
IR Briefing for the Fiscal Year Ended March 31, 2024 (FY03/24) (Overview)

June 3, 2024

Inabata & Co., Ltd.

Kenichi Yokota

Director and Senior Managing Executive Officer

■ Net sales and Op. profit reached record highs.

Net sales: **¥766.0 billion** **+4.1% YoY**

Net sales rose thanks to contributions from newly consolidated subsidiaries (through M&A), a weak yen, and other factors.

Operating profit: **¥21.1 billion** **+4.3% YoY**

Operating profit expanded due to growth in net sales and an increase in our gross profit margin.

Ordinary profit: **¥21.3 billion** **+11.9% YoY**

Despite a decrease in dividend income, ordinary profit grew thanks to the expansion in an improvement in equity-method income.

Profit attributable to owners of parent: **¥20.0 billion** **+2.7% YoY**

Profit attributable to owners of parent rose, overcoming a decrease in gains on sales of investment securities through gains on negative goodwill recorded in association with newly consolidated subsidiaries.

(Billions of yen)

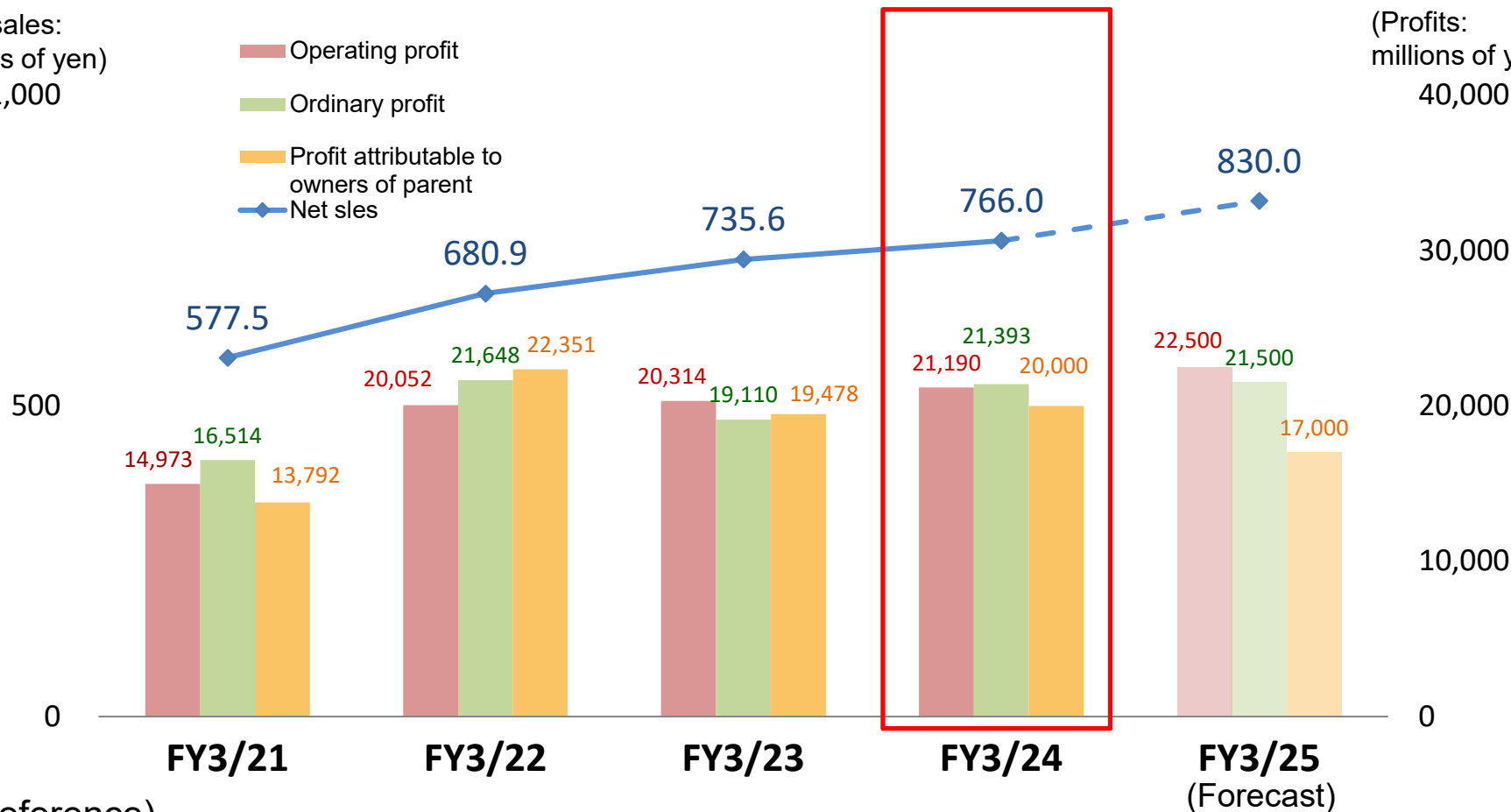
	FY03/23	FY03/24 (A)	YoY change		FY03/24 Forecast (B)	Achievement rate (A)/(B)
			Amount	%		
Net sales	735.6	766.0	+30.4	+4.1%	800.0	95.8%
Operating profit	20.3	21.1	+0.8	+4.3%	21.0	100.9%
Ordinary profit	19.1	21.3	+2.2	+11.9%	20.0	107.0%
Profit attributable to owners of parent	19.4	20.0	+0.5	+2.7%	21.0	95.2%
Exchange rate (USD/JPY)	135.50	144.59	+9.09		140.00	

Operating Performance



(Net sales:
billions of yen)
1,000

(Profits:
millions of yen)
40,000



(Reference)

	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25
Exchange rate (USD/JPY)	106.10	112.39	135.50	144.59	145.00

Notes: Gain on sales investment securities were ¥ 2.98 billion in FY03/21, ¥8.97 billion in FY03/22, ¥8.66 billion in FY03/23 and , ¥3.76 billion FY03/24.

Gain on negative goodwill ¥3.4 billion in FY03/24

Inabata has adopted Accounting Standard for Revenue Recognition (ASBJ Statement No. 29) effective from FY03/22.

Balance Sheet



- Cash and deposits, notes and accounts receivable–trade, and note and accounts payable–trade increased due to newly consolidated subsidiaries and a weak yen.
- Shareholder's equity increases as a result of a rise in retained earnings.

(Billions of yen)

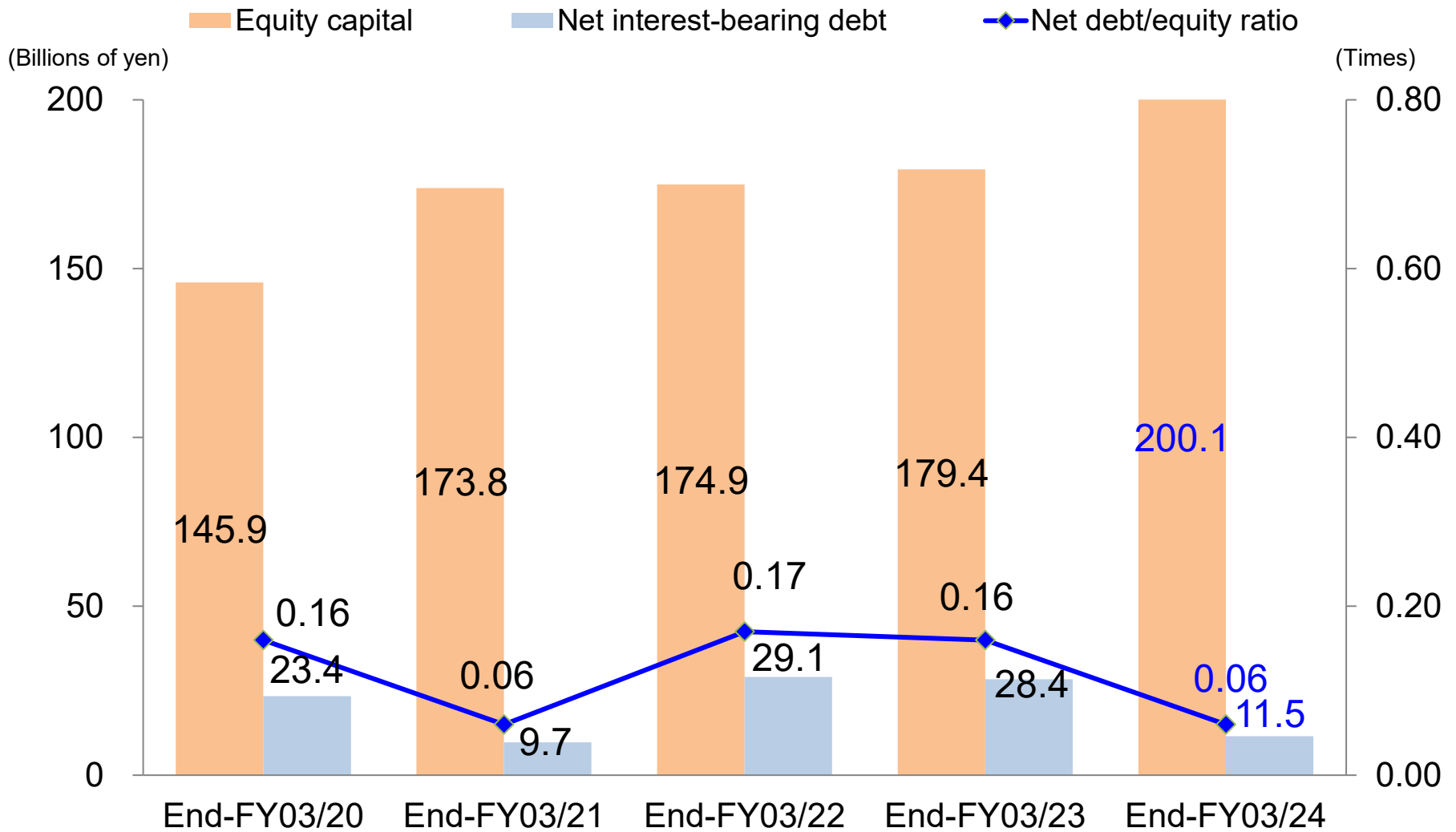
Assets	End-FY03/23	End-FY03/24	Change	Liabilities and net assets	End-FY03/23	End-FY03/24	Change
Cash and deposits	36.3	51.3	+14.9	Notes and accounts payable - trade	105.7	127.7	+21.9
Notes receivable - trade and Electronically recorded monetary claims	23.2	31.1	+7.9	Short-term loans payable	49.4	42.9	-6.5
Accounts receivable-trade	153.6	175.2	+21.6	Other current liabilities	18.3	18.5	+0.2
Inventories	88.8	85.0	-3.8	Bonds payable	7.5	7.5	-
Other current assets	13.2	11.1	-2.0	Long-term loans payable	7.7	12.3	+4.5
Property, plant and equipment	16.6	18.6	+2.0	Other non-current liabilities	10.1	11.4	+1.3
Intangible assets	2.4	3.8	+1.4	Shareholders' equity	148.5	160.3	+11.7
Investment securities	32.8	34.8	+2.0	Accumulated other comprehensive income	30.9	39.8	+8.9
Other fixed assets	13.2	15.9	+2.7	Non-controlling interests	2.0	6.5	+4.5
Total assets	380.4	427.3	+46.8	Total liabilities and net assets	380.4	427.3	+46.8
Current ratio	181.7%	187.1%		Equity ratio	47.2%	46.8%	

Notes receivable - trade and electronically recorded monetary claims:

FY23/3: Notes receivable - trade: ¥6.6 billion; Electronically recorded monetary claims: ¥16.5 billion

FY24/3: Notes receivable - trade: ¥7.7 billion; Electronically recorded monetary claims: ¥23.4 billion

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 = (Short-term loans payable + Long-term loans payable + Bonds payable – cash and deposits) / equity capital

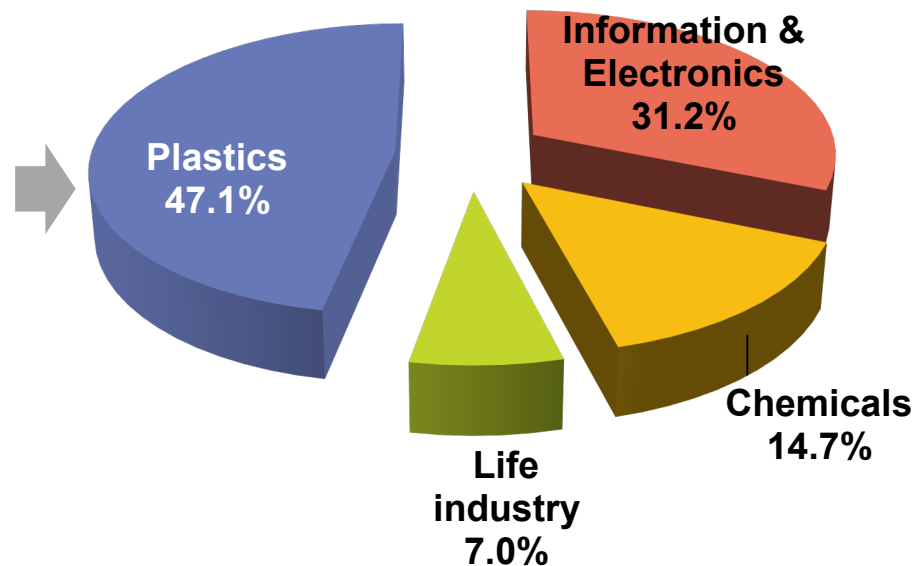
Sales by Business Segment

- Net sales grew in Chemicals and Life Industry, owing in part to contributions from newly consolidated subsidiaries.

Sales

(Billions of yen)

	FY03/23	FY03/24	YoY change
Information & Electronics	238.0	239.1	+0.5%
Chemicals	89.8	112.6	+25.4%
Life Industry	43.6	53.5	+22.8%
Plastics	363.9	360.4	-1.0%
Other	0.1	0.1	+2.1%
Total	735.6	766.0	+4.1%



*Contributions from newly consolidated subsidiaries in FY03/24 (simple sum):
 Chemicals: +¥29.1 billion, Plastics: +¥13.2 billion, Life Industry: +¥9.2 billion

(Reference) FY03/24

Net Sales Breakdown by Segment and Region

(Billions of yen)

	Information & Electronics	Chemicals	Life Industry	Plastics	Other	Total
Japan	81.1	86.5	40.6	135.5	-	343.9
Southeast Asia	19.4	13.5	0.2	147.7	-	181.0
Northeast Asia	110.2	5.1	2.1	57.8	-	175.3
Americas	15.1	5.1	8.2	17.0	-	45.6
Europe	13.1	2.2	2.3	2.2	-	19.8
Revenue arising from contracts with customers	239.1	112.6	53.5	360.4	-	765.8
Other revenue	-	-	-	-	0.1	0.1
Sales to external customers	239.1	112.6	53.5	360.4	0.1	766.0

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

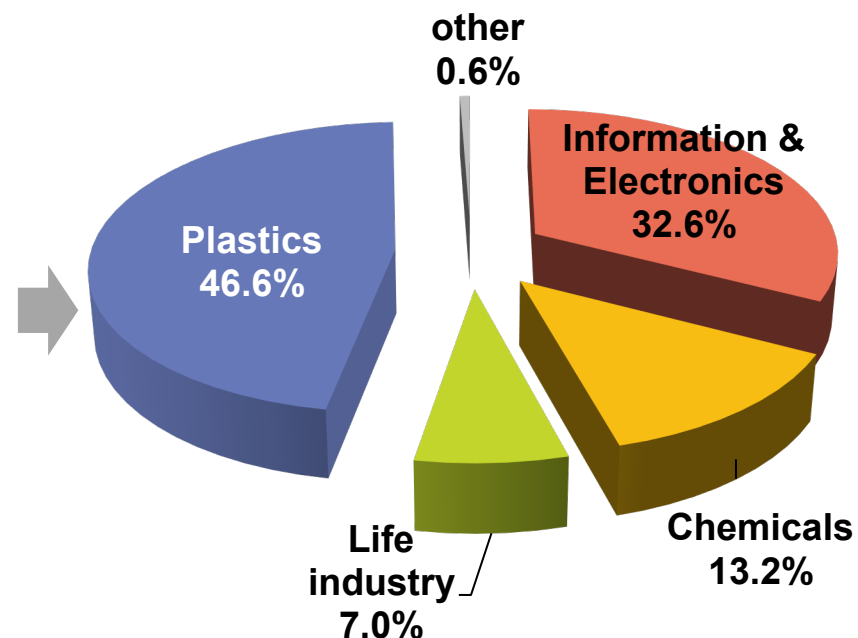
Operating Profit by Business Segment

- Profit grew in Information & Electronics, as sales of FPD-related products recovered slightly and sales of environment and energy-related products increased.
- Profit fell sharply in Life Industry, as a result of lower sales and diminished profitability of processed marine products and other products for Japanese food in the US and one-time M&A expenses.
- Profit was down in Plastics, due to inventory adjustments of products for office automation and home electronics applications.

Operating profit

(Millions of yen)

	FY03/23	FY03/24	YoY change
Information & Electronics	5,269	6,904	+31.0%
Chemicals	2,770	2,788	+0.6%
Life Industry	1,936	1,480	-23.6%
Plastics	10,205	9,879	-3.2%
Other	131	137	+4.4%
Total	20,314	21,190	+4.3%



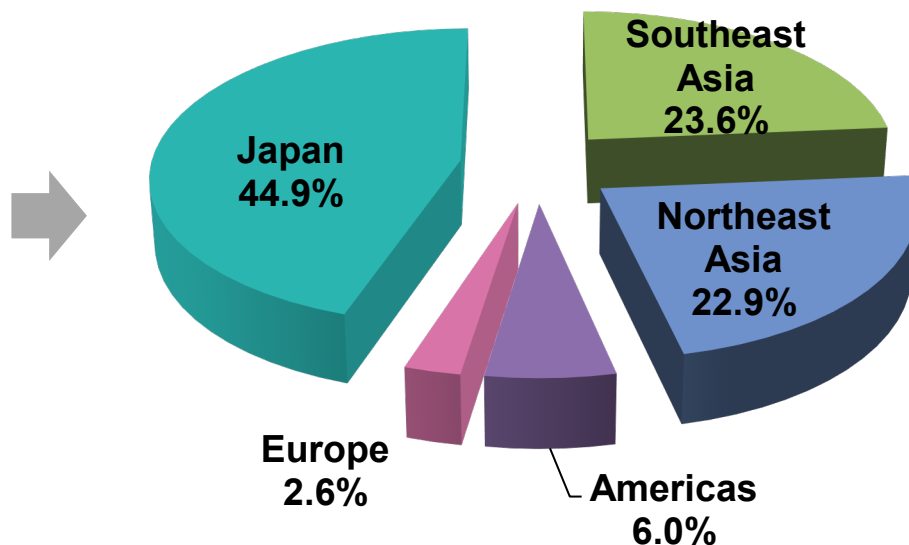
Sales by Region

- Southeast Asia: Sales were down despite a boost from a weak yen, due to lower sales volume of plastics.
- Japan: Sales grew, due largely to contributions from newly consolidated subsidiaries.

Sales

(Billions of yen)

	FY03/23	FY03/24	YoY change
Southeast Asia	195.9	181.0	-7.6%
Northeast Asia	181.0	175.3	-3.1%
Americas	41.7	45.6	+9.2%
Europe	19.9	19.8	-0.4%
Japan	296.9	344.0	+15.9%
Total	735.6	766.0	+4.1%
(Overseas ratio)	(59.6%)	(55.1%)	(-4.6%)



Note: Sales in the Japan segment include exports (¥49.9 billion in FY03/24).

Including this amount, the percentage of overseas sales was 64.3% in FY03/23 and 59.9% in FY03/24.

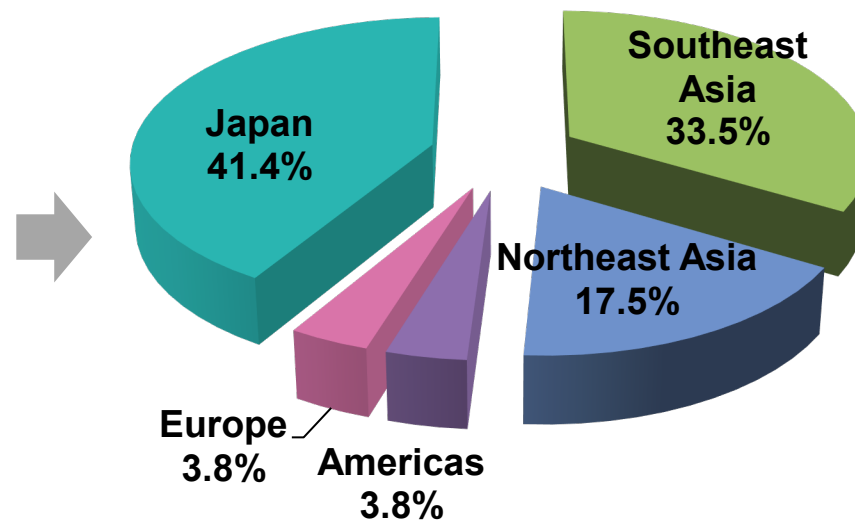
Operating Profit by Region

- Southeast Asia: Profit declined due in part to lower sales volume of plastics for office automation and home appliances applications.
- Northeast Asia: Profit rose thanks to higher sales of FPD materials for automotive applications and OLED-related products, etc.
- Americas: Profit dropped due to lower profitability of processed marine products and other products for Japanese food, which performed strong a year ago.
- Japan: Profit grew, owing to contributions from newly consolidated subsidiaries and cost pass-throughs for plastic bags at group companies.

Operating profit

(Millions of yen)

	FY03/23	FY03/24	YoY change
Southeast Asia	8,017	6,929	-13.6%
Northeast Asia	3,164	3,627	+14.6%
Americas	1,276	781	-38.8%
Europe	848	786	-7.2%
Japan	6,668	8,582	+28.7%
Subtotal	19,975	20,707	+3.7%
Elimination or corporate	338	483	
Total	20,314	21,190	+4.3%
(Overseas ratio)	(66.6%)	(58.6%)	(-8.1%)

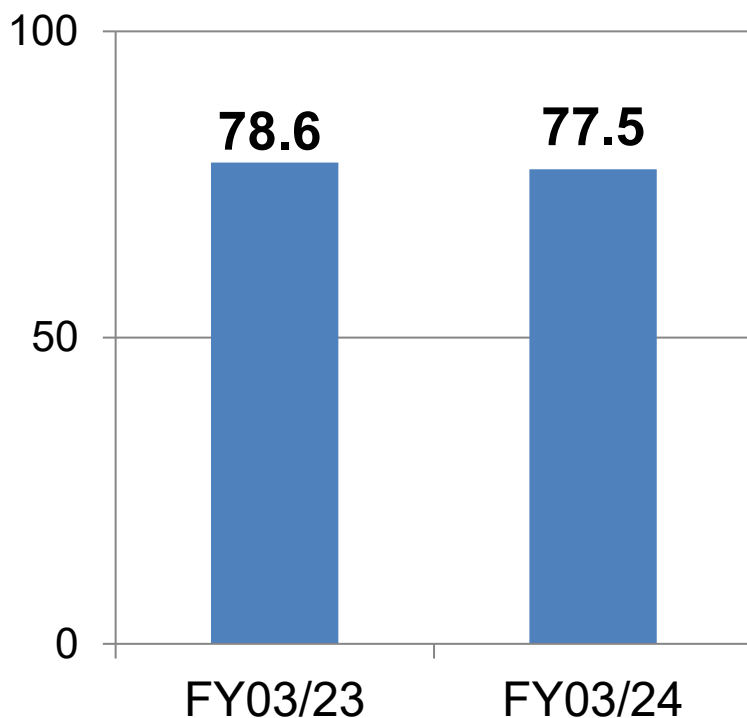


Sales and Operating Profit in the Manufacturing Sector

- Profit fell slightly despite positive contribution from newly consolidated subsidiaries, owing to weak sales in the plastics compound business in Southeast Asia.

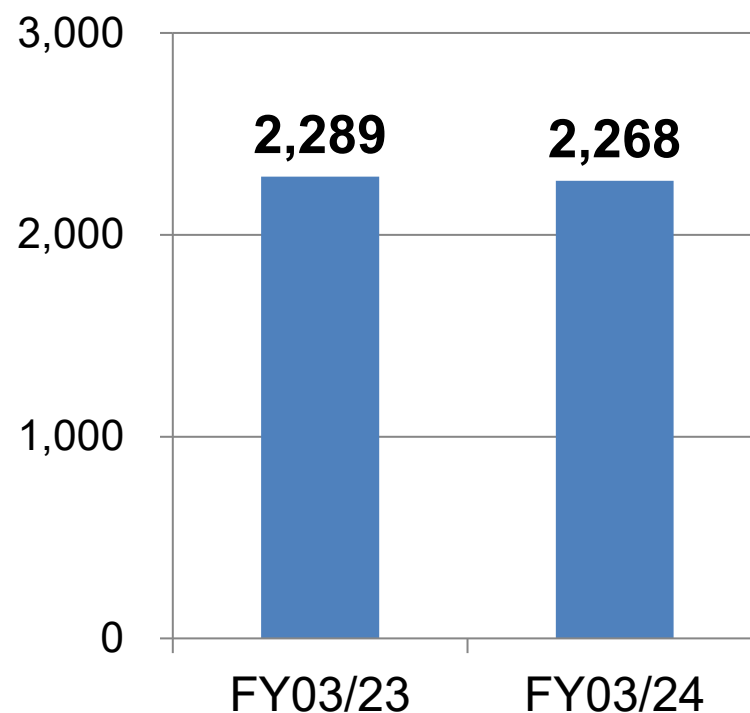
Sales

(Billions of yen)



Operating profit

(Millions of yen)



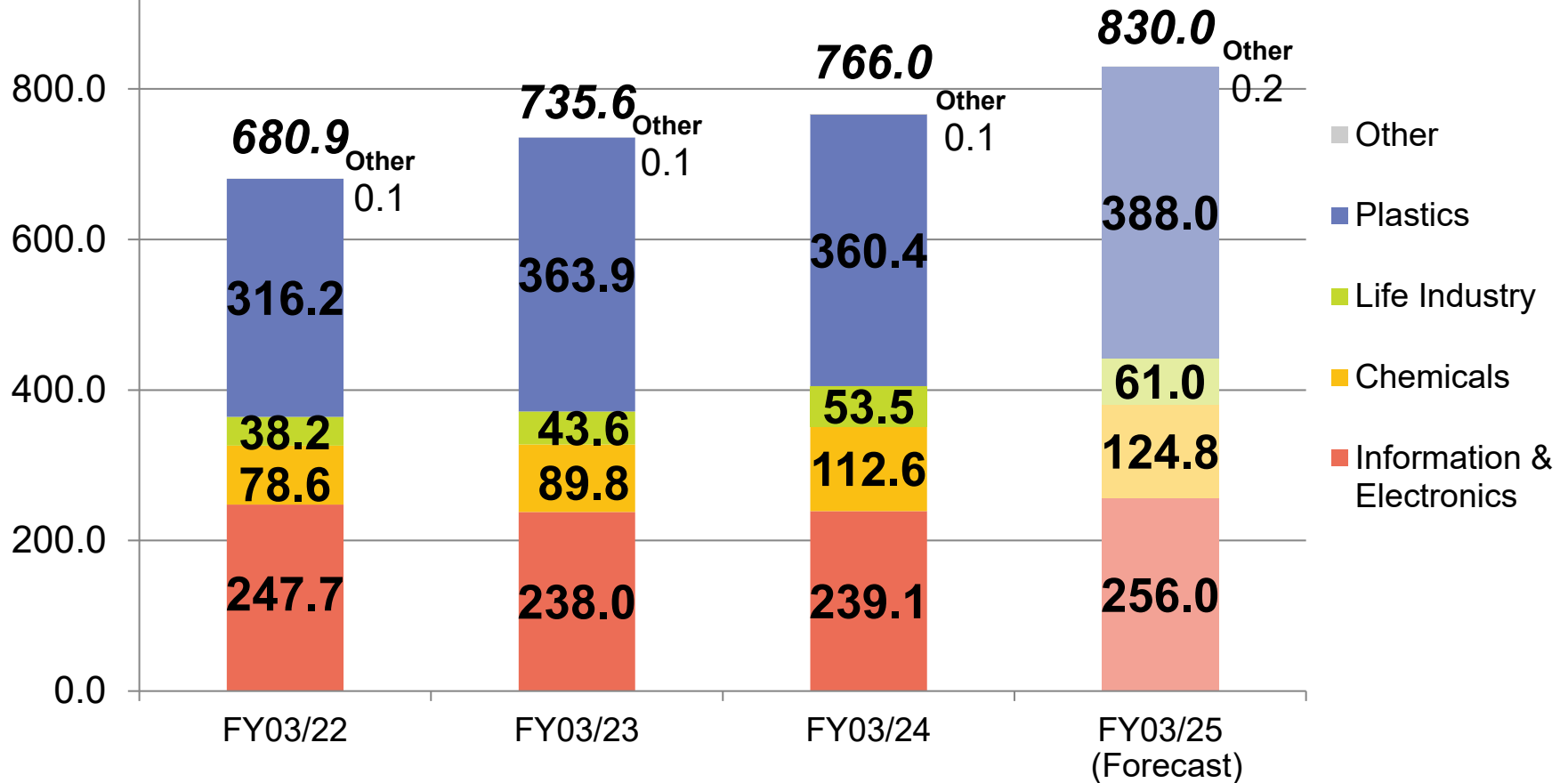
Note: Results for FY03/23 have been converted at the exchange rate for FY03/24 (USD1=JPY144.59).

Net Sales by Business Segment (Full Year)



(Billions of yen)

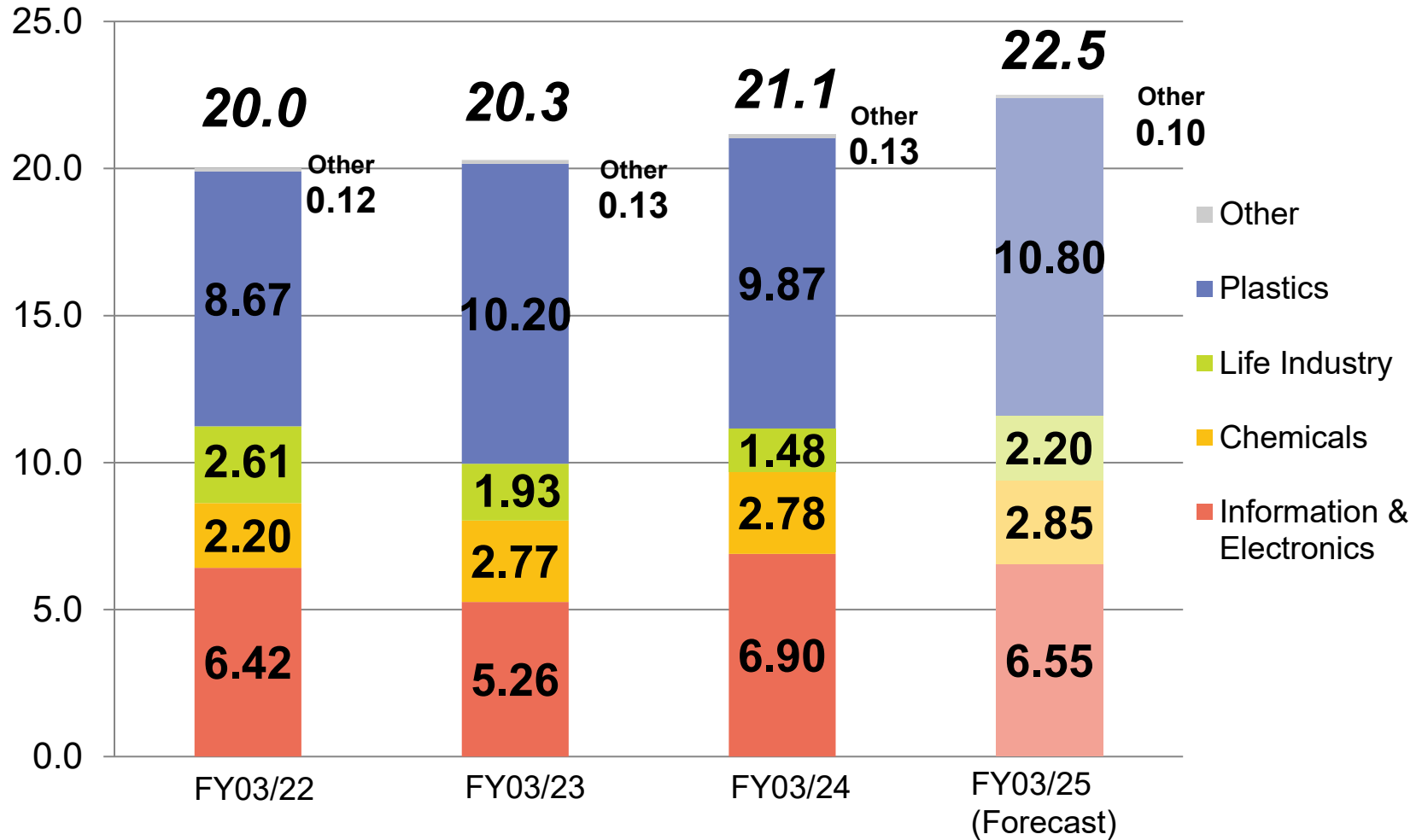
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Operating Profit by Business Segment (Full Year)



(Billions of yen)



	Companies		
	Japan	Overseas	Total
Consolidated subsidiaries	11	35	46
(Of which, manufactures and processing companies)	(6)	(15)	(21)
Equity-method affiliates	2	1	3
(Of which, manufactures and processing companies)	(1)	(1)	(2)
Total	13	36	49
(Of which, manufactures and processing companies)	(7)	(16)	(23)

* In Q1 FY03/24, Maruishi Chemical Trading, formerly an equity-method affiliate of the Company, was made a consolidated subsidiary. The Company also made Maruishi Techno, Daigo Tsusho, and IK Food Partners consolidated subsidiaries.

Principal Consolidated Subsidiaries



(Millions of yen)

Company	Location	FY03/23			FY03/24			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	30,455	505	316	31,677	657	416	4.0%	30.0%	31.7%
Inabata Sangyo (H.K.) Ltd.	Hong Kong	82,153	964	1,203	73,042	1,257	1,317	-11.1%	30.5%	9.4%
Inabata Singapore (Pte.) Ltd.	Singapore	75,847	1,252	1,722	61,494	921	1,353	-18.9%	-26.5%	-21.4%
Inabata Thai Co., Ltd.	Thailand	51,976	967	724	48,584	867	681	-6.5%	-10.4%	-5.9%
Shanghai Inabata Trading Co., Ltd.	Shanghai	80,901	1,417	924	71,542	1,227	1,049	-11.6%	-13.4%	13.6%
PT. Inabata Indonesia	Indonesia	40,880	1,828	1,312	33,041	1,586	1,244	-19.2%	-13.2%	-5.2%
Inabata Fine Tech & Co., Ltd.	Japan	20,979	588	419	20,243	638	441	-3.5%	8.6%	5.4%

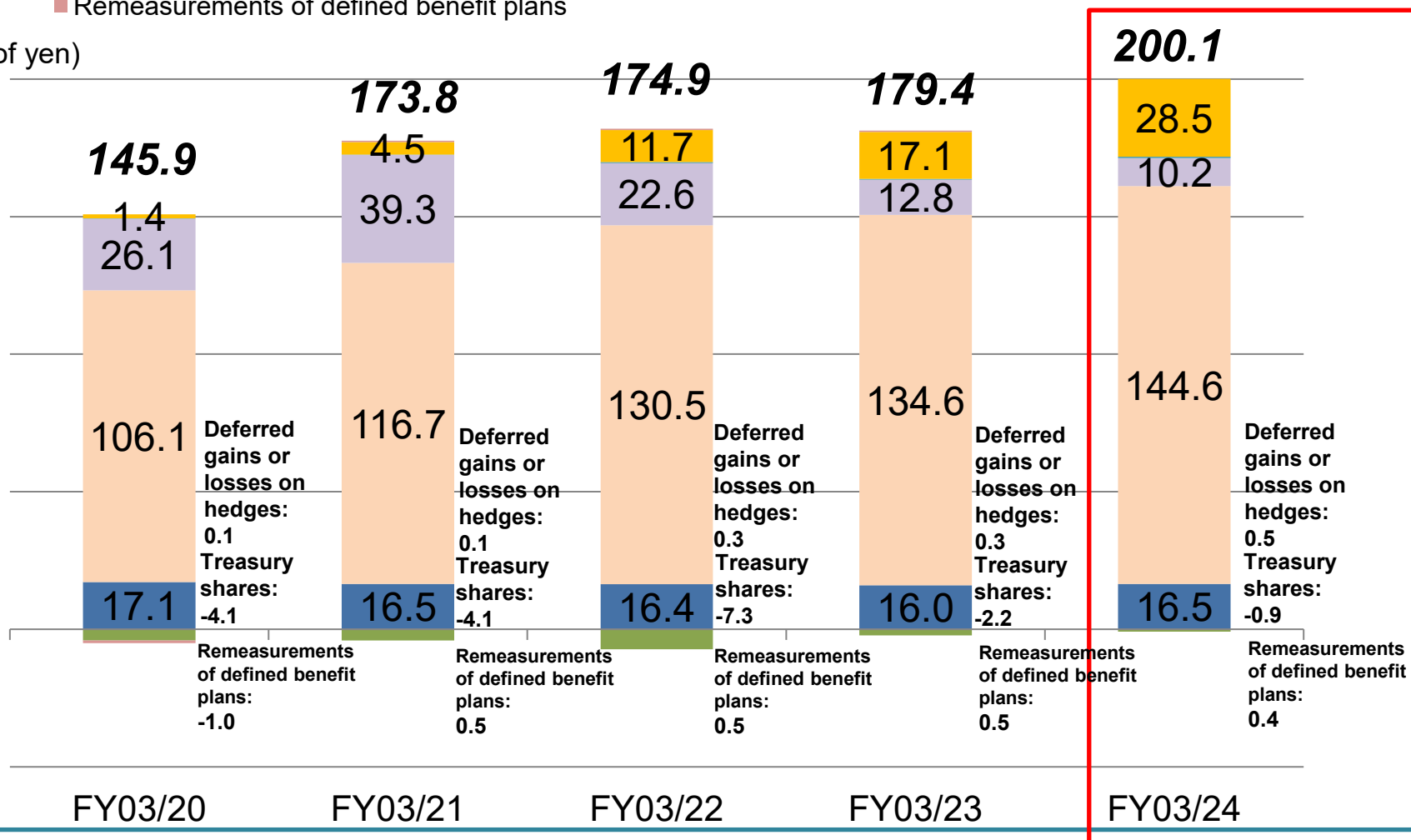
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(Reference) Equity Capital

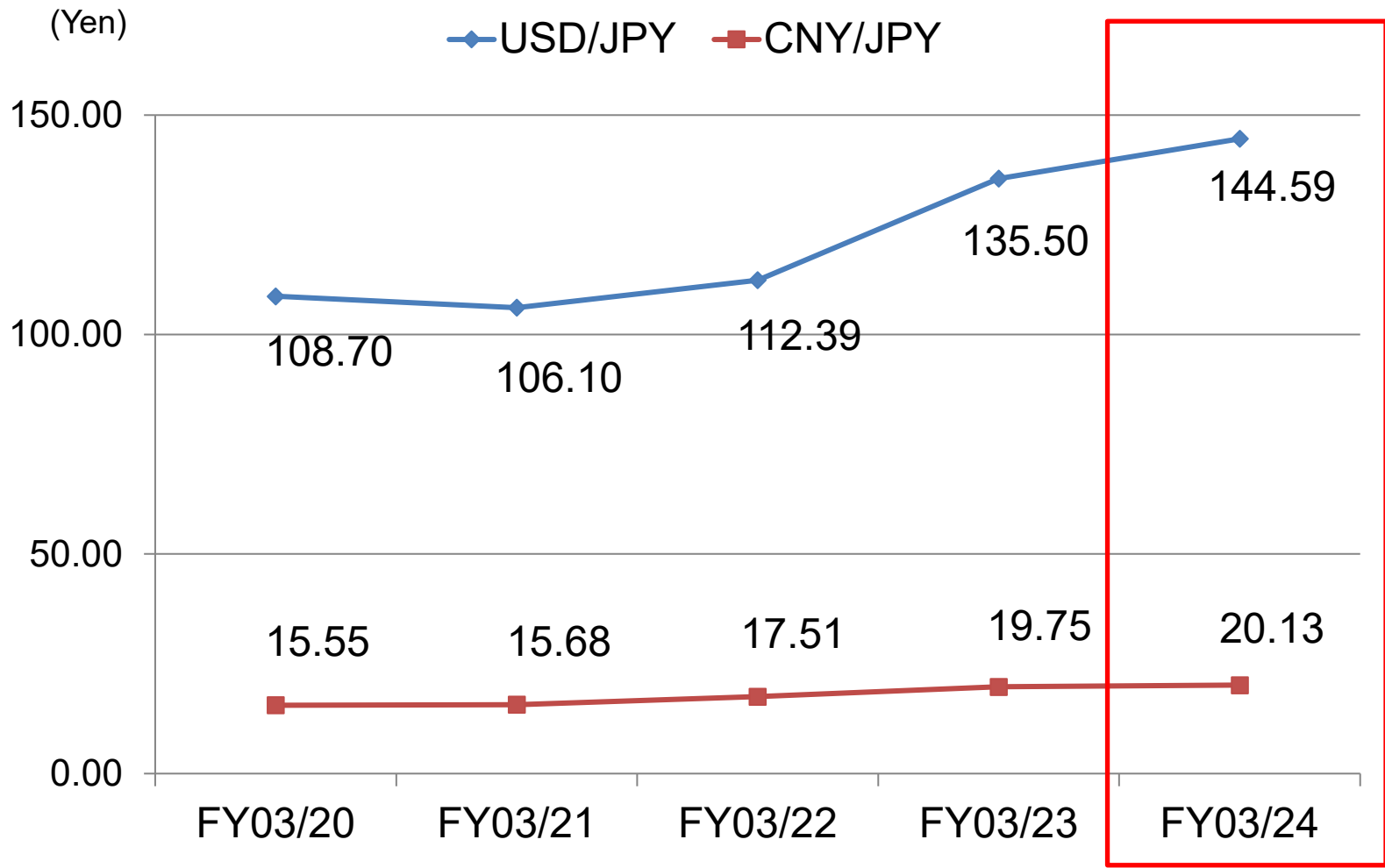


- Capital stock and capital surplus
- Treasury shares
- Deferred gains or losses on hedges
- Remeasurements of defined benefit plans
- Retained earnings
- Valuation difference on available-for-sale securities
- Foreign currency translation adjustment

(Billions of yen)



(Reference) Trends in average foreign exchange rates



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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.