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IR Briefing for 1Q  
Fiscal Year ending March 2018

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October 2017  
Inabata & Co., Ltd.

- P.3- Summary of the Company
- P.9- Summary of Medium-Term Management Plan  
New Challenge 2016
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## About Inabata:

### 1. **Founded in 1890**

Founded in Kyoto in 1890 as *Inabata Senryoten* – an importer of dyestuffs

The business was later expanded, with the focus on chemicals



**Inabata Dye Shop  
(Nishijin, Kyoto)**

### 2. **A globally expanding, multi-faceted trading company**

Around 60 locations deployed across 18 countries

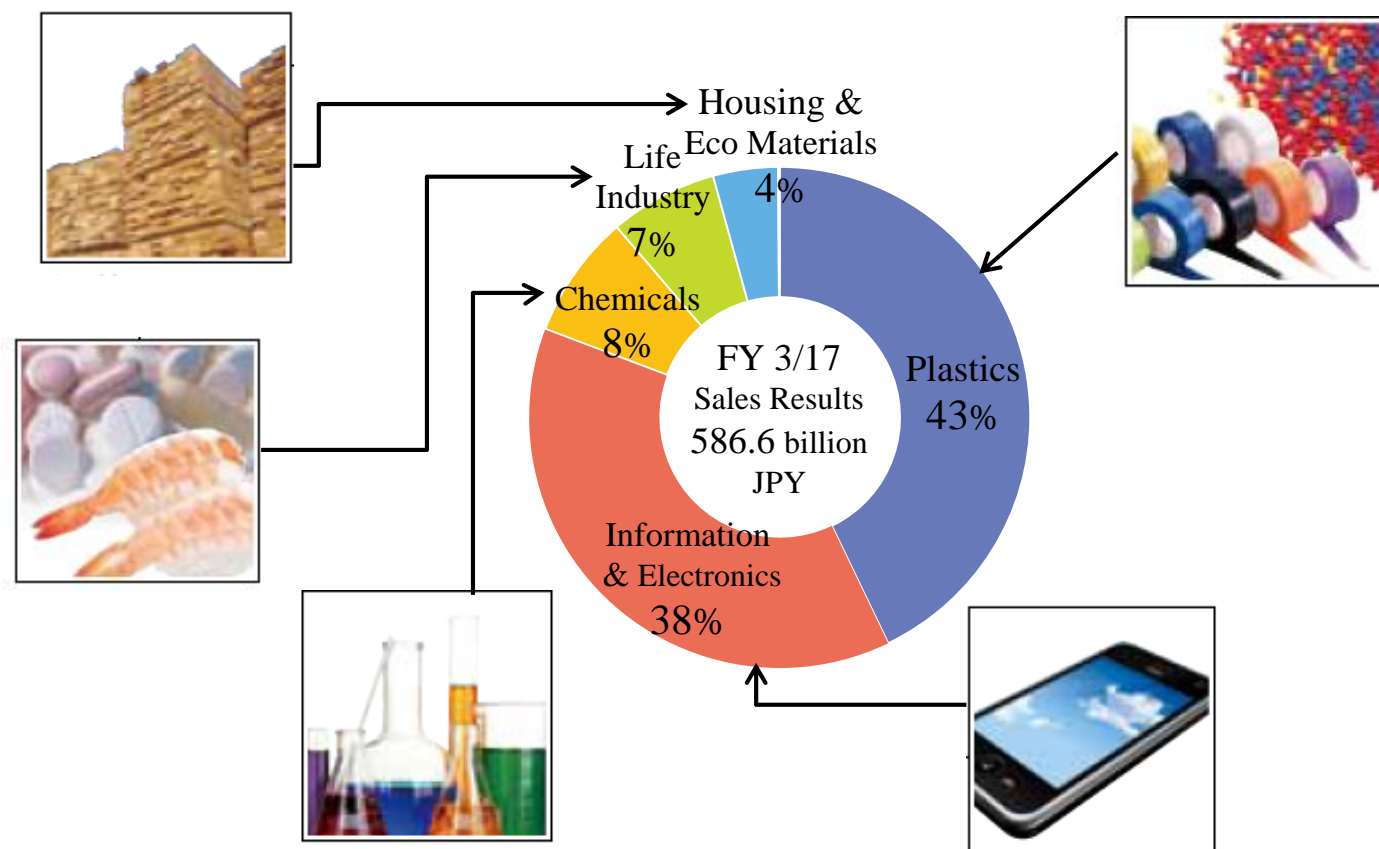
Business functions include market development; manufacturing & processing; logistics; finance etc.

Planning and proposals based on expertise and know-how of products and markets



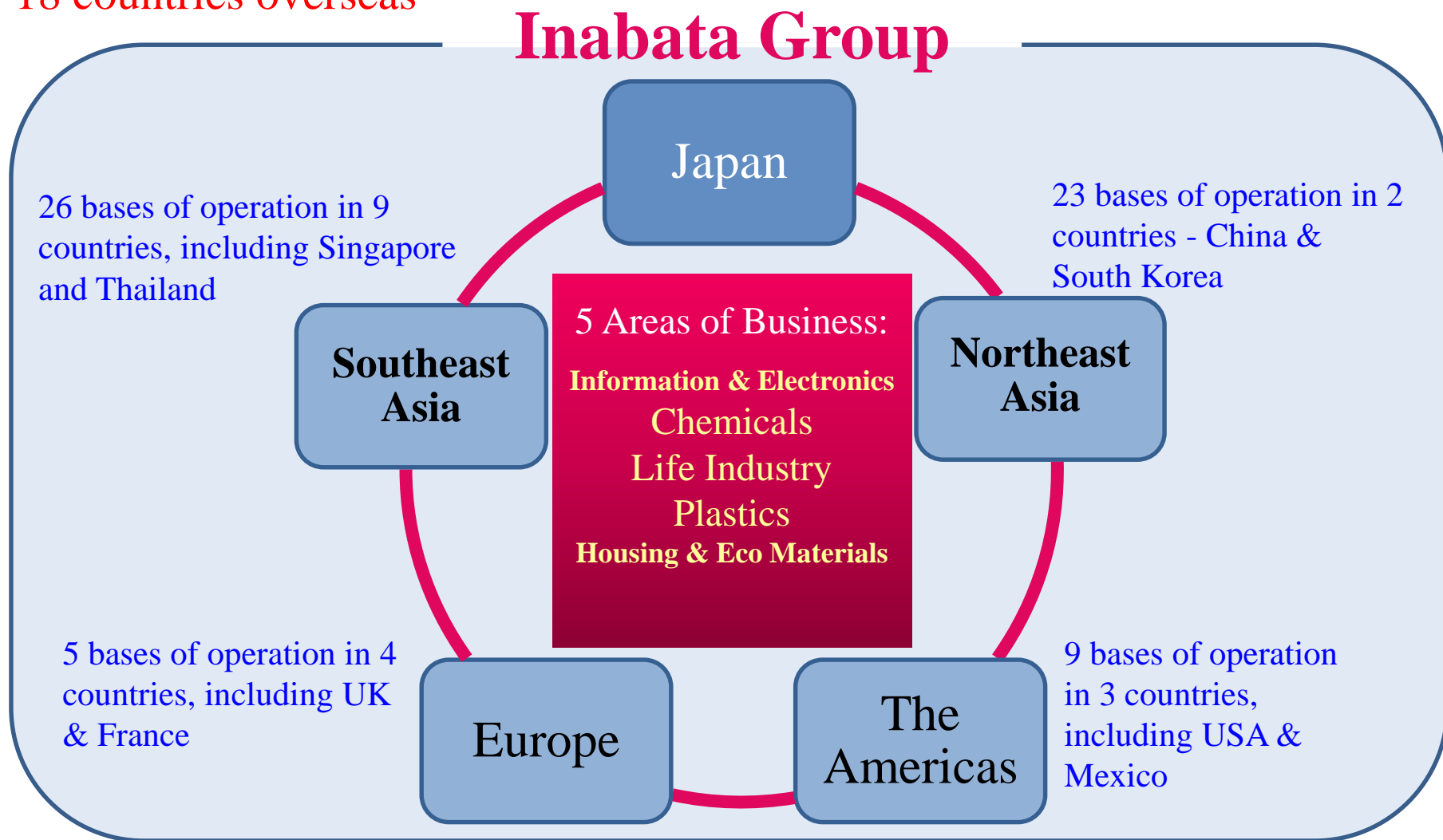
## 3. 5 Business Segments

Operating in 5 segments: Information & Electronics; Chemicals; Life Industry; Plastics; and Housing & Eco Materials



# Inabata's Business Spheres

Operating in 5 business segments at about 60 locations, throughout Japan and 18 countries overseas

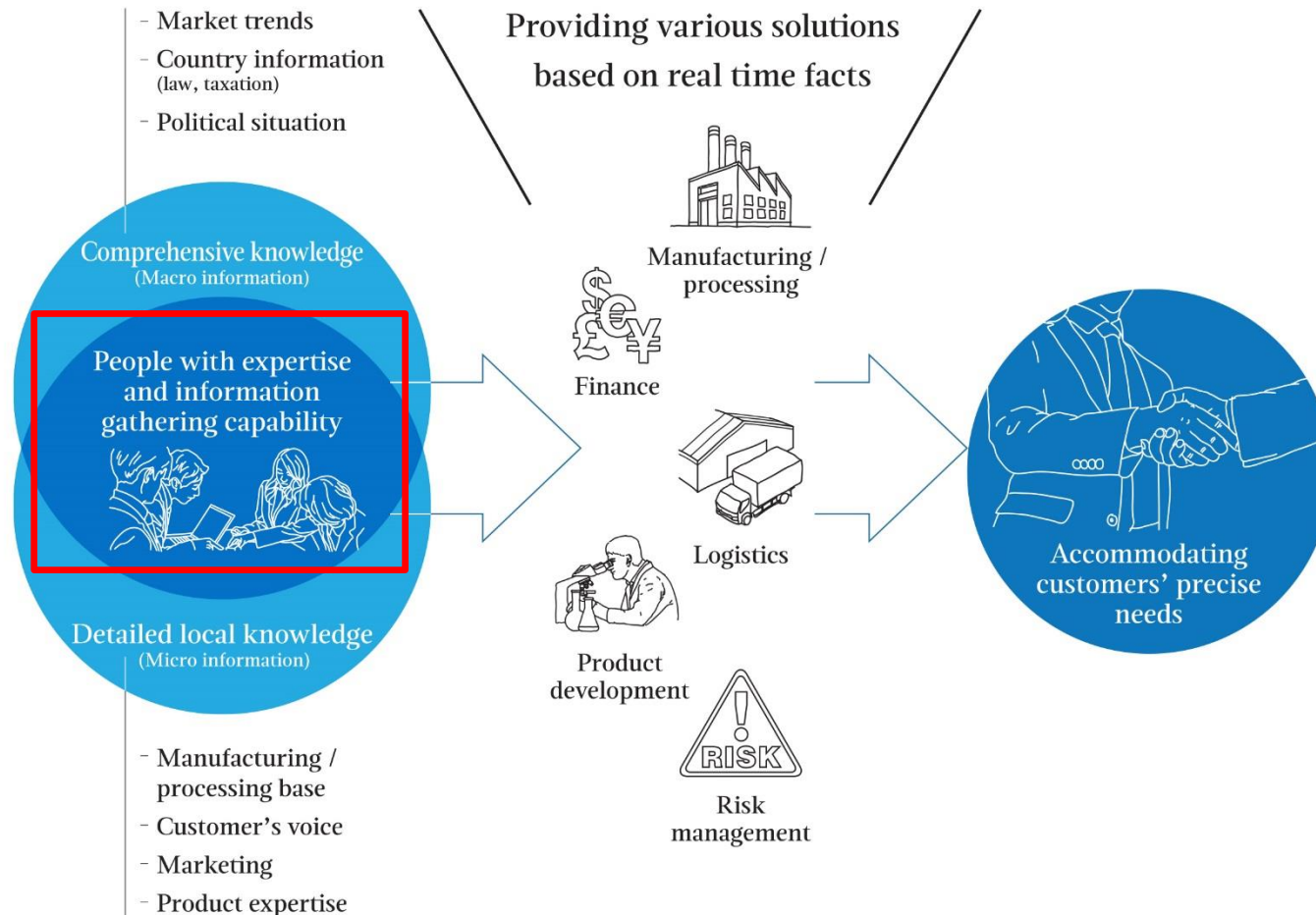


(NB) No. of overseas countries and operation bases valid as of 1 July 2017

(NB) No. of operation bases includes bona fide Inabata & Co., Ltd. affiliates

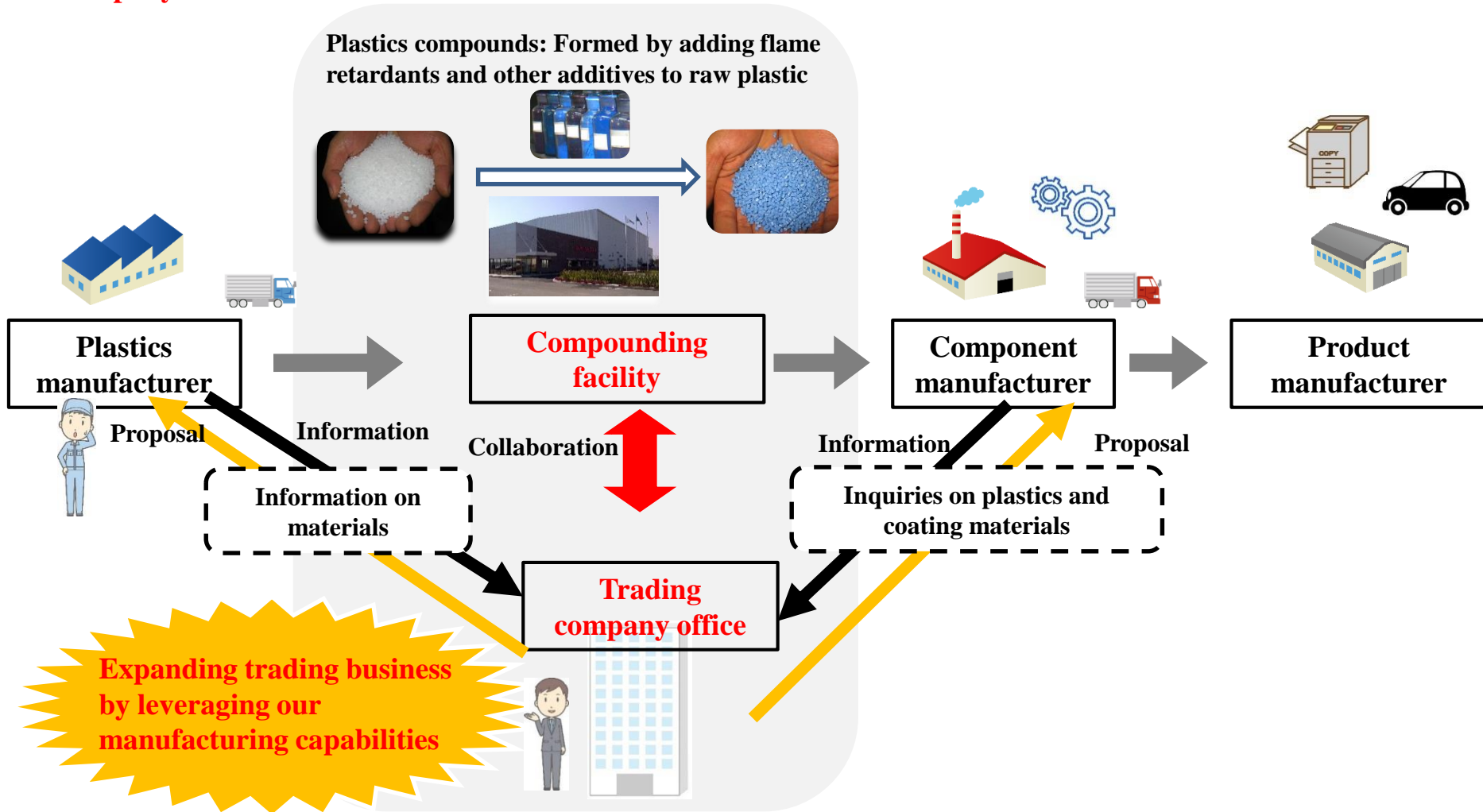
# Inabata's Wide Range of Capabilities

Highly specialized people  
empowered with cutting edge information

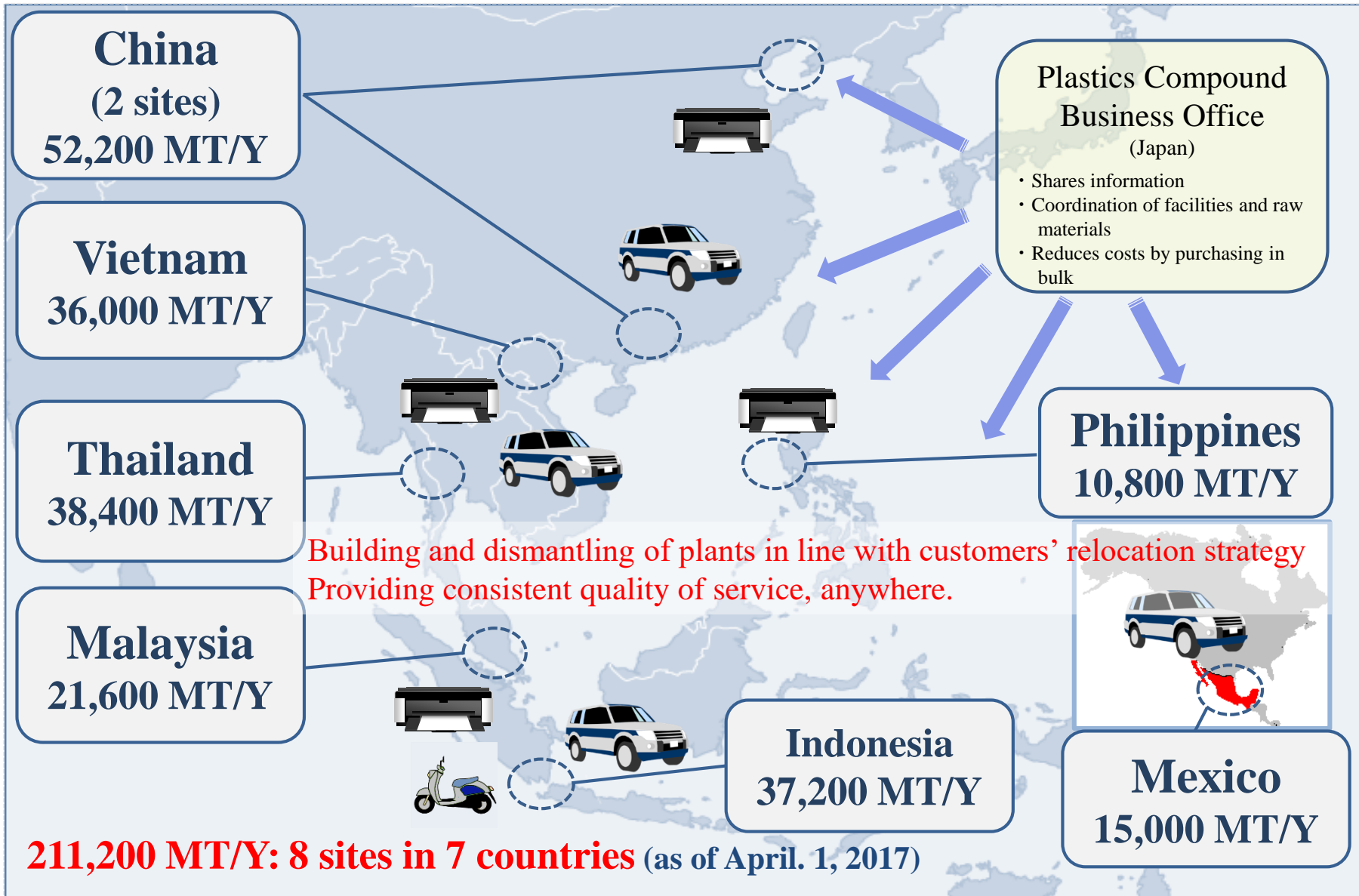


# Inabata's Strengths [Manufacturing and Processing]

Our strategy involves expanding our trading business by swiftly grasping with information regarding development of new products and market trends by drawing on our worldwide processing bases and trading company offices.



# Inabata's Strengths [Plastic Compounding Facilities]





Summary of  
3 Year Medium-Term Management Plan  
New Challenge 2016

# Summary of New Challenge 2016

## Progress in Achieving Quantitative Targets



### [Quantitative targets]

(billion JPY)

	MTMP targets FY 3/2017	Results FY 3/2017	Difference	Achievement %
Sales	<b>620.0</b>	<b>586.6</b>	<b>-33.3</b>	<b>94.6%</b>
Op. income	<b>12.5</b>	<b>12.6</b>	<b>+0.1</b>	<b>100.9%</b>
Current profit	<b>13.5</b>	<b>13.6</b>	<b>+0.1</b>	<b>101.3%</b>
Net income	<b>10.0</b>	<b>9.6</b>	<b>-0.3</b>	<b>96.9%</b>
ROE	<b>8.2%</b>	<b>7.1%</b>		<b>Not achieved</b>
Net D/E ratio	<b>0.45</b>	<b>0.30</b>		<b>Achieved</b>
Net worth equity ratio	<b>38.0%</b>	<b>43.0%</b>		<b>Achieved</b>
Exchange rate	<b>USD 1 = JPY 100</b>	<b>USD 1 = JPY 108.34</b>		

# Summary of New Challenge 2016

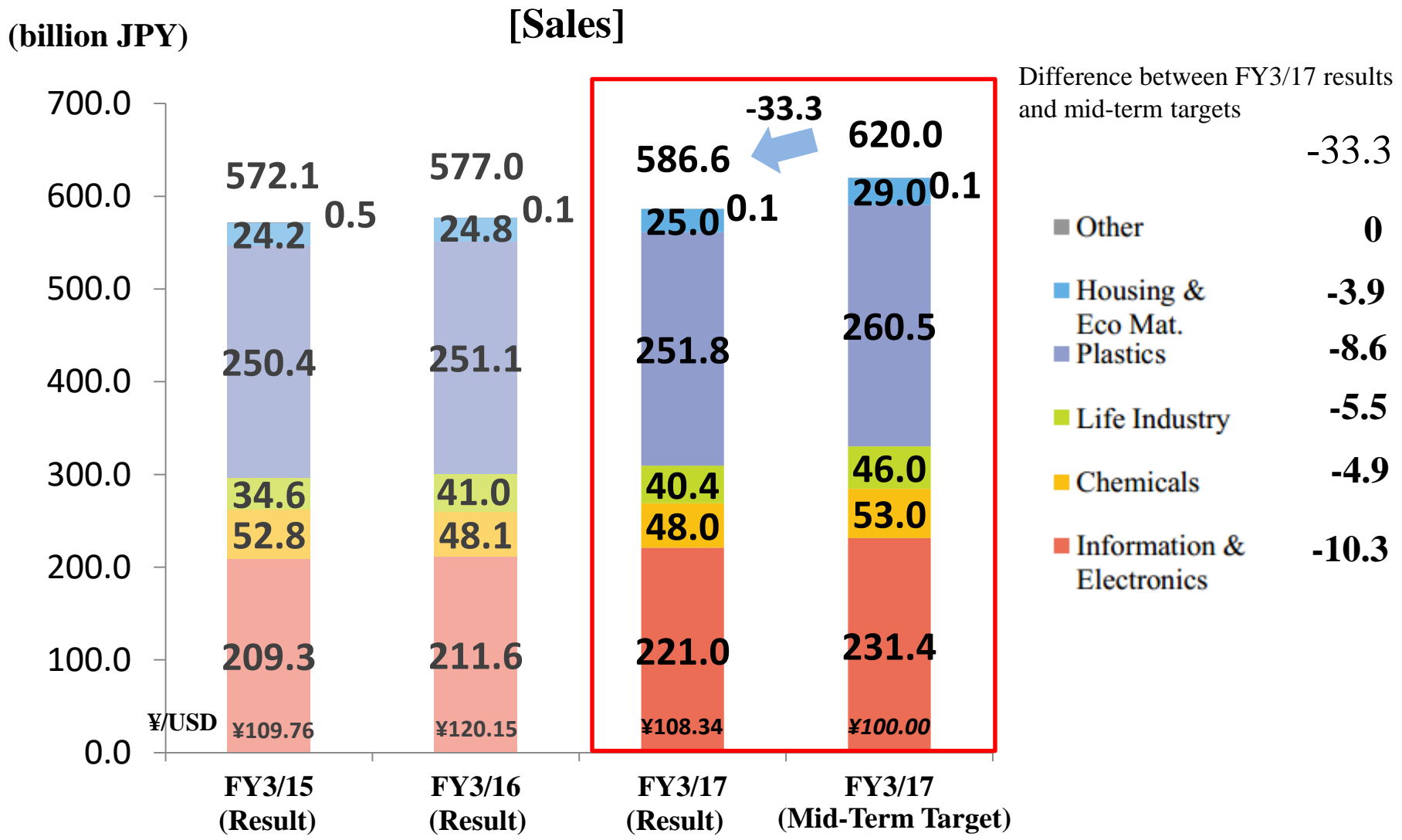
## Progress in Achieving Key Initiatives



Key Initiatives		Evaluation	Comments
1.	Further broadening and deepening of business outside Japan		
	• Further broaden and deepen core Asian business	Partially achieved	Progress particularly in China, but less than anticipated in Southeast Asia
	• Increase involvement in emerging countries outside Asia	Not achieved	Established bases of operations in Brazil, Turkey, but concrete progress lacking
	• Expand trade with non-Japanese companies	Partially achieved	Expanded in China and also more trade with European and American companies in Southeast Asia
2.	Focus on markets with growth potential and sectors that have yet to be developed		
	• Automotive sector	Achieved	Progress largely as anticipated, with growth in sales for global users
	• Environment & energy sector	Partially achieved	In Europe, growth in solar power business, but progress delayed in lithium-ion battery business
	• Life science sector	Partially achieved	A pharmaceutical-related consolidated subsidiary in Europe has been struggling but is improving, having made progress with restructuring
3.	Development and expansion of global management infrastructure	Achieved	Facing some delays but making progress, particularly in setting up information systems
4.	Investment aimed at future growth (10.0 billion JPY over 3 years)	Partially achieved	Investment amount has been higher than expected, but includes substantial outlays for upgrades and system investment
5.	Seek further capital and asset efficiencies	Achieved	The net D/E ratio has been steadily improving
6.	Ongoing development of international-minded human resources	Partially achieved	Global staff meetings are being held regularly This initiative needs to be carried out more swiftly

**We will continue to address initiatives not yet achieved under the new Medium-Term Management Plan**

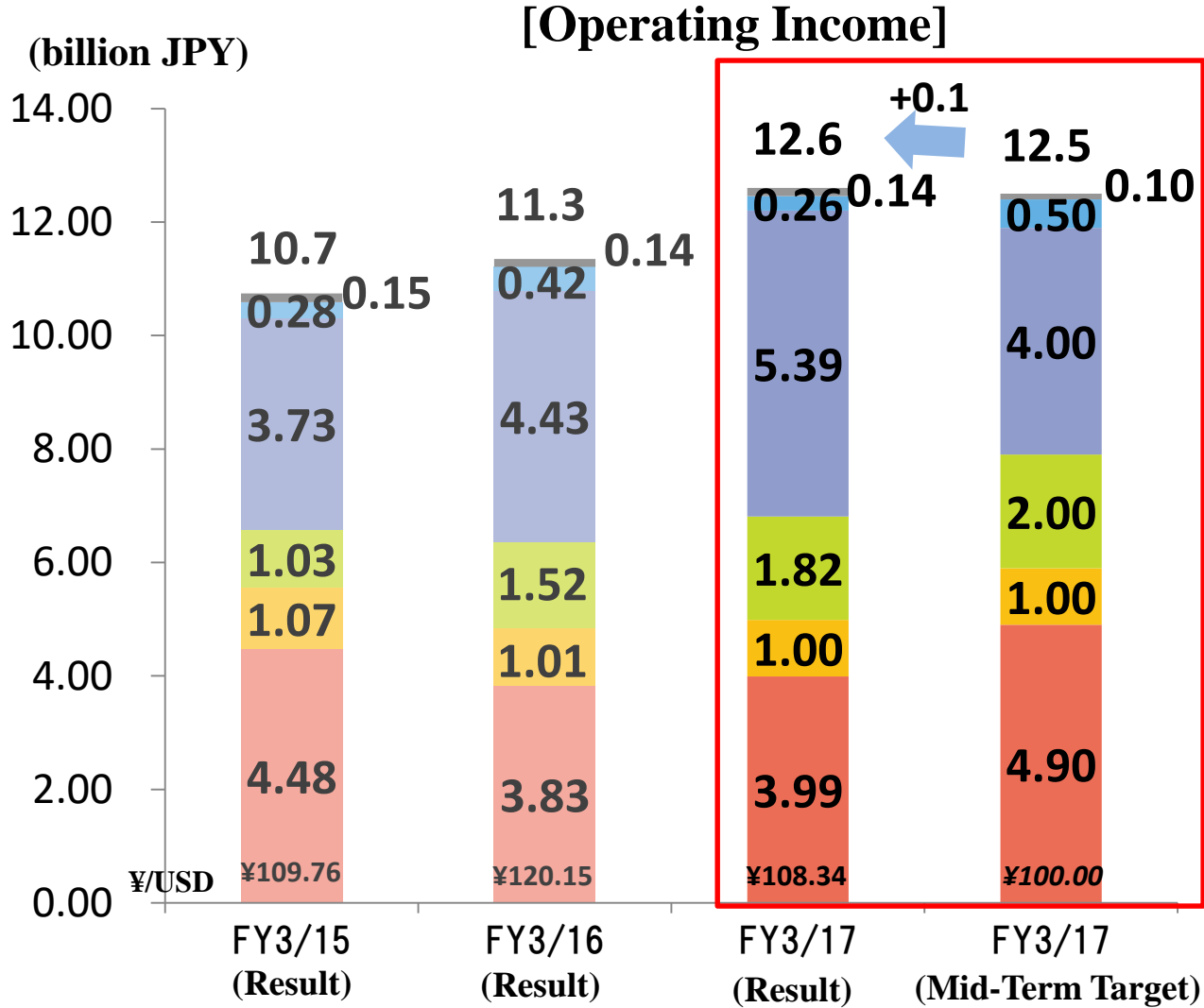
# New Challenge 2016 – Performance Review : Sales by Business Segment (consolidated)



(NB) From FY 3/17, crane business previously classified under “Other” is classified under “Information & Electronics.”  
Segment information for FY 3/16 has been prepared on the basis of the new classifications.

# New Challenge 2016 – Performance Review :

## Operating Income by Business Segment (consolidated)



Difference between FY3/17 results and mid-term targets

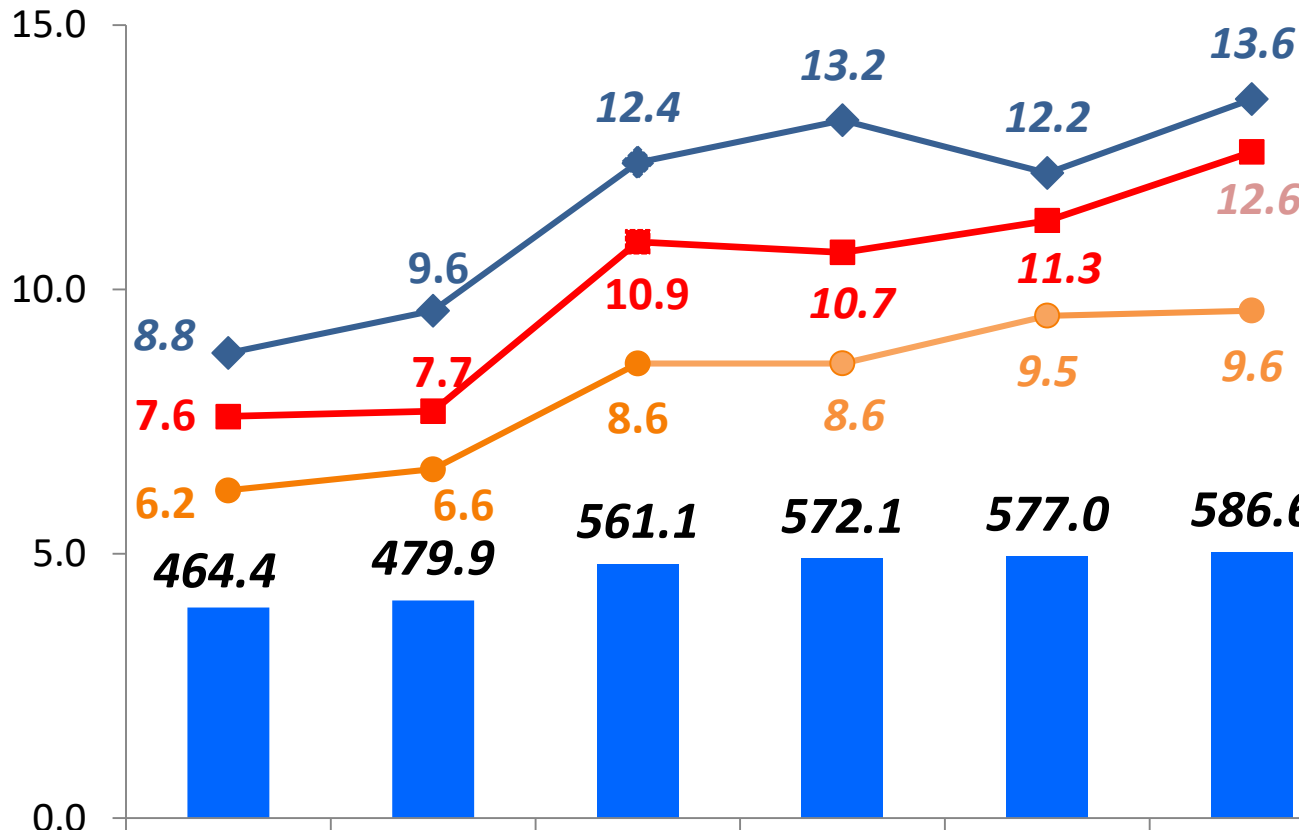
	+0.1
Other	+0.04
Housing & Eco Mat.	-0.23
Plastics	+1.39
Life Industry	-0.18
Chemicals	+0.0
Information & Electronics	-0.9

(NB) From FY 3/17, crane business previously classified under “Other” is classified under “Information & Electronics.”  
Segment information for FY 3/16 has been prepared on the basis of the new classifications.

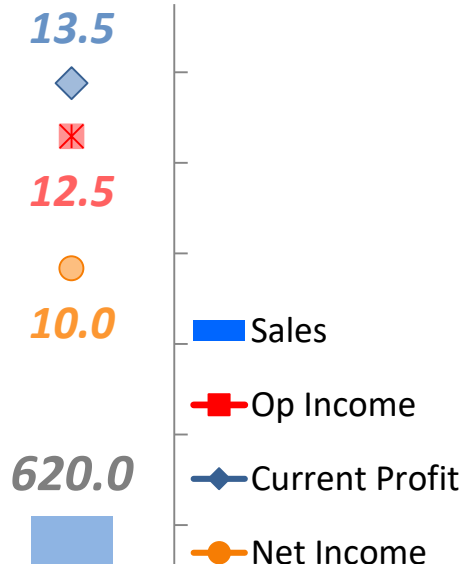
# Summary of New Challenge 2016



(Profit: billion JPY)



(Sales: billion JPY)



Fiscal Year	JPY/USD
FY 3/12 (Result)	¥77.74
FY 3/13 (Result)	¥79.81
FY 3/14 (Result)	¥100.17
FY 3/15 (Result)	¥109.76
FY 3/16 (Result)	¥120.15
FY 3/17 (Result)	¥108.34
FY 3/17 (Target)	¥100.00



- New Medium-Term Management Plan  
**New Challenge 2020**

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# Positioning of the New Medium-Term Management Plan

## New Challenge 2020

- ◆ Our long-term vision has been drawn up as part of our new Medium-Term Management Plan





◆ **What Inabata envisions to be in years around 2025 to 2030**

Function :

**Further enhancing multi-faceted capabilities such as manufacturing, logistics and finance, in addition to trading.**

Scale of operation :

**Achieving more than 1 trillion JPY in consolidated sales in early stage.**

Sales and operating income generated outside of Japan :

**70% or more**

Portfolio :

**At least one-third of sales and operating income from business segments other than Information & Electronics and Plastics segments.**

## **New Medium-Term Management Plan** *New Challenge 2020* (NC 2020)

[Aim]

New Challenge 2020 is geared to achieving our long-term vision dubbed IK Vision 2030. NC 2020 is its first stage in which unaccomplished tasks under New Challenge 2016 will continue to be addressed, while trying to reach further.

**Four-year medium-term management plan with FY 3/2021 as its final fiscal year**

Quantitative Targets	FY3/2021
Sales	<b>730 billion JPY</b>
Op. Income	<b>15.5 billion JPY</b>
Current Profit	<b>16.0 billion JPY</b>
Net Income	<b>12.0 billion JPY</b>
Net D/E Ratio	<b>0.4X or less<sup>(*)</sup></b>
Assumed Exchange Rate	<b>USD1=110 JPY</b>

(\*) Net D/E Ratio = (Int. Bearing Debt – Cash & Deposits) / Equity Capital

The Assumed Exchange Rate was corrected on December 27, 2017 as follows. before correction: USD1 = 100JPY, after correction: USD1 = 110JPY

**1**

**Further broadening and deepening of business outside Japan**

**2**

**Focus on markets with growth potential and sectors that have yet to be developed**

- **Continual development of the automotive, life science & medical, and environment & energy sectors**
- **Launching new initiatives in the agricultural sector, which includes food business**

**3**

**Further enhancement of information infrastructure essential for global management**

- **Setting priority on what is best as a group**
- **Further enhancement of global business management and standardization**

**4**

**Stepping up investments to expand trading business**

- **Making minority investments primarily to expand trading business**
- **Considering majority investments but with limited risk and scale**

**5**

**Continual review of assets and enhancement of financial standing**

**6**

**Establishing global human resources management**

## Business environment

- ◆ The liquid crystal-related business poised to increase slightly in the medium-term; panel display production continues shifting to China
- ◆ The photocopier and printer business is a mature industry, but there is room for growth with respect to industrial applications
- ◆ With solar power generation, expectations are low in Japan but growth persists overseas

## Portfolio strategy

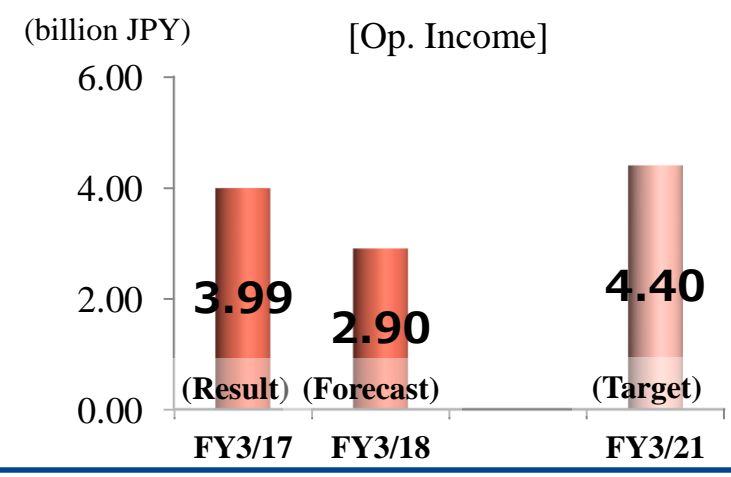
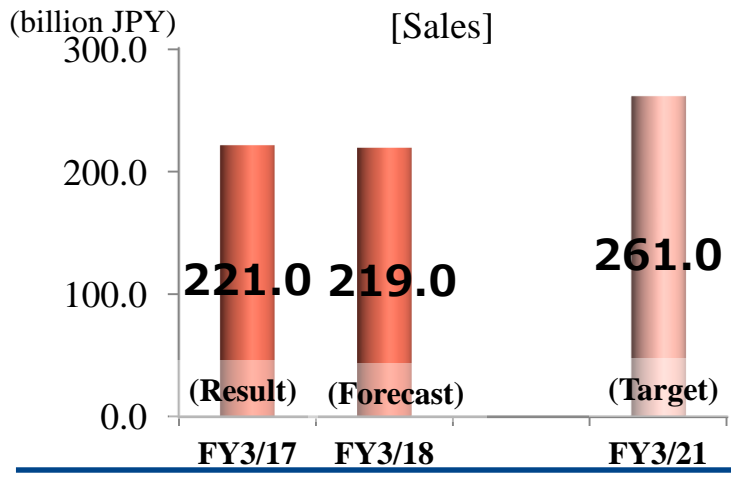
- ◆ We will work to maintain steady profits in the liquid display business which will remain a mainstay business while the medium-term plan is in effect
- ◆ We will work to expand new businesses in anticipation of slowing growth in our current mainstay businesses over the long term

## Profit drivers

- ◆ Parts and materials for liquid crystal displays
- ◆ Parts and materials for photocopiers and printers

## Growth drivers

- ◆ Business related to solar power generation and lithium-ion batteries
- ◆ Development of business involving “storing, releasing and saving energy,” in addition to “creating energy”



(NB) Sales forecast for FY3/18 revised from 229.0 billion JPY to 219.0 billion JPY, Operating income forecast for FY3/18 revised from 3.7 billion JPY to 2.9 billion JPY (announced on September 13, 2017)

## Business environment

- ◆ The existing Chemicals market in Japan has changed little, and the market for products handled by Inabata is also limited
- ◆ Foreign chemical manufacturers are moving toward having trading companies handle their marketing in the Japanese market

## Portfolio strategy

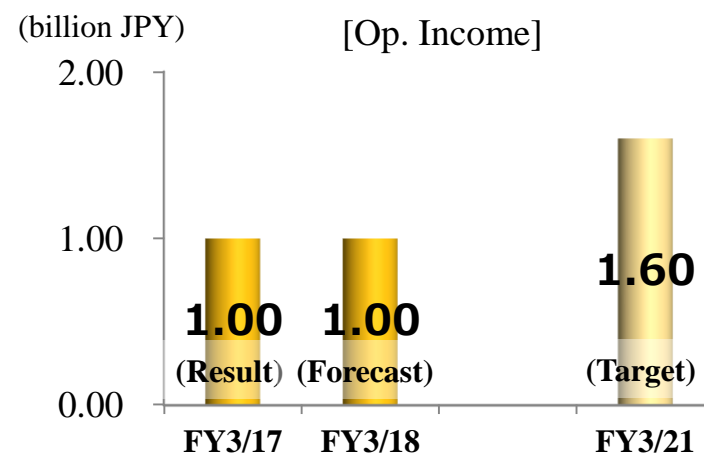
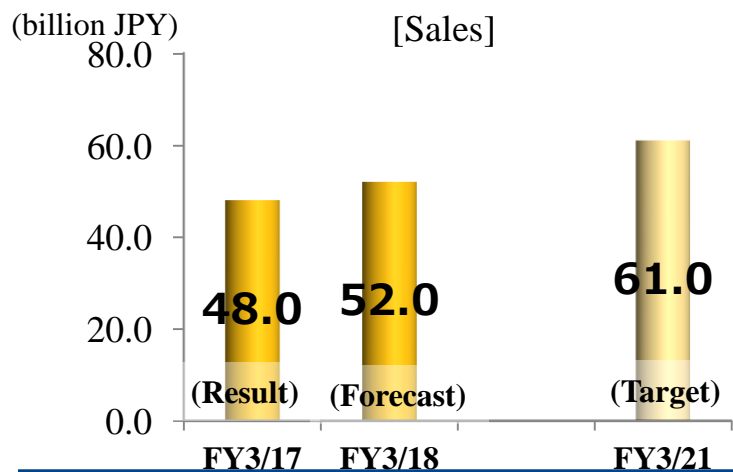
- ◆ Achieve deeper penetration in the automotive parts industry
- ◆ Expand the coating business with a focus on the automotive industry
- ◆ Enhance initiatives with foreign chemical manufacturers

## Profit drivers

- ◆ Raw materials for automotive parts
- ◆ Coatings (paints and inks)

## Growth drivers

- ◆ Heat-releasing parts (Polymatech Japan Co., Ltd.)
- ◆ New products such as plastic compounds reinforced with glass wool



(NB) Operating income forecast for FY3/18 revised from 1.20 billion JPY to 1.00 billion JPY (announced on September 13, 2017)

## Business environment

- ◆ In pharmaceuticals, markets for new drugs and regenerative medicine have been growing at a moderate pace
- ◆ In home products, the Japanese market is saturated while markets in emerging economies are expanding
- ◆ In food products, industrialized nations are becoming more health and safety conscious, while food consumption is increasing in emerging economies

## Portfolio strategy

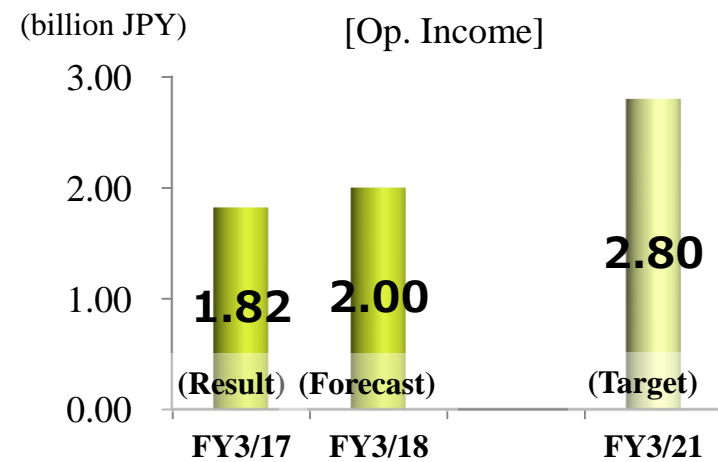
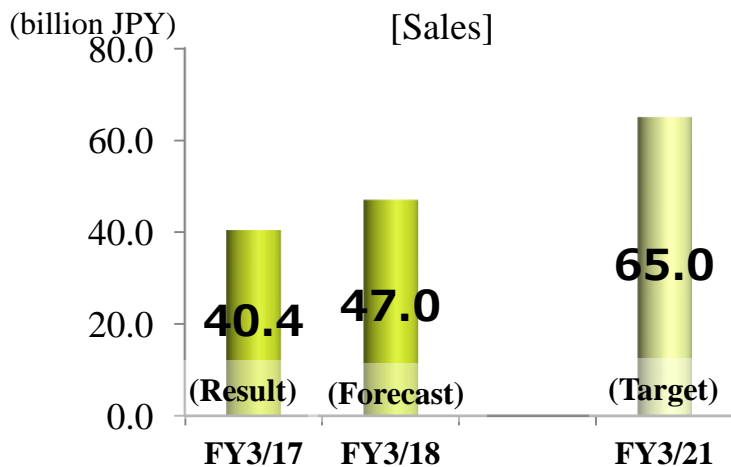
- ◆ Develop promising opportunities in the business of new drugs and raw materials, and focus efforts on leading-edge medical fields
- ◆ In home products and food products, work to increase sales driven by expanding markets, including those overseas
- ◆ In food products, continue expansion into business involving production and processing

## Profit drivers

- ◆ Raw materials for pharmaceuticals (new drugs)
- ◆ Raw materials for home products

## Growth drivers

- ◆ Regenerative medicine and other leading-edge medical fields
- ◆ Agricultural products, particularly blueberries
- ◆ Develop new business models (agriculture and food processing)



## Business environment

- ◆ Customers and suppliers are becoming increasingly more international
- ◆ Companies are opting to channel business to trading companies that are able to operate globally

## Portfolio strategy

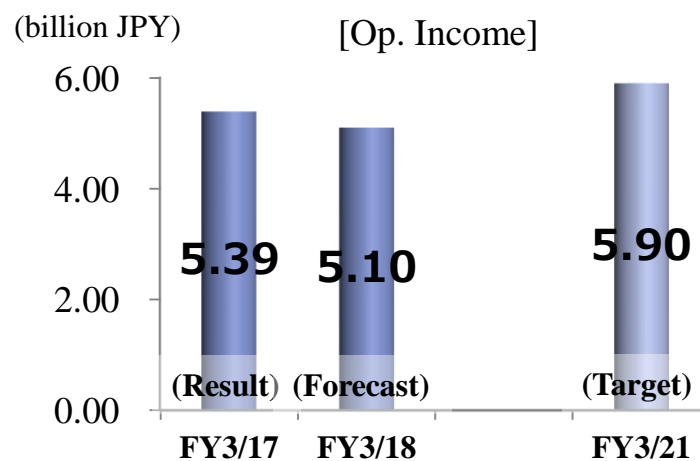
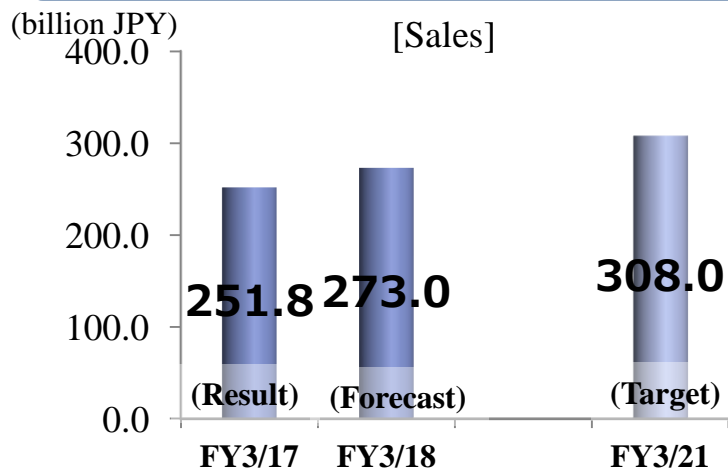
- ◆ Expand sales of plastics leveraging the plastic compounds business
- ◆ Focus on automotive sector and particularly the North American market

## Profit drivers

- ◆ Plastics for the automobile, office equipment, and home electrics sectors
- ◆ Film-related products, including manufacturing and processing

## Growth drivers

- ◆ Sales to global users
- ◆ Further expansion in overseas business (regionally and in different fields)





## Business environment

- ◆ The number of housing starts is expected to keep decreasing
- ◆ The market for renovations is expanding
- ◆ Major homebuilders and housing equipment manufacturers are increasingly entering overseas markets

## Portfolio strategy

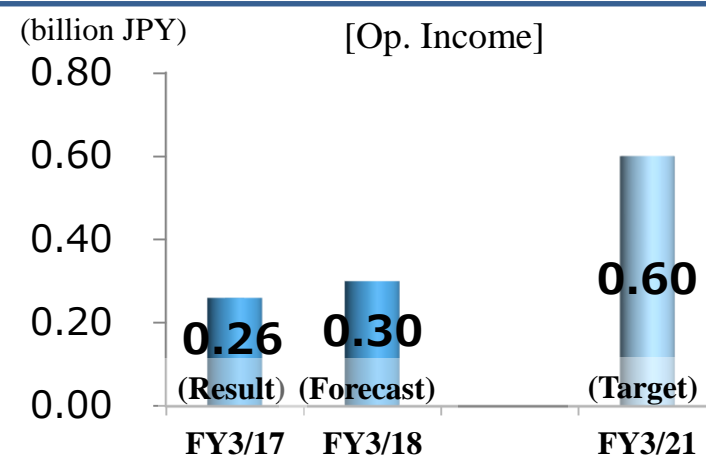
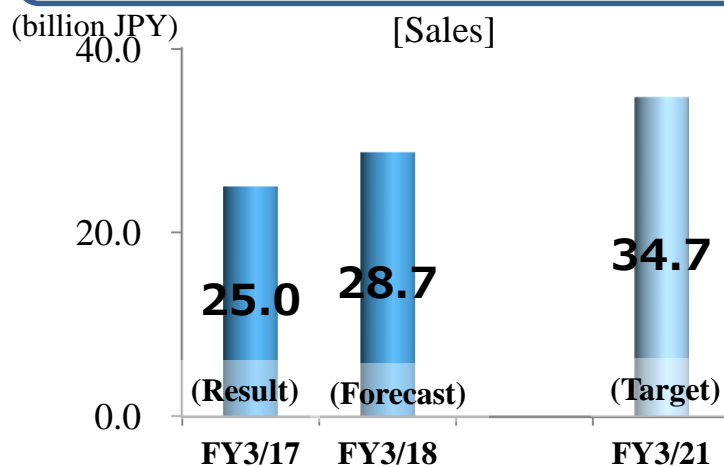
- ◆ Expand sales to overseas markets
- ◆ Focus on non-housing fields of business

## Profit drivers

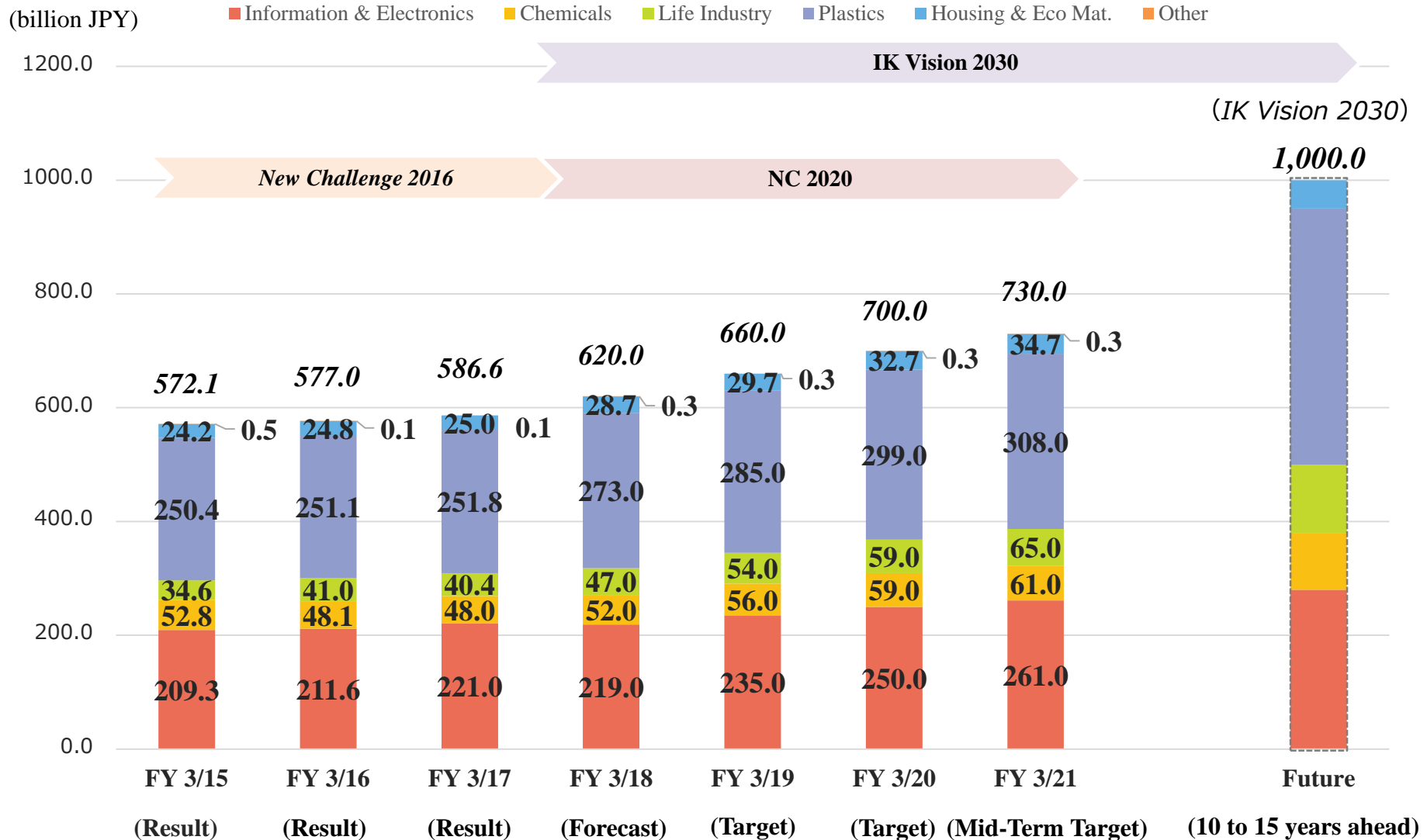
- ◆ Materials for major homebuilders and housing equipment manufacturers

## Growth drivers

- ◆ Overseas markets (flooring, etc.)
- ◆ Non-housing fields of business (urethane materials, wood chips, etc.)



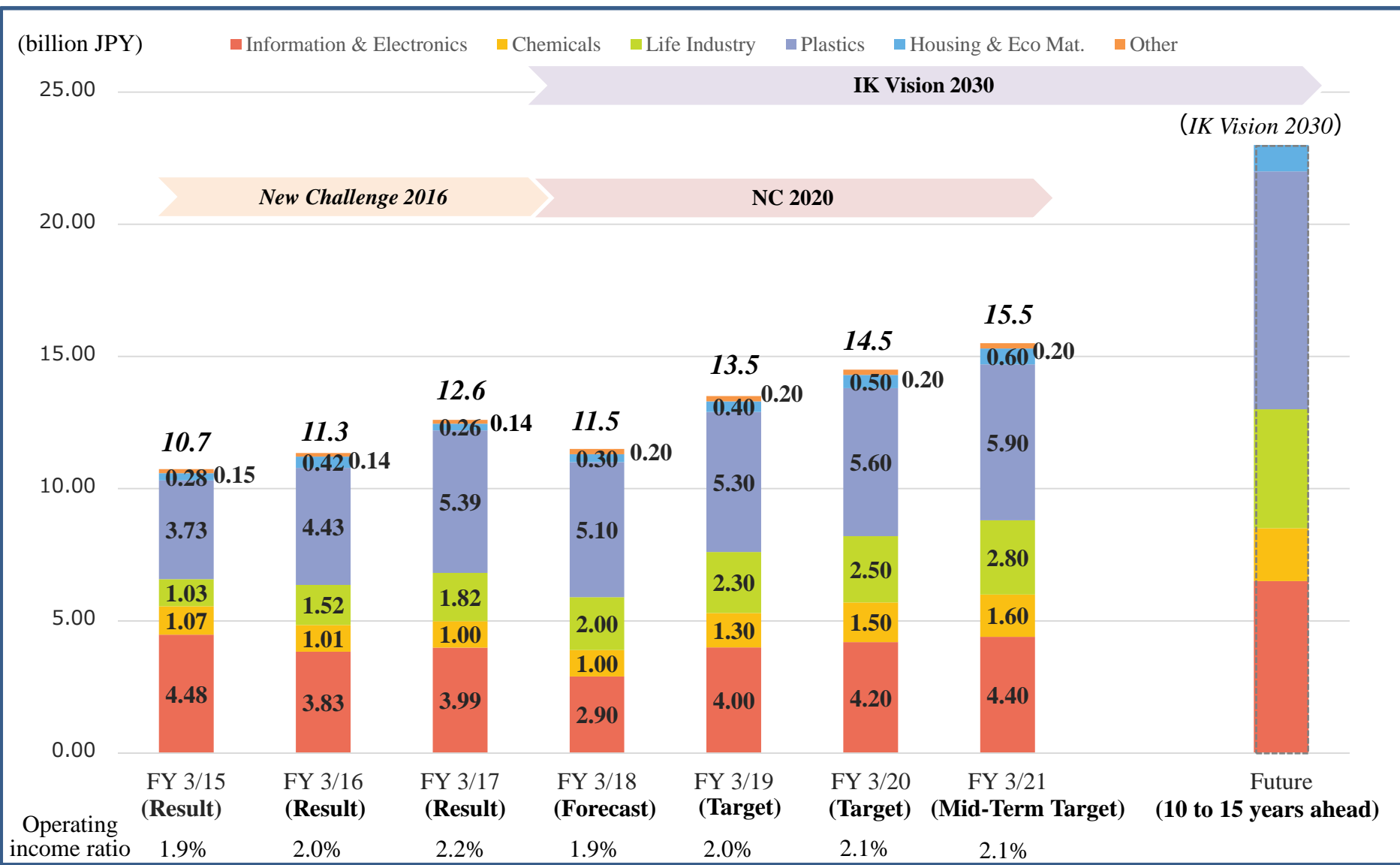
# NC2020: Sales Transition by Business Segment



(NB) Sales forecast for FY3/18 revised from 630.0 billion JPY to 620.0 billion JPY (announced on September 13, 2017)

(NB) From FY 3/17, crane business previously classified under “Other” is classified under “Information & Electronics.” Segment information for FY 3/16 has been prepared on the basis of the new classification.

# NC2020: Operating Income Transition by Business Segment

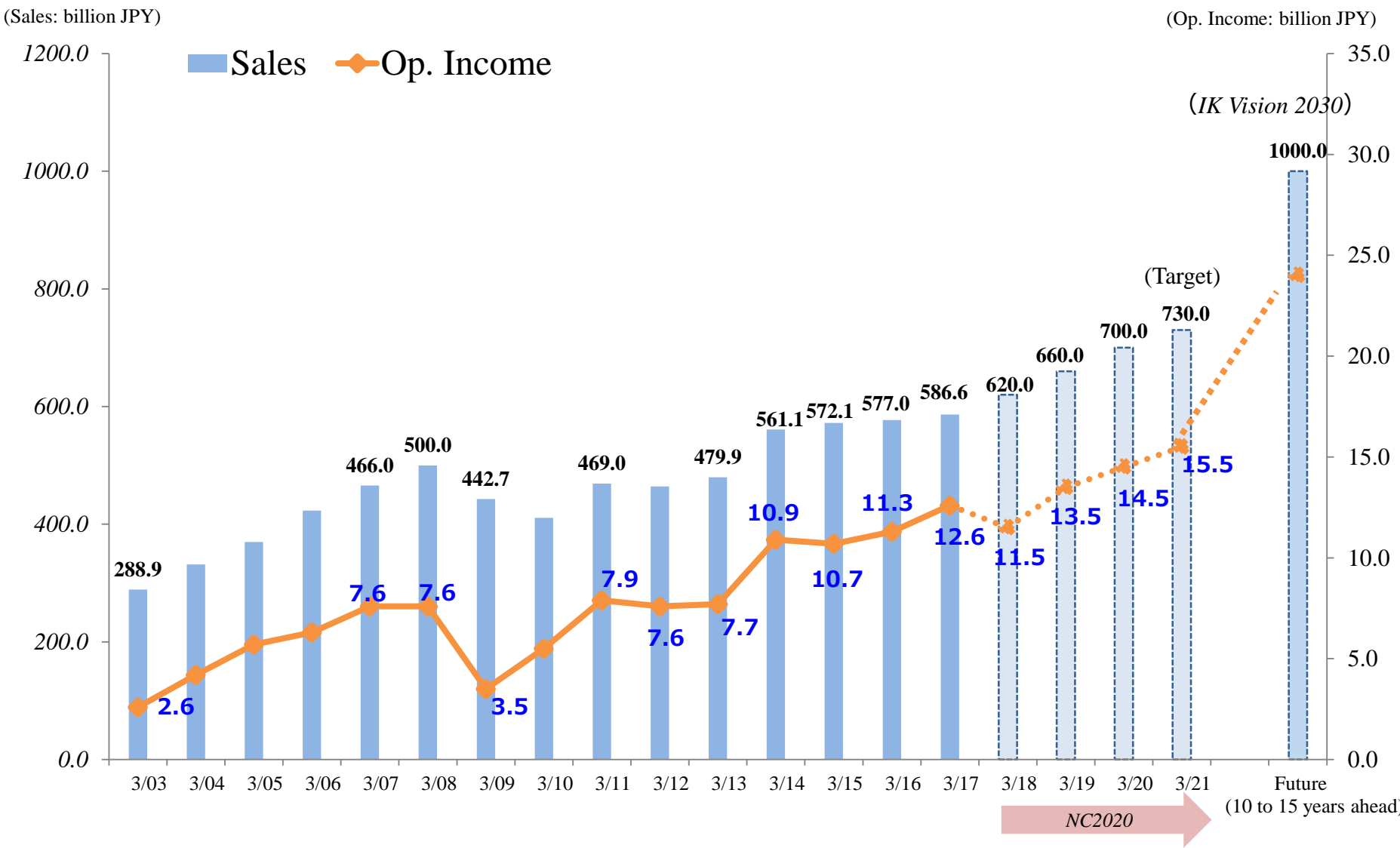


(NB) Operating income forecast for FY3/18 revised from 12.5 billion JPY to 11.5 billion JPY (announced on September 13, 2017)

(NB) From FY 3/17, crane business previously classified under “Other” is classified under “Information & Electronics.” Segment information for FY 3/16 has been prepared on the basis of the new classification.

\*Operating income ratio FY3/17 was corrected on July 2, 2018 as follows. before correction:1.9% , after correction 2.2%

# Sales and Operating Income (Since FY2002)



(NB) Revision of full-year forecasts for FY3/18 (announced on September 13, 2017)

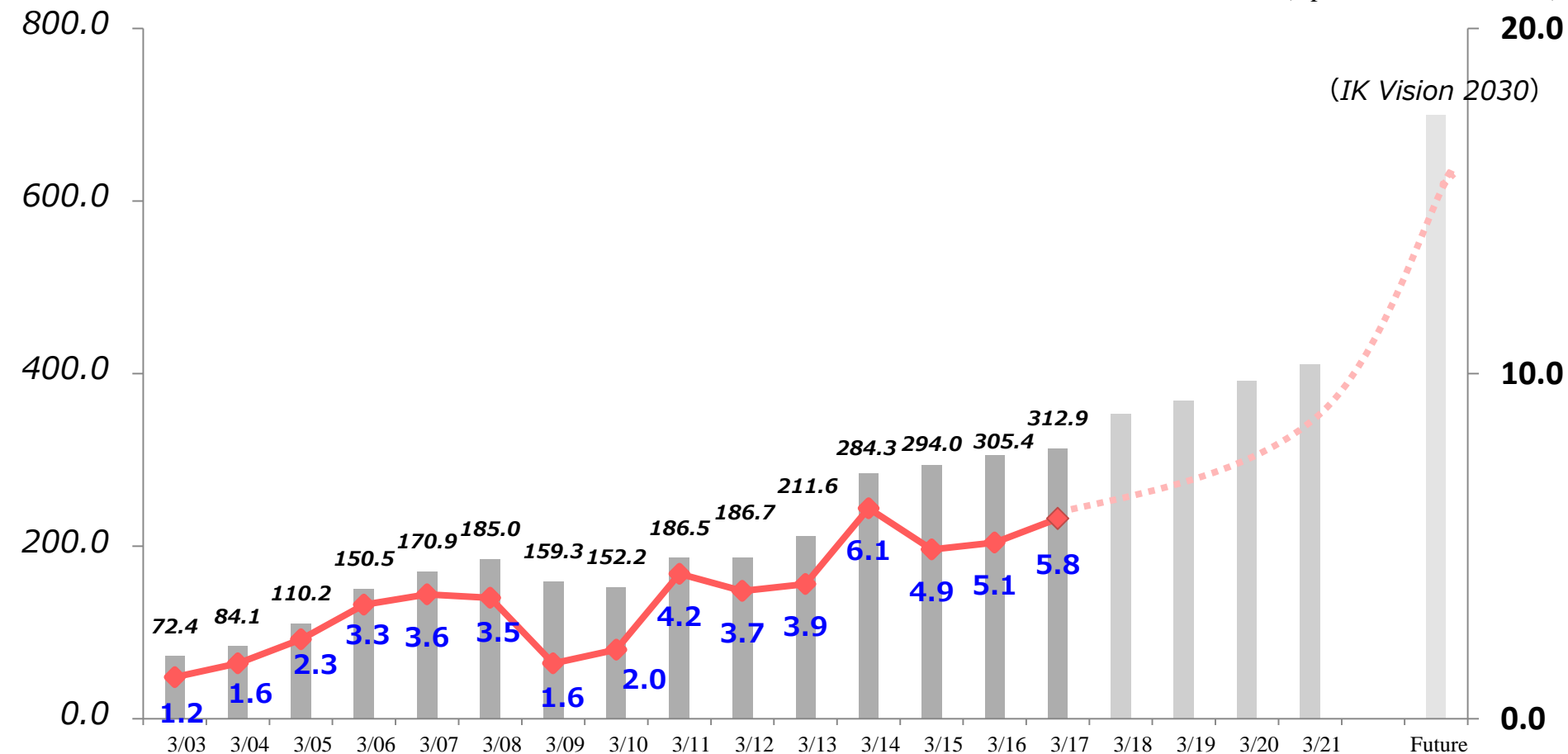
# Overseas Sales and Operating Income (Since FY2002)



(Sales: billion JPY)

■ Sales ◆ Op. Income

(Op. Income: billion JPY)



JPY:USD  
Exchange  
rates

119.9 107.1 104.2 118.0 119.1 114.1 91.0 92.1 81.49 77.74 79.81 100.17 109.76 120.15 108.34

NC2020

(10 to 15 years ahead)

- **3 outside directors (of 9 directors)**

We aim to enhance supervisory functions and increase corporate value by taking advantage of the outside directors' extensive experience and wide-ranging insight into company business.

## Outside Directors

- **Yoshimasa Takao**

Former Executive Deputy Chairman ; Current Advisor– Sumitomo Chemical Co., Ltd.

- **Katsumi Nakamura\***

Former Executive Vice President – Renault (France),  
Former Chairman of the Board– Calsonic Kansei Corp. ;  
Current Director (Outside) – Kito Corp.

- **Toshiyuki Kanisawa\***

Former Representative Director, Executive Vice President ;  
Current Counselor, - Tokyo Gas Co., Ltd.

(\*) Mr. Katsumi Nakamura and Mr. Toshiyuki Kanisawa are registered as independent, outside officers with the TSE. **30**

The following initiatives were implemented to enhance governance

## 1. Established the Nominating and Remuneration Committee (voluntary)

Ensures objectivity, fairness and transparency with respect to appointing senior management, nominating director and audit & supervisory board member candidates, and making decisions on director remuneration

- Current membership: 1 internal director (chairperson) and 2 independent outside directors
- Held four times during FY 3/2017

## 2. Evaluating the board of directors (self-evaluation)

Objective - To increase corporate value by enhancing effectiveness and transparency of the board of directors

- Evaluations of the board of directors (self-evaluation) are carried out since FY2015
  - Third-party evaluation scheduled for FY2017
- 
- ✓ In November 2016, performed an evaluation involving all directors and audit & supervisory board members using a survey format
  - ✓ In April 2017, disclosed analysis/evaluation results in writing



## 2. Evaluating the board of directors (self-evaluation)

### ◆ Tasks and measures taken

#### (1) Improve discussion of medium and long-term issues by the board of directors

We will develop a framework that enables the board of directors to focus on more important proposals, so that its members can engage in more extensive discussions on medium- to long-term business issues and other such matters.

#### (2) Promote succession planning and diversity

Given that such matters are important issues for Inabata, the board of directors and the Nominating and Remuneration Committee will engage in more extensive discussions on such matters.

#### (3) Adequate collaborative framework and communication amongst outside directors and audit & supervisory board members

In March 2017, we established a forum where the outside directors and audit & supervisory board members can exchange views. We will continue monitoring the situation to ensure that a sufficient collaborative framework is established.

## 3. Strategically Held Shares

### [Basic Views]

Close business and cooperative relations with various companies are valuable assets to the Company, and the Company believes the establishment, maintenance and development of these relations improve the Company's corporate value in the medium and long term and lead to the benefit of shareholders and investors. Also, as the Company believes the strategic holding of shares of such companies is one effective way to establish, maintain and develop good cooperative relations, the Company owns strategically held shares.

### [Decisions on acquisition, continuous holding and disposal of such shares]

The Company bases its decisions regarding whether to maintain ownership of strategically held shares on whether such holdings contribute to the establishment of cooperative relations, enhance the Company's corporate value in the medium and long term, and lead to the benefit of shareholders and investors.

The necessity of such holdings is validated on a yearly basis, and the rationale for such holdings is explained to the board of directors.

	<b>Sales of other securities</b>
FY3/15	¥730 million
FY3/16	¥1,421 million
FY3/17	¥5,150 million

Policy for returning profits to shareholders

**Total Return Ratio of 30-35% (target)**

Total Return Ratio (%) = (amount of dividends + amount of treasury shares acquired) / consolidated net income x 100

## 【 Treasury stock 】

### ● Retirement of treasury shares (August 2014)

- No. of Shares Retired: 1,660,000

(equivalent to 2.55% of the total no. of shares issued and outstanding prior to retirement)

### ● Acquisition of Treasury shares (Details for FY 3/2017)

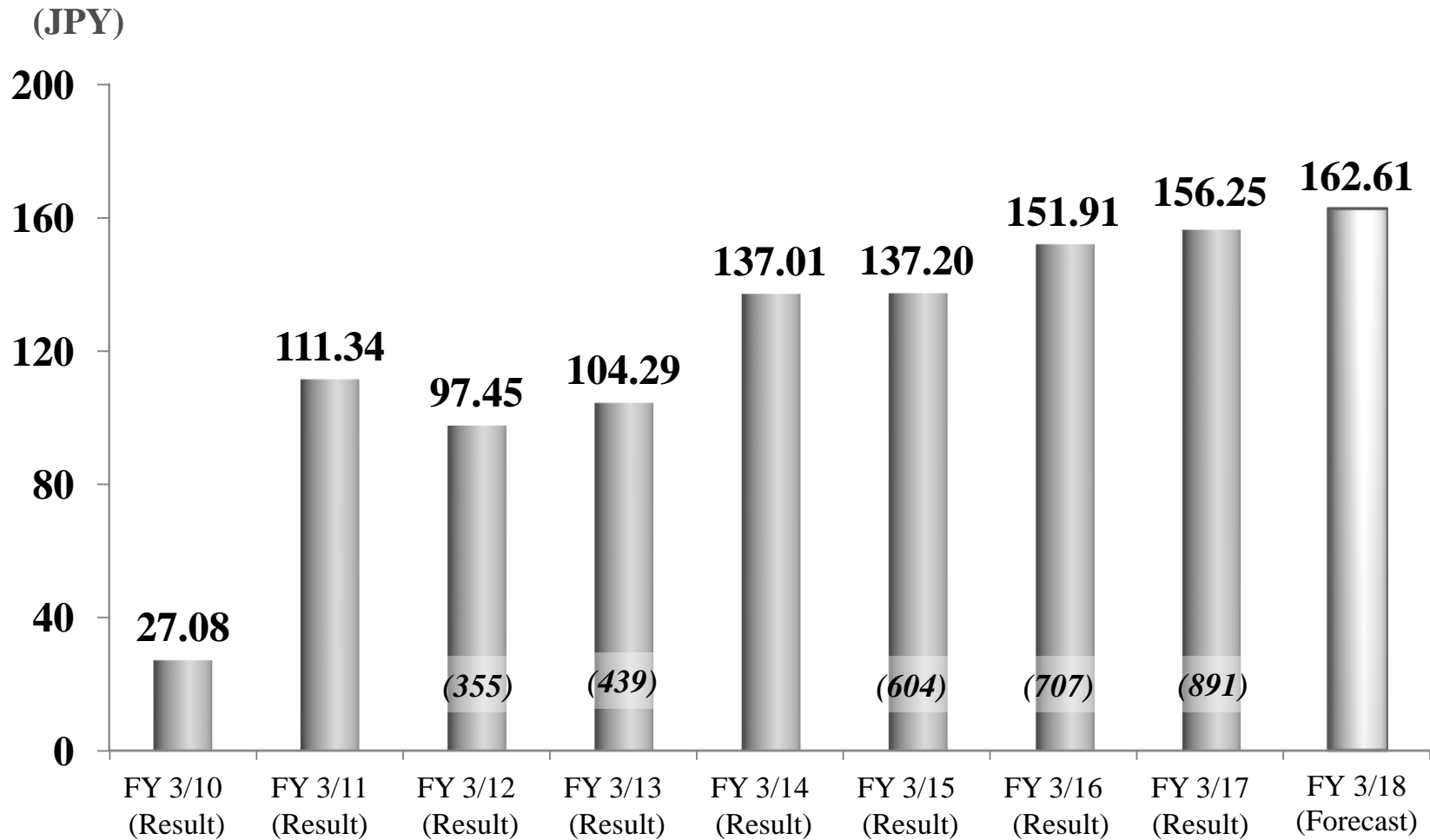
No. of Shares Acquired: 600,000

Value of Shares Acquired

: 891,856,600 JPY

Acquisition Period: 10<sup>th</sup>-23<sup>th</sup> Feb. 2017

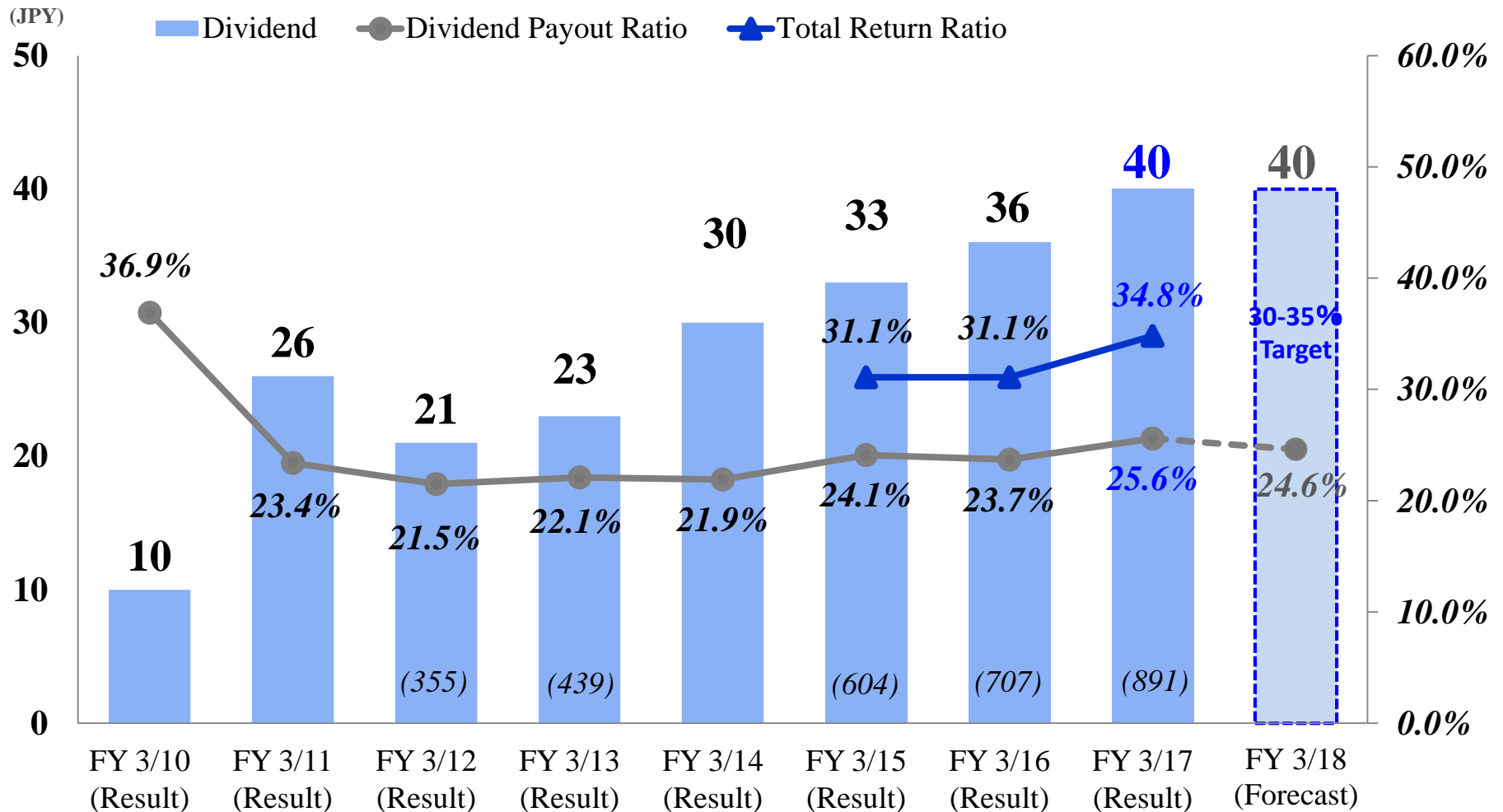
# EPS Trends



(NB) The figures in brackets at the bottom of the bar chart show the amount of treasury shares acquired during the period (JPY million).

# Returning Profits to Shareholders (2)

*Trends in Annual DPS & Shareholder Return Indicators*



(NB) The figures in brackets at the bottom of the bar chart show the amount of treasury stock acquired during the period (JPY million).

(NB) Figures for FY 3/11 include a special dividend of 2 JPY to commemorate the company's 120<sup>th</sup> anniversary.

# Summary of Financial Results – 1Q FY3/2018

**Sales : 148.7 billion JPY +5.1% YoY**

**Increased due to effect of yen depreciation and favorable results in the plastics business**

**Op. Income : 2.2 billion JPY -28.1% YoY**

**Decreased due to amounts recorded in the allowance for doubtful accounts**

**Current Profit : 2.8 billion JPY -25.2% YoY**

**Decreased due to lower operating income**

**Net Income : 2.9 billion JPY +16.8% YoY**  
Attributable to owners of parent

**Increased as a result of having recorded gains on sales of investment securities, despite lower current profit**

## Impact on financial results of Q1 of FY 3/2018

Description	Accounting treatment	Amount
Inventories for which cause of discrepancy was not identified	Transferred from inventory to cost of sales (decreases in operating income and current profit)	¥12 million
Inventories sold by the intended buyer without authorization	Transferred from inventory to accounts receivable	¥1,144 million
Claims against such counterparty	Recorded under allowance for doubtful accounts (decreases in operating income and current profit)	¥771 million

## Release of investigative report performed by the internal investigation committee, and addressing the matter going forward

With respect to the unauthorized sales made by the intended buyer, the investigation found no evidence that officers or employees of the German subsidiary were intentionally involved in collusion, collaboration, acquiescence or any other such behavior.

However, one factor attributable to the unauthorized sales involves a failure of management to ensure that work flows and rules were thoroughly understood at the site of operations. As such, a recurrence-prevention committee is to be established in order to take preventative measures.

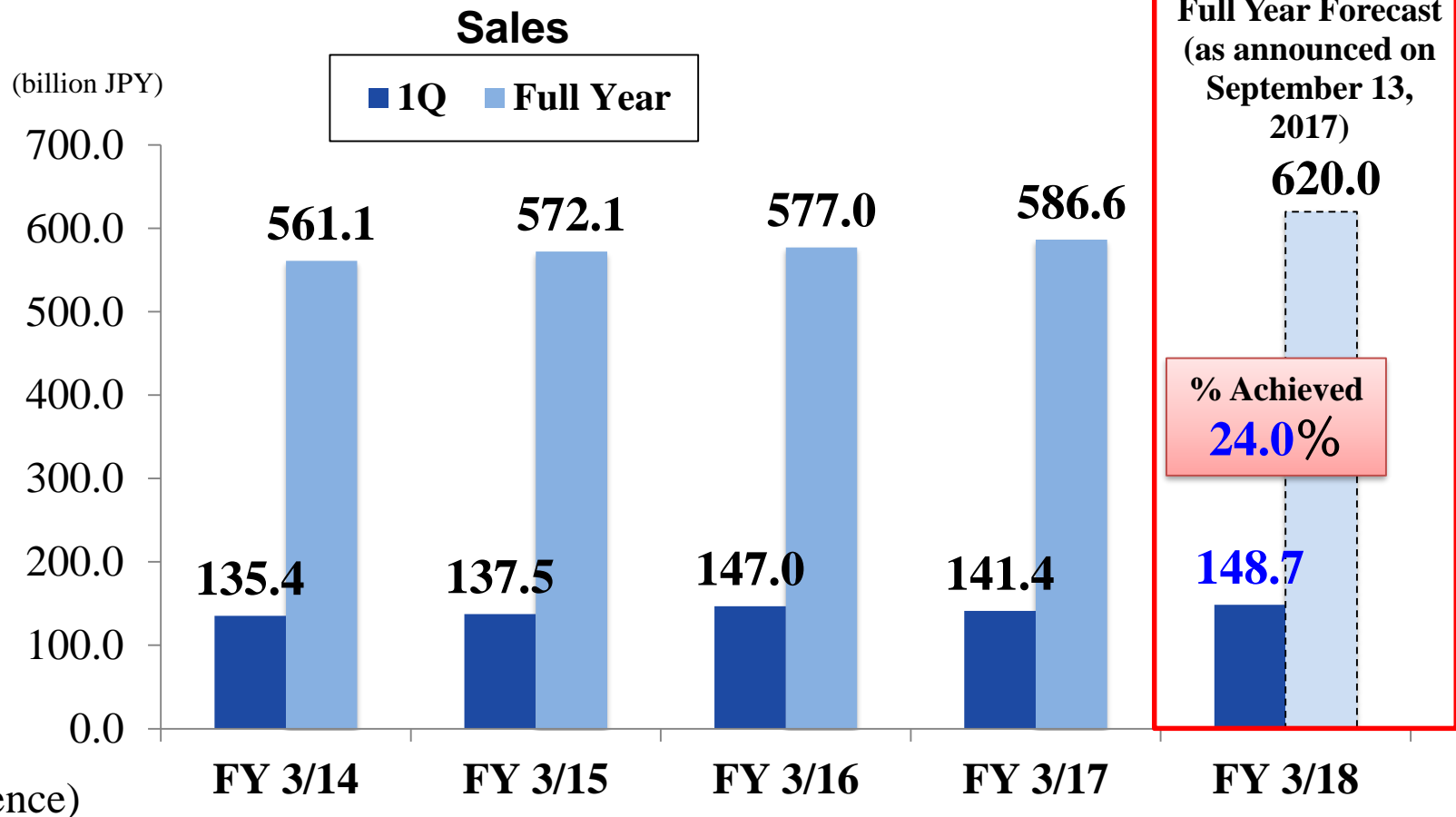


# Consolidated Results Review – 1Q FY3/2018

(billion JPY)

	Three month ended June 30,2016	Three month ended June 30,2017(A)	YoY Change		Full Year Forecast - announced on May 11, 2017	Full Year Forecast - announced on Sep. 13, 2017 (B)	Achievement (A)/(B)%
			Amount	%			
<b>Sales</b>	<b>141.4</b>	<b>148.7</b>	<b>+7.2</b>	<b>+5.1%</b>	<b>630.0</b>	<b>620.0</b>	<b>24.0%</b>
<b>Op. Income</b>	<b>3.1</b>	<b>2.2</b>	<b>-0.8</b>	<b>-28.1%</b>	<b>12.5</b>	<b>11.5</b>	<b>19.4%</b>
<b>Current Profit</b>	<b>3.7</b>	<b>2.8</b>	<b>-0.9</b>	<b>-25.2%</b>	<b>13.0</b>	<b>12.0</b>	<b>23.6%</b>
<b>Net Income</b> Attributable to owners of parent	<b>2.5</b>	<b>2.9</b>	<b>+0.4</b>	<b>+16.8%</b>	<b>10.0</b>	<b>10.0</b>	<b>29.4%</b>
<b>Exchange Rate:</b> USD/JPY	<b>108.04</b>	<b>111.09</b>	<b>+3.05</b>		<b>110.00</b>	<b>110.00</b>	

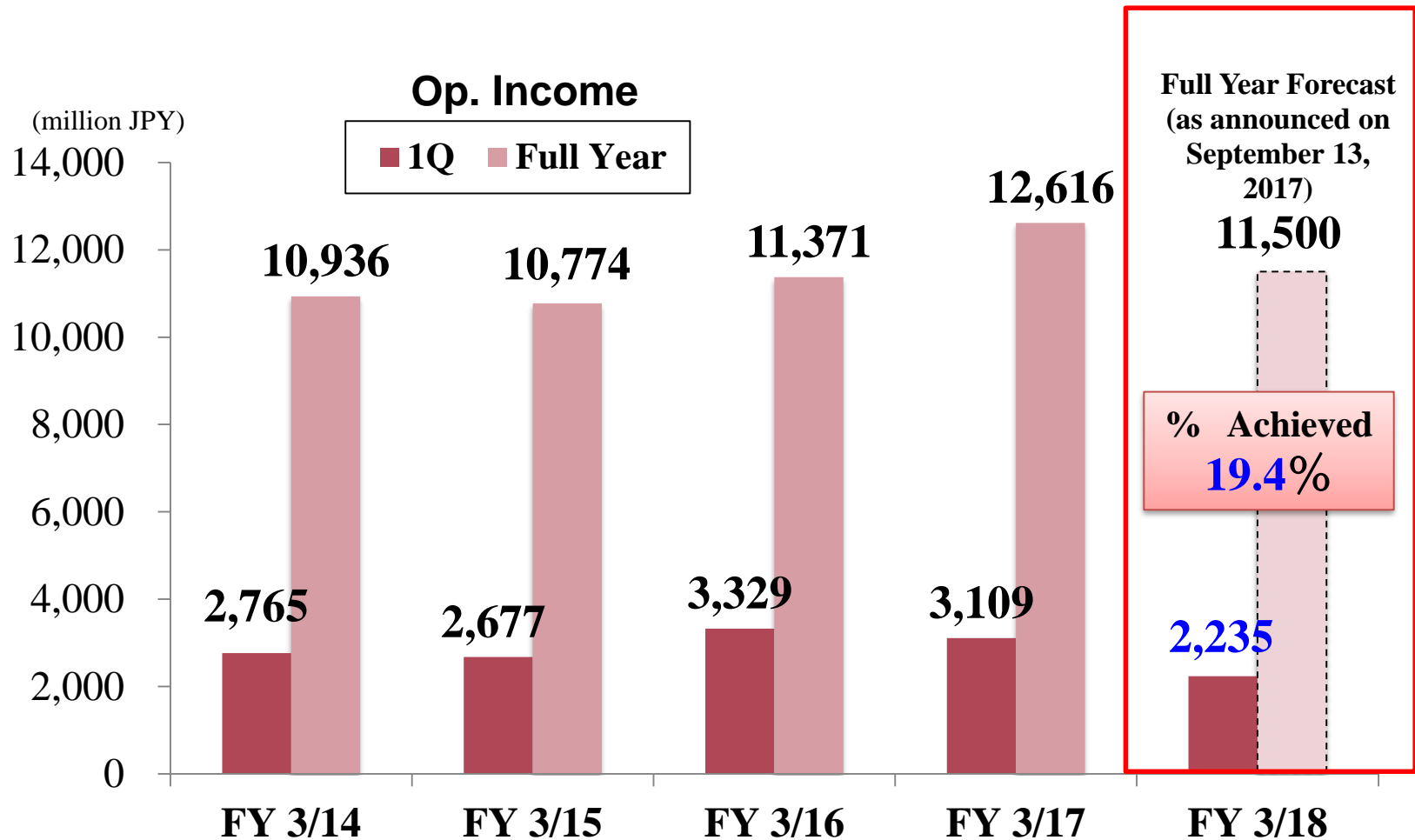
# Sales Trends



		FY 3/14	FY 3/15	FY 3/16	FY 3/17	FY 3/18
<b>Exchange Rate: USD/JPY</b>	<b>1Q</b>	98.78	102.17	121.43	108.04	111.09
	<b>Full Year</b>	100.17	109.76	120.15	108.34	(*Note)110.00

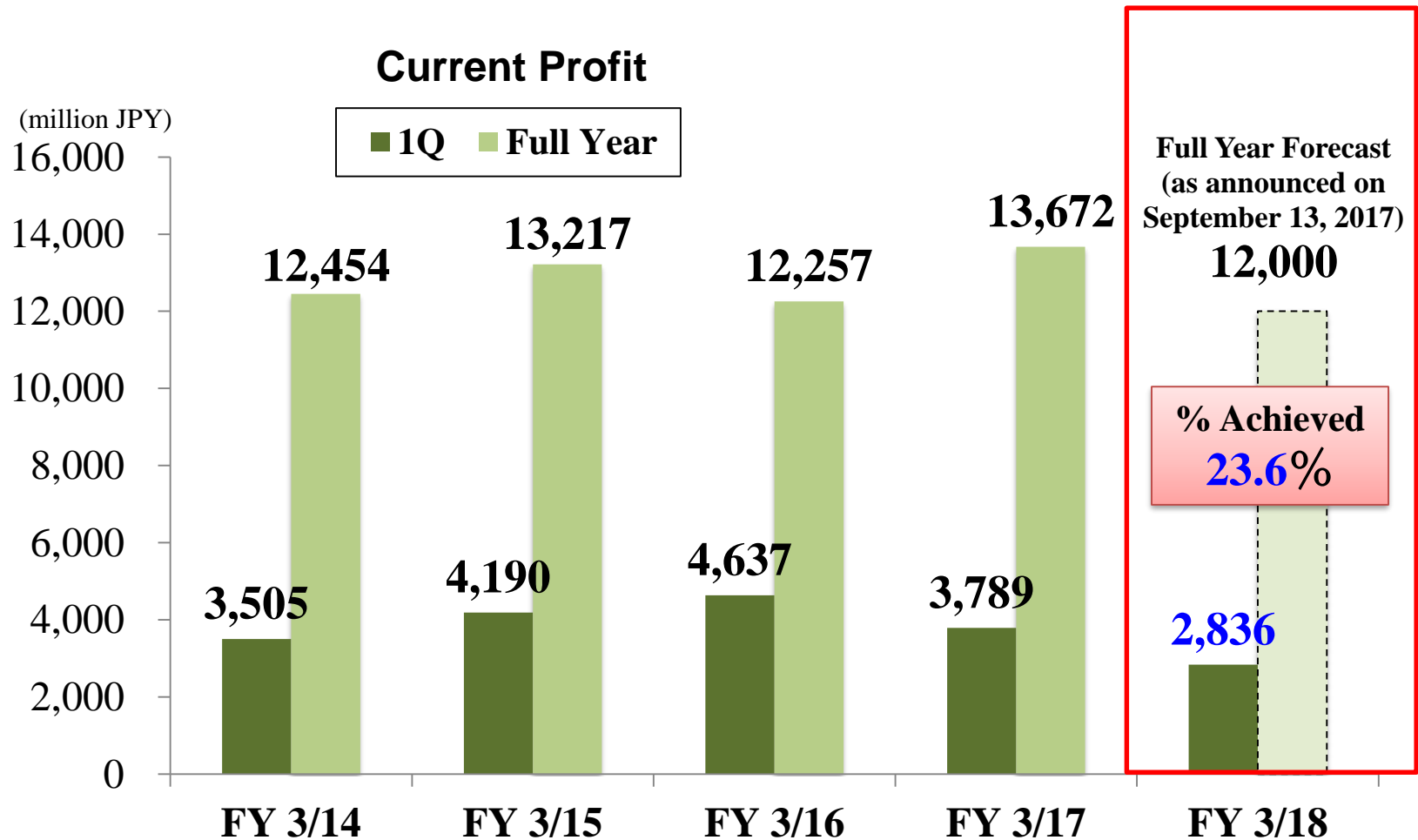
\* The full-year forecast for FY3/18 has been revised to 620.0 billion JPY (revised on September 13, 2017), (NB) Estimation at time of release. **42**  
from 630.0 billion JPY (released on May 11, 2017).

# Trends in Operating Income



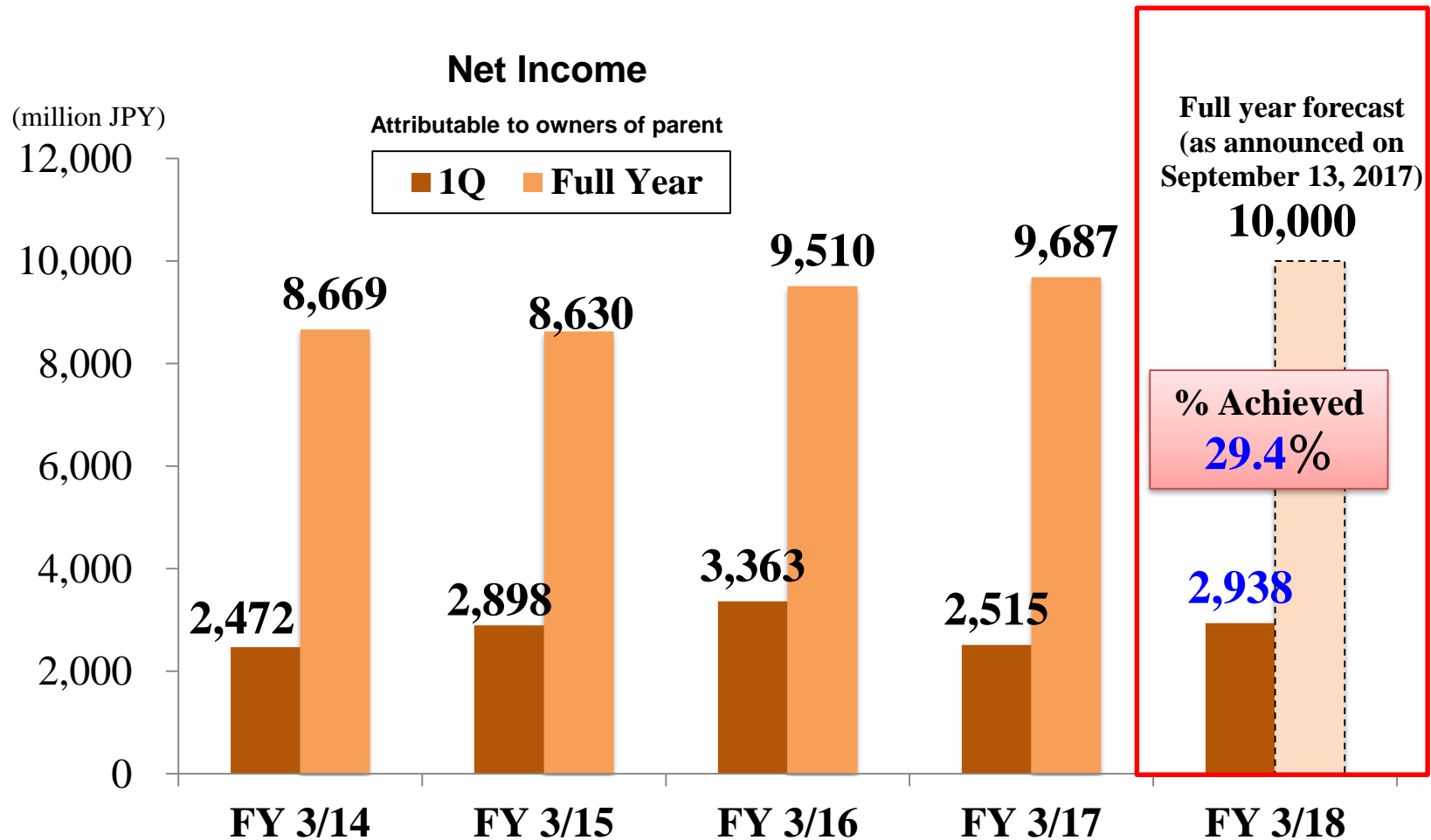
\* The full-year forecast for FY3/18 has been revised to 11,500 million JPY (revised on September 13, 2017), from 12,500 million JPY (released on May 11, 2017).

# Trends in Current Profit



\* The full-year forecast for FY3/18 has been revised to 12 billion JPY (revised on September 13, 2017), from 13 billion JPY (released on May 11, 2017).

# Trends in Net Income

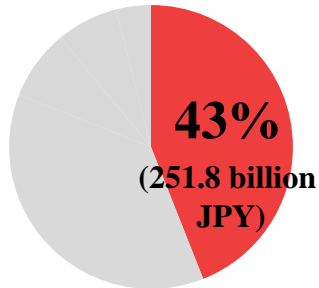


\* The full-year forecast for FY3/18 is 10 billion JPY (unchanged from forecast released on May 11, 2017).

# Reference

## 1. Plastics

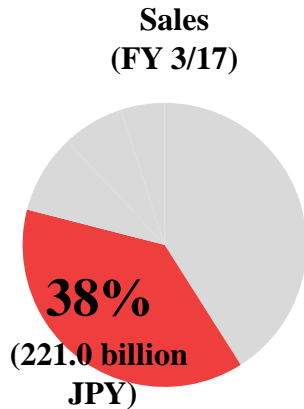
Sales  
(FY 3/17)



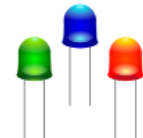
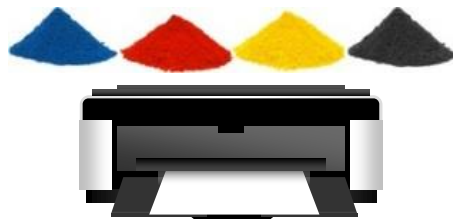
- Sales of high performance plastics:  
For automobiles and motorcycles, home electric appliances, OA equipment, and electronic components
- Sales of plastics, molded plastic products and related materials  
For general merchandise, sundry, architectural component, and healthcare industries
- Sales of resins/products for packaging materials and films:  
Materials for garbage bags, packaging for industrial use and food
- Manufacture and sales of sheet products for sporting goods  
Grip tapes for tennis rackets and baseball bats etc.



## 2. Information & Electronics



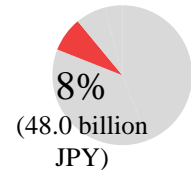
- Sales of raw materials for polarizing films to polarizing film manufacturers, and sales of polarizing film to panel manufacturers; also, alignment layer materials, electronic parts for LCD backlight units, etc.
- Sales of inkjet printer dye and toner ingredients to printer and copier manufacturers
- Materials for solar cells and lithium-ion batteries, LEDs, semiconductor materials, etc.





## 3. Chemicals

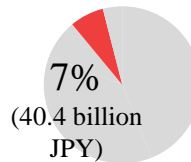
Sales (FY 3/17)



- Sales of raw materials and additives to the resin, rubber, textile and other industries
- Sales of raw materials and additives for use in paints, inks, adhesives, paper, etc.



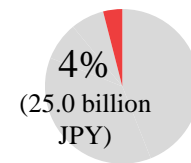
## 4. Life Industry



- Raw materials for pharmaceutical intermediates, insect repellents and insecticides, air fresheners and deodorants, and cosmetics
- Agricultural products (blueberries, fruit juices, frozen vegetables) and marine products (ingredients for sushi)



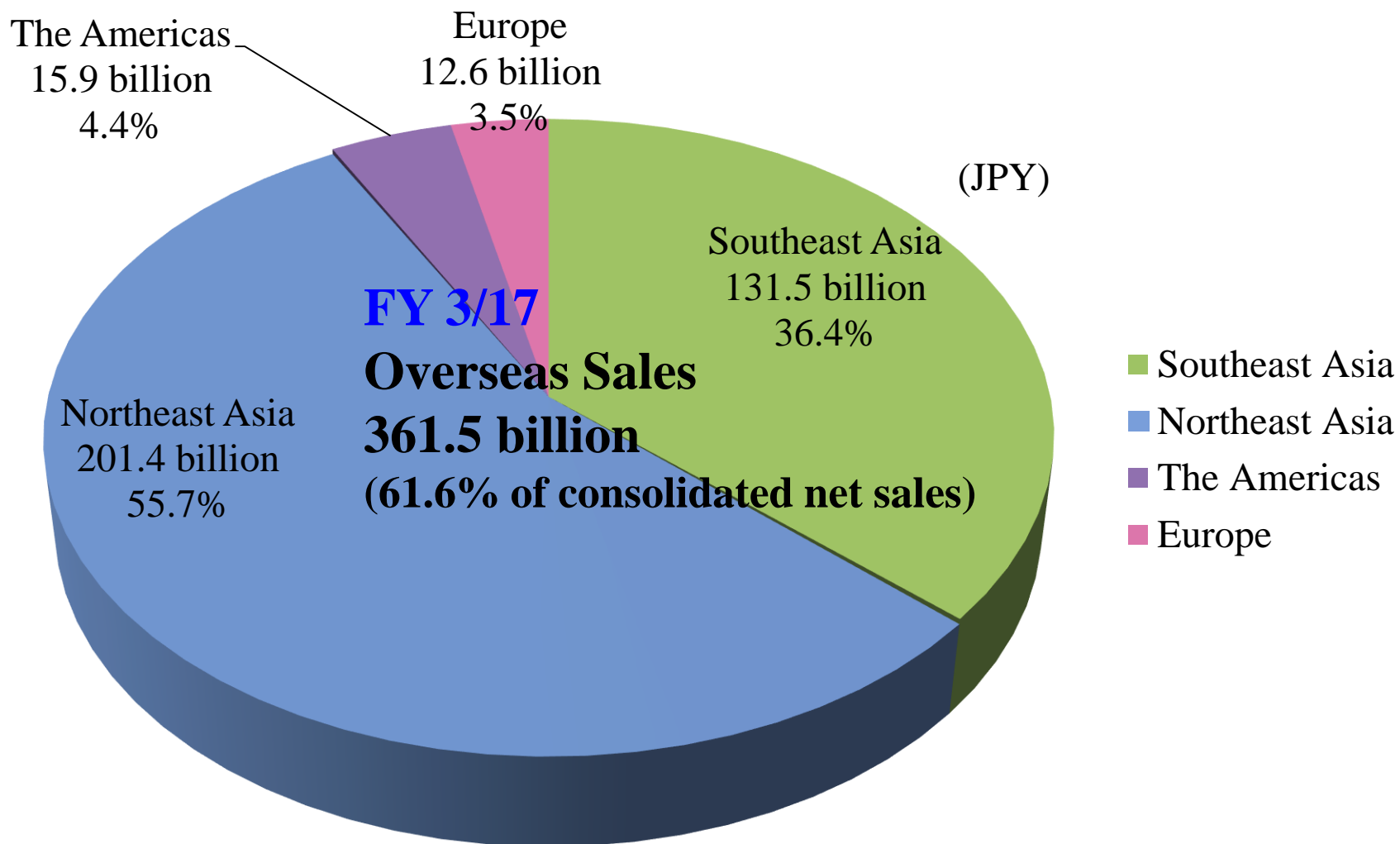
## 5. Housing & Eco Materials



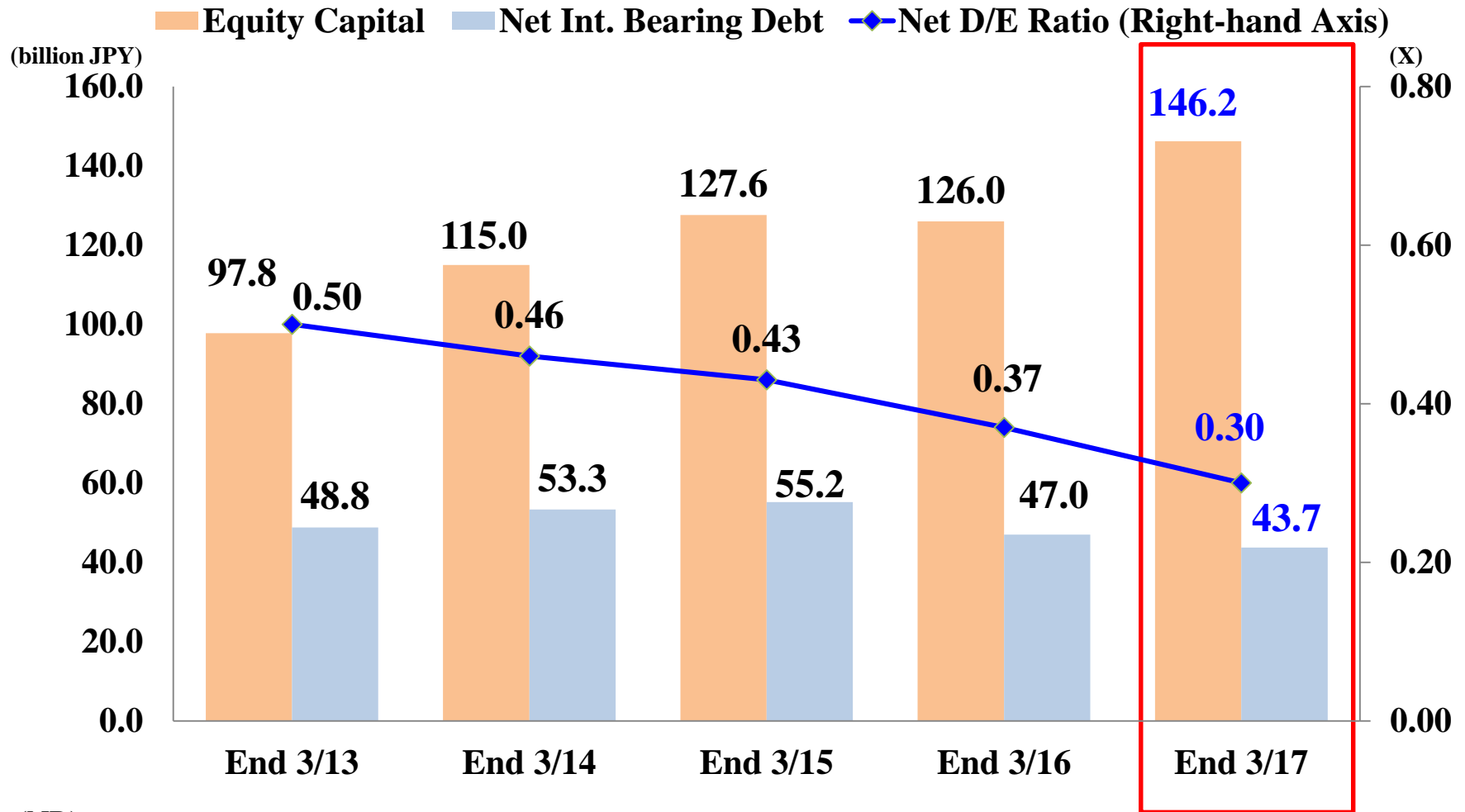
- Lumber and laminated timber
- Chemicals, resin materials, stairs, flooring, prefabricated bath units, kitchens, toilets
- Recycled products (particle board made from scrap wood, and wood chips for use in wood biomass power generators)



# Overseas Sales (including exports from Japan)



# Trends in Equity Capital/Net Interest-Bearing Debt/Net Debt Equity Ratio



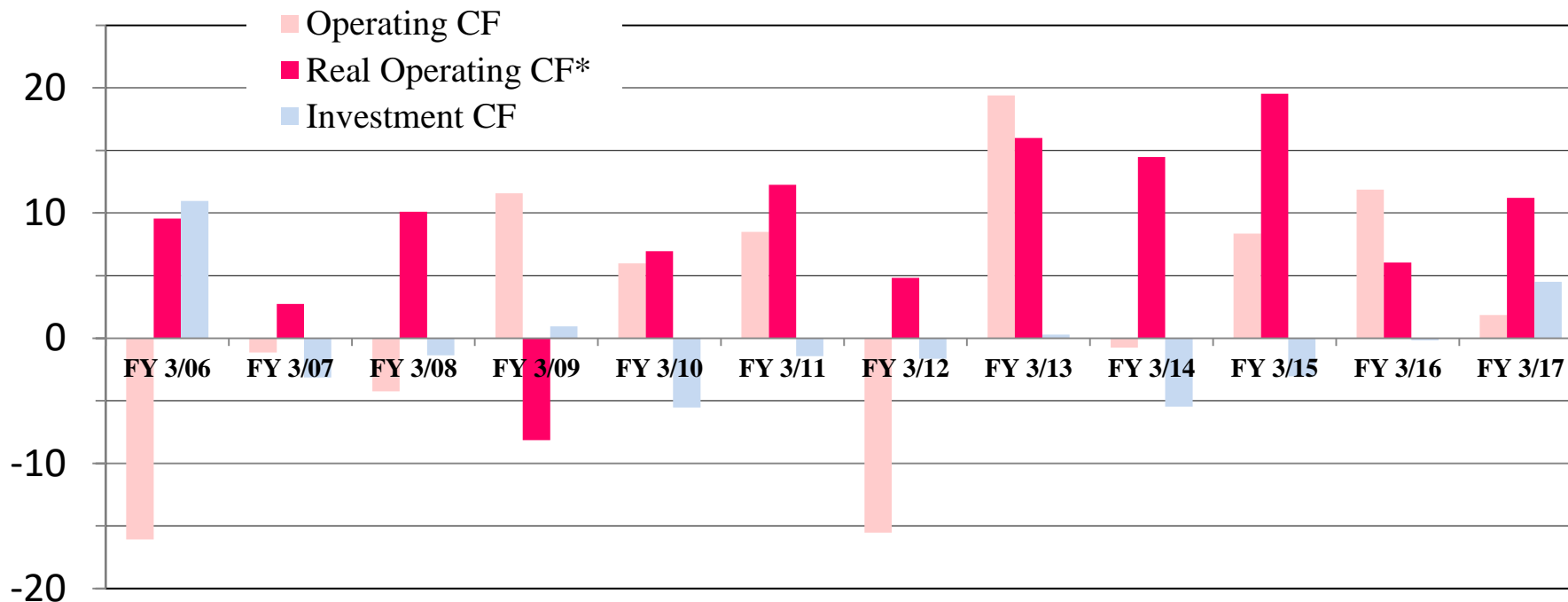
(NB)

Equity Capital = Net Assets – Stock Acquisition Rights – Non-controlling interests;

Net D/E Ratio = (Int. Bearing Debt – Cash & Deposits) / Equity Capital

# Trends in Cash Flow

(billion JPY)



(million JPY)

	FY 3/06	FY 3/07	FY 3/08	FY 3/09	FY 3/10	FY 3/11	FY 3/12	FY 3/13	FY 3/14	FY 3/15	FY 3/16	FY 3/17
Operating CF	-16,071	-1,150	-4,257	11,562	5,976	8,495	-15,534	19,400	-764	8,354	11,866	1,840
Change in WC	-25,619	-3,873	-14,366	19,700	-968	-3,748	-20,357	3,414	-15,244	-11,179	5,821	-9,367
Real Operating CF*	9,548	2,723	10,109	-8,138	6,944	12,243	4,823	15,986	14,480	19,533	6,045	11,207
Investment CF	10,966	-3,132	-1,359	947	-5,529	-1,436	-1,629	277	-5,467	-3,044	-161	4,504

\* Cash flows associated with operating activities – Cash flows associated with change in working capital

Working capital = Trade receivables + Inventory – Trade payables



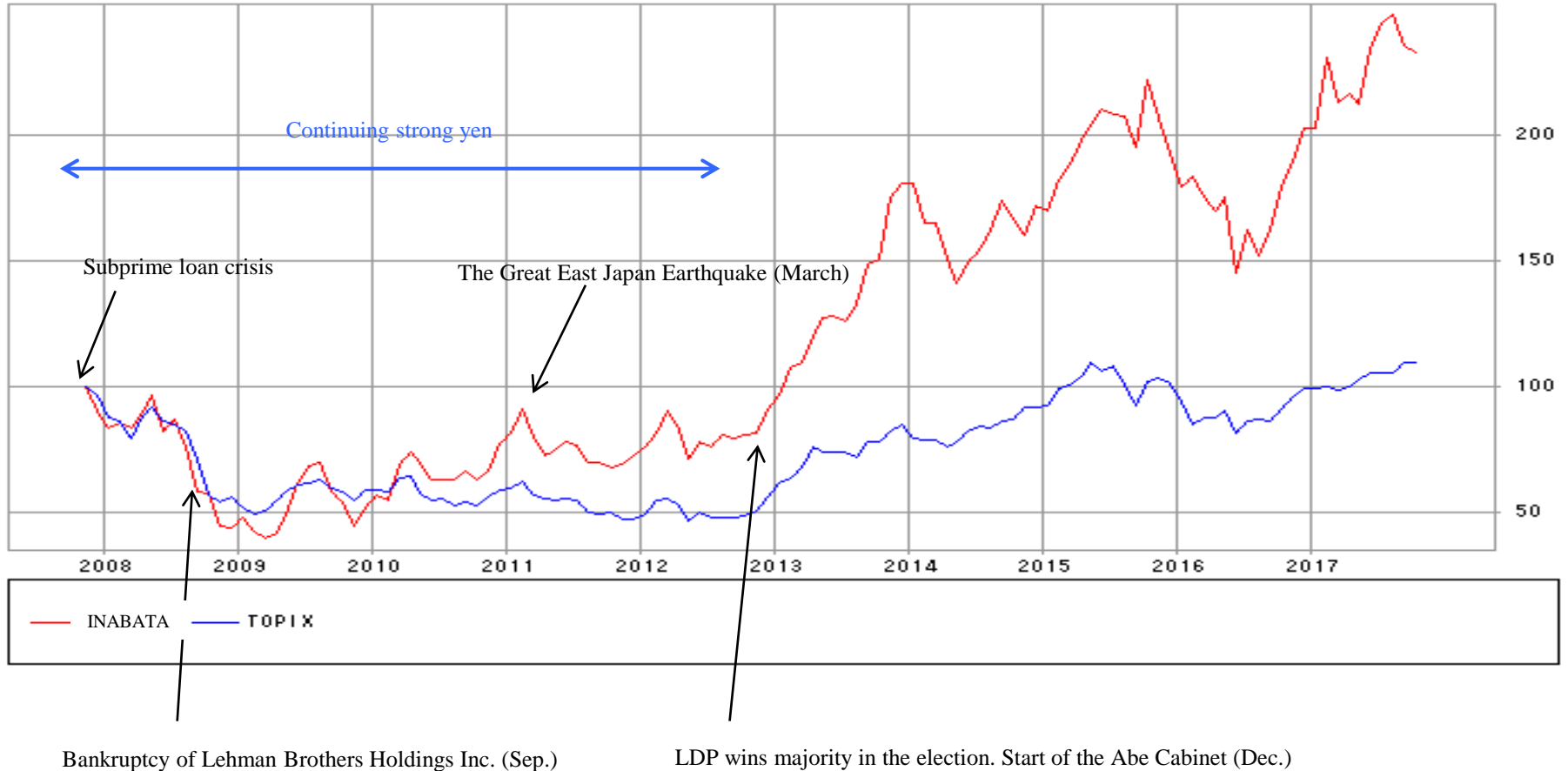
## Inabata's Share Price for the past 10 years





## Inabata's share price performance vs. TOPIX for the past 10 years

(09/2008=100)



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◆ **A 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. Consequently the data and future forecasts contained herein may include elements that are subject to change, and the reader should be aware that this document and its contents are no guarantee of future performance.**

◆ **Re:Numerical Format**

**Units of 'billion', 'hundred million' and 'million' JPY in this document use figures that have been rounded down. Consequently there may be some discrepancy between individual values and total values, or values showing changes between sets of data.**