 set for achievement of the project's goals.

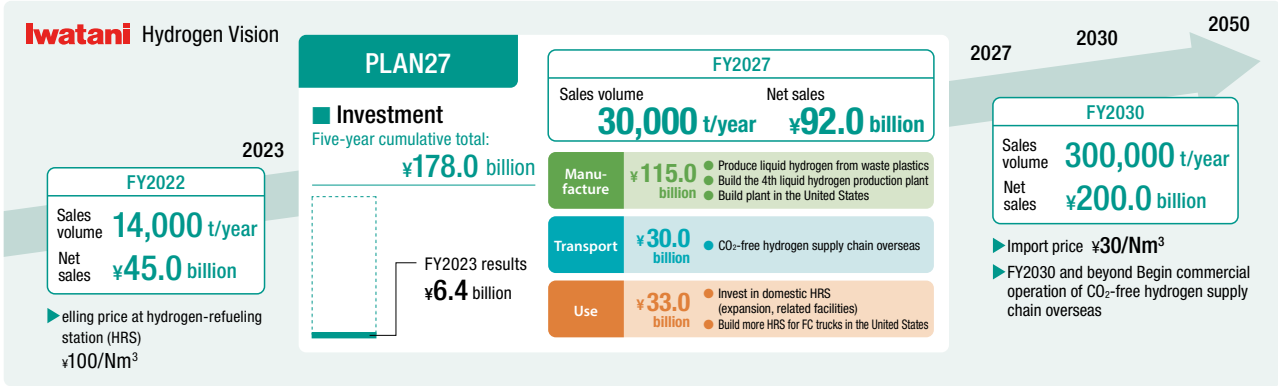
By taking full advantage of the technologies for handling compressed and liquid hydrogen developed by us over many years, together with Japan's only liquid hydrogen supply network, we plan to deliver hydrogen to customers to build a hydrogen energy-based society. In this way, we are working to establish an integrated global supply chain, from upstream to downstream.

Basic Policy

We're promoting initiatives across the entire supply chain in the areas of manufacturing, transport, and use to help establish a hydrogen energy-based society.



Targets and Progress



Hydrogen Strategies

Related Key Issues (Materiality) Create businesses that will lead to the realization of a sustainable society; Promote innovation with the use of technologies and expertise

Initiatives

Use

Accelerating the business alliance with Cosmo Energy Holdings

In March 2022, we concluded a basic agreement with Cosmo Energy Holdings to study joint efforts in the hydrogen business. In February 2023, we established Iwatani Cosmo Hydrogen Station LLC, a joint venture in the hydrogen-refueling station business, and in November 2023, we established Cosmo Iwatani Hydrogen Engineering LLC for joint work involving engineering for hydrogen-related projects. In these and other ways, we're enhancing cooperative ties within the hydrogen business.

On April 23, 2024, with energy demand evolving toward the goal of achieving carbon neutrality by 2050, we concluded a business alliance agreement with Cosmo Energy Holdings. The agreement will facilitate a smooth transition from fossil fuels to hydrogen and renewable energy. We will accelerate these joint efforts by bringing together the management resources and expertise of both companies.

Growing the hydrogen-refueling station business

On September 15, 2023, we opened Japan's first hydrogen-refueling station in an expressway service area and parking area at the Ashigara Service Area (westbound) on the Tomei Expressway. On April 8, 2024, we opened Iwatani Cosmo Hydrogen Refueling Station Heiwajima for commercial vehicles. This hydrogen-refueling station, which is part of the Keihin Truck Terminal Heiwajima Service Station, is the first to open inside a truck terminal in Japan.

These efforts are intended to supply hydrogen to meet diverse needs, including those of commercial vehicles, in line with Japan's Basic Hydrogen Strategy, which was revised in June 2023. We operate 51 hydrogen-refueling stations (as of the end of March 2024) and will continue to develop refueling stations in accordance with future production plans for commercial vehicles and prefectural plans.

Plan to operate a hydrogen fuel cell ship at Expo 2025 Osaka, Kansai, Japan

We're preparing to operate Japan's first hydrogen fuel cell ship at Expo 2025 Osaka, Kansai, Japan. Designed by world-famous car designer Takumi Yamamoto, this ship was named *Mahoroba*, from an old Japanese phrase meaning a nice place to live. Following the May 2024 launch ceremony, we plan to begin test operations during 2024 as we prepare for passenger operations. Unlike conventional craft powered by internal combustion engines, this eco-friendly hydrogen fuel cell ship will emit zero CO_2 emissions and other substances of concern. It will also provide a comfortable trip free of odors, noise, and vibration. We see the *Mahoroba* as a floating pavilion that will communicate the appeal of hydrogen energy to the world by transforming a short cruise into a special experience for visitors to Expo 2025 Osaka, Kansai.

Iwatani Cosmo Hydrogen Refueling Station Heiwajima

Iwatani Hydrogen Refueling Station Ashigara SA


Illustration of the *Mahoroba* hydrogen fuel cell ship

Hydrogen Strategies

Related Key Issues (Materiality)
Create businesses that will lead to the realization of a sustainable society
Promote innovation with the use of technologies and expertise

Initiatives

Manufacture

Expanding domestic hydrogen production capacity

Domestic demand for hydrogen is expected to increase further for decarbonization applications in addition to conventional industrial uses in areas such as semiconductors, glass manufacture, and aerospace. To meet this demand, in addition to building a supply chain to import hydrogen produced overseas, we're making progress on expanding Japan's domestic hydrogen production capacity.

Currently, we operate three liquid hydrogen production facilities in Japan: in Osaka (Hydro Edge), Yamaguchi (Yamaguchi Liquid Hydrogen), and Chiba (the Chiba Plant of Iwatani Industrial Gases). We're also planning to open our fourth liquid hydrogen production plant, to expand this production capacity even further.

We will strive to build an even more stable supply structure to expand our hydrogen production capacity in response to growing domestic demand.

Hydrogen production through waste plastic gasification

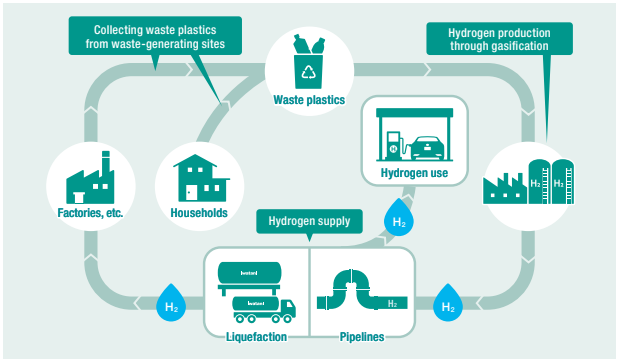
We're considering the construction of a plant to produce low-carbon hydrogen from waste plastic near the Port of Nagoya. In May 2023, in partnership with 26 local governments, universities, and other organizations including Toyota Tsusho Corporation and JGC Holdings Corporation, we formed the Study Group on Hydrogen Production through Waste Plastic Chemical Recycling and began studying how to efficiently collect plastic waste in each region. This initiative is aimed at establishing a large-scale plastic resource recycling system and an advanced hydrogen supply system based on local production and local consumption in the Chubu region of Japan, in accordance with the Plastic Resource Circulation Act enacted in April 2022.

Using waste plastic from industrial sites, households, and other sources in urban areas offers a rapid path to achieving a stable low-cost hydrogen supply. This will help establish a supply chain that contributes both to resource recycling and to low-carbon hydrogen production.

Efforts to procure large volumes of green hydrogen

Hydrogen is classified into grey, blue, and green hydrogen depending on the method of production. Green hydrogen is produced using renewable energy and generates no CO_2 emissions during production. Since 2021, we've undertaken feasibility studies on large-scale production of green hydrogen and exporting it to Japan, in the Australian state of Queensland. In May 2023, to move forward to studies in preparation for a final investment decision, we began front-end engineering design (FEED) with four firms, one of which is Stanwell, a power company owned by the state. This project is intended to lead to stable, low-cost production and the eventual supply of green hydrogen.

Hydro Edge liquid hydrogen production plant



Supply chain model illustration

Illustration of hydrogen production facility in Aldoga, Australia

Hydrogen Strategies

Related Key Issues (Materiality)
Create businesses that will lead to the realization of a sustainable society
Promote innovation with the use of technologies and expertise

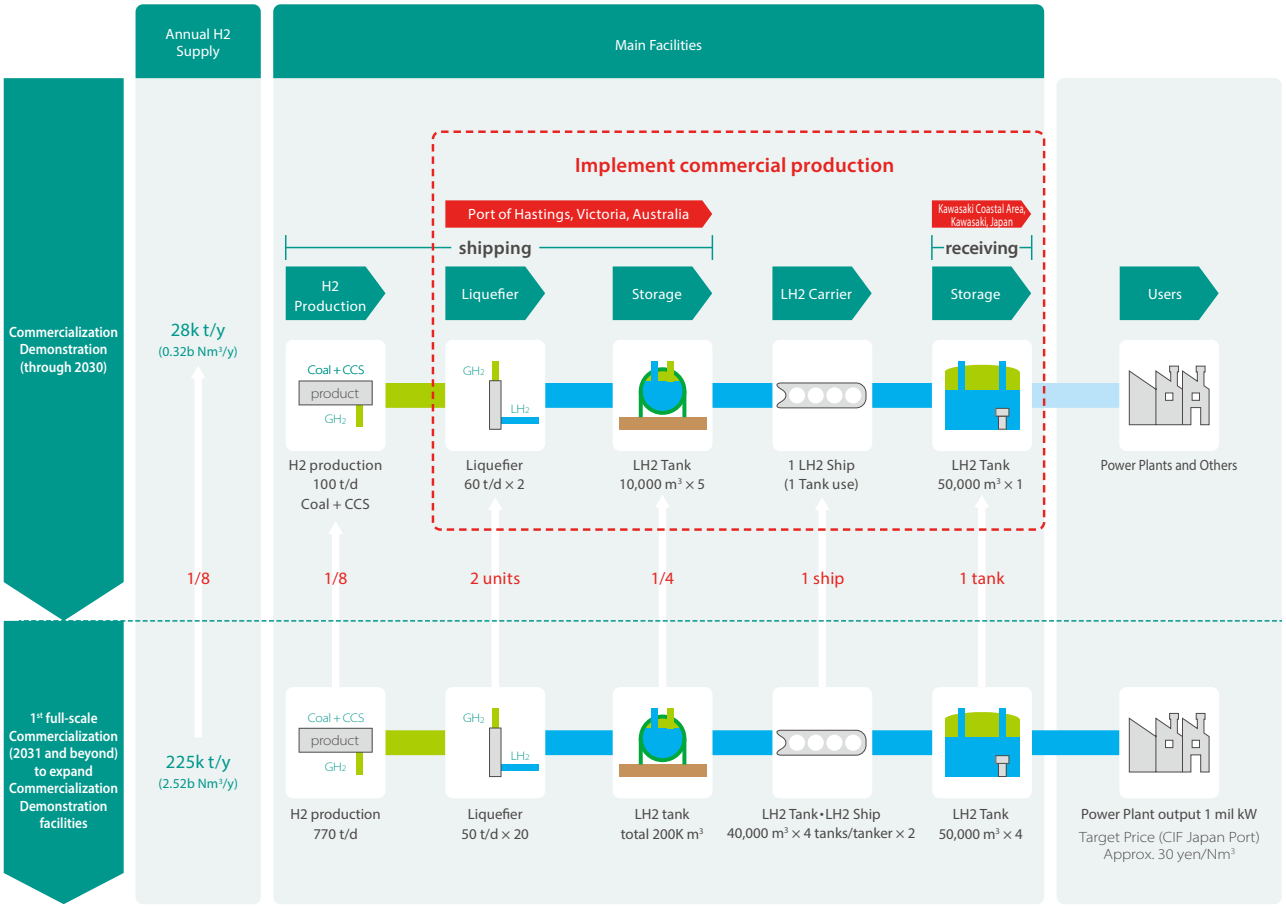
Initiatives

Manufacture | Transport

Liquefied Hydrogen Supply Chain Commercialization Demonstration Project covering all stages from production through receipt (reducing costs through large-scale transport)

To move closer to the full-fledged implementation of a CO_2-free hydrogen supply chain, we applied subsidies from the Green Innovation Fund to establish the world's first large-scale hydrogen liquefaction and transport technologies. We test an integrated international liquid hydrogen supply chain from hydrogen production through liquefaction, shipping, sea transport, and unloading. Given the need to reduce costs through expanded facility scale toward the goal of commercialization in FY2030 and beyond, plans call for the tankers for use in this project to be at least 100 times larger than that used for the HySTRA* feasibility testing. We are responsible for the production of liquid hydrogen overseas and the evaluation of terminals in Japan and abroad as well as coordination with the demand side drawing on our customer base.

* CO_2-free Hydrogen Energy Supply-chain Technology Research Association
The organization implementing the Demonstration Project Establishment of Mass Hydrogen Marine Transportation Supply Chain Derived from Unused Brown Coal by NEDO



Source: Japan Suiso Energy, Ltd. and others

● Project period

FY2021–2030 (ten years)

● Implementation structure

Japan Suiso Energy, Ltd. (core company)
Iwatani Corporation
ENEOS Corporation

Hydrogen Strategies

Related Key Issues (Materiality)

Create businesses that will lead to the realization of a sustainable society

Promote innovation with the use of technologies and expertise

Initiatives

Enhancing manufacturing and engineering functions

To enhance the structures needed to achieve a stable supply and increase profitability, we are striving to strengthen our manufacturing and engineering functions. In April 2022, we made Tokico System Solutions, Ltd., which offers strengths in the development and construction of dispensers used at hydrogen-refueling stations, a wholly-owned subsidiary. In November 2023, we established Cosmo Iwatani Hydrogen Engineering LLC as a joint venture with Cosmo Engineering Co., Ltd., a member of the Cosmo Energy Holdings Group. The joint venture will leverage Cosmo Engineering's engineering technologies related to hydrogen facilities together with Iwatani's hydrogen supply knowhow, machinery, and equipment developed with partner firms, aimed at hydrogen projects related to large-scale hydrogen supply chains. Moving forward, we will help to establish a hydrogen energy-based society through synergies generated by sharing the technologies and knowledge accumulated by the partner companies in engineering and other fields related to hydrogen-refueling stations and engineering.

Dispensers provided by Tokico System Solutions, Ltd.

Participation in the Hydrogen Council

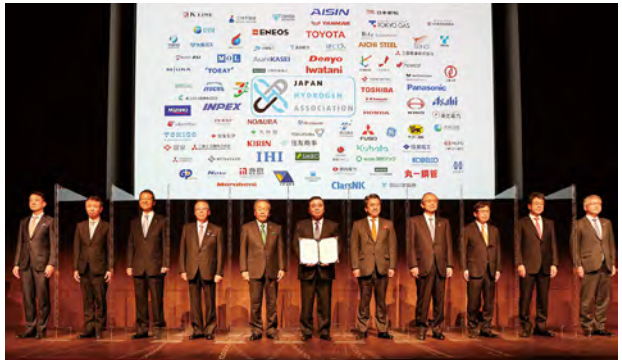
Composed of 138 leading companies (as of April 2024) from the energy, transport, and manufacturing sectors around the world, the Hydrogen Council is a global organization established in 2017 to formulate recommendations for hydrogen use and effective action plans through joint efforts with policymakers, hydrogen-using businesses, international organizations, and citizens groups in various countries. The Council seeks to provide value to society by encouraging sustainable economic growth and generating quality employment through hydrogen-based sustainability. In the years since 1941, when Iwatani entered the hydrogen business, we've grown to become a leader in Japan's hydrogen market, and now hold a 70% share. As a member of the Hydrogen Council's steering committee, Iwatani is active in efforts to expand the use of hydrogen in Japan to realize the vision of a hydrogen energy-based society.

Meeting of CEOs in the United States, June 2022 (Chairman Makino is fourth from left in the front row.)

Membership in the Japan Hydrogen Association (JH2A)

Established in December 2020 to develop a hydrogen-based society earlier through various practical projects, the Japan Hydrogen Association (JH2A) started operation as a general incorporated association in April 2022.

With a membership of 431 companies and organizations as of April 2024, including not just energy suppliers, automakers, and manufacturers of various types of related equipment but banks, securities firms, and insurers, the JH2A is a truly nationwide organization. As a corepresentative of the JH2A, we are moving ahead with various energetic initiatives in partnership with other members.



Inaugural meeting, December 2020 (Chairman Makino is fourth from left.)

Carbon-Free Strategies

Related Key Issues (Materiality)

Create businesses that will lead to the realization of a sustainable society

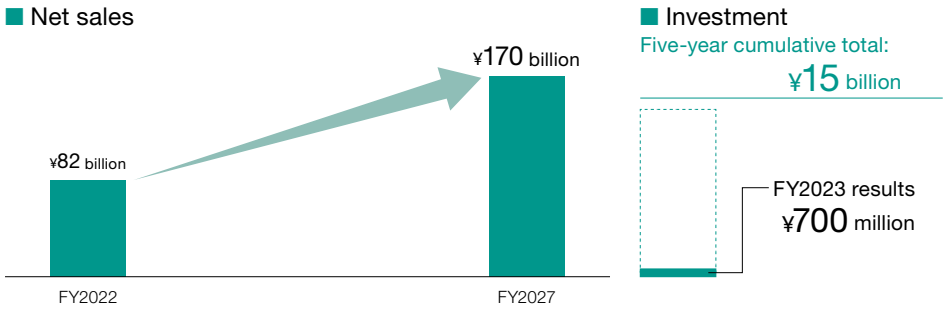
Promote innovation with the use of technologies and expertise

Basic Policy

Business expansion through helping customers decarbonize their business activities across the entire Iwatani Group

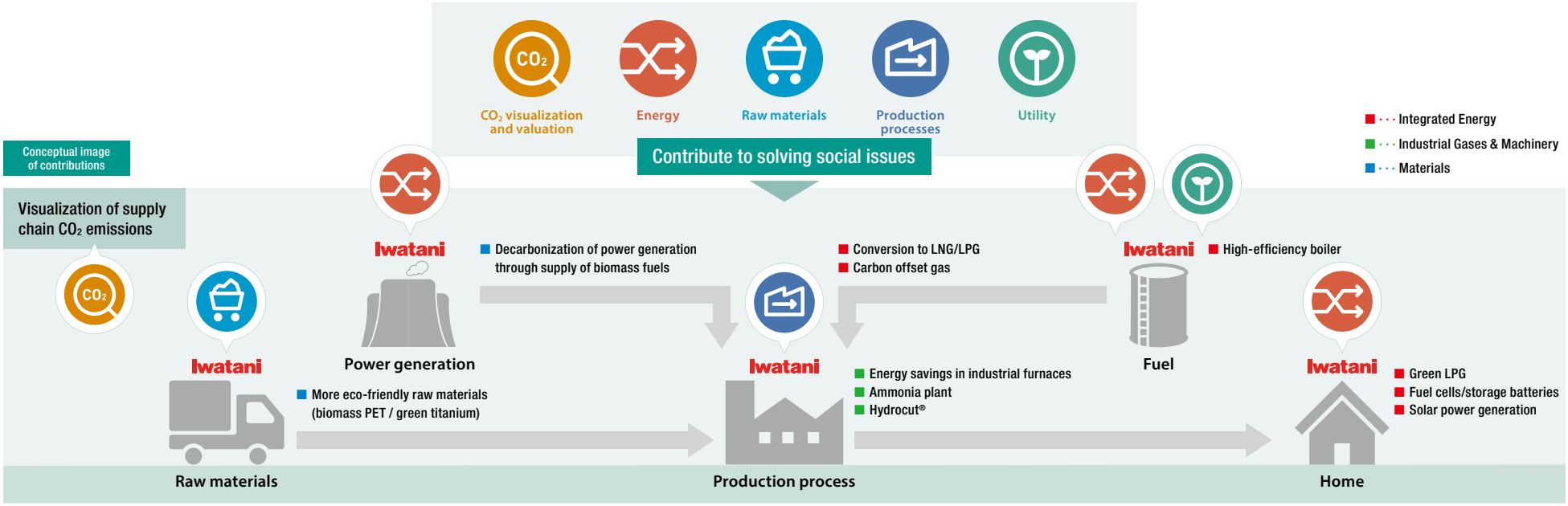
In line with our corporate philosophy, “Become a person needed by society, as those needed by society can prosper,” our legacy has to date been to find solutions to social issues. Our mission henceforth is to establish a carbon-free society by leveraging the business infrastructure and technological strengths we have amassed to date to deliver low-/zero-carbon solutions to our customers—from industries to individual consumers—to help reduce CO_2 emissions throughout society while also growing our businesses.

Targets and Progress



* Net sales and investment related to decarbonization exclude hydrogen-related figures.

Low-/zero-carbon solutions based on our business foundations and technological capabilities



Carbon-Free Strategies

Related Key Issues (Materiality)
- Create businesses that will lead to the realization of a sustainable society
- Promote innovation with the use of technologies and expertise

Initiatives

Creating environmental value and developing green LPG

In 2021, Iwatani launched the Iwatani J-Credit Project based on the Japanese government's J-Credit scheme, in which Iwatani tracks CO_2 emission reductions achieved by participating customers who convert from fuel oil to LPG or LNG, thus providing environmental value by conversion to J-Credits. The project generated 1,993 tons in J-Credits in FY2023 (1,096 tons in FY2022). We will continue to encourage customers to participate in this project and make effective use of the environmental value realized. The development of green LPG whose production is free of CO_2 emissions is a key issue for the LPG industry. We're proceeding with various green LPG development initiatives, including those focusing on technologies to produce LPG from hydrogen and CO_2 and from biogas extracted from waste generated by the livestock industry. We intend to lead the LPG industry through our various approaches to the task of making LPG carbon-free.

Ammonia supply equipment delivered for demonstration testing of Japan's first pure-ammonia-fueled turbine

We delivered fuel supply equipment for use in demonstration testing by IHI Corporation of Japan's first 100% ammonia fueled turbine generator equipment, a project funded by the Green Innovation Fund. Until now, ammonia has been used mainly as a denitration catalyst to remove nitrogen oxide generated from burning fuel in thermal power plants. In recent years, its properties as a flammable gas have drawn attention as a clean energy source free of CO_2 emissions. In recent years, we've delivered stable supplies of ammonia and supply equipment for both denitration and the development and testing of mixed-ammonia combustion technologies. We are applying the resulting knowhow to the equipment supplied for this demonstration test. Based on the results of this project, we're aiming to strengthen our ammonia supply structure and grow sales of equipment for use in generator development and testing in order to move us closer to achieving the GHG reduction targets for 2030 and 2050.

Supplying biomass materials to promote increased use of renewable energy

We supply environmentally certified palm kernel shells (PKS)* and wood pellets as fuel for power generation. Biomass power generation based on such plant-derived materials is currently drawing attention as a renewable energy source with the potential to help achieve carbon neutrality; since CO_2 generated by combustion is offset by absorption during plant growth, biomass power has no effect on CO_2 levels. A key strength of biomass is stability compared to wind, solar, and other renewable energy sources. It is ideal for use in power generation facilities for local production and consumption, operated by local governments, private sector companies, and other organizations. A biomass power plant in which we have invested is slated to come online in April 2025—another aspect of our multifaceted approach to renewable energy beyond our current biomass fuel distribution and supply efforts.

* A byproduct of the palm oil production process

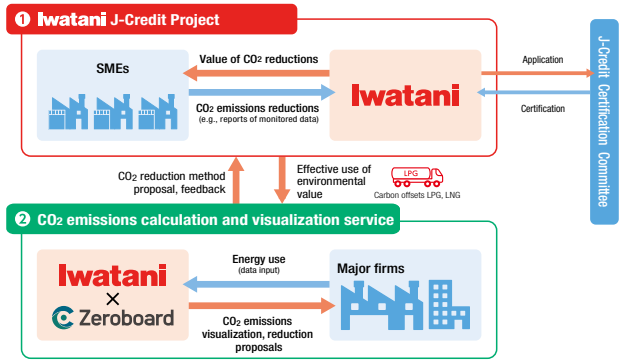


Illustration of initiative to generate environmental value

An ammonia supply facility

Palm kernel shells (PKS) as biomass fuel

Domestic Energy & Service Strategies

Related Key Issues (Materiality)

Provide infrastructure and services that will enrich people's lives

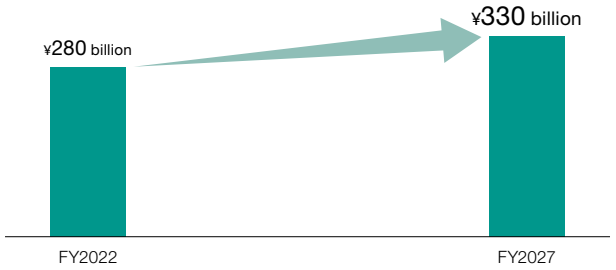
Basic Policy

Growing retail market share and enhancing earnings capabilities by promoting M&A activities using our nationwide network

The Iwatani Group began selling LPG nationwide in 1953, as Marui Propane. To maintain stable supplies of LPG lifeline services, we have developed an integrated supply structure, from import through customer delivery, and boast the top nationwide market share in Japan.
Concentration of LPG businesses is expected to accelerate as the number of consumer households decreases. Under such conditions, we will aim for further business growth by promoting efforts to strengthen our retail business, centered on merger and acquisition (M&A) activities conducted through now, and streamlining of our LPG business as a whole, including delivery.

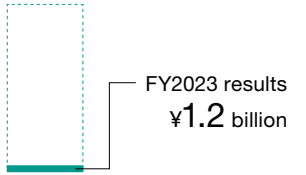
Targets and Progress

■ Net sales



■ Investment

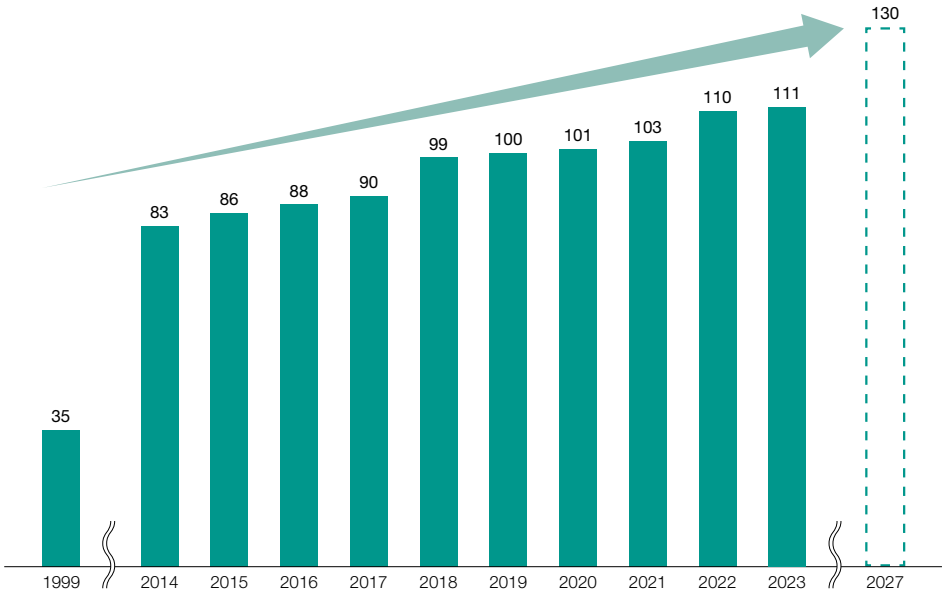
Five-year cumulative total: ¥33 billion



Growing the direct sales customer base, chiefly through M&A activities

■ Historical number of direct sales customers

(unit: 10K households)



■ Iwatani's LPG sales

	Retail	Wholesale
Industry ranking	No.1/ 16,381 companies	No.1/ 1,100 companies
Market share	4.7%	13.9%
Households using MaruiGas*	1.11 million	3.30 million

Source: LP Gas Annual Report: Facts and Figures, Iwatani estimates * The name of the Company's LPG brand (As of March 31, 2024)

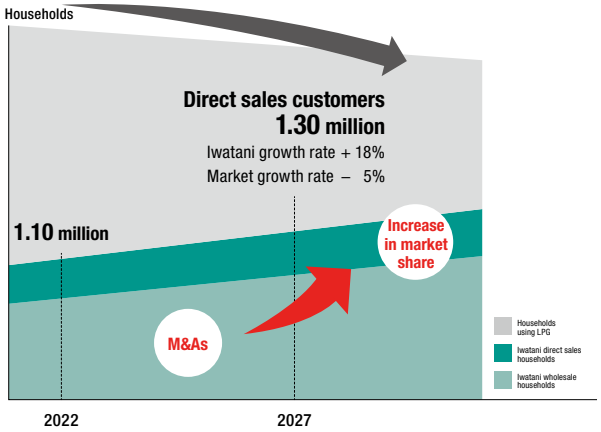
Domestic Energy & Service Strategies

Related Key Issues (Materiality) Provide infrastructure and services that will enrich people's lives

Initiatives

Growing our market share in the retail sector, targeting 1.3 million direct sales customer households by FY2027

Drawing on our nationwide network, the Iwatani Group will set its sights on sustained growth by expanding its market share in the retail sector, primarily through mergers and acquisitions.
The LPG market is projected to shrink by about 5% in the years through FY2027; nevertheless, the Iwatani Group will seek to achieve growth of 18% in direct sales customers, targeting a figure of 1.3 million households. In FY2023, the figure grew by 10,000 households to 1.11 million. To grow the retail business, we will leverage our nationwide network of 108 supply facilities and the Iwatani Group's strengths in delivery, safety, and sales networks to expand the wholesale customer base and build relationships that contribute to business succession and mergers and acquisitions.



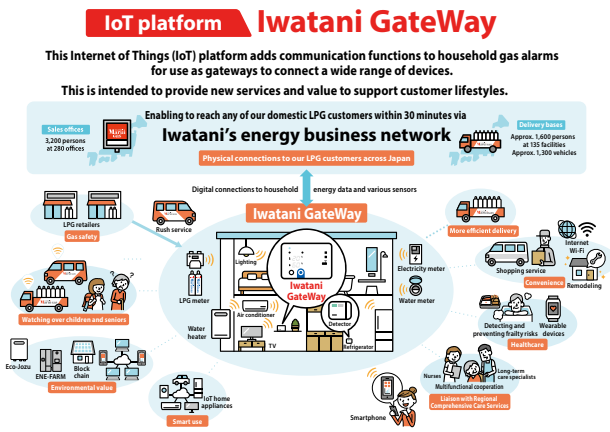
Streamlining delivery systems to cut business costs

The Iwatani Group operates a logistics structure that delivers gas to households in every corner of Japan. We cut business costs to grow earnings while implementing the measures needed to maintain a stable supply. In FY2023, we built a cylinder filling facility inside our import base of the Negishi Liquefied Gas Terminal to streamline logistics. The facility consolidates on-site processes ranging from imports to filling and delivery. Additionally, we expanded delivery facilities through mergers and consolidations and renovated delivery facilities to make them more disaster-resistant.
We will continue to streamline delivery structures and draw on remote meter-reading systems and delivery route planning systems to achieve more efficient delivery. To build more efficient delivery structures, we are also considering partnerships with delivery subcontractors.


Negishi Liquefied Gas Terminal

Expanding new services using Iwatani GateWay

We install the Iwatani GateWay IoT platform in households where we supply LPG to provide services that support everyday life. In FY2023, we launched demonstration testing of a system capable of monitoring the whereabouts of seniors on Fukue Island in the city of Goto, Nagasaki Prefecture. Testing targeting the evacuation of residents in the event of an eruption of the Sakurajima volcano in the city of Kagoshima, Kagoshima Prefecture, indicates this system will make it easier to check on evacuation conditions and locate any residents left behind. We're also working to generate environmental value we can return to customers as J-Credits based on CO_2 emissions reductions achieved by installing solar panels and switching to high-efficiency water heaters in homes.
We will continue to both supply services essential to our customers and communities and fulfill our role as a provider of infrastructures for community safety and disaster prevention.



Overseas Strategies

Related Key Issues (Materiality)

Create businesses that will lead to the realization of a sustainable society

Provide infrastructure and services that will enrich people's lives

Basic Policy

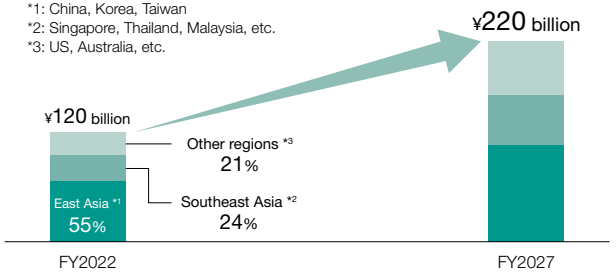
Leveraging our domestic business foundations to grow our international businesses

To date, the Iwatani Group has grown its businesses by providing products and services to domestic customers. Based on strengths amassed over the years, including the expertise of the Integrated Energy Business in fuel conversion and industry decarbonization, our Industrial Gases & Machinery Business boasts industrial gas production and sales networks and the capacity to promote machinery and equipment solutions, while our Materials Business can procure environmental products and implement the measures needed to maintain a stable supply of mineral resources. Drawing on our strengths and domestic business foundations, we will continue identifying business opportunities and pursuing market development on the international stage.

Targets and Progress

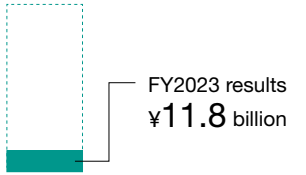
Net sales

*1: China, Korea, Taiwan
*2: Singapore, Thailand, Malaysia, etc.
*3: US, Australia, etc.

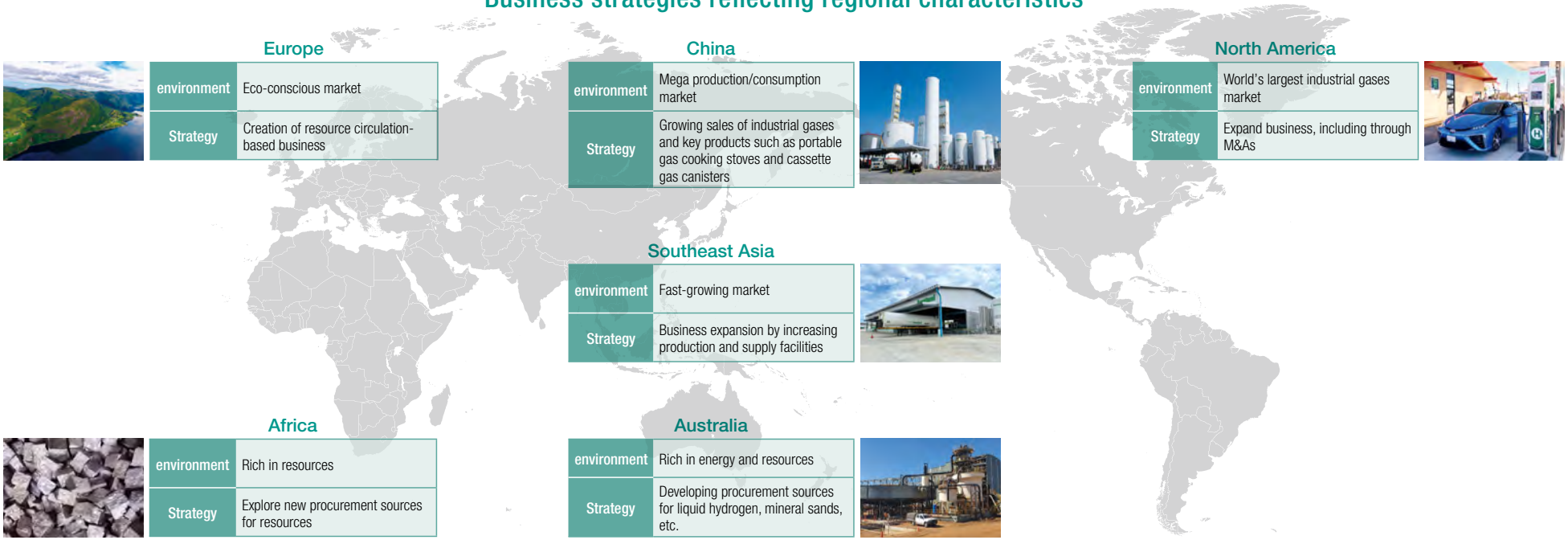


Investment

Five-year cumulative total:
¥94 billion



Business strategies reflecting regional characteristics



Europe

environment	Eco-conscious market
Strategy	Creation of resource circulation-based business

China

environment	Mega production/consumption market
Strategy	Growing sales of industrial gases and key products such as portable gas cooking stoves and cassette gas canisters

North America

environment	World's largest industrial gases market
Strategy	Expand business, including through M&As

Southeast Asia

environment	Fast-growing market
Strategy	Business expansion by increasing production and supply facilities

Africa

environment	Rich in resources
Strategy	Explore new procurement sources for resources

Australia

environment	Rich in energy and resources
Strategy	Developing procurement sources for liquid hydrogen, mineral sands, etc.

Overseas Strategies

Related Key Issues (Materiality)

Create businesses that will lead to the realization of a sustainable society

Provide infrastructure and services that will enrich people's lives

Initiatives

New portable gas cooking stove plant comes online in Thailand

Since we began manufacturing and selling portable gas cooking stoves and cassette gas canisters in Zhuhai, China, in 1996, our international business growth has focused on China. In May 2023, we completed a new portable gas cooking stove plant in Thailand. We've begun selling this plant's products not just in Thailand, but in the Philippines, Malaysia, and Taiwan, regions previously served by exports from Japan and China. In 2024, we expanded sales channels to include Singapore and Indonesia to grow this business in the Southeast Asia. Consumer demand plays a key role in Southeast Asia compared to China, where most demand is for commercial use at restaurants, hotels, and other such businesses. Accordingly, we're developing products and applications that consider regional dietary patterns. We will continue to deliver safe, high-quality products while meeting the various safety standards in place for portable gas cooking stoves and cassette gas canisters in different countries.

Bangkok Ai-Toa Co., Ltd., where new production of portable gas cooking stoves has begun (Thailand)

Expanding the refrigerant business in the growing Southeast Asian market

In January 2024, just after our November 2023 acquisition of a refrigerant company in Malaysia, we built and expanded refrigerant plants in Thailand and Indonesia. Amid growing demand for refrigerants accompanying growing use of air conditioners and automobiles in Southeast Asia, we will enhance our capacity to supply refrigerants to Japanese and local manufacturers within this market, which is also expected to grow as a production and export base.

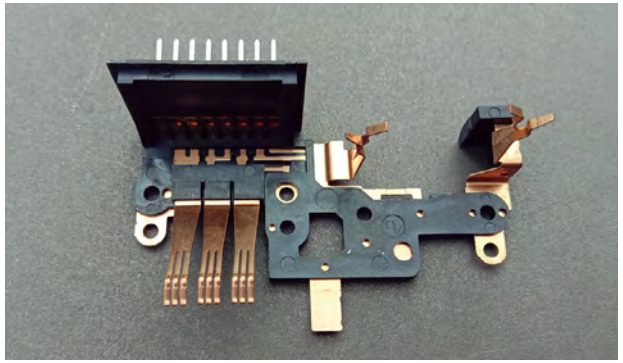
International efforts to cut refrigerant production and consumption are accelerating in response to more stringent regulations. In response, we have launched a refrigerant reclaiming business to recover and reuse refrigerants that were previously emitted into the atmosphere or destroyed (rendered harmless) during waste disposal or maintenance at plants around the world.

We will continue to expand our production capacity and enhance systems for supplying eco-friendly products.

New refrigerant filling equipment (Thailand)

Growing the overseas metal processing business

Iwatani operates facilities that cut, shape, and weld iron and stainless steel cables and apply finishing treatments like resin coating and chrome plating at Bangkok Ai-Toa Co., Ltd. (Thailand) and Zhongshan Iwatani Co., Ltd. (China). Each of these plants is continually expanding and increasing its production capacity. As sales channels are expanding to include customers not just in Thailand and China but also in the Japanese, Asian, European, and North American markets, they also produce and sell parts for use in air conditioners, cooking appliances, and automobiles. In addition, Zhongshan Kasatani Co., Ltd. (China), a plant that primarily produces automotive wiring components, is meeting increasingly advanced customer needs in areas such as highly challenging precision pressing and plastic and metal inset molding. Suzhou Iwatani Metal Products Co., Ltd. (China) is taking steps to meet growing customer demand for precision slit processing of materials such as stainless steel, nickel, copper. We will continue to meet the needs of our global customers by expanding the overseas metal processing business from the foundations of individual production facilities such as these.



Molded insert (an electronic component for next-generation vehicles)