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# IR Briefing for Q1 Fiscal Year ending March 2025

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August 2024

Inabata & Co., Ltd.

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- Net sales, Op. profit and ordinary profit reached record highs.

**Net sales:**                    **¥213.5 billion**                    **+15.7% YoY**

**Net sales increased, owing to the weak yen and favorable performance in Japan and Southeast Asia.**

**Operating profit:**                    **¥6.8 billion**                    **+34.6% YoY**

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

**Ordinary profit:**                    **¥7.2 billion**                    **+35.7% YoY**

**Ordinary profit increased on operating profit growth and a decrease in interest expenses.**

**Profit attributable to owners of parent:**                    **¥6.3 billion**                    **-17.5% YoY**

**Profit declined despite higher ordinary profit, due to the absence of gain on negative goodwill recorded in FY03/24.**

# Consolidated Results Review – Q1 FY03/25

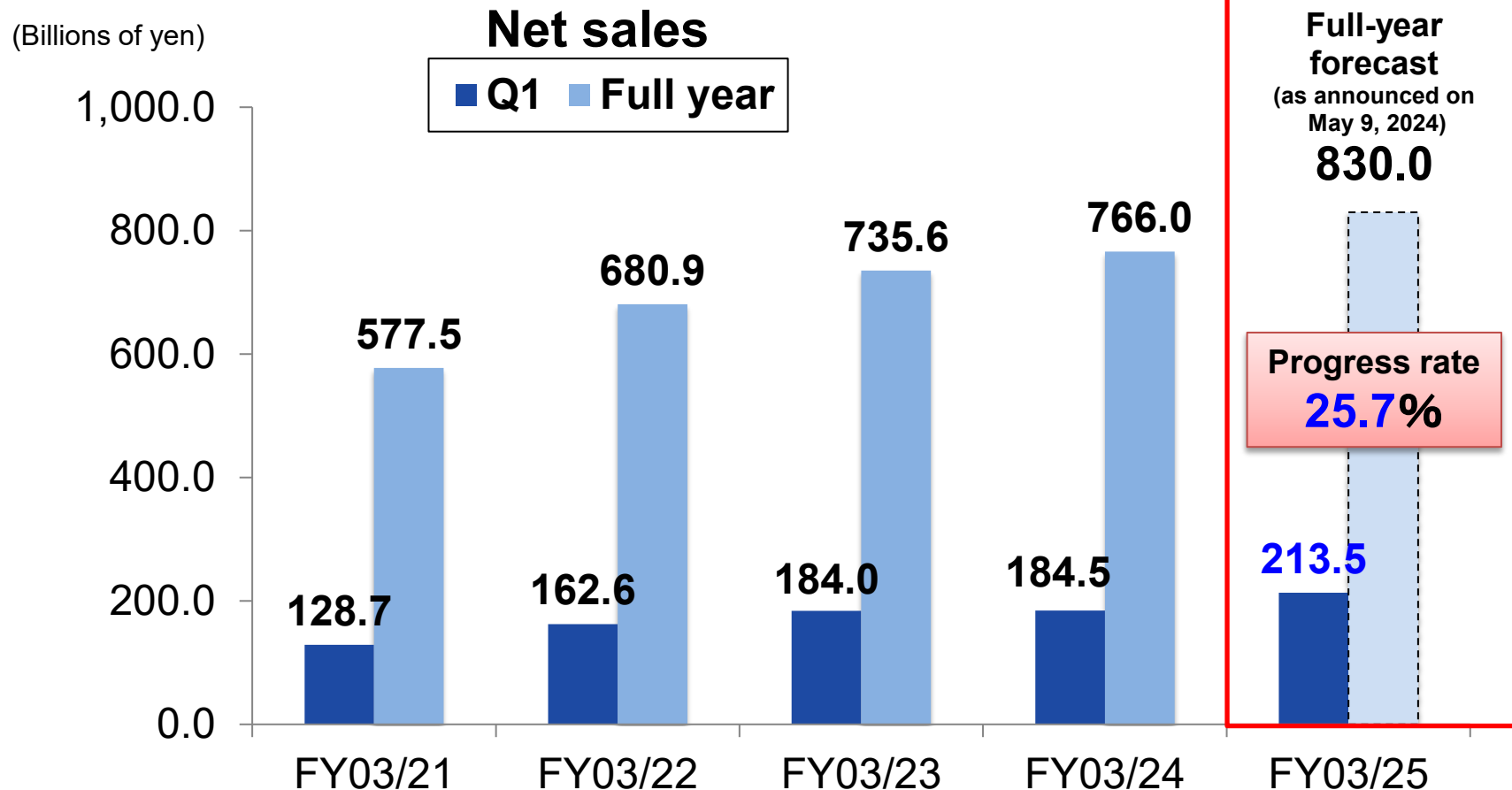


(Billions of yen)

	Q1 FY03/24	Q1 FY03/25 (A)	YoY change	
			Amount	%
Net sales	184.5	213.5	+29.0	+15.7%
Operating profit	5.0	6.8	+1.7	+34.6%
Ordinary profit	5.3	7.2	+1.9	+35.7%
Profit attributable to owners of parent	7.7	6.3	-1.3	-17.5%
Exchange rate (USD/JPY)	137.49	155.85	+18.36	

Forecast announced May 9, 2024 (B)	Progress rate (A)/(B)
830.0	25.7%
22.5	30.3%
21.5	33.7%
17.0	37.5%
145.00	

# Net Sales Trends

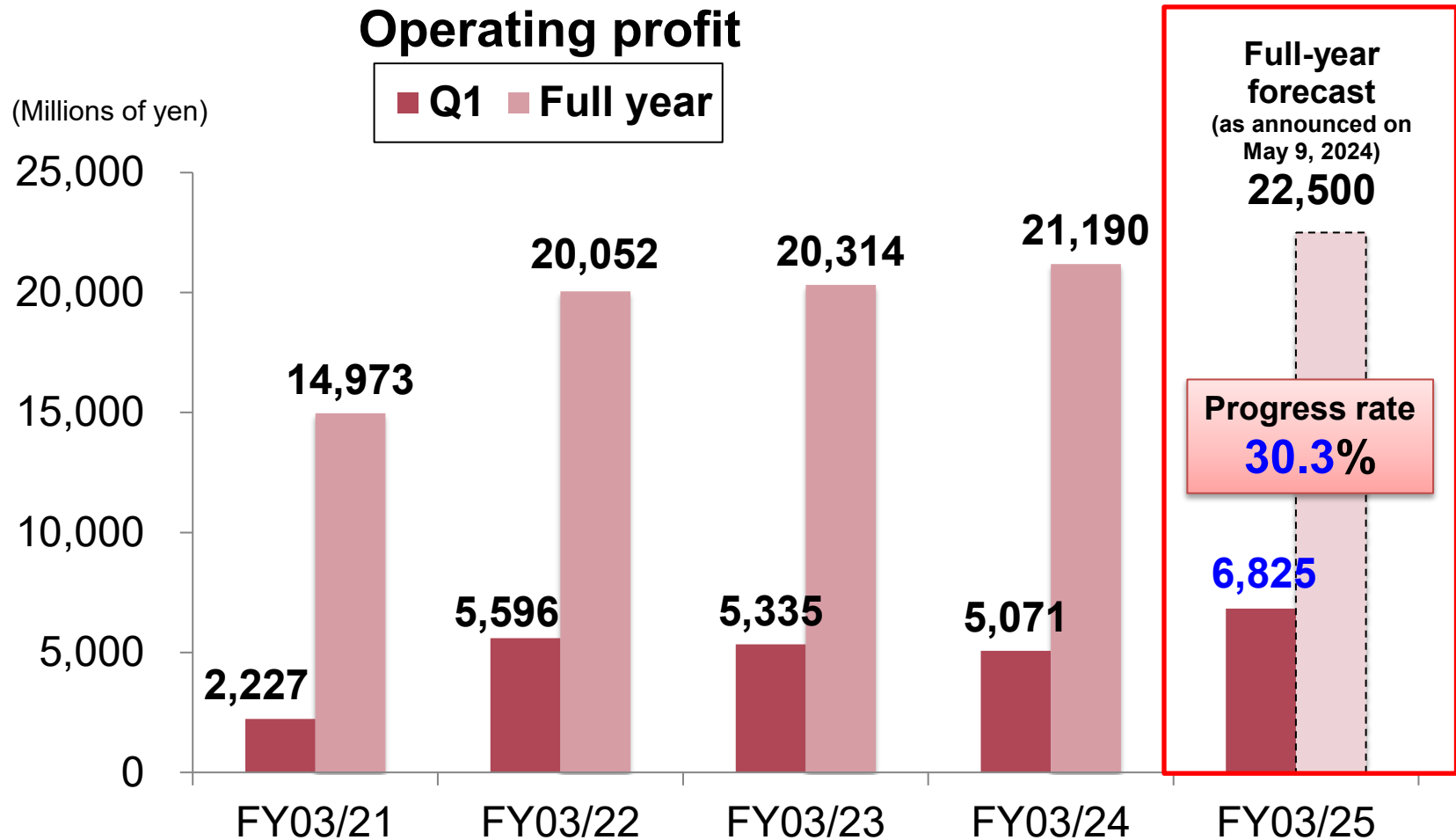


		FY03/21	FY03/22	FY03/23	FY03/24	FY03/25
Exchange rate: USD/JPY	Q1	107.63	109.52	129.73	137.49	155.85
	Full year	106.10	112.39	135.50	144.59	(*Note)145.00

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

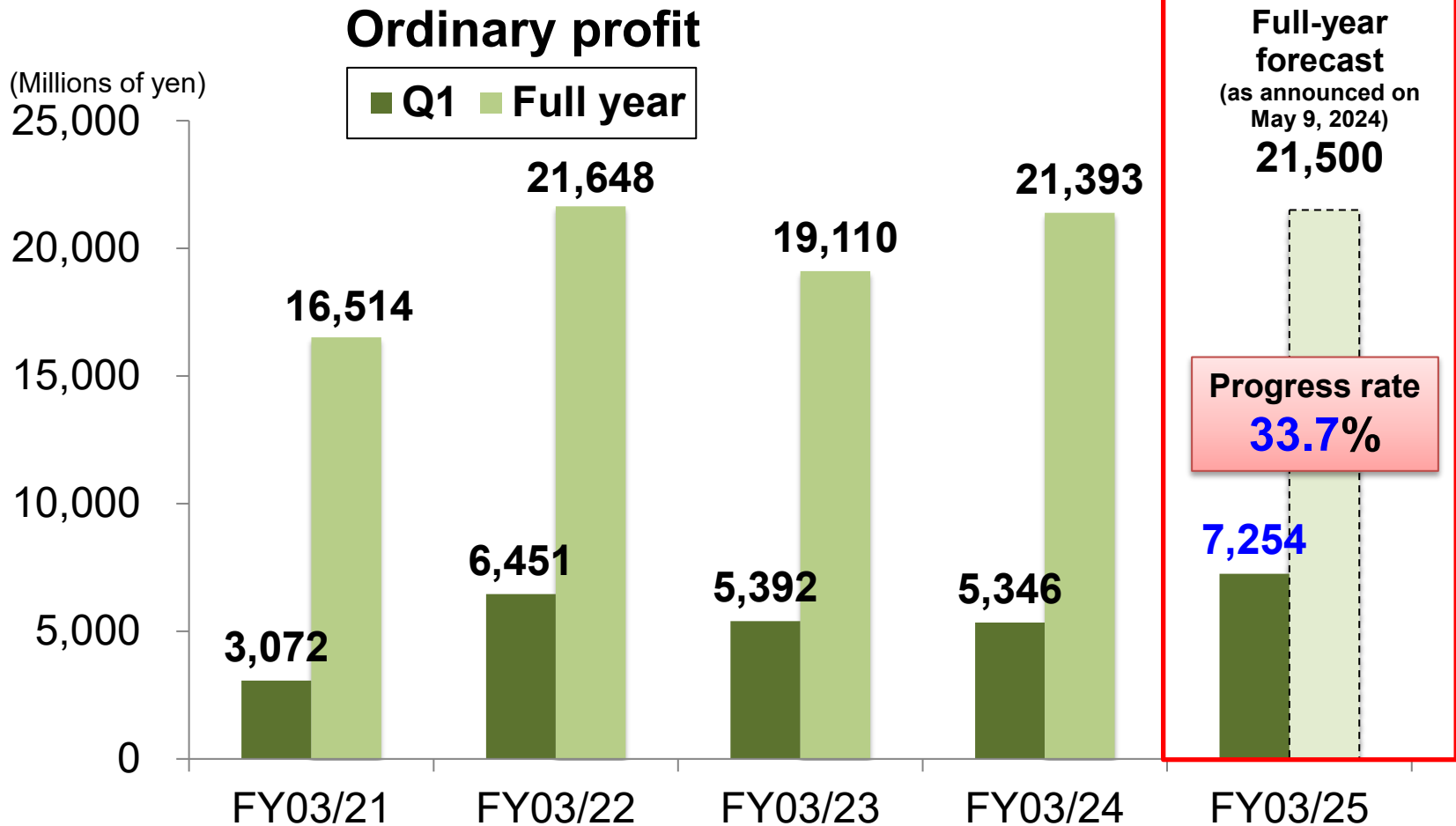
Note: Estimation at time of release

# Operating Profit Trends

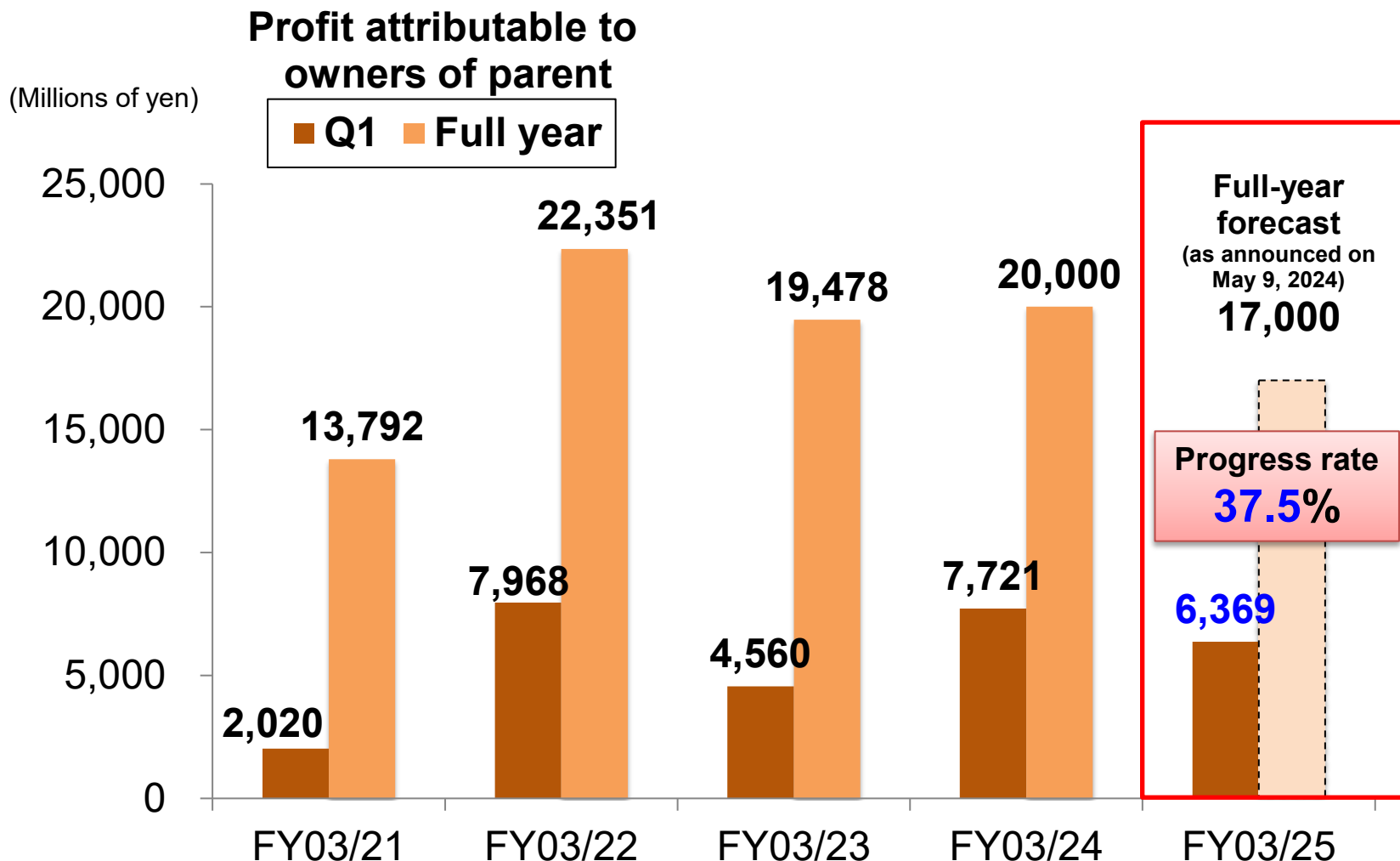


\* Recorded ¥0.75 billion in reversal of allowance for doubtful accounts at a European subsidiary in FY03/21.

# Ordinary Profit Trends



# Profit Attributable to Owners of Parent Trends



\* Recording of gain on sales of investment securities:

¥2.98 billion in FY03/21, ¥8.97 billion in FY03/22, ¥8.66 billion in FY03/23, ¥3.76 billion in FY03/24

¥4.66 billion in Q1 FY03/22, ¥1.49 billion in Q1 FY03/23 and ¥1.59 billion in Q1 FY03/24, ¥1.52 billion in Q1 FY03/25

\* Recording of gain on negative goodwill: ¥3.41 billion in Q1 FY03/24 (and full-year FY03/24)

# Balance Sheet



- Notes and accounts receivable–trade, and notes and accounts payable–trade increased due to favorable performance and a weak yen.
- Issued the second and third series of unsecured straight bonds.
- Accumulated other comprehensive income increases as a result of a rise in foreign currency translation adjustment.

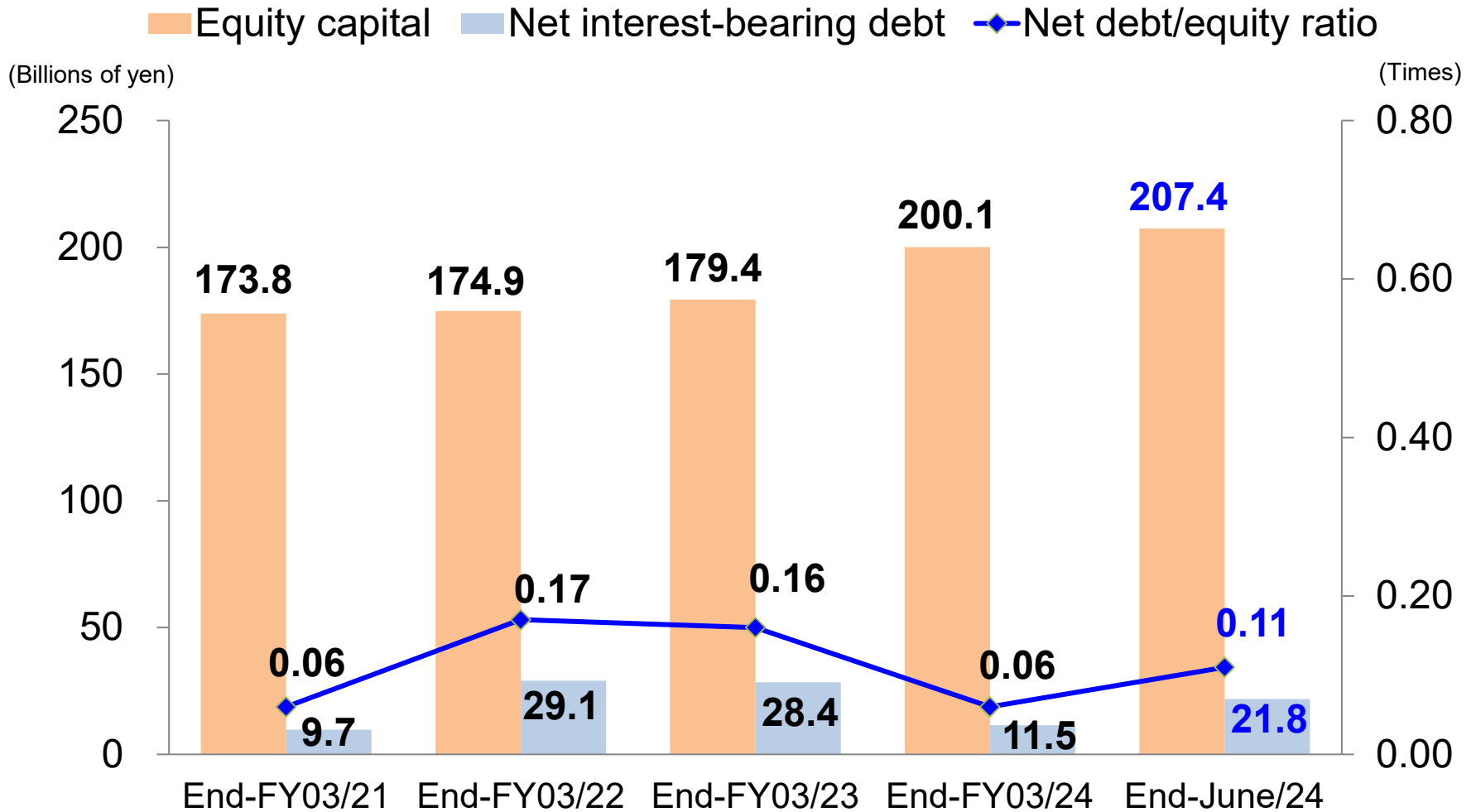
(Billions of yen)

Assets	End-FY03/24	End-June 2024	Change
Cash and deposits	51.3	58.5	+7.2
Notes receivable - trade	31.1	31.8	+0.6
Accounts receivable-trade	175.2	193.0	+17.7
Inventories	85.0	89.5	+4.4
Other current assets	11.1	11.3	+0.1
Property, plant and equipment	18.6	20.4	+1.8
Intangible assets	3.8	7.2	+3.3
Investment securities	34.8	36.4	+1.5
Other fixed assets	15.9	16.7	+0.7
<b>Total assets</b>	<b>427.3</b>	<b>465.1</b>	<b>+37.7</b>
<b>Current ratio</b>	<b>187.1%</b>	<b>184.1%</b>	

Liabilities and net assets	End-FY03/24	End-June 2024	Change
Notes and accounts payable - trade	127.7	140.2	+12.5
Short-term loans payable	42.9	50.5	+7.5
Other current liabilities	18.5	17.9	-0.6
Bonds payable	7.5	17.5	+10.0
Long-term loans payable	12.3	12.4	+0.0
Other non-current liabilities	11.4	11.7	+0.2
Shareholders' equity	160.3	158.9	-1.4
Accumulated other comprehensive income	39.8	48.5	+8.7
Non-controlling interests	6.5	7.3	+0.7
<b>Total liabilities and net assets</b>	<b>427.3</b>	<b>465.1</b>	<b>+37.7</b>
<b>Equity ratio</b>	<b>46.8%</b>	<b>44.6%</b>	



# 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 8

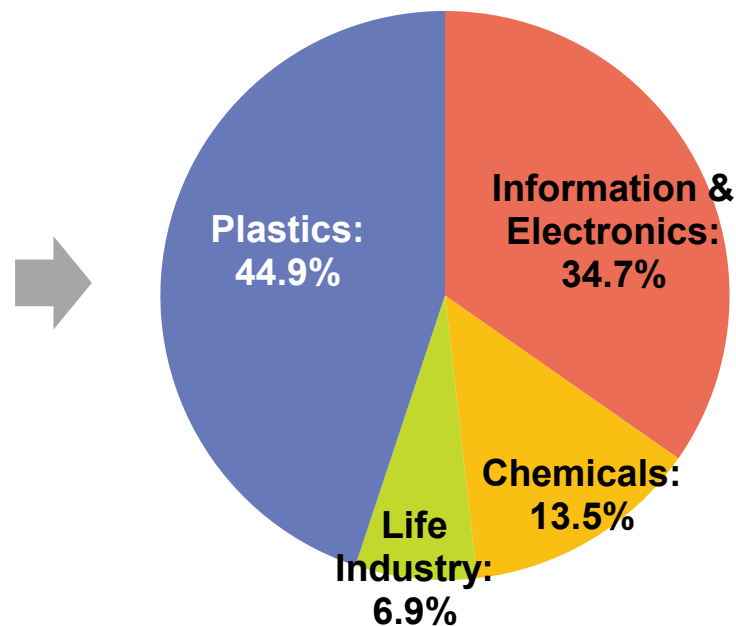
# Net Sales by Business Segment

- In Information & Electronics, net sales increased backed by a recovery in sales of FPD-related and printer-related products.
- In Plastics, net sales grew, owing to robust sales in all categories reflecting a recovery in demand for materials for office automation applications and contributions from the weak yen.

## Net Sales

(Billions of yen)

	Q1 FY03/24	Q1 FY03/25	YoY change
Information & Electronics	56.9	74.0	+30.0%
Chemicals	27.2	28.8	+5.8%
Life Industry	13.4	14.6	+9.0%
Plastics	86.8	96.0	+10.5%
Other	0.0	0.0	+0.1%
<b>Total</b>	<b>184.5</b>	<b>213.5</b>	<b>+15.7%</b>



## Net Sales Breakdown by Segment and Region



(Billions of yen)

	Information & Electronics	Chemicals	Life Industry	Plastics	Other	Total
Japan	30.1	21.3	11.4	35.2	-	98.2
Southeast Asia	5.7	3.3	0.0	40.3	-	49.4
Northeast Asia	29.6	1.2	0.7	15.2	-	47.0
Americas	5.5	1.5	1.7	4.6	-	13.4
Europe	2.9	1.3	0.6	0.4	-	5.3
Revenue arising from contracts with customers	74.0	28.8	14.6	96.0	-	213.5
Other revenue	-	-	-	-	0.0	0.0
Sales to external customers	74.0	28.8	14.6	96.0	0.0	213.5

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

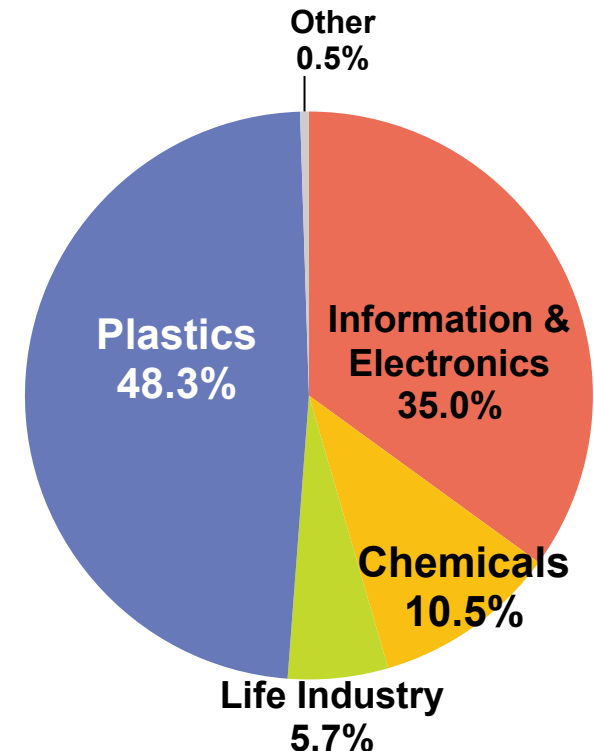
# Operating Profit by Business Segment

- In Information & Electronics, profit increased due to a recovery in sales of FPD-related and printer-related products and strong sales of high-margin products.
- In Plastics, profit grew, thanks to recovered demand for office automation-related materials and robust sales of materials for automobiles in Japan and Southeast Asia.

## Operating profit

(Millions of yen)

	Q1 FY03/24	Q1 FY03/25	YoY change
Information & Electronics	1,525	2,386	+56.5%
Chemicals	709	717	+1.2%
Life Industry	249	390	+56.2%
Plastics	2,552	3,295	+29.1%
Other	34	34	- 0.6%
<b>Total</b>	<b>5,071</b>	<b>6,825</b>	<b>+34.6%</b>



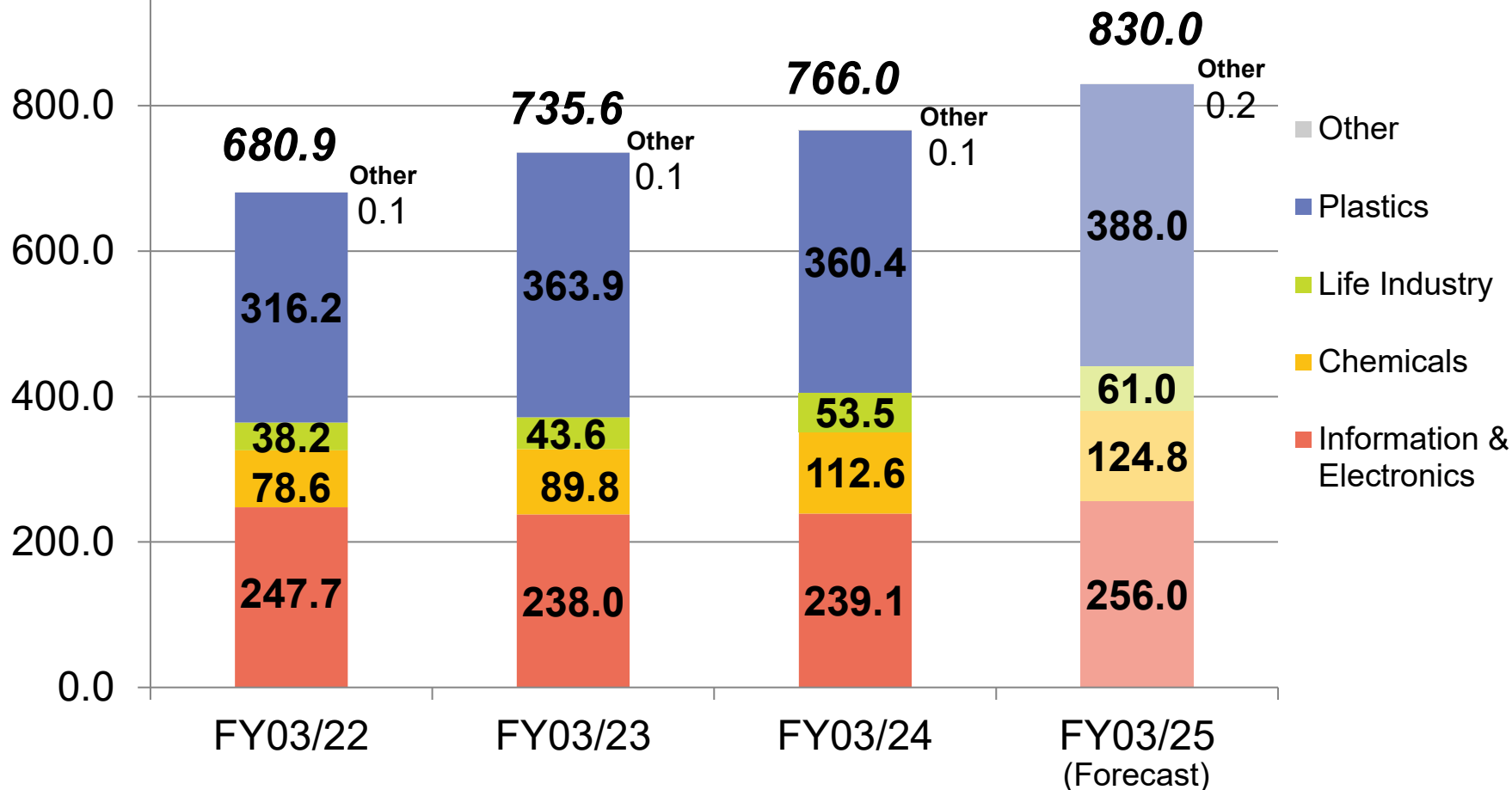
# Net Sales by Business Segment (Full Year)



✓ No change has been made to the initial FY03/25 forecast by segment.

(Billions of yen)

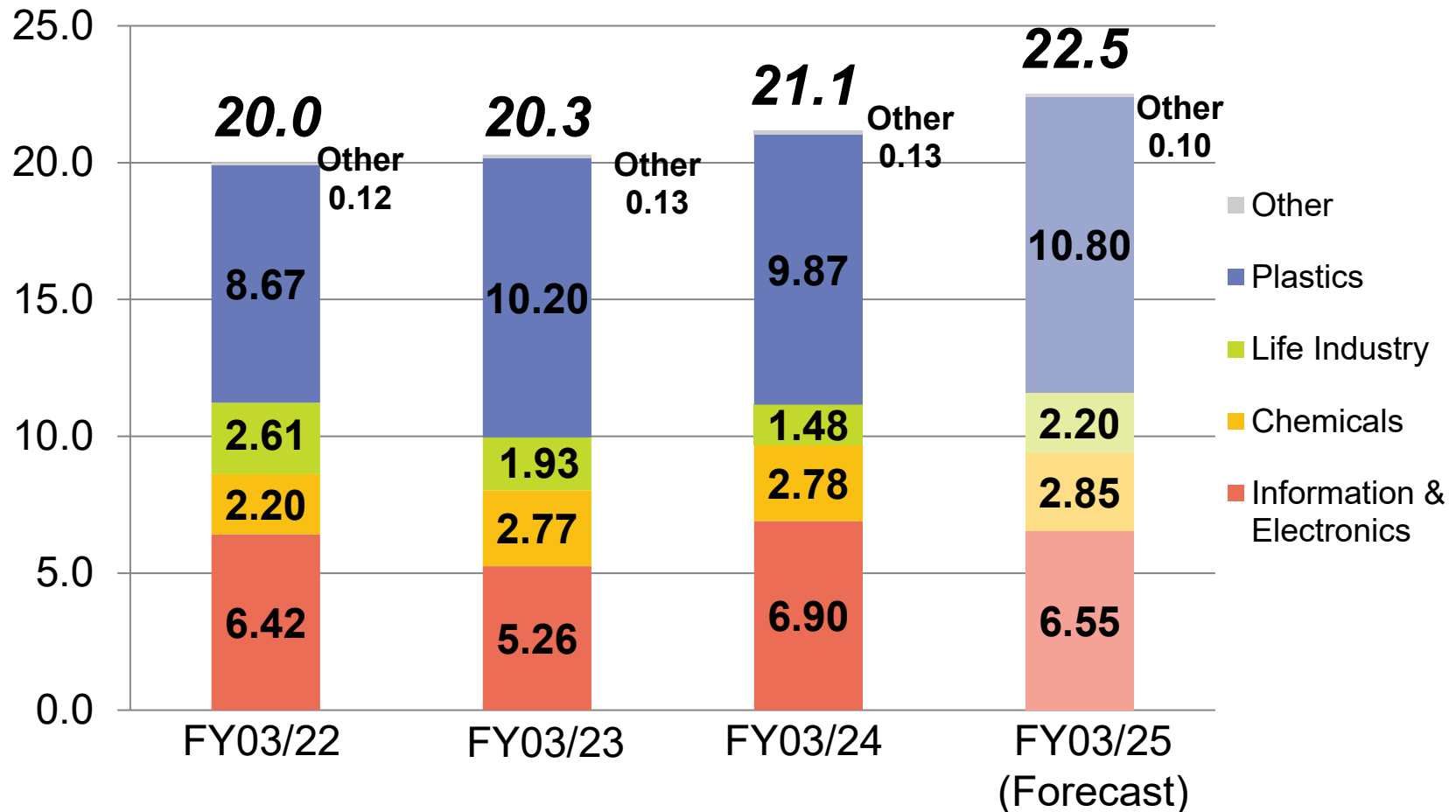
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# Operating Profit by Business Segment (Full Year)

✓ No change has been made to the initial FY03/25 forecast by segment.

(Billions of yen)



During NC2026

## ■ Progressive dividends

We will ensure that dividend per share does not decline year on year by continually increasing our dividends.

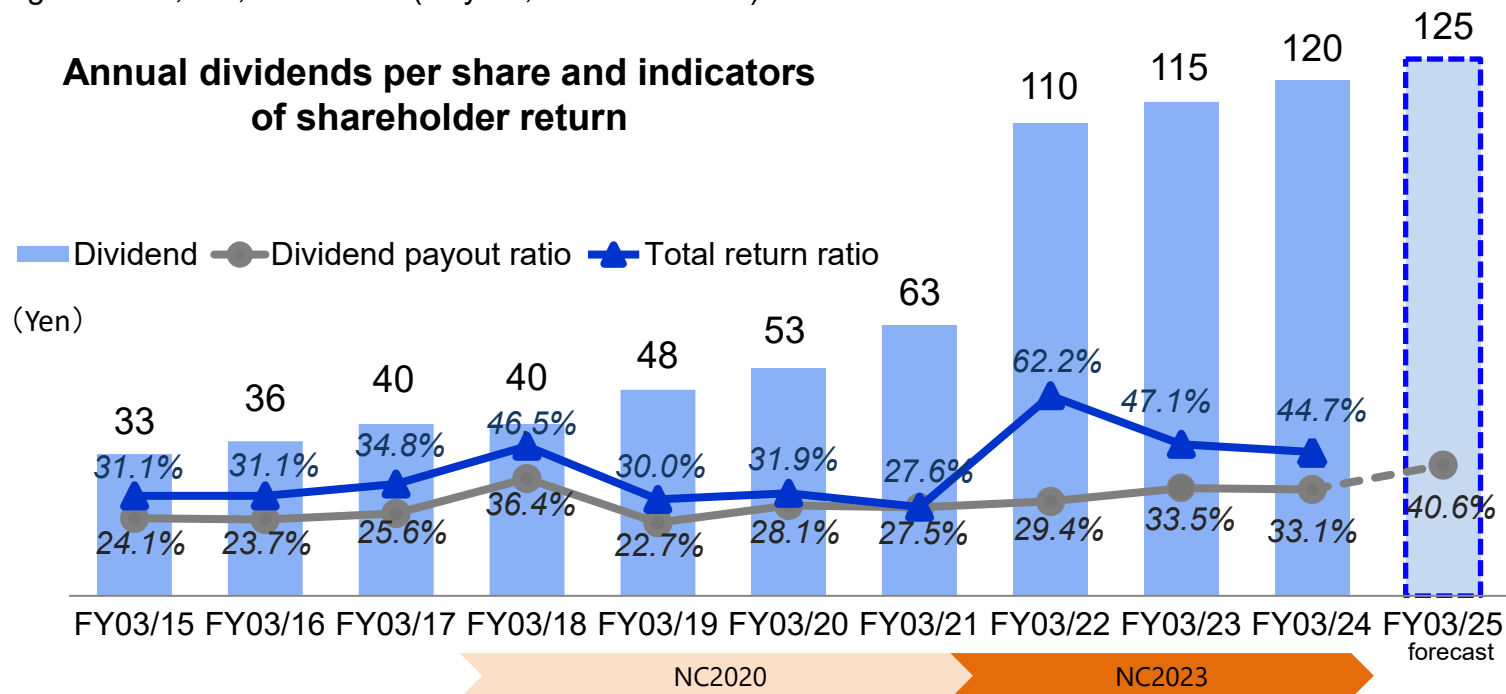
## ■ Target total return ratio of around 50%

# Shareholder Return



For FY03/25,

- We plan to pay an annual dividend of ¥125 per share, with an increase of ¥5 (interim: ¥60 per share; year-end: ¥65 per share).
- We bought back 1,200,000 shares (July 17, 2024 canceled).



Treasury shares	FY03/15	FY03/16	FY03/17	FY03/18	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25*	
Acquisition amount	604	707	891	679	936	425	-	7,499	2,635	2,229	4,079	(Millions of yen)
No. of shares Acquired	600	600	600	400	600	300	-	3,085	1,035	765	1,200	(Thousands of shares)
No. of shares cancelled	1,660	-	-	-	-	-	-	2,700	3,685	1,200	1,200	(Thousands of shares)

\* Amounts current as of July 31, 2024.



# Consolidated Subsidiaries

	Number of companies		
	Japan	Overseas	Total
Consolidated subsidiaries	<b>12</b>	<b>38</b>	<b>50</b>
(Of which, manufacturers and processing companies)	<b>(7)</b>	<b>(18)</b>	<b>(25)</b>
Equity-method affiliates	<b>2</b>	<b>1</b>	<b>3</b>
(Of which, manufacturers and processing companies)	<b>(1)</b>	<b>(1)</b>	<b>(2)</b>
Total	<b>14</b>	<b>39</b>	<b>53</b>
(Of which, manufacturers and processing companies)	<b>(8)</b>	<b>(19)</b>	<b>(27)</b>

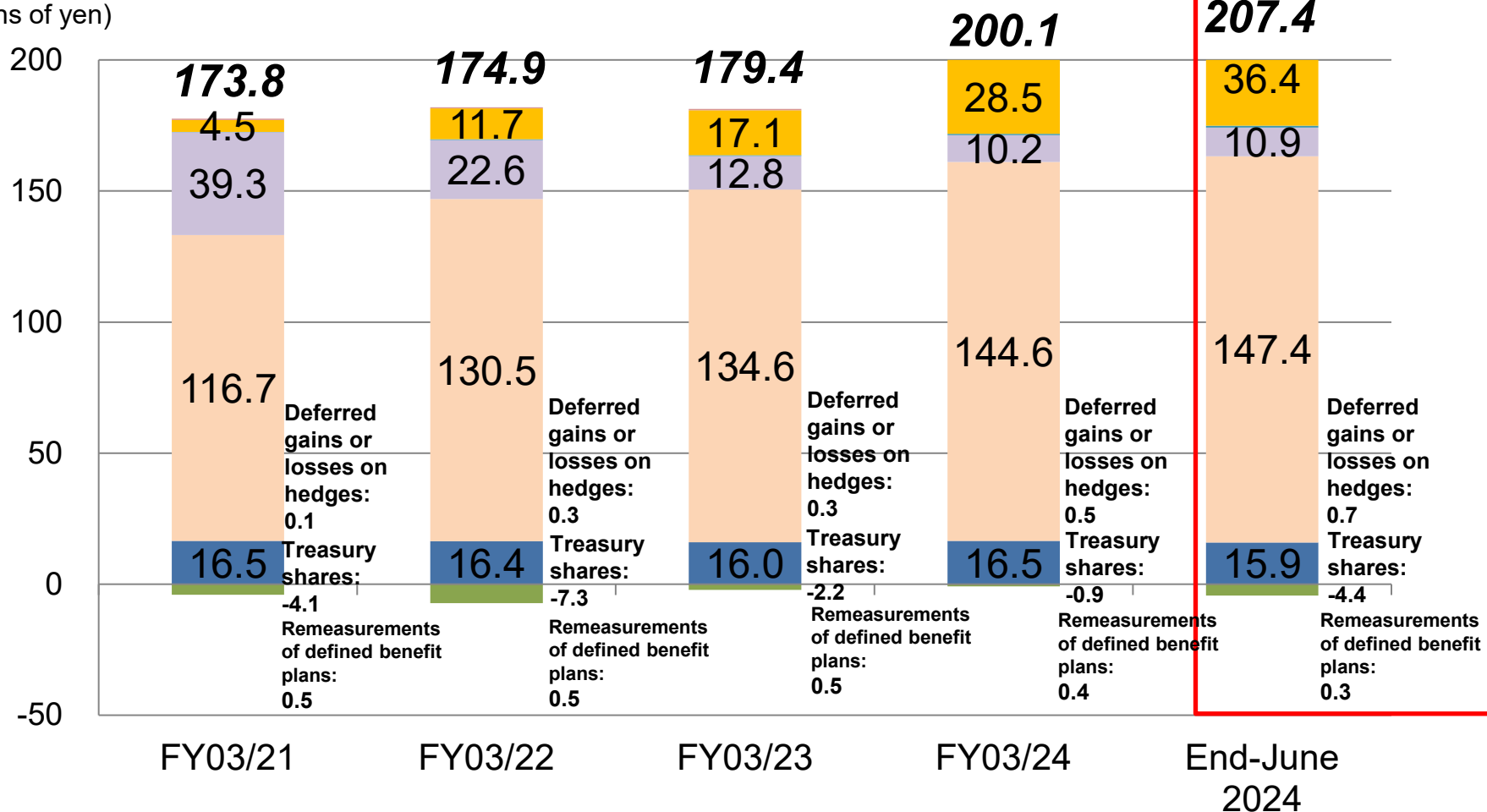
\* In Q1 FY03/25, Novacel Co., Ltd., Novacel Singapore (Pte.) Ltd., Novacel (Thailand) Co., Ltd. and Novacel (Hong Kong) Ltd. were made consolidated subsidiaries.

# (Reference) Equity Capital

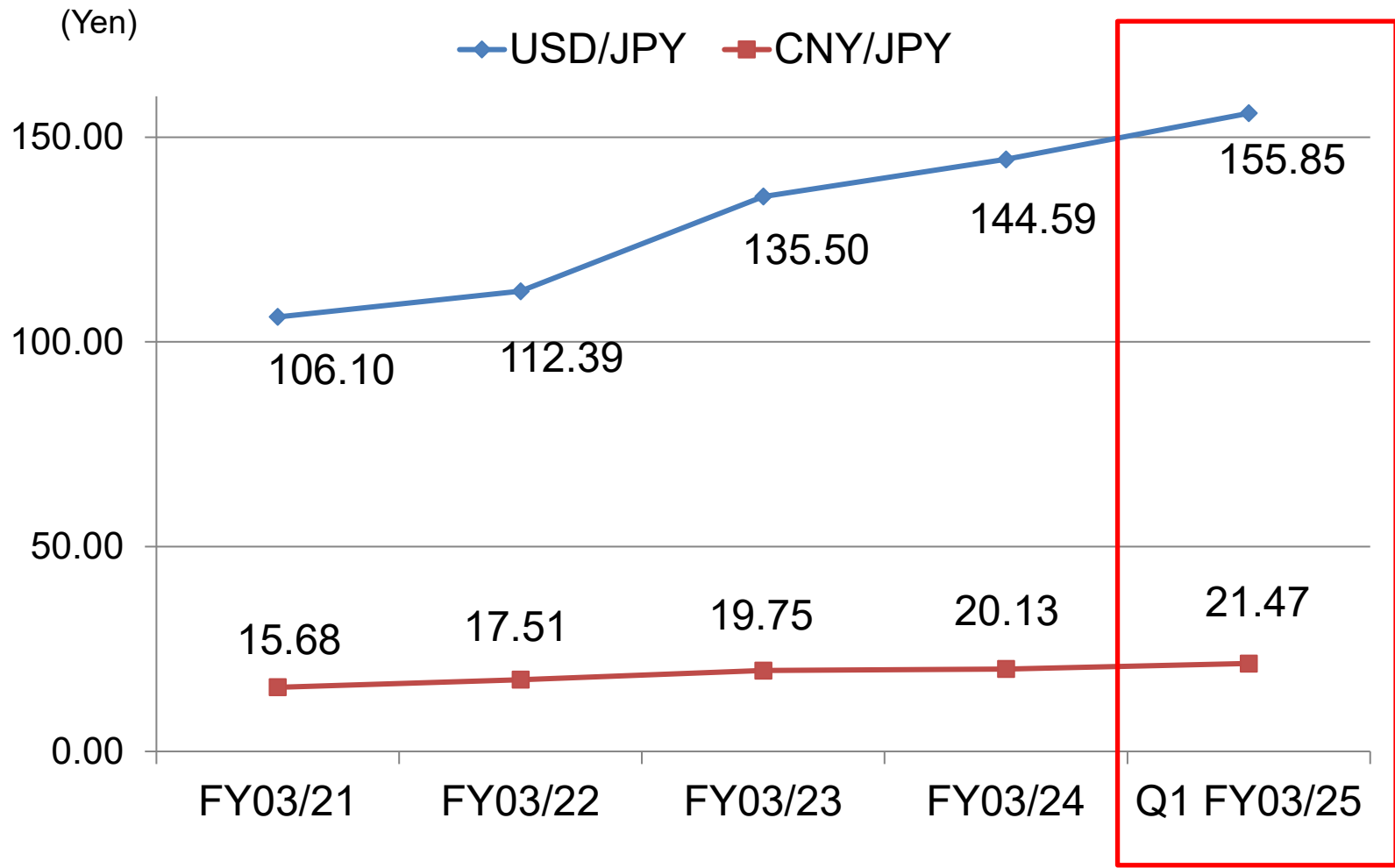


- Capital stock and capital surplus
- Treasury shares
- Deferred gains or losses on hedges
- Remeasurements of defined benefit plans
- Retained earnings
- Valuation difference on available-for-sale securities
- Foreign currency translation adjustment

(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.