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# IR Briefing for the Fiscal Year Ended March 31, 2022 (FY03/22) (Overview)

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June 8, 2022

Inabata & Co., Ltd.

Kenichi Yokota

Director and Senior Managing Executive Officer

## Net sales and profits reached record highs.

**Net sales: ¥680.9 billion**    ¥577.5 billion in FY03/21

Net sales grew owing to recovery from the sharp decline caused by the COVID-19 pandemic; higher selling prices for raw materials and yen depreciation also contributed.

**Operating profit: ¥20.0 billion**    +33.9% YoY

Operating profit rose on increases in net sales and gross profit margin.

**Ordinary profit: ¥21.6 billion**    +31.1% YoY

Ordinary profit increased on operating profit growth.

**Profit attributable to owners of parent: ¥22.3 billion**    +62.0% YoY

Bottom-line profit grew due to an increase in ordinary profit and gain on sales of investment securities.

(Billions of yen)

	FY03/21	FY03/22 (A)	YoY change		Forecast announced February 7, 2022 (B)	Achievement rate (A)/(B)
			Amount	%		
Net sales	577.5	680.9	+103.3	–	650.0	104.8%
Operating profit	14.9	20.0	+5.0	+33.9%	19.5	102.8%
Ordinary profit	16.5	21.6	+5.1	+31.1%	21.0	103.1%
Profit attributable to owners of parent	13.7	22.3	+8.5	+62.0%	21.5	104.0%
Exchange rate (USD/JPY)	106.10	112.39	+6.29		110.00	

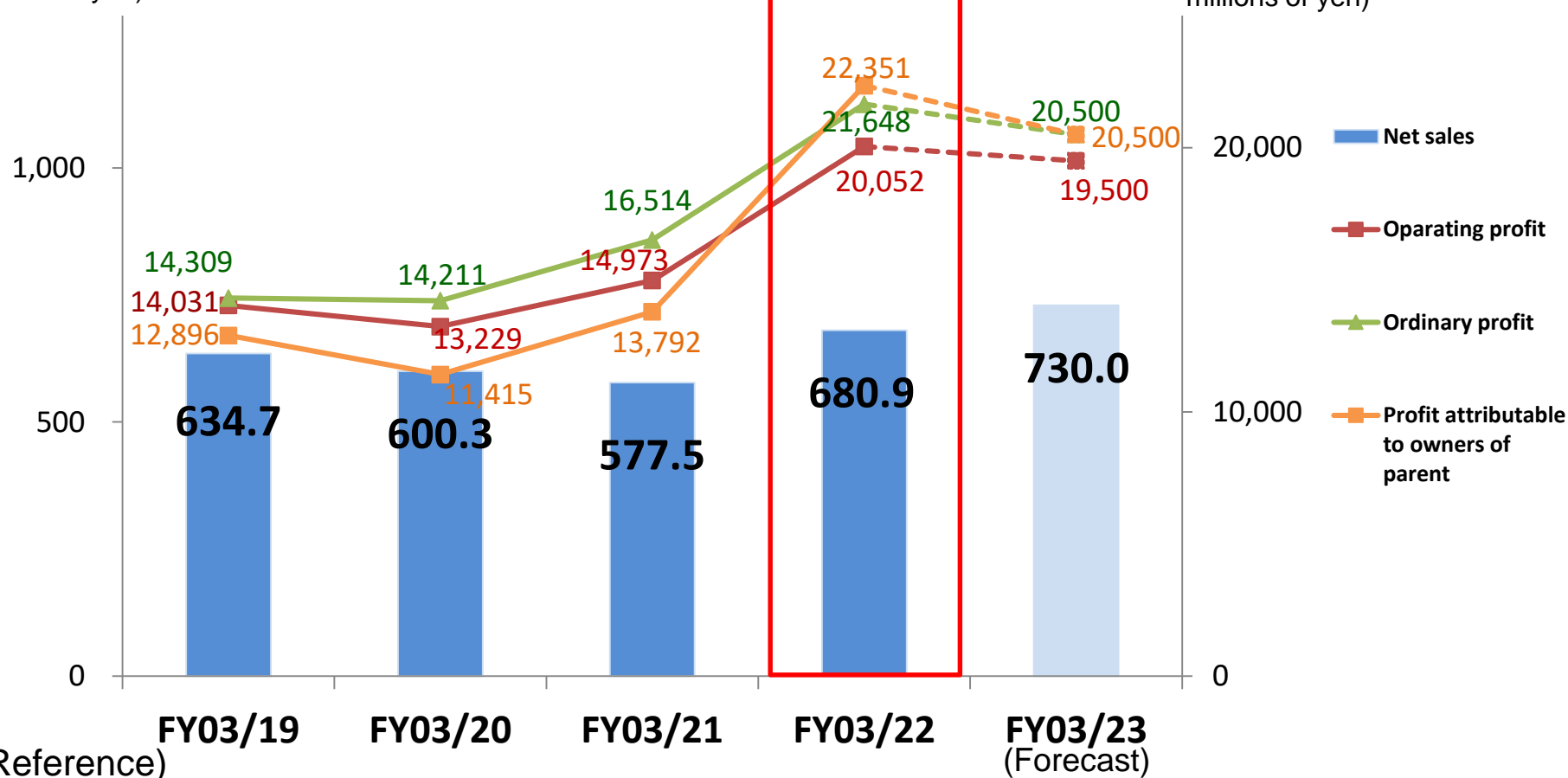
\* Inabata has adopted Accounting Standard for Revenue Recognition (ASBJ Statement No. 29) effective from Q1 FY03/22, which had a negative impact on net sales of ¥25.2 billion.

# Operating Performance



(Net sales:  
billions of yen)

(Profits:  
millions of yen)



(Reference)

	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23
Exchange rate (USD/JPY)	110.92	108.70	106.10	112.39	120.00

Notes: Recorded ¥0.75 billion in reversal of allowance for doubtful accounts at a European subsidiary in FY03/21.

Gain on sales investment securities were ¥5.11 billion in FY03/19, ¥3.03 billion in FY03/20, ¥ 2.98 billion in FY03/21 and ¥8.97 billion in FY03/22.

Inabata has adopted Accounting Standard for Revenue Recognition (ASBJ Statement No. 29) effective from Q1 FY03/22, which had a negative impact on net sales of ¥25.2 billion.

# Balance Sheet



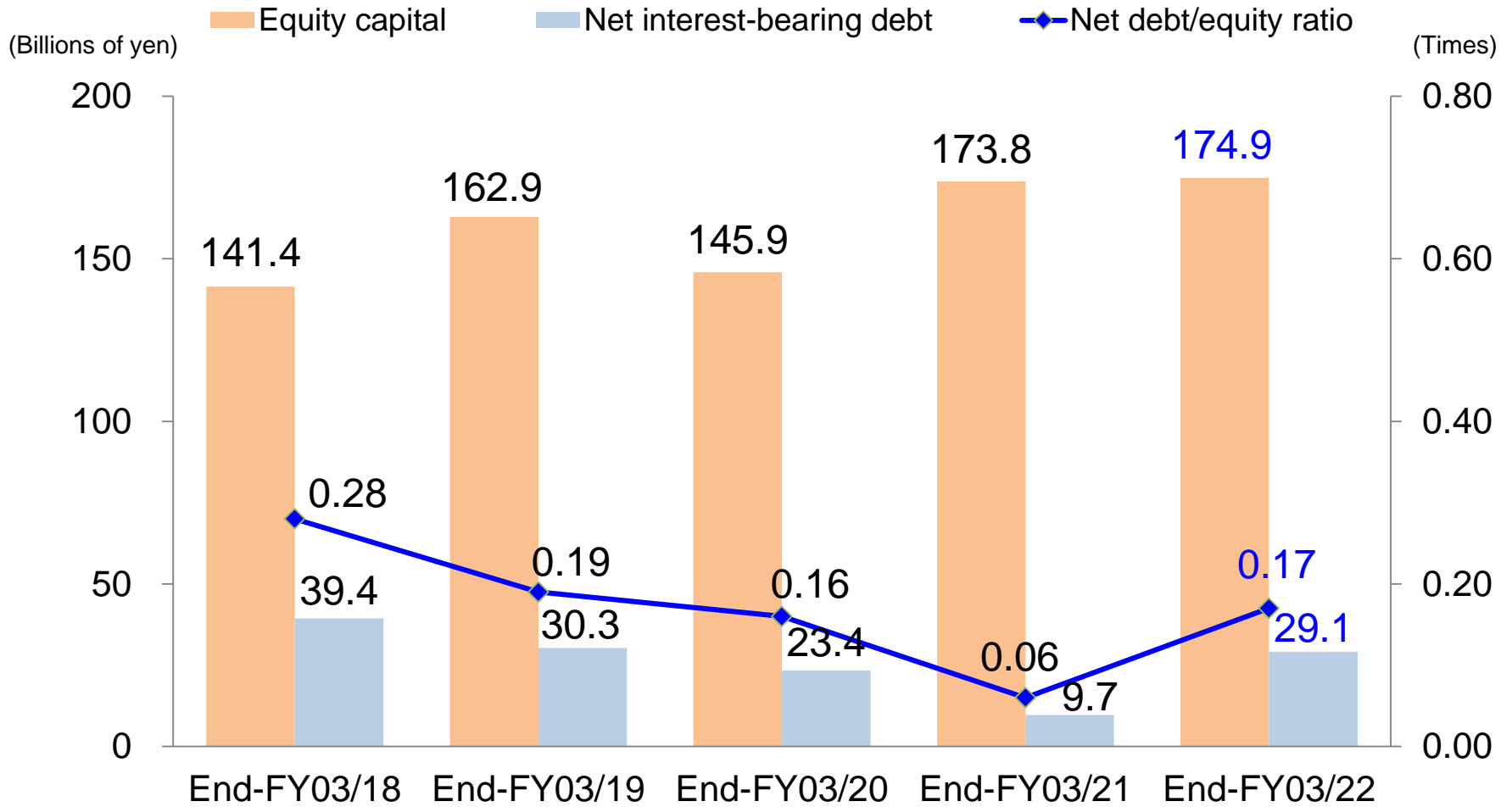
- ✓ Accounts receivable and inventories as well as accounts payable and short-term loans increased due to recovery in business
- ✓ Investment securities, other non-current liabilities, and other comprehensive income fell due to stock sales and a drop in market value
- ✓ Shareholders' equity grew owing to business recovery and stock sales

(Billions of yen)

Assets	End-FY03/21	End-FY03/22	Change	Liabilities and net assets	End-FY03/21	End-FY03/22	Change
Cash and deposits	31.4	35.4	+3.9	Notes and accounts payable - trade	104.1	115.9	+11.8
Notes and accounts receivable - trade	162.7	184.6	+21.9	Short-term loans payable	33.7	58.6	+24.9
Inventories	54.1	79.0	+24.9	Other current liabilities	12.7	18.5	+5.8
Other current assets	8.6	12.3	+3.6	Long-term loans payable	7.4	5.8	-1.5
Property, plant and equipment	14.3	15.3	+0.9	Other non-current liabilities	19.3	13.0	-6.2
Intangible assets	2.9	2.6	-0.2	Shareholders' equity	129.1	139.5	+10.3
Investment securities	71.5	48.3	-23.2	Accumulated other comprehensive income	44.6	35.3	-9.2
Other fixed assets	7.3	11.2	+3.9	Non-controlling interests	1.9	1.9	-0.0
<b>Total assets</b>	<b>353.2</b>	<b>389.0</b>	<b>+35.8</b>	<b>Total liabilities and net assets</b>	<b>353.2</b>	<b>389.0</b>	<b>+35.8</b>
<b>Current ratio</b>	<b>170.6%</b>	<b>161.2%</b>		<b>Equity ratio</b>	<b>49.2%</b>	<b>45.0%</b>	

Note: At end-FY03/22, notes receivable were 22.5 billion yen and accounts receivable were 162.1 billion yen

# Equity Capital, Net Interest-Bearing Debt, Net Debt/Equity Ratio



Notes: Equity capital = Net assets – stock acquisition rights – non-controlling interests  
 Net debt/equity ratio = (Interest-bearing debt – cash and deposits) / equity capital

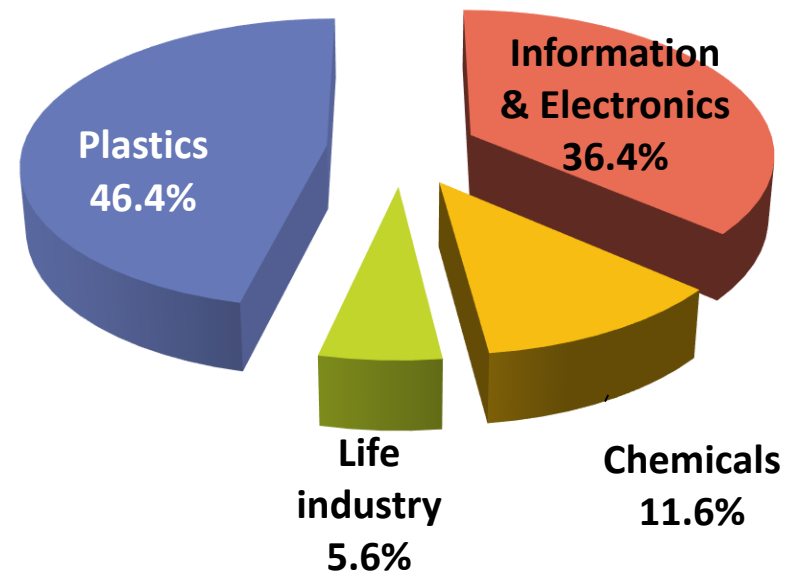
# Sales by Business Segment

- ✓ In Information & Electronics, sales of key materials rose
- ✓ In Plastics, sales grew on higher resin prices and recovery from the setback caused by the COVID-19 pandemic

## Sales

(Billions of yen)

	FY03/21	FY03/22
Information & Electronics	224.5	<b>247.7</b> (261.5)
Chemicals	66.6	<b>78.6</b> (84.3)
Life Industry	37.3	<b>38.2</b> (41.4)
Plastics	248.8	<b>316.2</b> (318.7)
Other	0.1	<b>0.1</b>
<b>Total</b>	<b>577.5</b>	<b>680.9</b> (706.2)



\* Effective from Q1 FY03/22, Inabata has adopted Accounting Standard for Revenue Recognition (ASBJ Statement No. 29).

(Reference) FY03/22

# Net Sales Breakdown by Segment and Region

(Billions of yen)

	Information & Electronics	Chemicals	Life Industry	Plastics	Other	Total
Japan	96.7	54.1	26.2	103.1	-	280.3
Southeast Asia	17.1	9.9	0.1	134.5	-	161.7
Northeast Asia	117.9	7.2	0.9	65.1	-	191.2
Americas	9.8	4.2	8.9	11.7	-	34.7
Europe	6.0	3.0	1.9	1.7	-	12.6
Revenue arising from contracts with customers	247.7	78.6	38.2	316.2	-	680.7
Other revenue	-	-	-	-	0.1	0.1
Sales to external customers	247.7	78.6	38.2	316.2	0.1	680.9

\* Revenue arising from contracts with customers are recorded based on the location of corresponding sales offices, categorized by country or region.



# Gross Profit and Operating Profit by Business Segment



- ✓ In Plastics and Chemicals, profits increased thanks to recovery in sales and higher selling prices
- ✓ In Life Industry, sales of processed food products to conveyor-belt sushi restaurants and seafood products in the US were strong

## Gross profit

(Millions of yen)

	FY03/21	FY03/22	YoY change
Information & Electronics	14,511	17,471	+20.4%
Chemicals	5,417	7,090	+30.9%
Life Industry	5,074	6,641	+30.9%
Plastics	20,906	26,040	+24.6%
Other	130	127	-2.6%
Total	46,040	57,370	+24.6%

## Operating profit

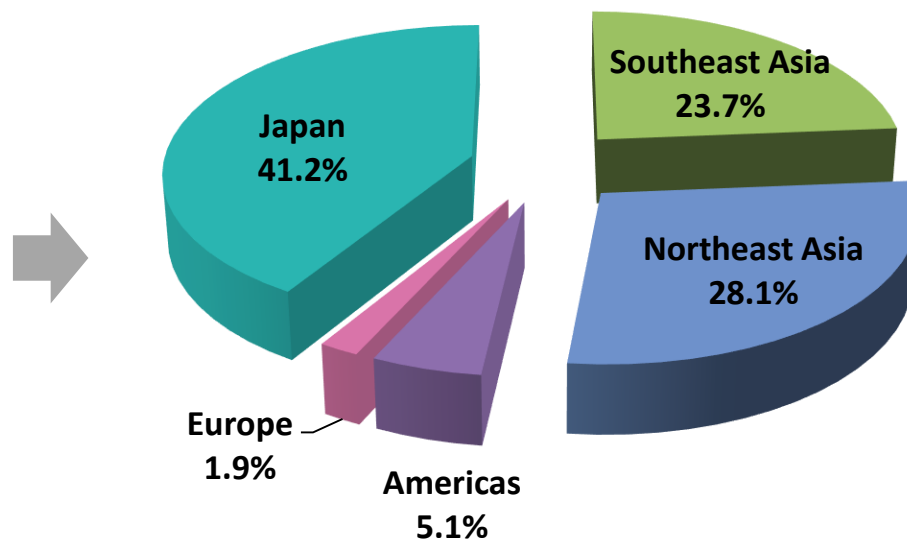
(Millions of yen)

	FY03/21	FY03/22	YoY change
Information & Electronics	6,327	6,422	+1.5%
Chemicals	1,320	2,207	+67.2%
Life Industry	1,563	2,618	+67.5%
Plastics	5,631	8,677	+54.1%
Other	130	127	-2.6%
Total	14,973	20,052	+33.9%

## Sales

(Billions of yen)

	FY03/21	FY03/22	YoY change
Southeast Asia	122.1	161.7	+32.4%
Northeast Asia	157.2	191.2	+21.6%
Americas	20.0	34.7	+73.0%
Europe	9.0	12.6	+39.3%
Japan	269.0	280.5 (305.8)	+4.3%
Total	577.5	680.9 (706.2)	+17.9%
(Overseas ratio)	(53.4%)	(58.8%)	(+5.4%)



Note: Sales in the Japan segment include exports (¥54.9 billion in FY03/22).

Including this amount, the percentage of overseas sales was 61.6% in FY03/21 and 64.6% in FY03/22.

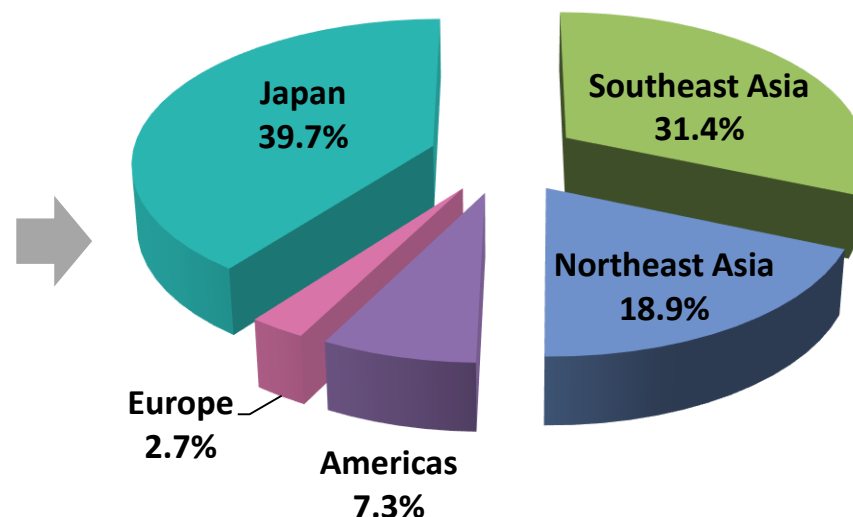
# Operating Profit by Region

- ✓ **Southeast Asia: Recovered from the downturn a year ago caused by lockdowns**
- ✓ **Americas: Sales of seafood products were robust on a sharp recovery in demand**

## Operating profit

(Millions of yen)

	FY03/21	FY03/22	YoY change
Southeast Asia	3,741	6,268	+67.5%
Northeast Asia	2,671	3,774	+41.3%
Americas	483	1,445	+199.0%
Europe	1,035	527	-49.1%
Japan	6,759	7,924	+17.2%
Subtotal	14,691	19,939	+35.7%
Elimination or corporate	281	112	
Total	14,973	20,052	+33.9%
(Overseas ratio)	(54.0%)	(60.3%)	(+6.3%)



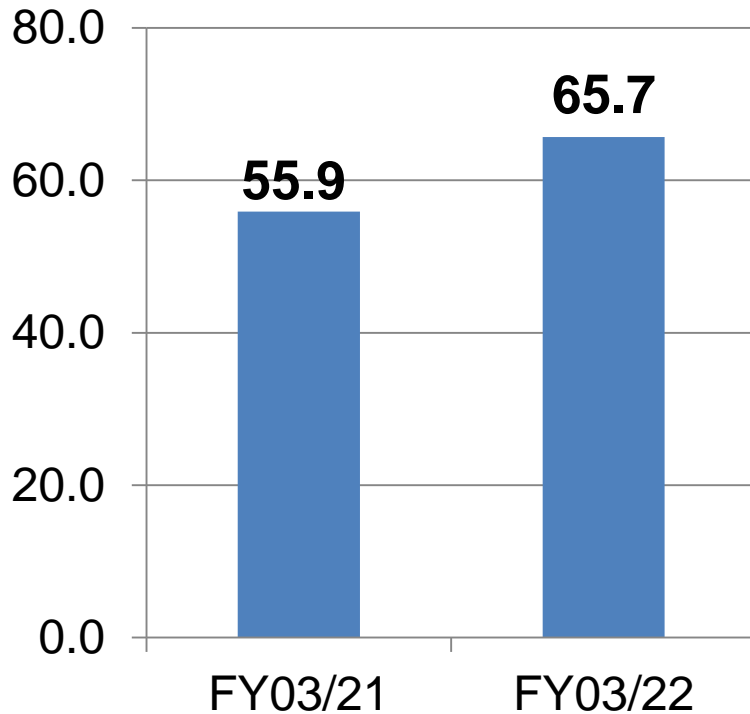
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# Sales and Operating Profit in the Manufacturing Sector

Compound manufacturing facilities in Southeast Asia in particular recovered from the impact of year-ago lockdowns

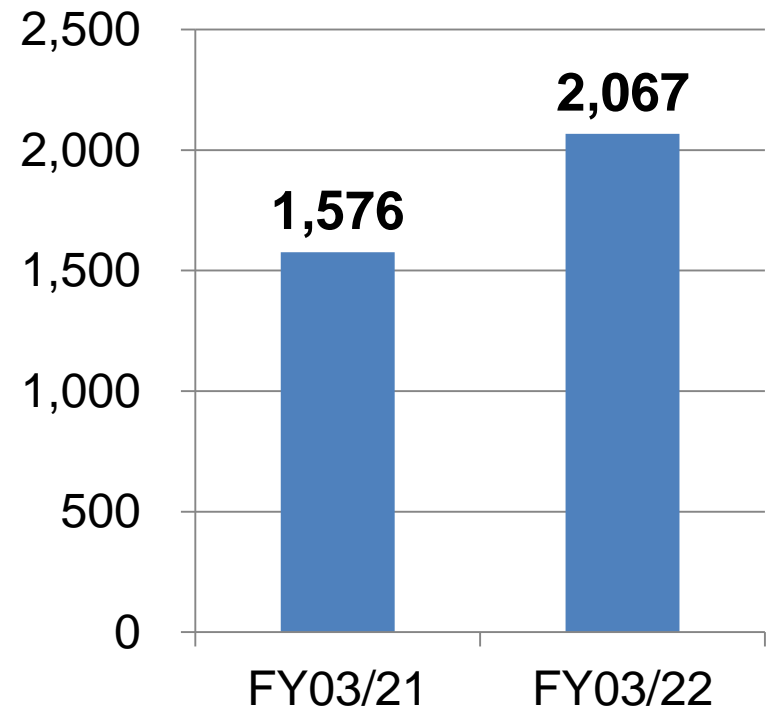
Sales

(Billions of yen)



Operating profit

(Millions of yen)

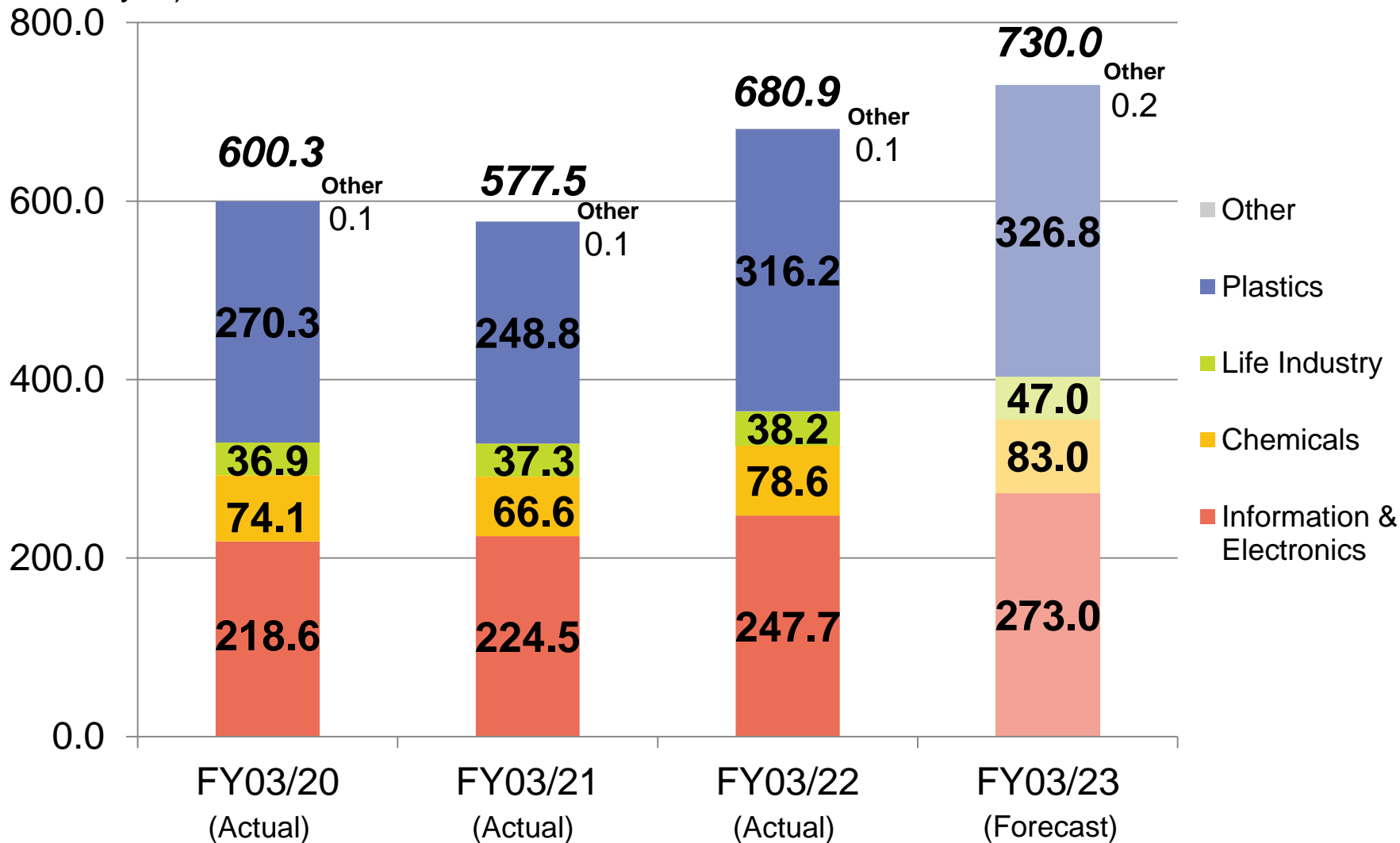


Note: Results for FY03/21 have been converted at the exchange rate for FY03/22 (USD1=JPY112.39).

# Sales by Business Segment



(Billions of yen)

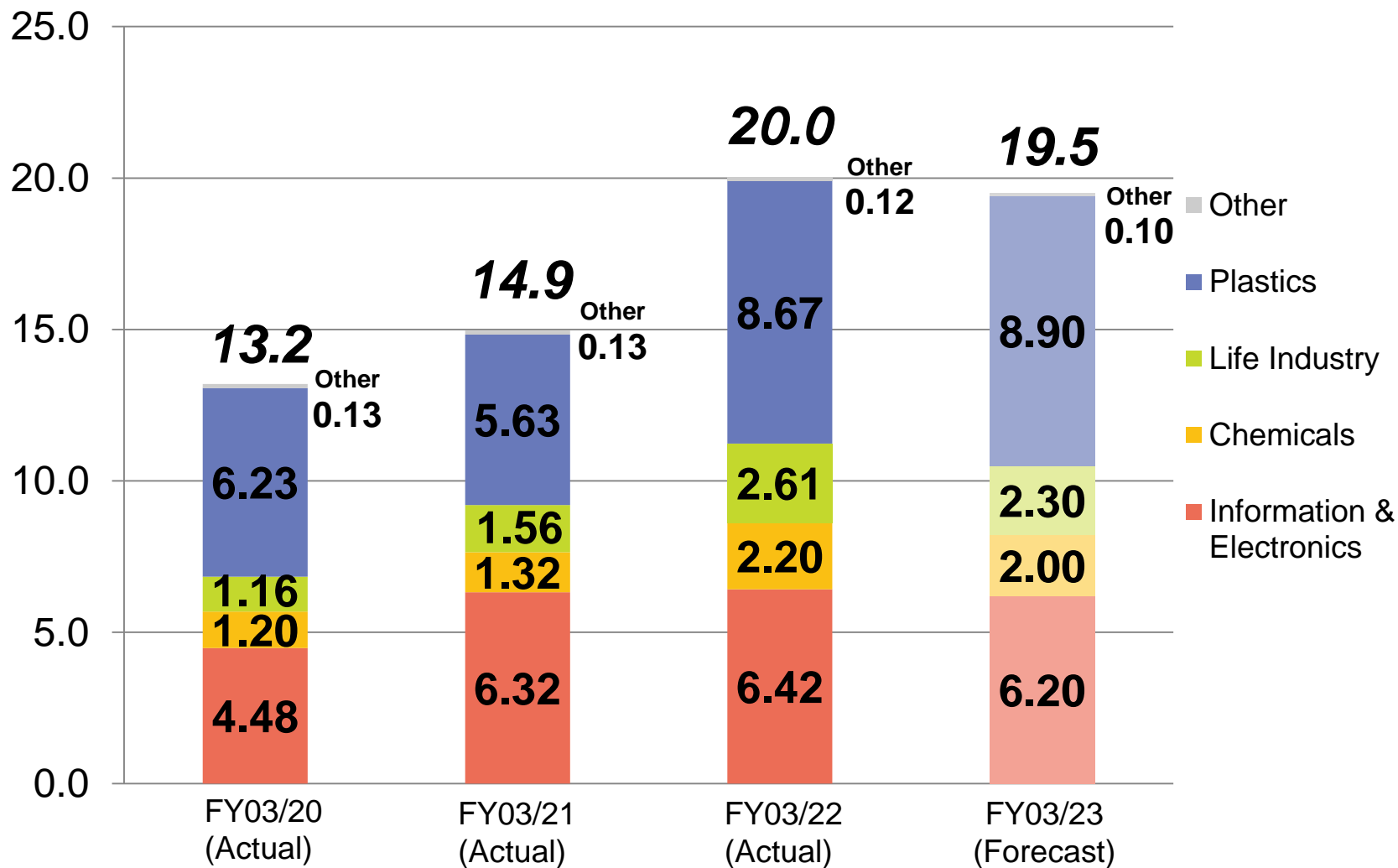


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# Operating Profit by Business Segment



(Billions of yen)



Note: Recorded ¥0.75 billion in reversal of allowance for doubtful accounts in the Information & Electronics segment. in FY03/21. **14**

	Companies		
	Japan	Overseas	Total
Consolidated subsidiaries	7	36	43
(Of which, manufacturers and processing companies)	(5)	(16)	(21)
Equity-method affiliates	4	1	5
(Of which, manufacturers and processing companies)	(2)	(1)	(3)
Total	11	37	48
(Of which, manufacturers and processing companies)	(7)	(17)	(24)

# Principal Consolidated Subsidiaries



(Millions of yen)

Company	Location	FY03/21			FY03/22			YoY change		
		Net sales	Operating profit	Net income	Net sales	Operating profit	Net income	Net sales	Operating profit	Net income
Taiwan Inabata Sangyo Co., Ltd.	Taiwan	38,145	720	500	35,680	715	537	-6.5%	-0.7%	+7.4%
Inabata Sangyo (H.K.) Ltd.	Hong Kong	63,769	856	182	79,220	1,150	1,546	+24.2%	+34.4%	+751.7%
Inabata Singapore (Pte.)	Singapore	51,284	789	997	66,795	1,204	1,399	+30.2%	+52.6%	+40.3%
Inabata Thai Co., Ltd.	Thailand	35,315	566	447	46,626	984	830	+32.0%	+73.9%	+85.5%
Shanghai Inabata Trading	Shanghai	67,764	1,052	858	76,249	1,330	1,097	+12.5%	+26.4%	+27.9%
PT. Inabata Indonesia	Indonesia	19,894	720	463	28,400	1,272	965	+42.8%	+76.8%	+108.5%
Inabata Fine Tech & Co., Ltd.	Japan	17,839	543	355	20,268	589	417	+13.6%	+8.4%	+17.4%

Note: Results for FY03/21 have been converted at the exchange rate for FY03/22 (USD1=JPY112.39).

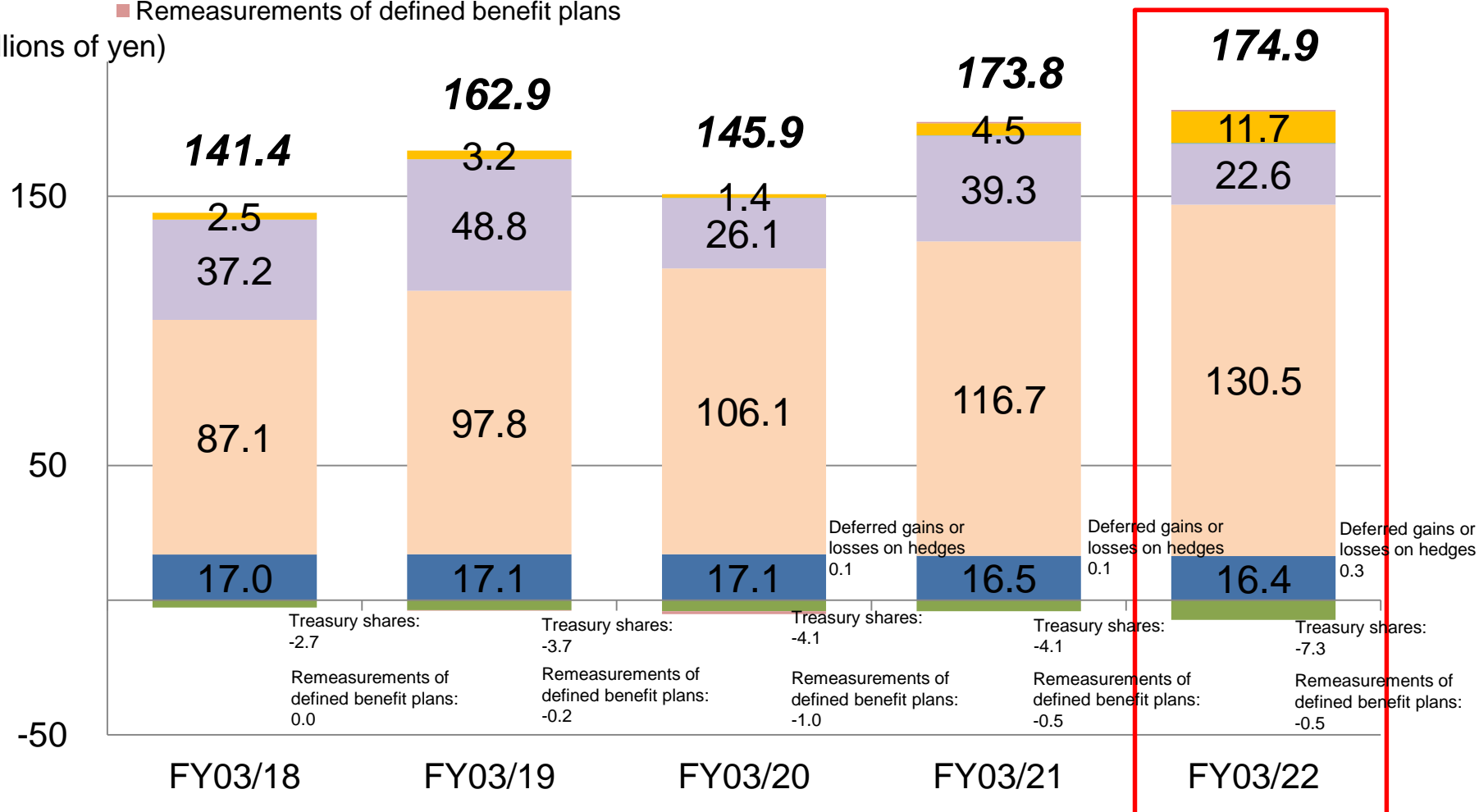


# (Reference) Equity Capital



- Capital stock and capital surplus
- Treasury shares
- Deferred gains or losses on hedges
- Remeasurements of defined benefit plans
- Retained earnings
- Valuation difference on available-for-sale securities
- Foreign currency translation adjustment

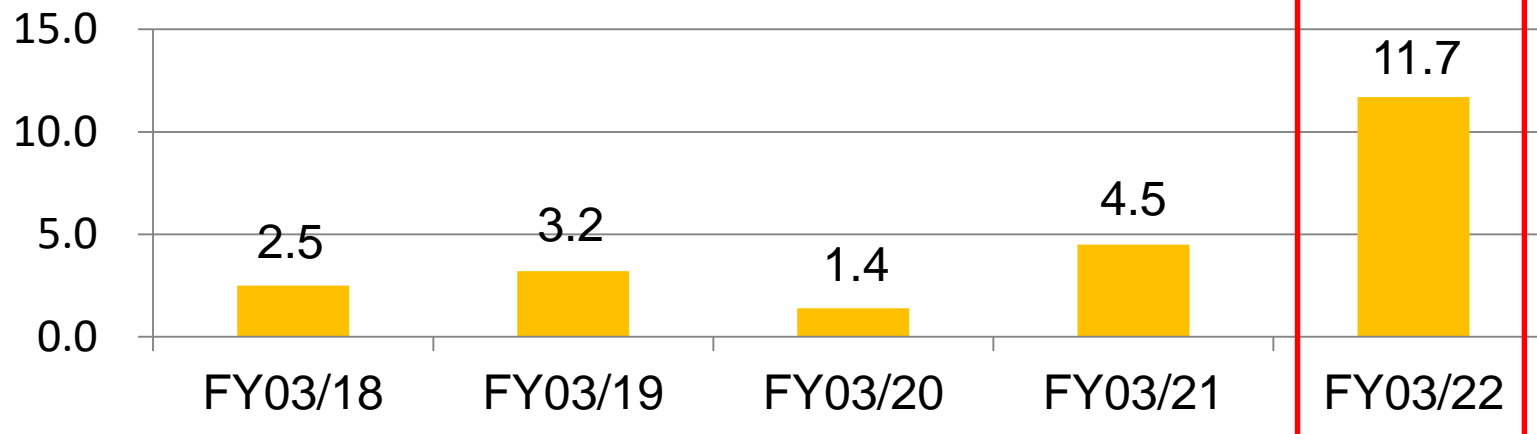
(Billions of yen)



# (Reference) Impact of Exchange Rate Fluctuations on the Foreign Currency Translation Adjustment

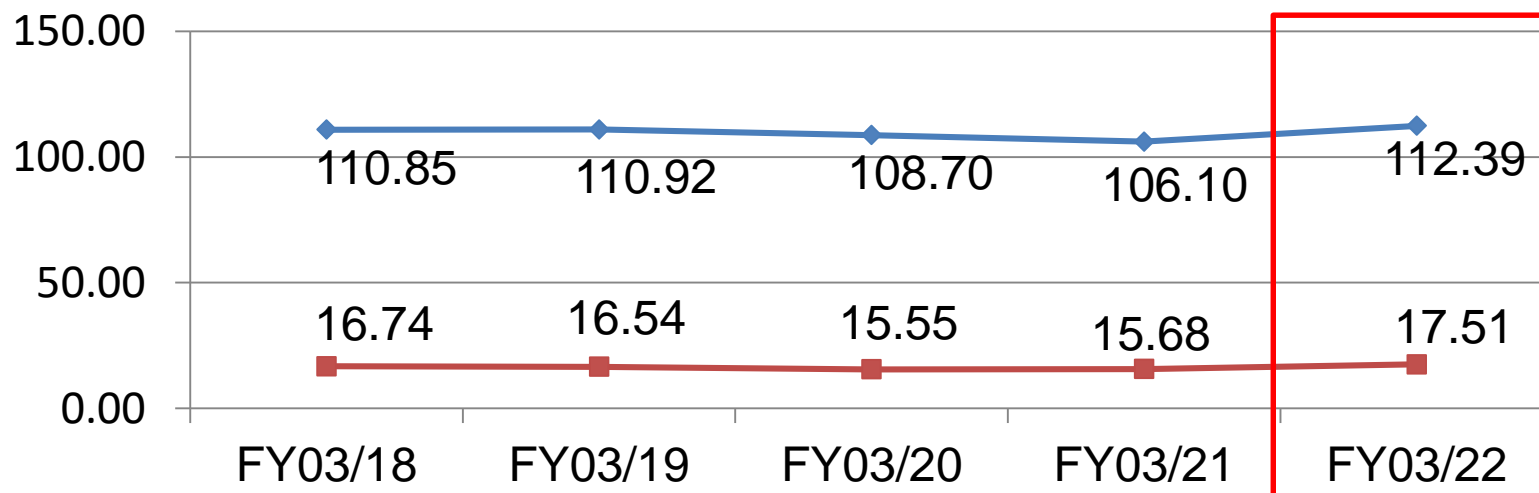
(Billions of yen)

■ Foreign currency translation adjustment



(Yen)

◆ USD/JPY ■ CNY/JPY



## □ IR Inquiries

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### ◆Cautionary note regarding future estimates

The data and future predictions contained in this document are based on information available and judgments applicable at the time of the document's release. The data and future forecasts contained herein may include elements that are subject to change, and this document and its contents are no guarantee of future performance.

### ◆Presentation of numbers

Yen figures presented in these materials have been rounded off below the unit indicated. Consequently, individual figures may not sum to the total amounts indicated.