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November 2026

INABATA Integrated Report 2026

INABATA

Integrated Report

2026

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Editing Policy

This integrated report is prepared as an important tool that enables our stakeholders to understand the business activities and distinctive initiatives that drive value creation for the Inabata Group. In Integrated Report 2026, we report on the progress of the medium-term management plan, New Challenge 2026 (NC2026), and the Sustainability Medium-term Plan 2026, both launched in FY2024, while focusing on clearly communicating our strengths and future growth strategy.

- **Guidelines referenced:**
  Integrated Reporting Framework by the International Financial Reporting Standards (IFRS) Foundation,
  Guidance for Integrated Corporate Disclosure and Company-Investor Dialogue for Collaborative Value Creation 2.0 by the Ministry of Economy, Trade and Industry (METI), etc.
- **Relevant period:** From April 2025 to March 2026
  (some information may not be limited to this period)
- **Relevant organizations:** Inabata & Co., Ltd. and its domestic and overseas Group companies

A cautionary note regarding future estimates

The data and future predictions contained in this report are based on information available and judgments applicable at the time of the report'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.

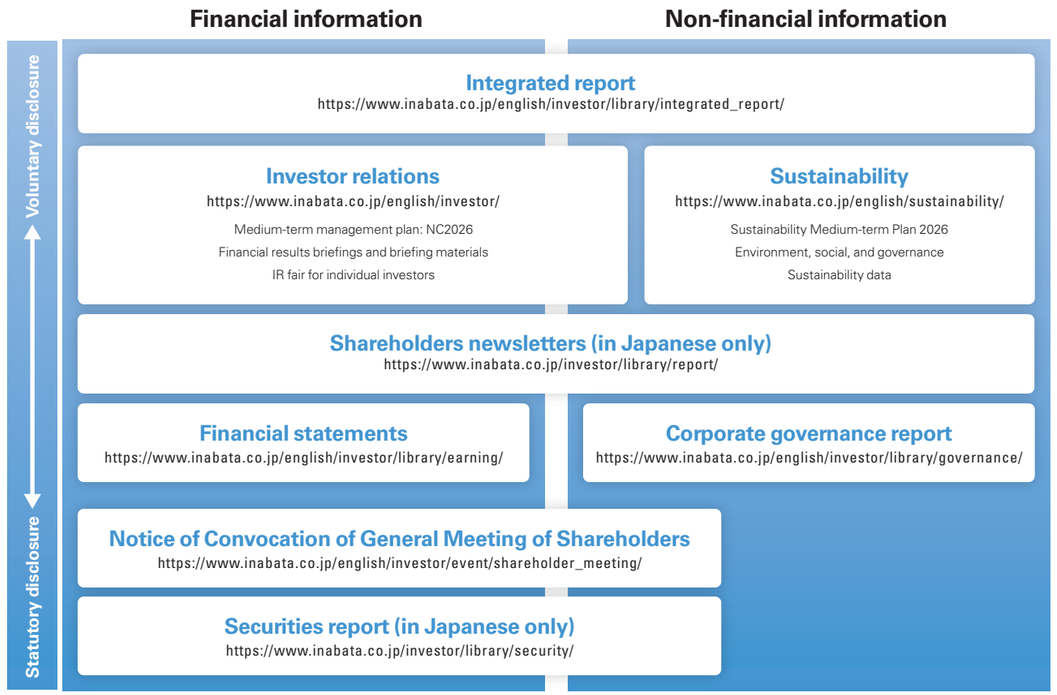
Cover design

The design combines the "continuity" symbolized by the traditional Japanese *ichimatsu* grid motif with heartfelt pink, which represents a bright, positive outlook and gently encourages an openness to change.

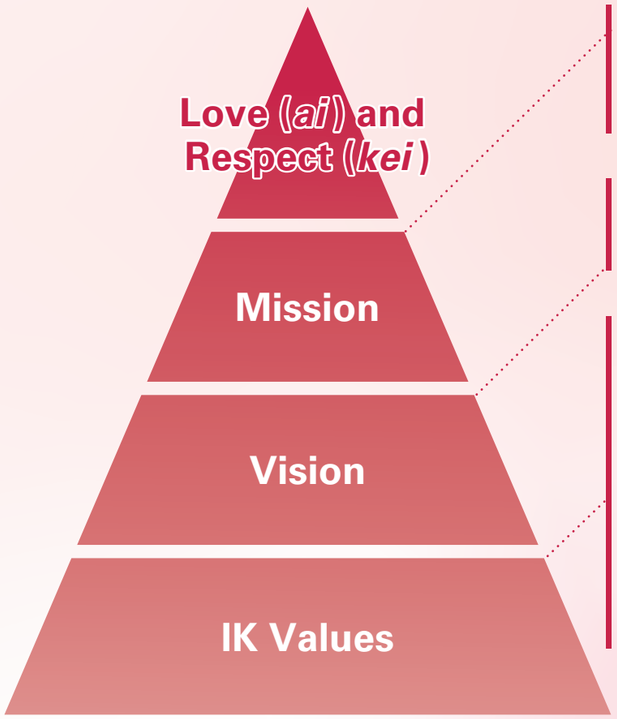
The unbroken pattern extending across the cover represents our commitment to continuing to make steady progress toward achieving our long-term vision, IK Vision 2030, in FY2026, the final year of our medium-term management plan, as well as our determination to carry the value we create through our businesses seamlessly and sustainably into the future.



Information disclosure system of the Inabata Group



IK INABATA



People come first, based on the spirit of "love (*ai*)" and "respect (*kei*)," and together we strive towards contributing to the development of society

To continually evolve, serving clients and society, through global operations and meeting their changing needs

Ethics	To cherish integrity and respect for people
Aspiration	To continually challenge the limits with high ideals, big dreams and great passion
Organization	To prize dialogue and teamwork, and to treasure professional growth of employees
Role	To become the best partner of our clients, providing solutions from the clients' standpoint
Symbiosis	To grow with people across borders, sharing and respecting diverse values with the aim of co-prosperity

Corporate Message

Inabata's Corporate Message encompasses the Company's management philosophy—Mission, Vision, and IK Values—and serves as a unifying banner that communicates a consistent image both inside and outside the Company. Rooted in our founding values of "love (*ai*)" and "respect (*kei*)," the message was developed through company-wide discussions in which employees revisited these values, reflected on our role and values, and considered how we can best serve our clients in the future. The result expresses, in concise terms, the value we provide and the strengths we bring to that role.

Connecting your everyday. Weaving our future.

IK INABATA

At Inabata, we keep businesses moving
– quietly, reliably, and with purpose.
In moments of certainty and uncertainty alike, we're there.

Close to our clients, quick to respond,
and relentless in finding better solutions.
What sets us apart is not only our capability,
but our commitment to unlocking new possibilities.

Guided by love (*ai*) and respect (*kei*),
we move to elevate your business – and the society it shapes.

Agile. Human. Moving forward.
That's Inabata.

Note: In March 2026, the Company established its first Corporate Message. Please refer to page 22 for more information.

Since our founding, we have continued to manage our business with respect for people.

"Honesty is the only way to earn trust of society"
This is one of the sayings left behind by our founder, which describes our spirit of "love (*ai*)" and "respect (*kei*)."
Our company's history of over 130 years boasts a lineage of creating diverse businesses that contribute to social interests relevant to the times, and our emphasis on managing our business with respect for people links with today's sustainability management.



Katsutaro Inabata
Founder

Founding story

Founder Katsutaro Inabata studies in France,
sent by Kyoto Pref. following its decline due to capital transfer

Following the relocation of the capital to Tokyo immediately after the Meiji Restoration, the population of Kyoto Prefecture, which had previously served as the capital, declined sharply, and its economy was also in a state of decline. Against this backdrop, our founder, Katsutaro Inabata, who was born in Kyoto Prefecture and attended Normal school, was selected by the Kyoto Prefectural government in 1877 to visit France to study. He was only 15 at the time. While attending two industrial preparatory schools in Lyon, Europe's largest textile hub, he studied the fundamentals of industrial chemistry and undertook practical training for three years at the Marnas dyeing factory. He later studied dyeing theory and applied chemistry at the University of Lyon while also visiting other European countries. Supporting him through his eight years abroad was a strong sense of mission to contribute to not only the revitalization of Kyoto but also to the modernization of all of Japan.



Our founder, Katsutaro Inabata, washing silk threads in the Rhone river in the winter during his study abroad in France (by Sekka Kamisaka)



Replica of a cinematograph

Contributing to the modernization of culture

Holds Japan's first cinema show; Nikkatsu succeeds the business

On a business trip to France in 1896, Katsutaro reunited with his friend, Auguste Lumière, and purchased a cinematograph, films, and screening rights. He then held Japan's first film screening in Namba, Osaka. A newspaper at the time wrote that the audience was surprised and amazed by the moving picture. He then transferred the rights to a company which would later become Nippon Katsudo Shashin Corp., which is now known as Nikkatsu Corp.

Contribution to Social Development and Our History of Growth

Guided by our founder's spirit, we adapt to changing society and client needs, fostering continuous growth and evolution.

Contribution to social development

1890— Delivering world-class technology to Japan

Bringing Europe's world-leading dyeing techniques back to Kyoto, promoting domestic production of dyes

After returning from his studies in France in 1885, our founder, Katsutaro Inabata, served as a lecturer at a dyeing institute in Kyoto. He played a key role in establishing Kyoto Orimono, a local textile company, promoting world-leading dyeing techniques in Japan. In 1890, he founded Inabata Senryoten, the predecessor of Inabata & Co., Ltd., which began importing cutting-edge synthetic dyes and chemicals into Japan. When dye imports came to a halt during World War I, Katsutaro participated in the establishment of Japan Dyestuff Manufacturing Co., Ltd. in 1916 and dedicated himself to advancing the domestic production and widespread adoption of dyes.



Inabata Senryoten at the time of founding

1950— Supporting heavy chemical industrialization and rapid economic growth

Inabata responded to demand for petrochemicals by importing polypropylene for the first time in Japan

Around 1955, government-led heavy chemical industrialization accelerated and demand for petrochemicals expanded. Against such a background, Inabata had the foresight to set its eye on polypropylene, which was said to be an all-purpose resin. In 1957, Inabata concluded a provisional import contract with an Italian firm that had industrialized polypropylene production that year, and imports to Japan began for the first time in 1959. Since then, the supply of commodity resins—widely used in everything from home appliances and automotive parts to textile materials, medical applications, and construction materials—has continued to support manufacturing in Japan from the period of rapid economic growth to the present day.



1980— Building a global supply network

Expands manufacturing and processing capabilities overseas to support Japanese manufacturers' global expansion and supply chains

In the late 1970s, in response to the relocation of production facilities of Japanese electronics manufacturers to Southeast Asia, Inabata established its first plastic compound manufacturing and processing base in Singapore. Inabata established a system to supply customers who had struggled with inventory management and fluctuating demand for imported raw materials from Japan with timely and consistently high-quality materials. Since the Plaza Accord in 1985 accelerated the overseas expansion of Japanese manufacturers, Inabata has expanded its presence to locations such as Thailand, Malaysia, China, and Vietnam, supporting our customers' supply chains across these regions.



2010— Contributing to a decarbonized society

Emphasized focus on environment-related business in the medium-term management plan, expanding product lineup with reduced environmental impact

Marking the Company's 120th anniversary in 2010, president at the time Katsutaro Inabata designated this milestone as the fourth founding* and established a corporate philosophy framework (Mission, Vision, and IK Values). Business portfolios were reorganized into the current four segments and focus was set on strengthening and enhancing diverse capabilities to respond to societal changes and create new value. Since 2010, the medium-term management plan has focused on environment-related business. In its commitment to contributing to a decarbonized society, Inabata has expanded to handling products with reduced environmental impact, including renewable energy and recycled resins.



Note: The Company defines the start of business in 1890 as its first founding, the postwar recovery beginning in 1945 as the second founding, the separation of the pharmaceuticals business in 1984 as the third founding, and the 120th anniversary year in 2010 as the fourth founding.

Our history of growth

Social environment

1890— Early and Growth Period

The dawn of modern Japanese industry From postwar reconstruction to an era of rapid economic growth centered on heavy chemical industries.

1890
Inabata Senryoten established in Kyoto

1908
Branch established in Tianjin, China

1916
Katsutaro contributed to the establishment of Japan Dyestuff Manufacturing

1959
Imported polypropylene for the first time in Japan

1973
Listed on the First Section of the Tokyo Stock Exchange

1976
Overseas sales base established in Singapore

1980— Reform Period

Following the Plaza Accord, the yen appreciated significantly, accelerating the overseas expansion of Japanese manufacturers and driving increased demand for the development of global supply networks.

1984
Separated the core pharmaceuticals business

1987–
Expanded overseas operations to countries including Thailand, Malaysia, France, Indonesia, and China

1990
100th anniversary

1999
Reorganized operations into five key areas—IT & Electronics, Housing Materials, Chemicals, Plastics, and Food—and restructured the business portfolio accordingly

2000–
Obtained ISO 14001 and ISO 9001 certifications

2010— The Fourth Founding Period

Amid energy supply concerns after the Great East Japan Earthquake and COVID-19 disruptions, the world entered a highly unpredictable era of volatility, uncertainty, complexity, and ambiguity (VUCA), making climate change and sustainable development urgent priorities.

2010
Redefined the corporate philosophy framework to the Mission, Vision, and IK Values—centered on "love (*ai*)" and "respect (*kei*)"

2010–
Focused on environment-related business (solar cell-related, recycled resins, biomass power generation, etc.)

2014
Overseas sales ratio reached 50%

2019
Reorganized operations into the current four segments: Information & Electronics, Chemicals, Life Industry, and Plastics

2021
Established the Sustainability Committee
Established the Business Planning Office to accelerate investments
Enhanced shareholder returns by introducing progressive dividends

2022
Transition to a company with an audit and supervisory committee

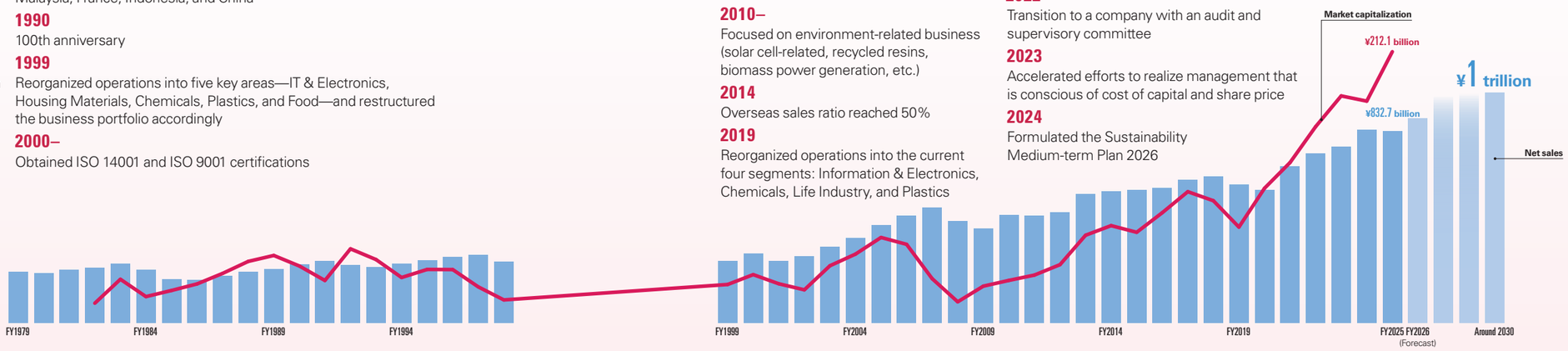
2023
Accelerated efforts to realize management that is conscious of cost of capital and share price

2024
Formulated the Sustainability Medium-term Plan 2026

2030—

IK Vision 2030
Toward 1 trillion yen in net sales

2026
Development of the Corporate Message



History of Our Business Portfolio

Since we started importing dyes in 1890, we have expanded our business around chemicals that form the foundation of all kinds of industries, responding to the changing needs of our clients and society.

1890— Early Period

The era of founding and growth

We started with the import and sales of dyes and dyeing & weaving machines and expanded our business around the chemicals field.

1945— Growth Period

The era of restructuring and revival

We advanced into new domains while strengthening the pharmaceuticals business, amid postwar chaos in the country.

1984— Reform Period

The era of challenges and hardship

We created new value after separating the pharmaceuticals business and expanding overseas bases.

2010— The Fourth Founding Period

The era of progress and creation

We are striving to become our clients' best partner as a *shosha*, or Japanese trading company, providing manufacturing, logistics, and finance solutions backed by our highly specialized knowledge.

2030

Toward IK Vision 2030

Enhancing multifaceted capabilities and creating new business opportunities.

Founder Inabata and dyes

Our founder, Katsutaro Inabata, went to study in France on government sponsorship at the age of 15. There, he studied cutting-edge synthetic dyes and dyeing techniques of the time for eight years and brought back the knowledge to Japan.

1897

Spinning machine (Société Alsacienne de Constructions Mécaniques)



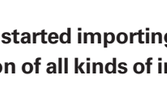
Dyes



Dye samples of Japan Dyestuff Manufacturing Co., Ltd.

Perfumes

Imported pharmaceuticals



February 1920 — **Machinery division**

February 1941 — Closed down

April 1959 — **Machinery and Metals division**

Restarted business with Société Alsacienne de Constructions Mécaniques in 1959 and established the Machinery and Metals division

June 1918 — **Dyeing division**

June 1918 — **Trading division**

Additives for plastics and rubber



Limited partnership company Inabata Koryo

The Perfume division separated in 1926 to become an independent entity and a limited partnership company Inabata Koryoten is established. The name was changed in 1966 to Inabata Koryo Co., Ltd.
Note: There is no capital relationship with our Company now.

January to November 1933 — **Pharmaceuticals division**

October 1946 — **Pharmaceuticals division**

Pharmaceuticals



Poleon Tablets
1941
Advertisement in *Shukan Asahi*

Materials for insecticides



January 1958 — **Chemicals division**

Succeeded the pharmaceutical ingredient business

Pharmaceuticals business separated October 1984

Sumitomo Pharmaceuticals Co., Ltd. (now Sumitomo Pharma Co., Ltd.) was established as a joint venture with Sumitomo Chemical Industry Co., Ltd. (now Sumitomo Chemical Co., Ltd.)

Cornstarch



October 1975 — **Food division**

Started selling cornstarch, which is a paste for cardboards, to the food industry as an auxiliary raw material for beer brewing

Shrimp for processing



Blueberries



April 2012
Life sciences-related products and services of the Chemicals Division integrated with the Food division

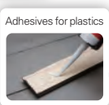
Particle boards



1963 Entered the housing materials industry with the sale of adhesives for plywood

October 1963 — **Housing Materials division**

Adhesives for plastics



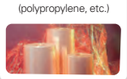
Vinyl chloride



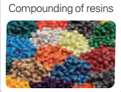
October 1961 — **Plastics division**

The Plastics division spun off from the Chemicals division
Also expanded market to durable consumer goods as the types of plastics increased and processing methods advanced

Resins (polypropylene, etc.)



Compounding of resins



Film products



Mask blanks



April 1977 — **Machinery and Housing Materials division**

Pellicles



May 1983 — **Machinery and Electronics Materials division**

Polarizing film materials for LCDs



Encapsulant for LEDs



Materials for OLEDs



April 1999 — **IT and Electronics division**

Silicone



Chemicals for papermaking



Dyes for printers



Materials for solar power generation



Renewable energy materials



Chemical materials for automobile components



Information & Electronics

- **Information & Electronics Division I**
- **Information & Electronics Division II**
- **Information & Electronics Division III**

Chemicals

- **Chemicals Division**

April 2019
Chemicals Division and Housing & Eco Materials Division restructured

Life Industry

- **Life Industry Division**

Materials for regenerative medicine



Plastics

- **Plastics Division I**
- **Plastics Division II**

Sporting goods



Resins for automobile components



Bioplastics / Recycled resins



Flow of major structural reorganization and the timing of the start of dealing in major items

Note: The Company defines the start of business in 1890 as its first founding, the postwar recovery beginning in 1945 as the second founding, the separation of the pharmaceuticals business in 1984 as the third founding, and the 120th anniversary year in 2010 as the fourth founding.

Company information

Serving clients for

135 years

Number of employees on a consolidated basis

4,719

Number of affiliated companies

54

51 consolidated subsidiaries
3 equity-method affiliates

Global network

19 countries

Approx. 70 bases

(60 of which are located in 12 Asian countries, our powerhouse region)



Governance and sustainability

Employee engagement survey

Employees satisfied with their current work at Inabata **69%**

Ratio of employees with overseas posting experience*

39%



* Inabata & Co.

Ratio of home-grown talent to mid-career hires

6:4

Percentage of independent directors*

58% 7 of 12 directors



Business foundation and performance

Number of business partners

Approx. 10,000 companies



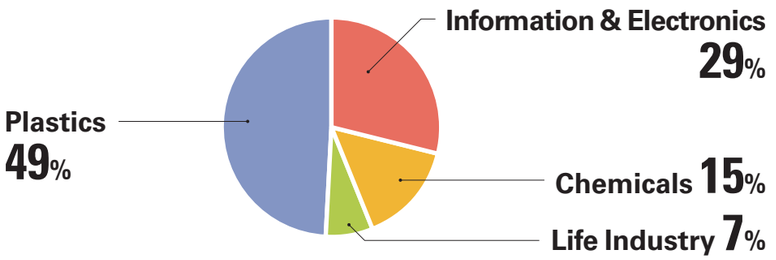
Ability to handle small-lot orders

Over 40,000 items handled annually

Annual production capacity of plastic compounds

198,000 MT/year

Net sales by business segment



Net sales

¥832.7 billion

Operating profit

¥26.1 billion Five-year CAGR **12%**



Overseas sales ratio

54%

Equity ratio

47%

ROE

9.3%

Total return ratio

49%

Message from the President



We will drive further growth by clearly defining our priority investment areas while enhancing our wide range of capabilities.

Katsutaro Inabata
President

The escalating tensions in the Middle East continue to create a highly uncertain business environment. Naturally, all four of our business segments have been significantly affected. As we closely monitor this rapidly evolving situation, we are strengthening our crisis management framework on the assumption that it could become prolonged and diversifying our procurement sources.
(Interview conducted in May 2026)

Progress toward IK Vision 2030 and NC2026

Evolution of our business portfolio for the next stage of growth

Cultivating businesses that will drive our next stage of growth across our business fields rather than relying on specific business domains

FY2025 saw continued moderate growth in the global economy overall, and our business performance remained generally solid. Our current medium-term management plan, New Challenge 2026 (NC2026), represents the third stage toward achieving IK Vision 2030, our long-term vision established in 2017. As the second year of NC2026, FY2025 saw net sales fall short of our target; however, we exceeded our profit targets, including operating profit, which achieved a record high for the sixth consecutive year. I believe these results reflect the steady execution of the company-wide and segment strategies set out in NC2026, as each business segment and our administrative affairs departments successfully translated initiatives into concrete actions. NC2026 has now entered its final year. While remaining focused on achieving its quantitative targets, we will also assess the gap between our current position and IK Vision 2030 and begin formulating the next medium-term management plan, which will serve as the final step toward realizing our long-term vision.

Under IK Vision 2030, we have set a target of increasing the share of businesses outside the Information & Electronics and Plastics segments to more than one-third of our overall business portfolio as one of our key milestones. However, because the Plastics and Information & Electronics segments have grown more strongly than anticipated, the relative share of the Chemicals and Life Industry segments has yet to reach our target. As I mentioned last year, the purpose of this target is to avoid becoming overly dependent on any particular business domain. From that perspective, what matters more is whether new business areas are emerging within the Plastics and Information & Electronics segments themselves. To give a specific example, with regard to the Information & Electronics segment, analysts have pointed out that our sales remain too heavily weighted toward flat panel display (FPD)-related business and that they do not see a convincing growth story for the segment. We recognized this challenge early on and have therefore focused on cultivating businesses in areas such as renewable energy and semiconductors that can succeed FPD-related business as the segment's primary growth driver. In the semiconductor-related business in particular, several promising investment opportunities have emerged, and the seeds of new businesses are steadily taking root.

In the Plastics segment, all of our key business areas, including automotive and office automation (OA), continue to perform solidly. However, one area of concern is the declining market share of Japanese automakers in China and Southeast Asia. We have been working to expand business with non-Japanese manufacturers for some time, and those efforts are beginning to bear fruit. Going forward, we intend to further increase the proportion of sales to such manufacturers. In addition, the explosive growth in AI servers is driving a sharp increase in demand for high-performance plastics used in electronic components, making this another important area of focus for us.

The four goals of IK Vision 2030

Long-term vision
IK Vision 2030

Consolidated net sales	Further enhancing multifaceted capabilities	At least one-third of sales and operating profit from business segments other than Information & Electronics and Plastics segments	Ratio of overseas sales
¥1 trillion or more	such as manufacturing, logistics, and finance, in addition to trading		70% or more

We also see significant growth opportunities in the life sciences and food-related areas within the Life Industry segment, and expect both areas to achieve substantial growth in the years ahead. In the life sciences field, products such as medical materials typically require a long lead time from identifying promising opportunities to launching sales, making progress difficult to see in the short term. Once adopted, however, they tend to generate stable sales that are less susceptible to economic cycles. These businesses make a meaningful contribution to society, and we see them as an indispensable part of our business portfolio. In the food business, we have been investing to build capabilities across the entire supply chain, from production and processing to sales. Looking ahead, we also intend to accelerate growth by expanding into the food industry, including the food technology sector.

Environment-related business

At present, global efforts toward carbon neutrality have lost some momentum due to factors such as the declining profitability of environmental investments, geopolitical developments, and shifts in government policies in various countries. Demand for EVs has also slowed, and our global sales of materials for automotive batteries have come under pressure. At the same time, we expect demand for autonomous driving to continue growing steadily. Because autonomous driving technology is well suited to EVs, we also expect EV demand to shift from its current slowdown to renewed growth in the near future. As the market continues to expand, batteries will remain a key enabling technology. We therefore intend to continue focusing on high-performance materials used in lithium-ion batteries and next-generation rechargeable batteries.

In addition to battery materials, we have established a number of environment-related businesses, including renewable energy-related products and recycled plastics, and have steadily grown their sales in line with our annual key performance indicators (KPIs) and targets. As a specialized trading company with a global business footprint, we see our involvement in this field not only as a responsibility but also as an area leading to the creation of new business opportunities. We will capitalize on these opportunities and translate them into the Group's continued growth.



Growth investments over the past two years

Growth investment

¥18.9 billion

Major growth investment projects*

M&A
- Establishment of Novacel Co., Ltd.
- Partial acquisition of Daigo Tsusho Co., Ltd. as a subsidiary
- Acquisition of Satoen Co., Ltd. as a subsidiary

Business investments
- Environment and energy-related
- Semiconductor-related
- Automotive materials
- Food-related
- Plastic additive and recycled resin-related

Future synergies
- Enhance compounding capabilities and strengthen development capabilities
- Strengthen the competitiveness of the synthetic resin business
- Strengthen sales capabilities through overseas expansion and e-commerce websites
- Expand downstream operations in the food business
- Expand existing businesses by securing new business rights

* Cash outflow basis

Growth investment strategy and enhancing our multifaceted capabilities

Accelerating growth through an increased focus on majority investments

Our investment strategy has traditionally emphasized synergies with our existing businesses, resulting primarily in minority investments aimed at acquiring business rights. Under NC2026, while maintaining this basic approach, we have shifted toward majority investments that provide management control, enabling us to accelerate growth. In fact, over the past two years, we have evaluated a large number of investment opportunities and carried out business investments, including M&A, at a pace exceeding that of previous years. In particular, our acquisitions of Daigo Tsusho Co., Ltd. and Satoen Co., Ltd. as subsidiaries in the food business have also enabled us to acquire new customer bases, and we are encouraged by the progress we have made.

The Business Planning Office, which is responsible for sourcing and screening investment opportunities, has now been in operation for just over five years. We recognize that successfully executing increasingly complex M&A transactions requires developing talent capable of effectively leading the post-merger integration (PMI) process, and we are strengthening the organization of this office accordingly. Going forward, we intend to continue investing primarily in our priority fields of semiconductors, regenerative medicine, and agriculture and food processing. More importantly, when making investments, we focus on whether it enables the target company to achieve sustained growth and delivers the synergies we envisioned.

Manufacturing, processing, and quality control

As we place greater emphasis on majority investments, we expect to increasingly bring full-scale manufacturing and processing capabilities into our Group. We need to consolidate the production and manufacturing management expertise that has until now been dispersed across our Group companies. We also need to establish robust headquarters-level oversight of quality control and quality assurance. With these objectives in mind, we established the Manufacturing Site Support Department (name changed to the Manufacturing Site Management Department in July 2026) within the Affiliate Management Office in April 2025. The Plastics Compound Business Office has long performed a similar role for our synthetic resin compounding business. Looking ahead, these two units will work closely together, while we also consider integrating their functions over the longer term.

Strengthening competitiveness through a "field-oriented" approach

Proving itself effective even in responding to the Middle East crisis

Many of our employees seem to feel that our business

style is not always so "stylish." By this, they do not mean anything negative. Rather, they are referring to the field-oriented mindset, which means working hard closely with our clients, guided by the core values that have long been central to our culture. Not only in their day-to-day sales activities but also during unprecedented events such as the COVID-19 pandemic and major earthquakes, our employees have visited customers and business partners in person whenever possible to gather firsthand information. Rather than relying solely on the abundance of information available online and trying to analyze every situation from behind a desk, we believe in getting out into the field and seeing reality for ourselves. This determination to get out into the field and find the clues to solving problems firsthand characterizes our business style.

Such an approach will also prove invaluable in responding to crises such as the current situation in the Middle East. As AI continues to spread rapidly, I believe firsthand information that can only be obtained in the field has become more valuable than ever amid the vast volume of information now circulating around the world. That is why we believe we must continue to get out into the field whenever possible in pursuit of firsthand information. Of course, AI is rapidly becoming an indispensable tool for improving productivity in our trading business, and I believe we should continue to expand its use. However, while AI may provide answers, it cannot take action on our behalf, and the information it draws upon ultimately originates from data that someone has gathered and input. The importance of getting out into the field to obtain information before it ever becomes data that can be fed into AI has not changed. Indeed, I believe this is where our greatest strengths lie.

Even amid our response to the current situation in the Middle East, I have already heard of several cases where our efforts have led us to find new products and new sourcing channels. As a company that connects supply chains, we will continue striving to meet the expectations of our customers and business partners.

What makes a strong organization

I have spoken about our field-oriented approach as one of our strengths. Of course, however, that alone is not enough to stay competitive. The question, then, is what it takes for this field-oriented approach to translate into organizational strength—in other words, what defines a strong organization. The answer may sound straightforward, but I would highlight two key points. The first is having an organization made up of strong, self-reliant individuals. Coach Hajime Moriyasu, who leads Japan's national soccer team, has also emphasized the importance of raising the level of individual capabilities. No matter how sophisticated a team's tactics may be, it cannot win without players who have the individual ability to execute them. This may be true of any organization, but I believe an organization is strong when it is made up of people who think for themselves and act on their own initiative rather than waiting for instructions. There is no single, definitive formula for developing strong, self-reliant people. However, I believe it is essential for managers to provide close yet nonintrusive support while giving them a wide range of opportunities to gain experience.

The second is ensuring that our philosophy and values are firmly rooted throughout the organization. It is precisely because people share these principles and values that they are able to make decisions and act independently. Today, our diverse workforce is active across approximately 70 locations in 19 countries. As we continue to grow globally, our success will depend on how effectively we cultivate local employees who share the Group's philosophy and values and are able to think and act independently. At the same time as promoting more local employees into leadership positions, we recognize the importance of rooting our philosophy and values throughout the Group. With that in mind, we have revamped the tools used for these initiatives and, this year, resumed the program across our operations in Japan and overseas after it had been suspended during the pandemic.

Beyond IK Vision 2030

Continuing to be valued by society and our customers

Over the past few years, our shareholder base has expanded significantly, particularly among individual investors. I would like to take this opportunity to once again express my sincere appreciation for your continued support. At this year's General Meeting of Shareholders, I



also received a question regarding the selection of my successor, highlighting the strong interest our shareholders have in our succession planning. As part of our succession planning, we have long identified successor candidates for the heads of each business division and key operations in Japan and overseas, while systematically rotating them through different roles to broaden their experience. We have also shared the status of this talent pool with the Nominating and Remuneration Committee, which has drawn on it in selecting executive officers and directors. Accordingly, the selection of the next president can be seen as a natural extension of this process. While I would prefer not to comment on the specific timing, the Nominating and Remuneration Committee will continue to deepen its discussions, taking into account the business environment at the time, before making a final decision. If I were to name one essential qualification, it would be someone who truly understands and embodies the IK Values.

We now have just over four years remaining until 2030, the target year of IK Vision 2030. Both inside and outside the Company, we have also begun to receive questions about what comes after 2030—in other words, what kind of company we aspire to become beyond IK Vision 2030. We intend to deepen our discussions on what comes after 2030 during the period of the next medium-term management plan. At this stage, however, I will simply say that the answer already lies within the future we aspire to create, as articulated in our Vision.*

* To continually evolve, serving clients and society, through global operations and meeting their changing needs

At the beginning of 2026, we also introduced a new Corporate Message: "Connecting your everyday. Weaving our future." This message was chosen through an online vote by employees at our headquarters and Group companies in Japan and overseas from proposals developed by several teams of selected employees. In that sense, it is truly a message created by our entire Group. It also expresses the kind of company we aspire to be, both now and in the future. We are now operating in an economic environment that truly puts this message to the test. Even so, we will continue striving to meet the expectations of all our stakeholders and deliver sustainable growth, and we sincerely appreciate your continued support.

稲畑勝太郎

Katsutaro Inabata
President

Value Creation Process

The Inabata Group will harness the capital it has accumulated and cultivated as a source of its business expansion, with trading at the core, providing optimal solutions for the global supply chain. Furthermore, we will accelerate growth through proactive investment in business domains where we can leverage our strengths.

Capital investment → **Unique values** → **Development of strengths** → **Evolving our business models across four business segments by leveraging these strengths** → **Strategic execution of corporate activities and disciplined capital allocation** → **Creation and expansion of economic and social value**

Capital (Inputs)

➤ Page 19

Financial capital

Equity ratio
47.3%*1

Net D/E ratio
0.06 times*1

Human capital

Number of employees on a consolidated basis
4,719*1

Employees in the trading business
2,019*1, 2

Social and relationship capital

Number of business partners
Approx. 10,000 companies

Global network
Approx. 70 bases in 19 countries

Manufactured capital

Manufacturing & processing base
26 companies*1

Annual production capacity of plastic compounds:
198,000 MT/Y*1

*1 As of March 31, 2026
*2 The number of employees at the trading companies

External environment changes affecting client needs
Transition to a decarbonized and circular society, demographic changes, technological innovation, geopolitical confrontations, and growing awareness of sustainability

IK Values

Strengths
➤ Page 20

- Sustainable and stable business growth
- Human resources with strong expertise in chemicals field
- Highly specialized knowledge and business adaptability
- Trusted relationships with stakeholders
- Robust financial base
- Solid business foundation in Asia

Business Model
➤ Page 25

Multifaceted capabilities complementing the core trading function

Core function **Trading**

Logistics function

Manufacturing & processing function

Finance function

Investments contributing to trading
Business domains where Inabata's expertise and strengths can be leveraged

Business investments (Growth investment)

Four Business Segments

- **Information & Electronics** ➤ Page 49
- **Chemicals** ➤ Page 51
- **Life Industry** ➤ Page 53
- **Plastics** ➤ Page 57

Materiality
➤ Page 37

Management Base

Spirit of love (*ai*) and respect (*kei*)

Corporate governance | Risk management | Compliance | Financial base | IT infrastructure

Management Strategy
➤ Page 29

Medium-term management plan NC2026
➤ Page 31

Company-wide growth strategy
Acceleration of growth through proactive investment

Segment growth strategy

- **Core**: Further develop core businesses
- **Growth**: Bolster initiatives and accelerate profitability in growth areas
- **Next**: Explore promising business fields and regions

Management base strategy
➤ Page 32

- **Financial strategy**
- **Digital strategy**
- **Sustainability strategy**
  Sustainability Medium-term Plan 2026
  ➤ Page 37

Our vision for 2030

Long-term vision IK Vision 2030
➤ Page 29

Consolidated net sales
¥1 trillion or more

Enhance multifaceted capabilities

Business portfolio

Net sales and operating profit generated outside of Japan
70% or more

Our vision for 2030 to 2050

Sustainability long-term vision

Achieve carbon neutrality by FY2050

Value Creation (Outcomes)

Operational

Inabata Group
- Building a resilient supply chain
- Providing diverse products and solutions that respond to change

Financial

Inabata Group
- Maximizing cash flow

Society
- Enhancing shareholder returns

Environmental

Society
- Creating a decarbonized and circular society
- Conserving biodiversity

Social

Inabata Group
- Building solid and trusting relationships with stakeholders
- Improving employee well-being and value creation

Society
- Creating a society that respects human rights
- Building an enriched society with a high quality of life and ensured safety and security

Mission

People come first, based on the spirit of "love (*ai*)" and "respect (*kei*)," and together we strive towards contributing to the development of society

Vision

To continually evolve, serving clients and society, through global operations and meeting their changing needs

The Inabata Group's capital and strengths that support the creation of sustainable value

The Inabata Group regards the four forms of capital we have cultivated over more than 130 years—financial capital, human capital, social and relationship capital, and manufactured capital—as the foundation of our management, and has continually strengthened them while leveraging the synergies among them. Supported by the IK Values, which embody the Inabata Group's values, these forms of capital are continually refined through our business activities, creating the strengths that underpin our competitive advantage. Even in a rapidly changing business environment, we will continue to evolve our value proposition of delivering optimal supply chain solutions through investments in our capital and the further refining of our strengths, while striving to sustainably increase our corporate value.

Capital investment

	Capital description	Key indicators	Key initiatives to strengthen
Financial capital 	**Management foundation that enables sustainable growth and agile business development**	**Equity ratio*1** 47.3% **Net D/E ratio*1** 0.06 times	• Continuously implement management with a strong focus on capital efficiency • Optimize capital allocation by decreasing strategically held shares • Diversify financing methods, including the issuance of corporate bonds • Focus on shareholder returns, including paying progressive dividends • Implement measures to realize management conscious of cost of capital and share price
Human capital 	**Source of value creation and competitive advantage**	**Number of employees on a consolidated basis (people)*1** 4,719 **Employees in the trading business*1,2** 2,019	• Permeate the corporate mission and IK Values throughout the Group • Promote well-being initiatives based on engagement survey findings • Foster an environment where diverse talent can thrive (promoting D&I) • Continue investing in health and productivity management and human resource development
Social and relationship capital 	**Foundation for generating internal and external synergistic effects**	**Number of business partners** Approx. 10,000 companies **Global network** 19 countries Approx. 70 bases	• Strengthen trust-based relationships with existing partners • Cultivate new, promising business partners • Actively expand into growth markets • Build a sustainable supply chain • Ensure information disclosure and transparency
Manufactured capital 	**A unique foundation that extends the value of our trading company functions**	**Manufacturing & processing base*1** 26 companies **Annual production capacity of plastic compounds*1** 198,000 MT/Y	• Enhance the functional integration of the global manufacturing network • Optimize operational efficiency and strengthen production capacity • Improve manufacturing technology • Strengthen the quality management system • Implement environmental measures in manufacturing

*1 As of March 31, 2026 *2 The number of employees at the trading companies

Competitive advantages driven by our capital and strengths

Response capabilities driven by agility and swift decision-making	Our headquarters and domestic and overseas operations work as one, enabling rapid information sharing and swift decision-making to respond quickly and flexibly to changing market conditions and client needs, even in highly specialized, high-mix, small-lot projects that are difficult for larger trading companies to handle.
Execution capabilities backed by our global network	Our network of approximately 70 locations across 19 countries gives us a distinct competitive advantage by enabling us to provide seamless support from gathering local market intelligence through to commercialization.
Collaborative capabilities enabled by our open business model	As a trading company without products of our own, we are not tied to any particular products or technologies. This gives us the flexibility to identify and combine the best partners to deliver the optimal solution for each customer. Our commitment to continually exploring new possibilities is itself a lasting source of competitive strength in rapidly changing markets.

Unique values

IK Values

To cherish integrity and respect for people (ethics)

To continually challenge the limits with high ideals, big dreams and great passion (aspiration)

To prize dialogue and teamwork, and to treasure professional growth of employees (organization)

To become the best partner of our clients, providing solutions from the clients' standpoint (role)

To grow with people across borders, sharing and respecting diverse values with the aim of co-prosperity (symbiosis)

Development of strengths

Business creation

Sustainable and stable business growth

Our business has continued to grow steadily, with operating profit reaching a record high for the sixth consecutive fiscal year. The Group's business has established strong market recognition, built trust, and realized sustainable, stable growth.

Human resources with strong expertise in chemicals field

Our foundation for value creation lies in personnel who are not only trusted and respected by stakeholders as individuals but also possess advanced expertise in their respective business fields. In particular, our experience and network in the chemicals business, a core business domain, are key strengths.

Highly specialized knowledge and business adaptability

Leveraging our global network, we are able to provide critical information such as market insights and regulatory updates. We also offer consultation services in areas such as manufacturing processing, logistics, risk management, and finance.

Trusted relationships with stakeholders

Trust-based relationships with customers and suppliers are the lifeline that supports our sustainable growth. By engaging with a wide range of industries, we stay attuned to global trends and expand into new business areas.

Robust financial base

Maintaining a solid financial base enables us to leverage our sales and marketing strengths as well as our financial capabilities to support our customers. Prioritizing the net debt-to-equity (D/E) ratio, we strive to maintain and enhance financial soundness.

Solid business foundation in Asia ➤ Page 23

Starting with the establishment of our Singapore office in 1976, we expanded our plastics business in Southeast Asia and our FPD-related business in Northeast Asia, building a strong business foundation. We currently operate 60 facilities across 12 countries.

Investments in our management foundation in FY2025

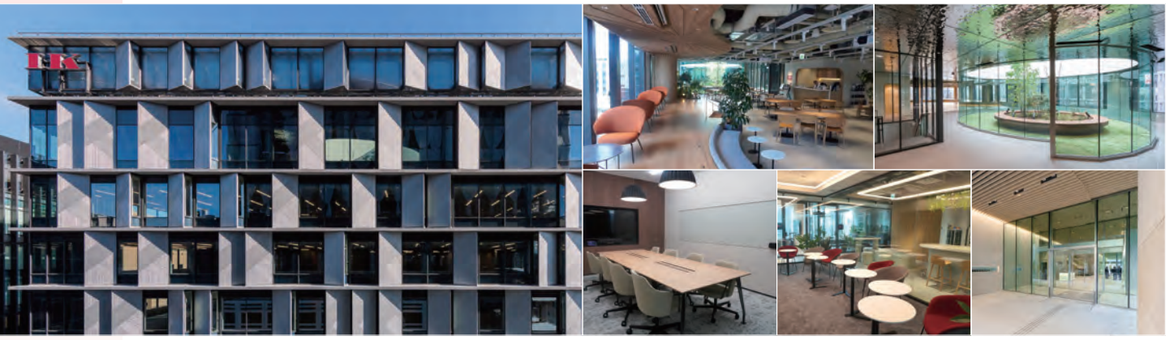
The Inabata Group has pursued sustainable value creation by transforming diverse forms of capital, including financial, human, social and relationship, and manufactured capital, into competitive strengths centered on the IK Values. In FY2025, we made strategic reinvestments in these forms of capital to elevate them to the next stage of growth. The completion of our new Tokyo Head Office represents a strategic investment in our management foundation to maximize employee performance and foster collaboration both within and outside the Group, while enhancing the value of our human capital and social and relationship capital. Our newly established Corporate Message is intended to clearly articulate the value we provide and our competitive strengths, while enhancing intangible assets such as brand value and trust by sharing it across the Group on a global basis.

Completion of our new Tokyo Head Office

A place that supports value creation by enhancing employee productivity and fostering collaboration

Our new Tokyo Head Office, which began operations in March 2026, was developed as the hub of the Group's management functions to maximize the value of our human capital and social and relationship capital. This redevelopment project is a strategic investment in our management foundation that leverages our location in Tokyo, the center of Japan's business activity, to promote dialogue and collaboration both within and outside the Group.

To prioritize the safety of our employees, we incorporated the latest seismic isolation technology. In addition to building features that enhance productivity and improve the work environment, the office incorporates a floor layout and shared spaces designed to encourage interaction across departments and roles, creating an environment that strengthens organizational collaboration and fosters creativity. The office also incorporates features that enhance the quality of day-to-day operations, including circulation design that balances visitor convenience with security. From an environmental perspective, the building delivers high environmental performance, including achieving Net Zero Energy Building (ZEB) Ready certification, the highest S rating under Comprehensive Assessment System for Built Environment Efficiency (CASBEE), and the highest Level 6 rating under Building-Housing Energy-efficiency Labeling System (BELS). It also incorporates facilities and systems designed to reduce environmental impact, with construction financed through sustainable finance.



We are strengthening our management foundation by enhancing our major sites in Japan as regional hubs for our trading operations. Drawing on the insights gained from the Tokyo Head Office project, we will progressively strengthen the functions of our Osaka Head Office and Nagoya Office.



Tokyo Head Office
As the Group's management hub, located at the center of Japan's business environment, the Tokyo Head Office supports value creation across the Group by leveraging connections with diverse talent and business partners.



Osaka Head Office
Serving as the Group's principal trading hub in western Japan, the Osaka Head Office brings together the Group's expertise and market intelligence to respond with agility to regional market needs.



Nagoya Office
As a locally focused base in the Chubu region, the Nagoya Office leverages its proximity to customers to provide prompt, attentive service. (Photo shows the building where the Company is located.)



Workshop and presentation competition

Development of the Corporate Message

Based on the spirit of "love (*ai*)" and "respect (*kei*)," employees and executives came together to articulate the value of Inabata.

Background

Through a series of discussions between the President and employees held in 2024, the Company recognized the need to reaffirm its unique strengths, identity, and aspirations to ensure that, even as ways of working and values continue to diversify, employees across the Group share a common set of values and move forward with a unified sense of purpose.

As part of this initiative, we launched the MOVE MOVE PROJECT, an internal initiative, in 2025. With the aim of expressing the principles that underpin the Mission, Vision, and IK Values in employees' own words, we engaged employees across the Company in an extensive series of discussions. Over the course of approximately 10 months, employees participated in company-wide surveys, workshops, and voting on proposed messages, through which the project evolved beyond the development of a brand message into an initiative to redefine the source of Inabata's long-standing value creation.

Project journey

The project centered on three workshops and a presentation competition involving 17 project members selected from across the Company. The emphasis was on the whole process of participants sharing the perspectives and experiences they value in their day-to-day work and refining them into words that capture the essence of Inabata. By sharing updates from each session with Group companies, including those overseas, the project expanded into a group-wide discussion, with employees across the Group participating in the vote following the presentation competition.

All members of the Board, led by the independent directors, actively participated in the discussions, and their questions and advice from diverse perspectives helped enhance the quality of the message. The process itself of employees and Board members working together to articulate the Company's values became an important opportunity to strengthen organizational unity.

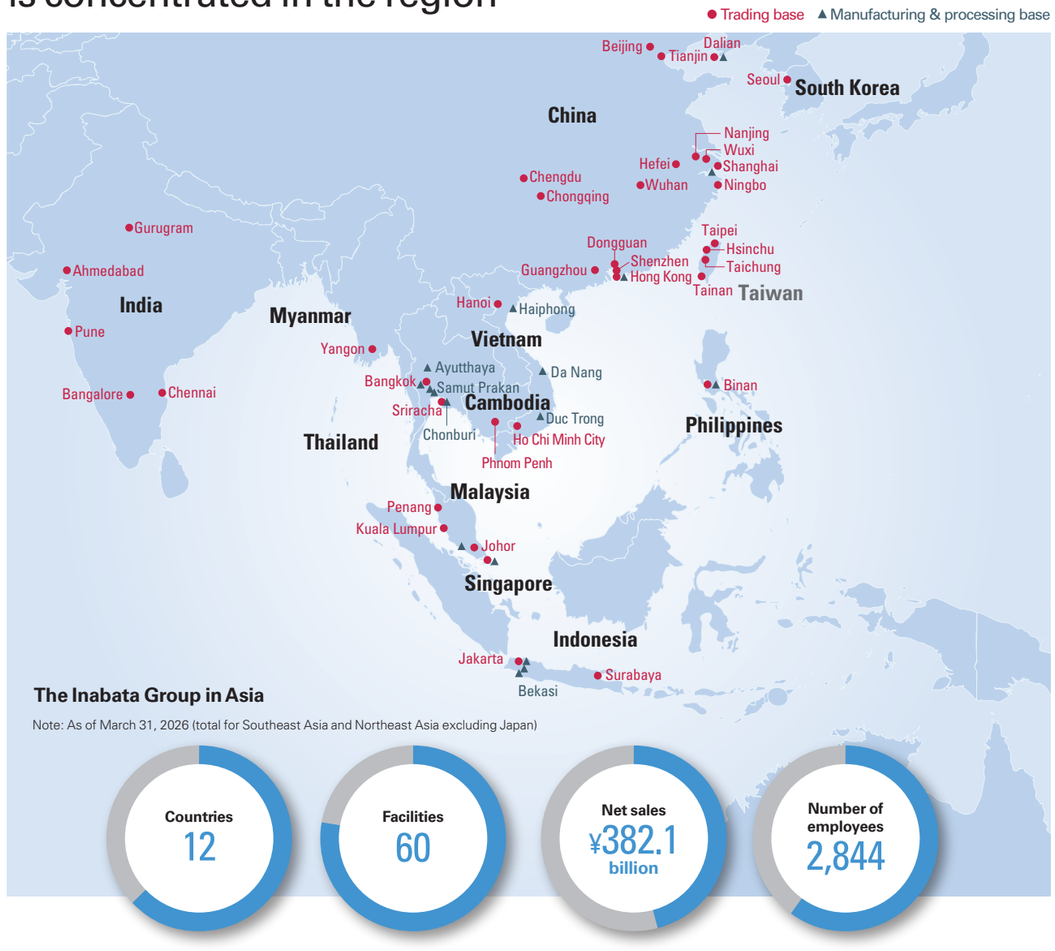


Behind the Corporate Message

The Corporate Message developed through this process consists of the tagline, "Connecting your everyday. Weaving our future." and an accompanying statement that reflects the thinking and actions behind it. Together, they express what has long defined Inabata and the Company's aspirations for the future.

By combining the expertise and networks we have cultivated over many years with the integrity and commitment of each employee, we will continue to create value around the world. Using this message as our common language, we will continue to strengthen our business activities and communication with stakeholders, both inside and outside the Company.

Solid business foundation in Asia: Nearly 60% of our consolidated human capital is concentrated in the region



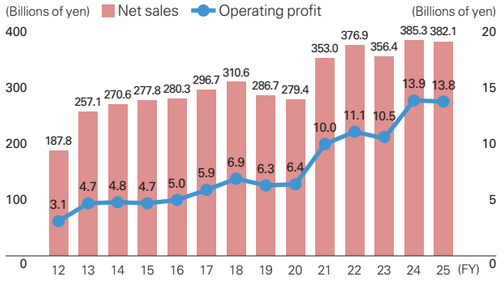
The Inabata Group has established a strong business foundation in Asia based on its highly specialized knowledge and business adaptability derived from its global network.

Since establishing a sales base in Singapore in 1976, the Group has steadily expanded its network in Southeast Asia and Northeast Asia. It now has 60 facilities across 12 Asian countries, excluding Japan, with approximately 2,800 employees, accounting for over 60% of the consolidated total workforce.

In business, the Group has increased its plastics business in Southeast Asia by leveraging the differentiation provided by its plastic compounding business (refer to page 27). In addition, the Group has grown primarily in Northeast Asia with a focus on flat panel display (FPD) materials.

Sales in the Asia region excluding Japan have roughly doubled over the past 13 years, while operating profit has increased approximately 4.5 times.

Net sales and operating profit in the Asia region (excluding Japan)



TOPICS 1 Background to business expansion in Asia: Plastics business

Our plastics business expanded overseas in alignment with Japanese electronics manufacturers relocating their production bases abroad. Since then, we have cultivated customers in industries such as office automation and automotive, and have bolstered our global network of facilities, focusing on Southeast Asia.

In the plastics market, we anticipate continued growth in demand in Southeast Asia and South Asia, driven by economic expansion. Furthermore, while demand for general-purpose applications such as plastic bags, tableware, containers, and packaging is declining, the automotive sector is expected to continue growing due to increased needs for lighter weights and metal alternatives owing to the rise of EVs.

A key differentiating factor in the expansion of our plastics business has been the plastic compounding business. In 1978, we established our first plastic compound manufacturing facility in Singapore. Today, we manufacture plastic compounds at seven locations across seven countries, primarily in Asia. This allows us to provide products that meet local customer needs in a timely manner, and based on our accumulated expertise, we also offer new resin material proposals.

Our strength lies in our ability to cater to diverse, small-quantity needs that major trading companies often find challenging to address. We can also provide support close to our customers' overseas locations—an advantage that smaller trading companies typically struggle with (refer to page 27).



President Inabata with staff at the plastic compound factory in Indonesia

TOPICS 2 Background to business expansion in Asia: Information & Electronics business

Our FPD-related business in the Information & Electronics segment began in 1990 with the sale of raw materials for polarizing films, namely polyvinyl alcohol (PVA) film. By responding quickly to changes in the FPD market, we expanded both our customer base and business scope, growing the business into one of our core operations.

Specifically, as the main FPD panel manufacturing countries and regions shifted from Japan to Taiwan and South Korea, and later to China, we promptly responded by staffing our local facilities and began engaging with local manufacturers.

We have augmented our product range from materials for polarizing films to include polarizing films, protective films, alignment layer materials, and organic light-emitting diode (OLED) materials. As a result, we have been able to gather information from a wide range of clients, from material and component manufacturers to panel makers, and have used this information to drive further business development.

Leveraging the strong business foundation we established in Asia through our FPD business, we are now focusing on expanding our semiconductor-related business. Looking ahead, we aim to further strengthen our semiconductor-related business by establishing a stronger presence in Northeast Asia, where semiconductor technologies are expected to become increasingly concentrated. To achieve this, we are expanding our product portfolio while pursuing M&A and other initiatives to acquire technologies and business rights.

Evolution of the FPD-related business

1990s	• Started with the sale of materials for polarizing films (PVA films) in 1990. • Began selling polarizing films to major Japanese panel manufacturers in 1993.
2000s	• Responded to the emergence of major panel manufacturers in Taiwan by establishing a local processing facility for polarizing films. In 2001, transferred operations to a joint venture with Sumitomo Chemical Co., Ltd., and took charge of sales. • Quickly established transactions with major panel manufacturers in China, capturing market expansion driven by the proliferation of laptops, the shift to FPD televisions, and the rapid growth of smartphones.
2010s	• Capitalized on trends such as OLED technology and next-generation FPDs, and extensively expanded the product range.

Business Model

By performing a variety of business functions with trading at the core, we continue to evolve and expand our business, embodying Inabata's unique strengths.

While drawing on the product knowledge and expertise that we have accumulated over many years, we provide the optimum logistics solutions to clients by partnering with warehousing and transportation companies. We offer inventory management and replenishment systems that leverage our global network, thereby contributing to the local production and sales operations of clients operating worldwide.

Vendor managed inventory (VMI):
A system where inventory is managed and replenished on behalf of the customer. By analyzing production information through IT, suppliers and logistics providers are coordinated to efficiently deliver raw materials and supplies.

Inabata warehouses:
To ensure timely delivery and one-stop service, we operate our own warehouses in Indonesia and Thailand handling automotive parts, plastic resins, chemical materials, and food ingredients.

Logistics function

Business investments (Growth investment)

Finance function

We propose and implement solutions for clients' challenges such as reducing capital burden and avoiding foreign exchange risks. This serves as a foundational function that enhances the added value of the various businesses we provide to our clients.

Core function **Trading**

Manufacturing & processing function

We increase the added value that we provide to customers by offering the manufacturing and processing functions needed in areas close to their production bases. We also contribute to the expansion of our trading business by delivering one-stop service for material procurement, manufacturing, and processing through our global network.

Under NC2026, we are actively investing in strengthening manufacturing and processing functions to complement our trading business and drive future growth.

Plastic compounding business:
Our processing adds functions such as weather resistance by blending and coloring base resins with pigments, additives, and other resins according to their intended use. We operate seven manufacturing and processing bases across seven countries, primarily in Asia.

Company-owned farms, food processing, and e-commerce:
In the food sector, the Group collaborates across the entire value chain, from upstream cultivation and production to downstream food processing and e-commerce, strengthening our sales capabilities.

Product development:
We identify the values society demands and focus on developing new products. By leveraging the expertise cultivated at our domestic and international trading, manufacturing, and processing bases, we advance the development of a wide range of products that meet our clients' needs.

Business model evolution

Inventory-based business
Inabata warehouses
Specialized transport
VMI
E-commerce
Recycling business
Food processing
Plastic compounding business
Product development
Company-owned farms
Contract manufacturing
Research and development

Commitment to trading

As a *shosha*, or Japanese trading company, we will continue to place trading at the core of our business. This is because we believe that trading is a business model that maximizes our strengths, including highly skilled human resources, strong information and business capabilities, trusted relationships with stakeholders, a robust financial base, and a solid business foundation in Asia. As a group of trading specialists, we aim to work closely with our clients on the ground around the world every day, to identify and address various needs through access to frontline information, and to solve our clients' issues by making new proposals and creating new businesses. We will continue to refine our trading activities and provide greater added value to our clients and society.

Plastic compound manufacturing and processing: Core of value creation in the Plastics business

The Plastics segment, which is one of Inabata's key segments, expanded overseas using the strength of the plastic compound manufacturing and processing business (compounding business) and grew to a segment that accounts for close to 50%* of our consolidated net sales. As Japanese electronics manufacturers transferred their production bases to Southeast Asia in the latter half of the 1970s, we followed suit, building our first overseas plastic compound manufacturing and processing base (compounding factory) in Singapore. And as our customers in the office automation (OA) and automotive industries broadened their businesses globally, we expanded our network of trading companies and manufacturing and processing bases in Southeast Asia, China, and Mexico. Many of our major customers have production bases around the world and need supply and distribution services for materials of the same quality.

By operating compounding businesses at seven locations in seven countries, mainly in Asia, we are able to offer not only trading functions but also the added value that our customers expect, and this has become the strength for which we are preferred by our customers.

* Of the 832.7 billion yen in consolidated net sales for FY2025, sales in the Plastics segment amounted to 407.9 billion yen (49.0%).

What is plastic compounding?

Processing that adds functions such as weather resistance by blending and coloring base resins with pigments, additives, and other resins according to their intended use



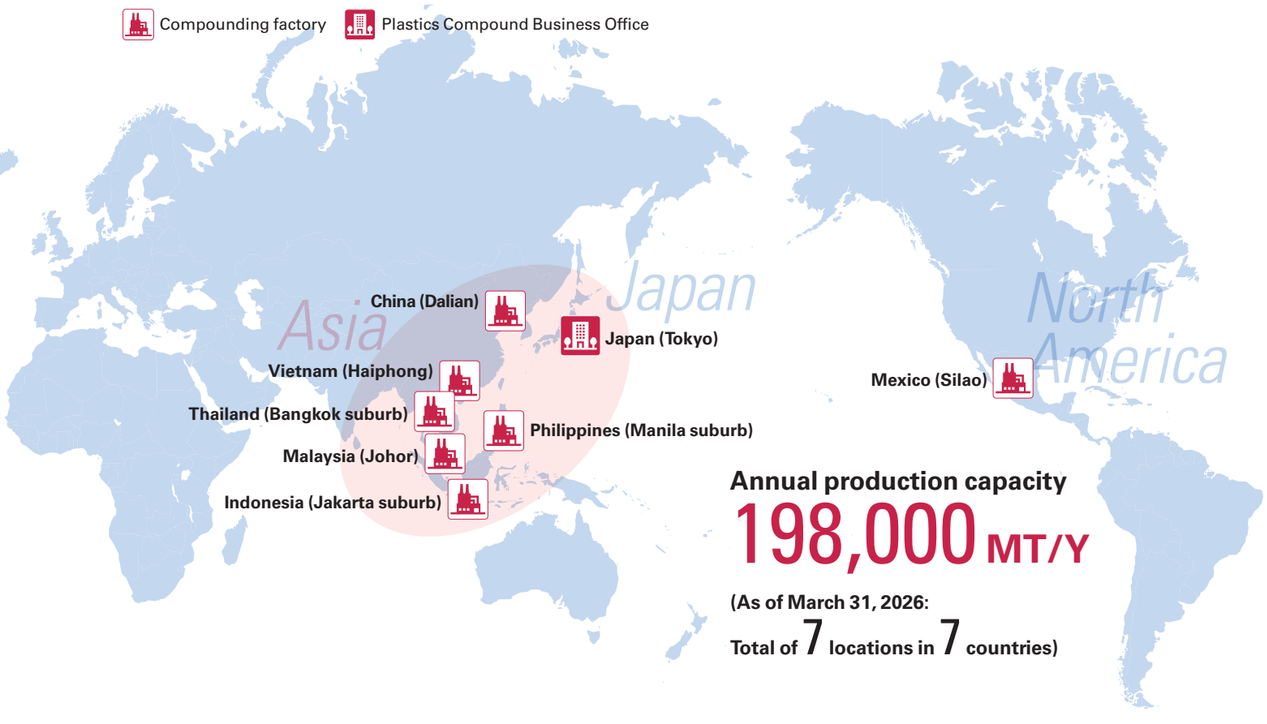
Base resins

Blending and coloring base resins with pigments, additives, other resins, etc.



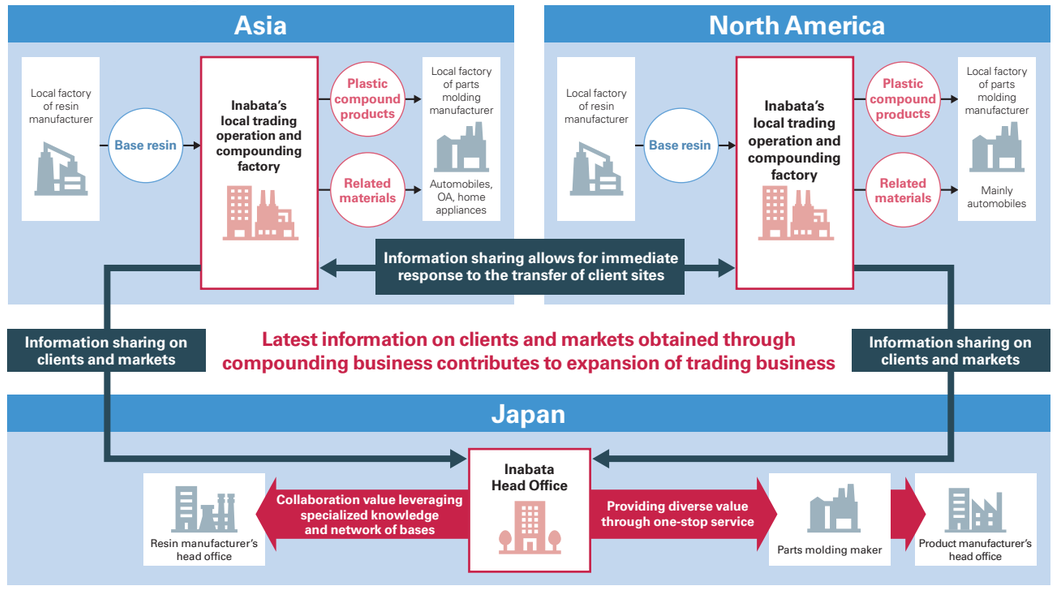
Plastic compounding
Adding functions such as coloring and weather resistance

Plastic compounding, manufacturing, and processing network across Asia



Annual production capacity
198,000 MT/Y
(As of March 31, 2026: Total of 7 locations in 7 countries)

Plastic compounding business model



Strengths of Inabata's plastic compounding businesses

Industry-leading production capabilities and network	We have established a production network spanning seven locations in seven countries across Asia, with a total annual production capacity of 198,000 metric tons, making us one of the industry's largest trading company-affiliated plastic compounders. In addition, our global production network enables us to respond flexibly to customers' localization and production transfer needs.
High-value-added solutions through integrated trading and manufacturing capabilities	By combining our trading functions, including procurement, logistics, and market intelligence, with our plastic compound manufacturing and processing capabilities, we provide total solutions spanning material supply, processing, and transportation.
Integrated global customer support	Through our integrated domestic and international support structure, we provide prompt access to information, one-stop pricing negotiations, and a stable supply of products, while seamlessly supporting our customers' global expansion.

Accelerating growth in the plastic compounding business through Novacel

To further enhance and accelerate growth in its plastic compounding business, Inabata established Novacel Co., Ltd. as a joint venture with Daicel Corporation on April 1, 2024. The company assumed responsibility for resin coloring and plastic compounding research, development, and sales, combining the technologies and expertise of both companies with Inabata's global network to create high-value-added products and strengthen its supply capabilities. Going forward, Novacel will reinforce its business foundation by leveraging overseas production sites, expanding contract manufacturing, and further enhancing quality and operational efficiency. Through these initiatives, it aims to strengthen its competitiveness in global markets and achieve sustainable growth.

Company name	**Novacel Co., Ltd.**
Head office	Minato-ku, Tokyo
Established:	April 1, 2024
Paid-in capital	102 million yen
Investment ratio:	Inabata & Co., Ltd. 66.7%, Daicel Corporation 33.3%
Business:	Research, development, and sales associated with resin coloring and plastic compounding

Overview of Management Plan

To achieve our aspirations for the future set forth in our long-term vision, we will aim to further accelerate growth under our medium-term management plan, NC2026.

Long-term vision
IK Vision 2030

Medium-term management plan: NC2026

Key themes

- Accelerate growth through proactive investment
- Address key management priorities (materiality) under the Sustainability Medium-term Plan 2026

Company-wide growth strategy

Segment growth strategy

Management base strategy

- Financial strategy
- Sustainability strategy (including HR strategy)
- Digital strategy

Current environment

Megatrends

- ◆ Global fragmentation, geopolitical conflict
- ◆ Demographic changes
- ◆ Climate change and transition to a decarbonized society
- ◆ Shift to a circular economy
- ◆ Increase in concerns regarding energy and resource supply stability
- ◆ Increase in demand for health care
- ◆ Diversification of lifestyles, values, and needs
- ◆ Evolution of technology

Main opportunities

- ◆ Further strengthening of financial base
- ◆ Emergence of new sales channels and regions, and new demand
- ◆ Expansion of business opportunities for health care and household goods
- ◆ Expansion of business opportunities for renewable energy and energy-saving products, and low-carbon materials
- ◆ Expansion of business opportunities for recycling materials and biomass materials
- ◆ Expansion of business opportunities by building a resilient supply chain
- ◆ Enhancement of employee engagement and appeal to job seekers by implementing appropriate human capital strategies
- ◆ Creation of new products and business models by utilizing technology

Main risks*

- ◆ Financial stability risks
- ◆ Geopolitical risks
- ◆ Climate change risks
  - • Strengthening of policies and laws and regulations
  - • Market changes
  - • More intense and frequent extreme weather events and natural disasters
  - • Average temperature rise
- ◆ Labor risks
  - • Shortage of workers
  - • Physical and mental health impairment
- ◆ Human rights risks
- ◆ Cybersecurity risks
  - • System failure due to cyberattacks

* Limited mainly to medium- to long-term risks based on megatrends. Please refer to page 112 onward for information on business and other risks, including those based on a short-term perspective.

Our vision for 2030

Long-term vision
IK Vision 2030

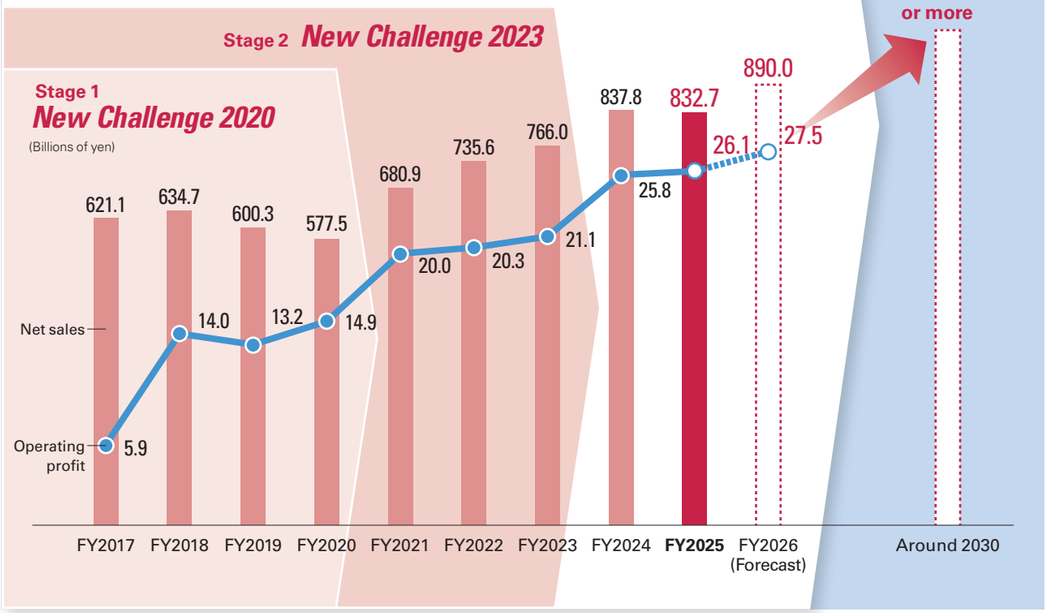
Consolidated net sales	Further enhancing multifaceted capabilities	At least one-third of sales and operating profit from business segments other than Information & Electronics and Plastics segments	Ratio of overseas sales
¥1 trillion or more	such as manufacturing, logistics, and finance, in addition to trading		70% or more

Stage 3 of medium-term management plan
New Challenge 2026

Quantitative targets (FY2026)

Operating profit	Ordinary profit	Profit attributable to owners of parent	Consolidated net sales
¥27.0 billion	¥26.0 billion	¥19.0 billion	¥950.0 billion
ROE	**Net D/E ratio**	**Equity ratio**	
10% or more	0.5 times or less	Approx. 50%	

Exchange rate (Yen/USD) ¥145.00



Medium-term Management Plan: NC2026

Overview of NC2026

The growth strategy under NC2026 is detailed by dividing it into two categories: the company-wide strategy, which is a common theme across the entire Company, and the segment strategy, which outlines important focus areas for each segment.

Additionally, we have formulated the financial strategy, sustainability strategy, and digital strategy as policies to support growth. In the sustainability strategy, we address key management priorities (materiality) by setting a long-term vision, strategy, KPIs, and targets, which have been consolidated into the Sustainability Medium-term Plan 2026.

Company-wide growth strategy

The company-wide growth strategy is being implemented in alignment with the long-term vision.

To achieve our goal of consolidated net sales of one trillion yen or more, we will proactively invest in our businesses. The business domains expected to drive earnings growth include environment-related businesses, Life Industry businesses such as food products, and semiconductor-related businesses.

To enhance multifaceted capabilities, we will focus on bolstering manufacturing and logistics, in particular, to achieve differentiation and boost earnings. The strengthening of production capabilities for plastic compounds through the establishment of a joint venture with Daicel Corporation in April 2024 is also aligned with this strategy.

The business portfolio focuses on deepening two key segments—Plastics and Information & Electronics—while also accelerating the development of new earnings pillars alongside these critical areas. We will consider expanding our business domains through M&A as part of this approach. Additionally, for enhancing the key segments, we have set medium- to long-term target figures for the environment and energy field (Information & Electronics) and for automotive resin (Plastics), where we expect to drive growth.

To achieve the target of 70% or more of business being accounted for overseas, we will emphasize not only Asia, where we have traditionally excelled, but also India and the Americas, including Mexico. As part of seeding for sustainable growth, we will also consider expanding into untapped areas, including Eastern Europe.

Company-wide growth strategy

Consolidated net sales: ¥1 trillion or more

- Approach: Expand earnings through proactive investment
- Business domains: Expand environment-related business and life industry business, such as food products

Enhance multifaceted capabilities

- Differentiate and boost earnings by enhancing multifaceted capabilities (especially in manufacturing and logistics)

Business portfolio

- Further develop key segments (Plastics, Information & Electronics)
- Establish earnings pillars on par with key segments

Overseas contribution: 70% or more

- Further develop growth areas (especially in India, Mexico, and other parts of the Americas, in addition to the existing Asia sites)
- Move into untapped areas, including Eastern Europe

Note: **The text in blue** represents the long-term vision.

Management base strategy

We have formulated our financial strategy, sustainability strategy, and digital strategy as key management policies to support company-wide growth. For the financial strategy, under NC2026, we aim to further improve capital efficiency, a long-standing emphasis of management. We made certain changes to our shareholder return policy beginning in FY2026, the final year of NC2026. In addition to maintaining our existing progressive dividend policy and total shareholder return ratio, we have newly introduced dividend on equity (DOE).

Moreover, we are addressing management conscious of cost of capital and share price as a key management issue. NC2026 explicitly states our goal of achieving a share price level consistently above a price-to-book (P/B) ratio of 1x as soon as possible. Please refer to pages 45–46 for more information.

In the sustainability strategy, we address materiality identified in June 2022 by setting a long-term vision, strategy, KPIs, and targets. This completes the framework for sustainability management, and we believe we have established an effective system for continuously monitoring progress toward our targets. Please refer to page 37 for more information.

In the digital strategy, we will focus on reinforcing Group-wide security, a key management issue, and strategically utilizing sales information through the introduction of a data management platform, among other initiatives. Please refer to pages 117–118 for more information.

Management base strategy

Financial strategy

- Further improve capital efficiency and focus on shareholder returns, including paying progressive dividends
- Introduce DOE
- Implement measures to realize management conscious of cost of capital and share price
  (achieve a share price level consistently above a P/B ratio of 1x as soon as possible)

Sustainability strategy

- Develop sustainability management as a foundation for company-wide promotion
  Set and monitor strategies and also KPIs and targets in line with materiality

Digital strategy

- Enhance management information infrastructure and reinforce Group-wide security

Toward quantitative targets

The Inabata Group is advancing NC2026, a three-year medium-term management plan concluding at the end of FY2026, as the third stage toward achieving our long-term vision, IK Vision 2030, which outlines how we envision the Group around 2030. FY2025 marked the second year of this plan. In terms of financial performance, net sales fell short of the second-year target under NC2026, while operating profit, ordinary profit, and profit attributable to owners of parent met their respective targets. In addition, operating profit reached a record high for the sixth consecutive year, while ordinary profit reached a record high for the second consecutive year. In terms of business performance, the Plastics segment performed solidly overall, driven by steady demand from the automotive, OA, and other sectors. Meanwhile, the Information & Electronics segment fell short of its targets, as panel manufacturers adjusted production in the FPD-related business and the business environment deteriorated in the renewable energy-related business. The Chemicals and Life Industry segments also progressed generally as planned.

Return on equity (ROE) fell slightly short of the second-year target despite increased dividends and share buybacks, due to an increase in shareholders' equity from retained earnings and other factors.

The net D/E ratio and equity ratio have met the final-year targets, ensuring that our financial soundness is fully maintained.

For FY2026, the final year of NC2026, the business environment surrounding the Group's global resin and chemical materials operations remains highly uncertain. The worsening situation in the Middle East has raised concerns over difficulties in procuring naphtha-derived raw materials and surging prices, as well as a potential economic slowdown driven by weaker corporate earnings and subdued consumer spending. Nevertheless, it is precisely under these circumstances that we intend to leverage the strengths of our trading company-based business model and the procurement capabilities of our people on the ground. By responding appropriately and swiftly to changes in the business environment, we are committed to achieving the final-year targets of NC2026. For FY2026, we forecast net sales of 890.0 billion yen, operating profit of 27.5 billion yen, ordinary profit of 27.5 billion yen, and profit attributable to owners of parent of 21.0 billion yen.

(Billions of yen)

	First year of NC2026 FY2024	Second year of NC2026 FY2025		Final year of NC2026 FY2026	
	Full-year results	Full-year results	Second-year targets*	Forecast	Targets*
Net sales	837.8	**832.7**	890.0	890.0	950.0
Operating profit	25.8	**26.1**	24.5	27.5	27.0
Operating profit ratio	3.1%	**3.1%**	2.8%	3.1%	2.8%
Ordinary profit	26.1	**27.7**	23.5	27.5	26.0
Profit attributable to owners of parent	19.8	**20.6**	17.5	21.0	19.0
ROE	9.7%	**9.3%**	10% or more	10% or more	10% or more
Net D/E ratio	0.07 times	**0.06 times**	0.5 times or less	0.5 times or less	0.5 times or less
Equity ratio	47.1%	**47.3%**	Approx. 50%	Approx. 50%	Approx. 50%
Exchange rate (Yen/USD)	152.62	**150.67**	145.00	155.00	145.00

* Announced on May 9, 2024

Progress of the growth strategy

NC2026 centers on accelerating growth through more proactive investment.

Under the capital allocation plan of NC2026, we allocated approximately 50% to 60% of the approximately 65.0 billion yen expected to be generated over the three-year period through operating cash flow and other sources to investment. **Figure 1** shows our investment performance through the second year with our growth investments implemented largely as planned.

Our major growth investments included the establishment of Novacel Co., Ltd., a joint venture with Daicel Corporation, as well as the acquisitions of Daigo Tsusho Co., Ltd., a manufacturer and distributor of processed eel products and other food products, and Satoen Co., Ltd., a tea cultivator, manufacturer, and distributor. We also made business investments in semiconductor- and food-related companies.

The three companies acquired through these M&A transactions are making a steady contribution to earnings growth and are also helping improve the Group's overall profit margin (**Figure 2**). We are also advancing initiatives to realize synergies from these acquisitions. For example, Daigo Tsusho and Satoen have already begun to generate tangible results through overseas expansion and stronger sales via e-commerce channels. While these initiatives will take longer to bear fruit, we are steadily enhancing our compounding capabilities and strengthening our development capabilities through Novacel. We are confident that these efforts will make a significant contribution to enhancing the global competitiveness of our core Plastics segment.

We will continue to invest proactively in areas such as semiconductors and the Life Industry segment, including food-related businesses, to accelerate growth.

Figure 1. Investment progress

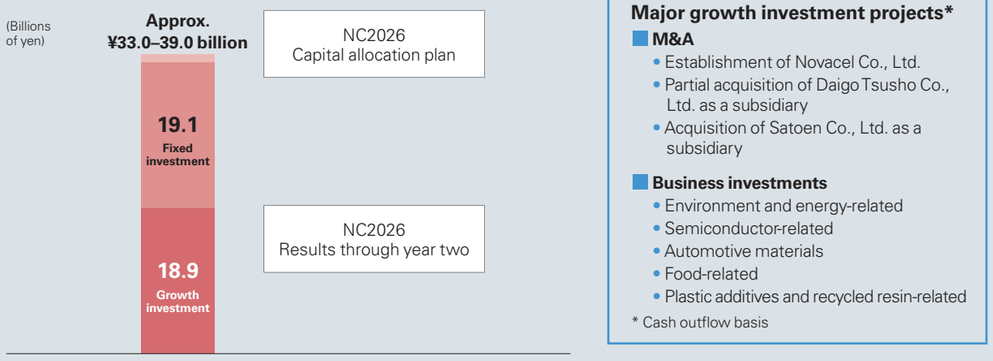
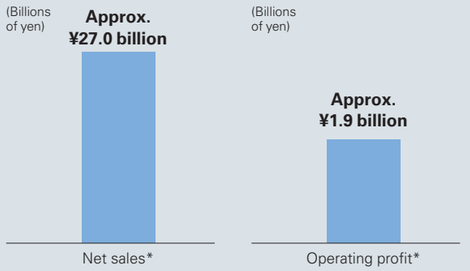


Figure 2. Annual earnings contribution from the three M&A companies



* Combined FY2025 results for Novacel, Daigo Tsusho, and Satoen. Operating profit is presented after goodwill amortization. Profit after deduction of profit attributable to non-controlling interests is approximately ¥1.5 billion.

Figure 3. Future synergies

Novacel
- Enhanced compounding capabilities and stronger development capabilities
- Stronger competitiveness of the Plastics segment

Daigo Tsusho and Satoen
- Stronger sales capabilities through overseas expansion and e-commerce
- Expanded downstream operations in the food business

Business investments
- Expansion of existing businesses by securing new business rights

Strengthening the management foundation for business expansion

Under IK Vision 2030, the Inabata Group has advanced its growth strategy through proactive investment, M&A, and overseas expansion. As these initiatives have progressed, however, the increase in the number of Group companies and the expansion of our business domains have also brought non-financial challenges into sharper focus, including strengthening Group cohesion, establishing common foundations and rules, and enhancing the specialized expertise of our people. We view these challenges as a natural part of our growth journey and are strengthening our management foundation to ensure the steady execution of our growth strategy through non-financial initiatives such as post-merger integration (PMI), talent development and strategic workforce deployment, and the strengthening of our global talent base.

Driving PMI
—Building a framework to ensure value creation after M&A

Our Initiative

While M&A is an effective means of accelerating our growth strategy, the value it ultimately creates depends largely on the success of PMI. It is essential to systematically align financial management, business operations, and organizational culture to unlock the full potential of the Group as quickly as possible. Based in part on recommendations from our independent directors, we established the Business Integration Department within the Business Planning Office, which is responsible for driving M&A, to establish a dedicated structure for managing PMI. For a defined period following an acquisition, specialists from across the Group, including finance, IT, operations, credit, legal, and human resources, work together to provide support across multiple areas, while the Business Integration Department oversees the overall PMI process. We advance integration across both business and corporate functions, addressing both operational execution and management infrastructure. Progress is reviewed every six months at the Shinsa Kaigi, a management review meeting, and reported regularly to our independent directors. This ensures a governance framework that incorporates third-party perspectives. Through this framework, we ensure that PMI goes beyond a procedural exercise, strengthening the Group's overall competitiveness and driving sustainable growth.

IK Vision 2030 company-wide growth strategy: Progress and challenges

Company-wide growth strategy	**Consolidated net sales: ¥1 trillion or more** **Approach:** Expand earnings through proactive investment **Business domains:** Expand environment-related business and life industry business, such as food products	**Enhance multifaceted capabilities** Differentiate and boost earnings by enhancing multifaceted capabilities (especially in manufacturing and logistics)	**Business portfolio** Further develop key segments (Plastics, Information & Electronics) Establish earnings pillars on par with key segments	**Overseas contribution: 70% or more** Further develop growth areas (especially in India, Mexico, and other parts of the Americas, in addition to the existing Asia sites) Move into untapped areas (e.g., Eastern Europe)
Strategy execution achievements	Increase in the number of Group companies through proactive M&A	Strengthened compounding capabilities through the acquisition of Novacel	Exceeded expectations for growth in existing businesses across the major segments	Expanded capabilities of overseas bases in India, Cambodia, and other countries
Emerging challenges	Reduced Group cohesion and consistency in shared foundations and rules	Shortage of talent capable of advancing multifaceted capabilities	Further strengthening the intake of information on new business opportunities	Shortage of global talent needed to further expand overseas business

Addressing emerging challenges through non-financial initiatives that support our growth strategy

Goals	**Strengthen Group cohesion and reinforce common foundations to further enhance the Group's collective capabilities**	**Enhance expertise related to multifaceted capabilities**	**Proactively gather external information on existing and new business domains**	**Increase the number of sales employees with overseas business experience**
Specific initiatives	• **Driving PMI** ➤See "Our Initiative" on the following page. • **Conducting Group-wide workshops to share the corporate mission** ➤Page 88 • **Development of the Corporate Message** ➤Page 22 • Expanding credit training (investment fundamentals)	• Recruit personnel with manufacturing experience and appoint them to key positions at manufacturing subsidiaries • Recruit personnel with manufacturing experience and expertise in quality assurance for the Plastics Compound Business Office • Establish the Manufacturing Site Management Department. Recruit people who will concurrently serve in the Plastics Compound Business Office, as well as people with experience in key positions in manufacturing	• Hold study sessions on promising business domains led by the Business Planning Office • **Leverage generative AI to enhance sales capabilities and develop new businesses** ➤Page 118	• **Implement an overseas trainee program** • **Expand opportunities for young employees to gain overseas experience** ➤Page 88

Progress of the Sustainability Medium-term Plan 2026

The Inabata Group has established the Sustainability Medium-term Plan 2026 as part of the management base strategy within the medium-term management plan NC2026 and is advancing initiatives toward key performance indicators (KPIs) and targets for each material issue. The results for the second year, FY2025, are as follows and show steady progress. The Sustainability Committee is responsible for setting KPIs and monitoring progress, while the Board of Directors provides oversight.

For more information on the Sustainability Medium-term Plan 2026, please refer to the Sustainability section of our website.

For information on risks, opportunities, and key initiatives related to material issues, please refer to Sustainability Management on pages 65–68.

[Definition of progress status] ◎: Target achieved ○: Progressing smoothly △: Needs further effort

Creating sustainable value

- Contributing to a decarbonized and circular society; sustainable use of natural capital
- Contributing to safety, security, and well-being
- Providing value through resilience in procurement and supply functions

Strategy	KPIs and targets (April 2024 to March 2027)	FY2025 results	(Reference) FY2024 results	Boundary	Progress status
Achieve carbon neutrality in business activities	Reduce greenhouse gas (GHG) emissions (Scope 1 and 2) by 25% compared to FY2022 levels	Reduced by 23.6% compared to FY2022	Reduced by 12.9% compared to FY2022	Consolidated	○
Contribute to the global environment through the business	Achieve net sales of 100 billion yen*1 for environment-related business	¥36.8 billion	¥43.5 billion	Consolidated	△
Ensure safe and secure quality through stronger management of compliance with chemical substances regulations	Understand and share trends in chemical substances regulations in Japan and overseas in a timely manner, and strengthen the compliance management framework	• Developed and shared training materials on chemical substances regulatory compliance through the Company intranet to improve understanding of regulatory requirements for chemical imports at overseas bases and strengthen collaboration among them • As part of PMI, conducted on-site visits to identify issues at newly acquired Group companies. Provide support from a long-term perspective • Developed and shared training videos linked to skills assessments through the Company intranet to improve understanding of chemical regulations across the Company, particularly among new graduates and mid-career hires (The following initiatives have been continued since the previous fiscal year) • Regularly shared updates on global trends in chemical regulations across the Group • Continuously monitored the regulatory compliance status of domestic and overseas Group companies and provided support • Conducted internal seminars by external speakers on global trends in packaging regulations	*3	Consolidated	○
Enhance resilience in procurement and supply functions by strengthening supply chain management	Clarify the Company's position on responsible procurement, and communicate it internally and externally	• Raised internal awareness of the Inabata Group Human Rights Policy and Inabata Group Sustainable Supply Chain Policy by delivering the president's message and explanatory videos during the annual training program for all employees • Published Japanese-, English-, and Chinese-language versions of each policy on the Company website. Additional language versions are under consideration	*3	Non-consolidated	○
Establish supply chains that respect human rights	Establish the human rights due diligence (DD) cycle*2 for selected operations as a model case	Developed plans for a survey to assess human rights initiatives across Group companies in preparation for extending the human rights DD cycle established in the previous fiscal year throughout the Group. The survey is scheduled to be conducted in FY2026	*3	Non-consolidated	◎

*1 The expected ratio of environment-related business by field in the final year of the Sustainability Medium-term Plan 2026 is referred to on page 73 in Environment-Related Business.
*2 The human rights DD cycle refers to the due diligence processes and supporting measures set out in the OECD Due Diligence Guidance for Responsible Business Conduct.
*3 Please refer to page 32 of Integrated Report 2025.

Strengthening the foundation for business continuity

- Respecting human rights in the spirit of love (*ai*) and respect (*kei*) and growing together with local communities
- Fostering and strengthening the human capital driving the value creation
- Enhancing governance and risk management

Strategy	KPIs and targets (April 2024 to March 2027)		FY2025 results	(Reference) FY2024 results	Boundary	Progress status
Improve the well-being (state of being physically, mentally, and socially satisfied) of employees who support sustainable growth	Employee engagement surveys	Response rate of at least 90%	88%	82%	Consolidated	○
		Positive response rate of at least 80%*4 to the following statements (1) I am satisfied with the work I am doing at Inabata now. (2) I can relate to Inabata's philosophy, vision, and management policies, and I want to participate in achieving them.	(1) 69% (2) 67%	(1) 69% (2) 67%		△
		Positive response rate of at least 70% overall*4	64%	63%		△
	Expand the implementation boundary for the human rights DD digital survey to the Group		Developed a plan for implementation across all employees of Inabata & Co. in FY2026	*3		△
Foster diversity and inclusion that makes the most of diverse individuals	Increase the ratio of women in managerial positions to at least 8% by March 2028, and to 10% by 2030		7.3%	6.0%	Non-consolidated	○
	Maintain the ratio of mid-career hires at around 50%		57%	60%		○
	Ratio of male employees taking parental leave 100%*5		100%*6	92.9%		◎
	Continue to exceed the legal rate of employment for persons with disabilities		3.14%	3.20%		○
	Encourage managerial appointments for local employees at overseas subsidiaries		• Appointed one local employee at our Malaysia operation to a senior management position (director), marking the third such appointment following Taiwan and the United States • Approved the framework for the process of appointing senior management (president and directors) at the Management Council. Details of the system are currently under development, with implementation targeted for FY2026	*3	Consolidated	○
Further advance health and productivity management	Rate of complete checkup 100%*7		94.9%	85.3%	Non-consolidated	○
	Maintain comprehensive health risk found by stress checks at current levels*8		74	76		○
Focus on investment in human capital	Every year, spend more on education and training costs*9 per employee than in the previous fiscal year		¥89,124	¥83,400	Non-consolidated	○
	Maintain the ratio of employees with overseas posting experience at around 40%		38.5%	38.6%		○

*4 The positive response rate in the employee engagement survey refers to the proportion of responses rated 4 or 5 on a five-point scale, which are considered positive responses. For details, please refer to Employee Engagement on pages 81–84.
*5 Based on the Company's policy allowing employees to take parental leave until the child turns three years old, a 100% uptake rate indicates that all male employees whose spouses gave birth took parental leave within three fiscal years, including the fiscal year in which the child was born.
*6 As parental leave was made mandatory under a new system introduced in FY2023, the uptake rate for FY2025 is calculated based on the three years since the system's implementation (FY2023–FY2025). The calculation formula is as follows: Number of male employees whose spouses gave birth in FY2023 and who took parental leave in FY2023–FY2025 / Number of male employees whose spouses gave birth in FY2023
*7 The rate of complete checkup refers to the proportion of employees who were advised to undergo a complete checkup after the initial health check and actually followed the advice.
*8 Comprehensive health risk is an indicator that assesses the overall impact of the workplace environment on employee health. It is calculated using four measures—psychological burden of work (volume), degree of discretion at work, degree of support from managers, and degree of support from colleagues—obtained from stress checks based on the stress evaluation method provided by the Ministry of Health, Labour and Welfare. The national average is calculated as 100: workplace health risk is high if the value exceeds 100, and low if the value falls below 100. The lower the value, the more favorable the evaluation.
*9 Education and training costs refer to the expenses spent on group training, external training, video learning, and so on at Inabata on a non-consolidated basis. Please refer to Sustainability Data (Human resource development) on page 123.



We aim to achieve our long-term vision by investing in M&A and human capital, elevating our multifaceted capabilities.

Kenichi Yokota

Director, Senior Managing Executive Officer
Administrative Affairs

Six consecutive years of record operating profit Fulfilling our role as a trading company while closely monitoring the situation in the Middle East

In the second year of the medium-term management plan NC2026, sales in the environment and energy field, particularly solar power-related products, a key focus of the Information & Electronics segment, declined due to the review of decarbonization and EV-related policies in the United States and slower-than-expected progress in these areas. Meanwhile, the Chemicals, Life Industry, and Plastics segments remained solid. Supported in part by the contribution of newly consolidated domestic companies, both operating profit and ordinary profit exceeded our initial targets and reached record highs.

At present,*1 the situation in the Middle East has not had a significant impact on our business or financial performance. However, negotiations between the parties to the conflict, damage to local infrastructure, and shipping conditions resulting from the closure of key waterways remain highly fluid. Although we have already announced our consolidated earnings forecast for FY2026, it is difficult at this stage to estimate the extent or financial impact should the crisis in the Middle East become prolonged. At the same time, we have heard from customers and business partners that times like these are when trading companies are needed most. By maintaining close communication across our global network, we will continue striving to support the stability of supply chains.

*1 As of May 2026.

Accelerating M&A investment to achieve consolidated net sales of over one trillion yen

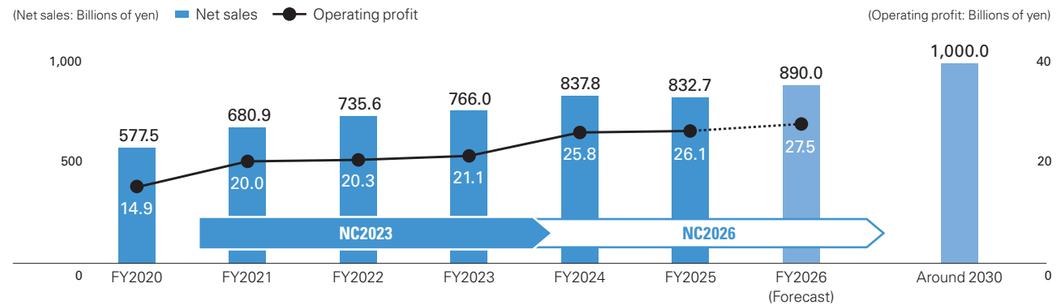
The quantitative target of achieving consolidated net sales of over one trillion yen under our long-term vision, IK Vision 2030, is progressing broadly in line with expectations, and we believe it can be achieved by around 2030. On the other hand, our target of increasing the ratio of overseas sales to 70% or more has become somewhat more uncertain, as our recent M&A activity has centered primarily on domestic companies. Accordingly, while continuing our global expansion with our Asia operations at the core, as one of our key strengths, we are accelerating new investments in regions such as the Americas over the medium term. In rapidly growing Mexico, we are expanding our plastics business for the automotive industry and broadening our operations into chemicals and related fields. The United States, the only major developed economy where continued population growth is expected, also offers a wide range of business opportunities. In addition to our established electronic materials and plastics businesses, we are strengthening our presence in the life sciences and food-related businesses.

Performance overview

(Billions of yen)

	First year of NC2026 FY2024	Second year of NC2026 FY2025		Final year of NC2026 FY2026	
	Full-year results	Full-year results	Second-year forecast	Final year forecast	Targets*
Net sales	837.8	832.7	870.0	890.0	950.0
Operating profit	25.8	26.1	25.5	27.5	27.0
Operating profit ratio	3.1%	3.1%	2.9%	3.1%	2.8%
Ordinary profit	26.1	27.7	25.5	27.5	26.0
Profit attributable to owners of parent	19.8	20.6	19.5	21.0	19.0
ROE	9.7%	9.3%	10% or more	10% or more	10% or more
Net D/E ratio	0.07 times	0.06 times	0.5 times or less	0.5 times or less	0.5 times or less
Equity ratio	47.1%	47.3%	Approx. 50%	Approx. 50%	Approx. 50%
Exchange rate (Yen/USD)	152.62	150.67	143.00	155.00	145.00

* Announced on May 9, 2024



NC2026 company-wide growth strategy

Consolidated net sales ¥1 trillion or more

- Approach: Expand earnings through proactive investment
- Business domains: Expand environment-related business and life industry business, such as food products

Enhance multifaceted capabilities

- Differentiate and boost earnings by enhancing multifaceted capabilities (especially in manufacturing and logistics)

Business portfolio

- Further develop key segments (Plastics, Information & Electronics)
- Establish earnings pillars on par with key segments

Overseas contribution: 70% or more

- Further develop growth areas (especially in India, Mexico, and other parts of the Americas, in addition to the existing Asia sites)
- Move into untapped areas, including Eastern Europe

Note: **The text in blue** represents the long-term vision.

From a portfolio perspective, our goal is to have at least one-third of sales and operating profit from business segments other than Information & Electronics and Plastics segments.

At present, however, these two core segments still account for roughly 80% of our portfolio, meaning progress has fallen short of our expectations. That said, more than nine years have passed since we formulated our long-term vision, and the business mix within both segments has

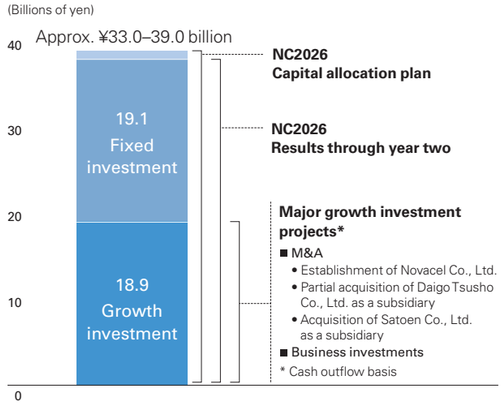
evolved in positive ways. For example, within the Information & Electronics segment, semiconductors, electronic components, and energy-related businesses have expanded broadly in line with our growth strategy. We are also seeing several promising new opportunities emerge and are evaluating strategic business investments, including M&A.

We have made steady progress in further enhancing our multifaceted capabilities, supported in part by the consolidation of several manufacturing companies as subsidiaries over the past few years. By expanding solution-based businesses that combine manufacturing, logistics, finance, and other functions, we aim to strengthen our earnings capability and enhance our price-to-book (P/B) ratio.

One of the key initiatives for achieving consolidated net sales of over one trillion yen is expanding earnings through proactive investment. Over the past two years or so, we have executed investments totaling approximately 38.0 billion yen. The largest of these was the acquisition of shares in Novacel Co., Ltd., the joint venture established with Daicel Corporation in 2024, and its consolidation as a subsidiary. This transaction to reach and conclude the agreement was made possible by the trust we had built with Daicel over many years through our sales activities in the Plastics segment. It was a well-timed investment, given our financial position both in 2024 and today. Had the opportunity arisen five or 10 years earlier, we might not have been able to make an investment of this scale given our financial capacity at the time.

We are also strengthening our M&A capabilities. In addition to assigning personnel with experience in sales from several business divisions to the Business Planning Office, our dedicated M&A organization, we have established a new specialist department within the office to oversee post-merger integration (PMI). From identifying investment opportunities through to PMI, the ability to identify promising opportunities, execute projects, and coordinate diverse stakeholders—skills cultivated through our frontline sales operations—is critical to success. By combining these capabilities with the expertise of specialists in finance, legal affairs, taxation, and other fields, we will further enhance the effectiveness of our M&A activities.

NC2026 investment performance through year two



Established a dedicated department to enhance multifaceted capabilities Continuing to play a vital role in the value chain

In last year's integrated report, I had the opportunity to speak with Mr. Toyoda of Schroder Investment Management (Japan) Limited. During our discussion, he emphasized the importance of ensuring that, as a trading company deeply involved in its customers' value creation processes, we continue to remain an integral part of the value chain. This is also an important perspective from which institutional investors evaluate trading companies. The key to meeting these expectations lies in further enhancing our multifaceted capabilities by combining our manufacturing, processing, finance, and other functions. With this in mind, we established the Manufacturing Site Support Department in April 2025 (name changed to the Manufacturing Site Management Department in July 2026) to strengthen the capabilities of our manufacturing and processing subsidiaries. We have recruited professionals with experience in quality assurance and production management in the manufacturing industry and assigned them to the new department. By visiting production sites in Japan and overseas, they help improve customer responsiveness from a manufacturer's perspective and optimize production operations. In our plastic compounding business, which operates production sites in seven countries, we have also assigned plastics specialists to each facility to provide attentive, local customer support while maintaining stable, advanced production and quality assurance systems.

Reflecting the expansion of our manufacturing and processing capabilities, we have also been implementing initiatives since FY2025 to further bolster the management foundations of our manufacturing and processing subsidiaries. Specifically, we introduced objective indicators for evaluating core operations, including manufacturing processes. Based on these assessments, experienced manufacturing professionals visit each site to identify areas for improvement and provide recommendations. At one subsidiary, for example, the assessments revealed opportunities to improve cost accounting and contract management, and we are implementing measures tailored to local operating conditions. More recently, members of the Manufacturing Site Management Department have visited production sites as instructors, conducting study sessions and workshops on quality management.

Food is also one of the business areas on which we intend to place greater emphasis going forward. Our customers require quality assurance systems that differ from those in our other businesses and that meet the particularly high standards of the food business. Following the acquisition of Satoen, a tea cultivation and manufacturing company, as a subsidiary in 2025, we established the Food Quality Assurance Department within the Life Industry segment. We are steadily reinforcing this organizational framework by recruiting experienced professionals with broad expertise in fields required for food safety, such as regulatory compliance, hygiene management, and others.

I would like to note that we were able to conceive and promptly implement initiatives to enhance our multifaceted capabilities in response to the valuable insights and recommendations of our independent directors.

The shift to EVs has slowed in the near term Expanding our environment-related business over the medium to long term

At present, the global shift toward EVs has temporarily slowed. As a result, achieving our NC2026 target of generating 100.0 billion yen in net sales from environment-related business by the final year of the plan has become challenging. From a medium- to long-term perspective, however, we continue to believe that demand for EVs will grow. We also believe that the current situation in the Middle East could ultimately provide further impetus for the shift from gasoline-powered vehicles to EVs if elevated oil prices persist. In addition, there is strong demand for autonomous driving, the centerpiece of the mobility revolution. Because vehicles equipped with autonomous driving technology are expected, in principle, to be EVs, the full-scale transition to EVs may occur somewhat later than originally anticipated, but we believe it will inevitably take place. Against this backdrop, our current priority is to expand the range of products that leverage our strengths in environmental fields where future growth is expected, including lithium-ion batteries, the primary power source for EVs, and next-generation rechargeable batteries.

The circular economy market also holds considerable promise. At present, however, challenges such as recycling



costs and the appearance of recycled materials, particularly color differences compared with virgin materials, continue to impede its development, resulting in alternating periods of progress and stagnation. Looking ahead, we expect adoption to expand steadily as trading companies like ours work with manufacturers to advance recycling technologies and as end users gain a better understanding of their value.

Executing a financial strategy to strengthen expectations for earnings growth

One of the financial challenges we have long identified as a priority is improving our P/B ratio. In addition to raising ROE, we recognize that the key to improving our P/B ratio lies in strengthening investors' expectations for our future earnings growth.

We are often described by shareholders and investors as a company they can watch with confidence. Put another way, we are sometimes seen as a company that offers few surprises—for better or for worse. The stock market naturally tends to place a premium on novel initiatives and companies that attract attention, making this a challenging environment. Moreover, the price-to-earnings (P/E) ratio, which is a key factor influencing the P/B ratio, is also heavily affected by the industry in which a company operates.*2

Accordingly, we are implementing a strategy to further strengthen our non-trading capabilities, particularly by further enhancing our multifaceted capabilities discussed earlier, in order to break free from conventional perceptions associated with our industry and increase expectations for our future growth. Within our trading business, we also intend to improve ROE by focusing on products that offer higher profit margins.

Another fundamental principle is that any company we consider for acquisition must contribute to improving the Group's overall ROE. At meetings where management reviews investment proposals, we assess the impact that acquiring and consolidating a target company would have on consolidated ROE. As a general rule, proposals that would reduce consolidated ROE are not approved.

Under NC2026, our financial strategy focuses on further improving capital efficiency, emphasizing shareholder returns through measures including progressive dividends, and practicing management that is conscious of cost of capital and share price.*3 In line with our basic policy on shareholder return, we have continued progressive dividends while targeting a total payout ratio of approximately 50%, complemented by dividend increases and share repurchases and cancellations. During the first two years of the medium-term management plan, however, profit attributable to owners of parent exceeded our initial expectations, resulting in shareholders' equity increasing beyond the level originally anticipated. In light of this, although we are still in the middle of the medium-term management plan, we introduced DOE as a new performance indicator beginning in FY2026 in order to clearly demonstrate our commitment to appropriately distributing the benefits of earnings growth in accordance with the level of shareholders' equity. Specifically, we have established an initial DOE target of 4.0%–4.5% and, in addition, adopted a policy of maintaining a total payout ratio of at least 50% each fiscal year. Going forward, we will continue practicing management that is conscious of the cost of capital and share price while striving to improve capital efficiency and maximize corporate value.

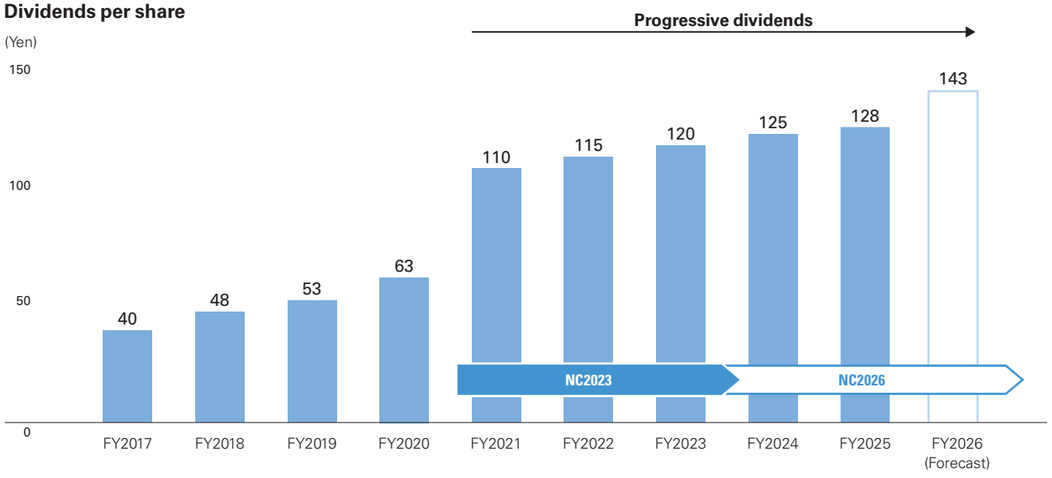
*2 The Company is classified under the Wholesale Trade industry.
*3 Achieve a stock price level consistently above a P/B ratio of 1x as soon as possible.

Basic policy on shareholder return (partially revised from FY2026)

Performance indicators, etc.	Through FY2025	From FY2026 onward	
DOE*1		**Newly introduced**	Target a DOE of 4.0%–4.5%.
Progressive dividends	Fundamentally, we will ensure that dividends per share does not decline year on year by continually increasing our dividends.	**Continued**	Fundamentally, we will ensure that dividends per share does not decline year on year by continually increasing our dividends.
Total return ratio*2	The target for total return ratio is roughly 50%.	**Partially revised**	Maintain a total payout ratio of at least 50% each fiscal year.

*1 DOE = (Total dividends ÷ Shareholders' equity) × 100 (%)
*2 Total return ratio = (Dividends + share repurchases) ÷ consolidated net income x 100 (%)
Note: Underlined items indicate changes.

Dividends per share



Strengthening sustainability risk management

We are steadily implementing strategies to achieve the KPIs and targets set for the Sustainability Medium-term Plan 2026, which covers to FY2026, and are making consistent progress. This fiscal year, in particular, we are focusing on identifying potential risks that could negatively affect business sustainability from perspectives such as climate change, supply chains, and corporate governance. We are implementing a range of measures to mitigate these risks. For example, from the perspectives of regulatory compliance and quality management, we are strengthening the management of compliance with chemical substances regulations and conducting ongoing monitoring through our business partner screening system. From a human rights perspective, we are conducting human rights due diligence as part of our efforts to earn the trust of our stakeholders.

Many of our suppliers, who are important partners in creating value, are small and medium-sized enterprises. Because they often lack sufficient human resources and accumulated expertise, it can be difficult for them to strengthen sustainability risk management through their own efforts alone. To address this, we established the Inabata Group Sustainable Supply Chain Policy in 2024, setting out the values to be shared and the initiatives to be promoted together with our business partners. By deepening collaboration with our suppliers, we will continue building a resilient and sustainable supply chain.

Continuing to invest in our greatest management resource—our people

A challenge shared by many Japanese companies today is talent shortages resulting from a declining and aging population. At the same time, changing jobs has become increasingly common, making the labor market more fluid. For the Inabata Group, we must continue enhancing our attractiveness as an employer in order to retain talent and support continued business growth. Needless to say, an attractive company is defined by more than competitive compensation and comprehensive employee benefits. Above all, I believe it is an organization that provides opportunities for employees to grow in line with their individual career aspirations. One of the most valuable opportunities we offer is substantive overseas assignments. Today, we operate approximately 70 sales, manufacturing and processing, and research and development sites across 19 countries. These operations are highly active, and their responsiveness and network capabilities are highly valued by our customers. They provide employees with opportunities to develop in a dynamic business environment from an early stage in their careers, enabling them to build business skills and professional networks that can compete on the global stage. The accumulation of the results they achieve has also contributed to our profit growth in recent years.

More recently, institutional investors have been asking more questions about topics such as employee satisfaction, diversity, and the promotion of women to management positions. We have established KPIs and targets for these areas under the Sustainability Medium-term Plan 2026, and progress has been steady. From the perspective of further enhancing our multifaceted capabilities, we must also continue attracting diverse talent. We will continue investing in our greatest management resource—our people.

Enhancing corporate value while preparing for information security and geopolitical risks

With respect to our digital strategy, we are actively advancing the development of a new integrated data platform that will enable the strategic use of unstructured data, as introduced in last year's integrated report, and the project is progressing largely as planned. At the same time, the growing frequency, sophistication, and severity of cyberattacks have made information security more important than ever. Overseas institutional investors, in particular, are paying close attention to how Japanese companies address these risks. Compared with initiatives such as AI adoption and digital transformation (DX), the ingenuity and dedication of those responsible for information security are often less visible in terms of tangible results. That is precisely why we are committed to recognizing and appropriately evaluating the people who work every day to defend the Company against threats that cannot be seen. A secure environment should never be taken for granted. We have no intention of scaling back our investment in specialized talent, leading-edge technologies, security tools, and IT infrastructure.

In March 2026, we introduced a new Corporate Message: "Connecting your everyday. Weaving our future." The recent escalation of tensions in the Middle East, for example, has disrupted many of the things we once took for granted. In the wake of this crisis, companies are diversifying their procurement sources and, in some cases, accelerating their shift away from oil. It has reinforced our belief that the unique role of a trading company is to prepare for a wide range of risks in advance and, when a crisis arises, minimize its impact while providing customers with the best possible solutions.

Going forward, we will continue combining our diverse capabilities along with our strong global network to keep our customers' businesses running smoothly while enhancing corporate value.

Action to Implement Management That Is Conscious of Cost of Capital and Share Price

Background to initiatives

Inabata has been committed to capital-efficient management since before the Tokyo Stock Exchange's March 2023 request to all listed companies on the Prime and Standard markets to take action on management practices conscious of cost of capital and share price.

Following a significant improvement in our performance and a marked enhancement in financial soundness, we substantially increased shareholder returns beginning in FY2021.

At the same time, we strengthened corporate governance by transitioning in June 2022 to a Board of Directors with a majority of independent directors. We also introduced a policy to reduce strategically held shares and are ahead of schedule in executing this reduction.

In June 2023, we announced our Policy for Action to Implement Management That Is Conscious of Cost of Capital and Share Price (**Table 1**), and since FY2023, we have been advancing concrete initiatives based on this policy.

Table 1: Policy for Action to Implement Management That Is Conscious of Cost of Capital and Share Price

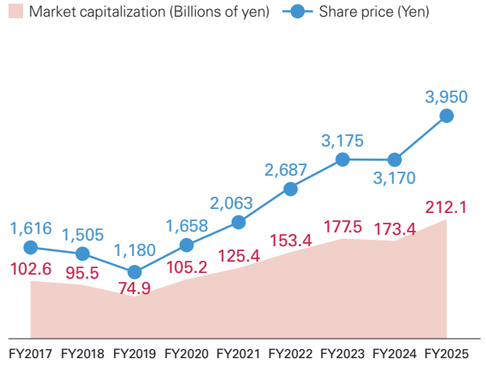
Initiatives to consistently achieve a P/B ratio above 1x as soon as possible:
(1) Steadily implement growth strategies to continuously enhance business value and build expectations for stronger future earnings (Growth)
(2) Maintain ROE of 10% or more (Capital efficiency)
(3) Control and/or curtail the cost of capital, including by utilizing financial leverages (Cost of capital reduction)
(4) Continue buying back shares (Capital efficiency)

Challenges and key areas for further enhancement

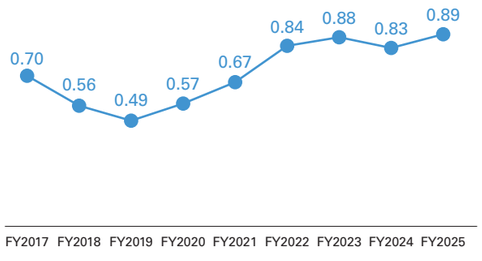
As a result of our initiatives, business performance has expanded steadily, contributing to consistent growth in both our share price and market capitalization (**Graph 1**). However, our P/B ratio remains below 1x (**Graph 2**), reinforcing the need to further strengthen our initiatives.

Comparing our cost of capital with our capital profitability, we have succeeded in steadily reducing our cost of capital. At the same time, under NC2026, profit exceeded our plan in both the first and second years, resulting in a larger-than-expected increase in shareholders' equity and, consequently, a decline in ROE (**Graph 3**). In light of these circumstances, we decided to strengthen shareholder returns by introducing DOE from FY2026 as part of our new policy, together with other shareholder return measures (**Tables 2 and 3**).

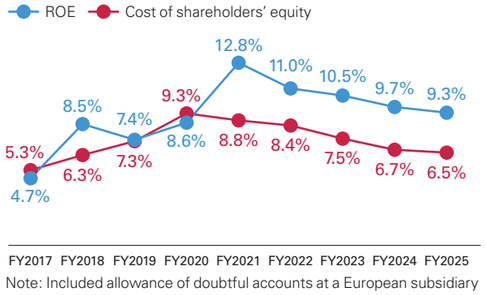
Graph 1: Share price and market capitalization



Graph 2: P/B ratio



Graph 3: ROE and cost of shareholders' equity



Note: Included allowance of doubtful accounts at a European subsidiary in FY2017.

Table 2

Addition of a new policy (effective FY2026)
Strengthen shareholder returns through measures including the introduction of DOE, while working to improve capital efficiency.

Table 3

Performance indicators, etc.	Through FY2025	From FY2026 onward
DOE*1		**Newly introduced** Target a DOE of 4.0%–4.5%.
Progressive dividends	Fundamentally, we will ensure that dividends per share does not decline year on year by continually increasing our dividends.	**Continued** Fundamentally, we will ensure that dividends per share does not decline year on year by continually increasing our dividends.
Total return ratio*2	The target for total return ratio is roughly 50%.	**Partially revised** Maintain a total payout ratio of at least 50% each fiscal year.

*1 DOE = (Total dividends ÷ Shareholders' equity) × 100 (%)
*2 Total return ratio = (Dividends + share repurchases) ÷ consolidated net income x 100 (%)

Note: Underlined items indicate changes.

Specific measures to strengthen our efforts

To achieve, as early as possible, a share price that consistently results in a P/B ratio above 1x, we will further strengthen our initiatives. First, with respect to initiatives to enhance business value and foster growth expectations, as discussed in the progress report on the second year of NC2026 (pages 33–34), the investments we have made over the past several years have steadily contributed to strengthening our earnings base. We intend to continue making proactive investments to further accelerate growth.

Next, with regard to maintaining an ROE of 10% or higher, as noted earlier, we have strengthened our shareholder return policy beginning in FY2026 and will place an even greater emphasis on improving capital efficiency. In addition, we have conducted share buybacks and canceled treasury shares every fiscal year since FY2021 and intend to continue doing so.

Finally, with regard to controlling and reducing the cost of capital, we have, in recent years, been included in an increasing number of indices, including the JPX-Nikkei Index 400, and our issuer credit rating was upgraded by one notch in FY2025. We believe these developments reflect the growing confidence that investors have in us, as evidenced by the increasing number of one-on-one meetings we have with investors and analysts. Going forward, we will further enhance our dialogue with investors and our information disclosure, thereby reducing information asymmetry with the market, including with respect to risk-related information, and helping to control and reduce our cost of capital.

Background and future direction for strengthening initiatives

		Up to FY2022 Significant expansion of shareholder returns	FY2023 to FY2024 Implement measures to realize management conscious of cost of capital and share price	From FY2025 Implement measures to strengthen management conscious of cost of capital and share price
Growth	Enhance business value and foster growth expectations	• Expanded the earnings base mainly through core businesses	• Actively pursued M&A and business investments under a policy of proactive investment	• Steadily expanded earnings, primarily through M&A investments, and further accelerate investment going forward
Capital efficiency	Maintain ROE of 10% or more	• Achieved an ROE level exceeding the cost of capital through improved performance and enhanced shareholder returns	• Maintained ROE levels through share buybacks and cancellations	• Continued share buybacks and the cancellation of treasury shares • Strengthened our shareholder return policy and further reinforced our commitment to improving capital efficiency
Reducing cost of capital	Control and/or curtail the cost of capital	• Strengthened corporate governance structure (with independent directors constituting the majority) • Reduced strategic shareholdings	• Lowered cost of capital through improved performance levels and increased liquidity	• Enhanced investor confidence through inclusion in major indices, including the JPX-Nikkei Index 400, and an upgrade of our issuer credit rating (A– to A) • Increased one-on-one meetings with institutional investors and analysts

Establishing a unique presence in anticipated growth areas while nurturing the strengths of each business segment

Business segments

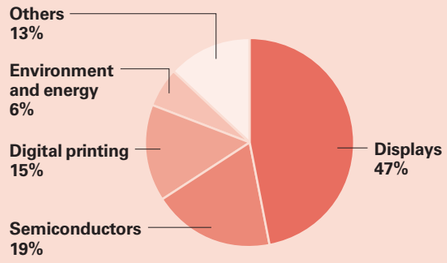
Composition of products and materials
(Based on simple sums of net sales)

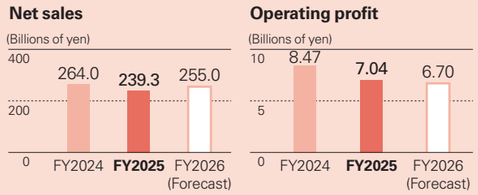
Segment performance overview for FY2025
(The forecast for FY2026 is as of August 2026.)

Information & Electronics

Segment assets ¥115.7 billion

Number of manufacturing and processing subsidiaries 1



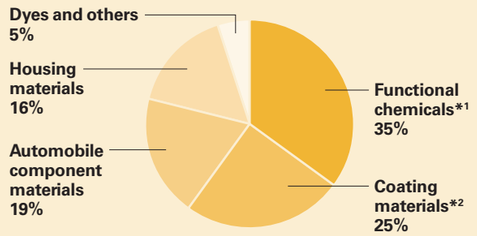


- In the FPD-related business, sales for small- and medium-sized panels, in-vehicle electronics, and OLEDs remained solid, while sales for large-sized panels declined.
- The demand for encapsulants for LEDs used in outdoor displays was firm.
- For inkjet-related products, sales for home and office use decreased while sales of industrial products grew.
- For copier-related products, the acquisition of new products led to a rise in the sales of related materials.
- For products related to solar power generation, sales of related materials decreased.
- For products related to lithium-ion batteries, sales of related materials decreased slightly worldwide.
- For photomask-related products, sales for related materials increased.
- Sales of semiconductor-related products decreased significantly due to the absence of the large-scale equipment sales recorded in the previous fiscal year. Meanwhile, sales of materials for advanced semiconductor applications increased significantly.

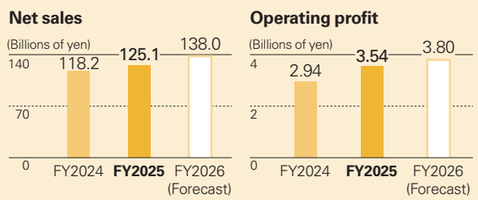
Chemicals

Segment assets ¥69.3 billion

Number of manufacturing and processing subsidiaries 2



*1 Functional chemicals (resin materials and additives, chemicals for papermaking)
*2 Coating materials (paints, inks, and adhesives)

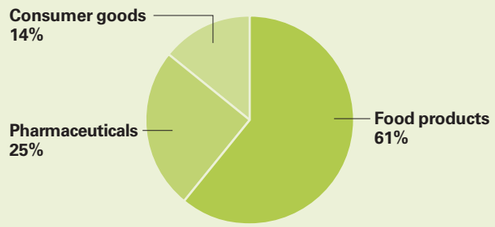


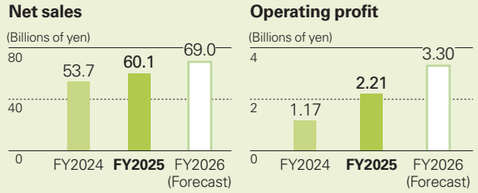
- In resin raw materials and additives, sales of urethane materials and other products increased, but sales of resin raw materials for the U.S. market declined, resulting in an overall decrease in sales.
- Sales of materials for automotive components generally remained flat, but sales of thermal interface materials grew, resulting in increased sales.
- Sales increased in the paint, ink, and adhesive fields due to the acquisition of new business rights.
- Sales of chemicals for papermaking declined, with sales to the U.S. decreasing significantly due in part to higher tariff rates.
- In housing materials, sales increased due to expanded efforts targeting homebuilders and building materials manufacturers, despite a decline in new housing starts.

Life Industry

Segment assets ¥35.1 billion

Number of manufacturing and processing subsidiaries 4





- In life sciences-related products, sales of raw materials for pharmaceuticals and daily goods were robust, leading to an overall increase in sales.
- For food-related products, sales of agricultural products increased, reflecting solid sales of frozen vegetables and fruits as well as the addition of tea product sales following the new consolidation of Satoen Co., Ltd.

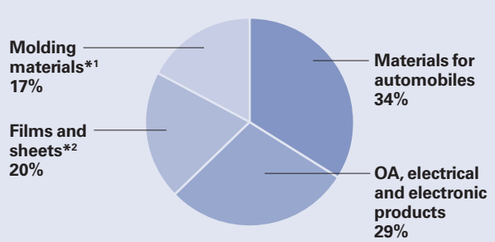
  For marine products, sales to conveyor-belt sushi restaurants and mass retailers in Japan remained strong, as did e-commerce sales of processed eel products.

  In the U.S. market, despite somewhat sluggish sales of processed marine products, overall sales increased due to expanded sales of dessert products and other factors.

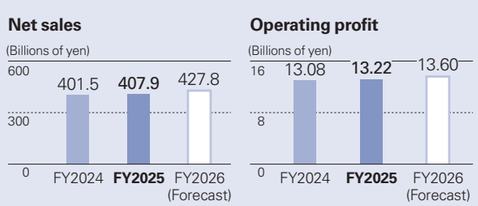
Plastics

Segment assets ¥217.4 billion

Number of manufacturing and processing subsidiaries 19



*1 Film sheets (polyolefin raw materials, films, sporting goods, sheet-related products, etc.)
*2 Molding materials (construction and civil engineering materials, daily goods, etc.)



- Sales of commodity plastics increased due to expanded sales of imported products.
- Sales of high-performance resins decreased, reflecting a reactionary decline in sales for OA applications following strong sales in the previous fiscal year.
- Global sales of automotive-related products increased slightly.
- For the compound business, sales were generally firm.
- Sales of polyolefin raw materials declined overall, as a significant decrease in exports outweighed solid domestic sales.
- Sales of film-related products (flexible packaging) were on par with the previous year.
- Sales of sporting goods increased significantly, driven by strong sales in both Japan and overseas, particularly of grip tape.
- Sales of sheet-related products increased as sales of imported raw materials expanded and new customers were acquired.
- The recycled materials business continues to expand steadily.

As of March 31, 2026

Information & Electronics

With FPD components, materials for digital printing, materials for semiconductors, and other products as our profit-generating pillars, we are also focusing on expanding into growth areas such as semiconductor-related equipment, automotive, and renewable energy.



Tsuyoshi Maruta
Managing Executive Officer

Annual review in light of NC2026

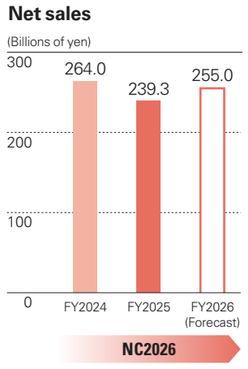
Laying the groundwork for growth over the next two to three years amid challenging market conditions

FY2025 was marked by a challenging business environment, reflecting continued weakness in the FPD-related business, compounded by declining demand for EV batteries and renewable energy-related materials.

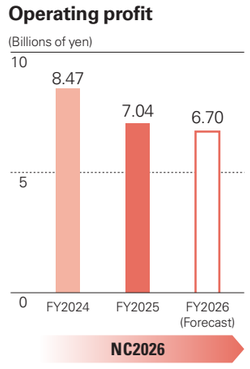
Progress under the medium-term management plan has also fallen short of expectations. At the same time, however, the semiconductor business has begun to show signs of medium-term growth, supported by the robust AI-related market, while the industrial inkjet business is steadily demonstrating the effectiveness of its profit-generating business model. Going forward, we will develop semiconductor-related materials and equipment into our next growth pillar and expand our environment and energy business in emerging markets such as India and North America.

Although a full recovery across the segment will take time, we will steadily build the foundations for earnings growth over the next two to three years.

Net sales



Operating profit



Business environment (opportunities/risks) and strengths



Displays



Digital printing



Semiconductor and electronics



Environment and energy

Business environment (■ Opportunities ◆ Risks)

Displays	Digital printing	Semiconductor and electronics	Environment and energy
■◆Overconcentration in the Chinese market	■Expansion of the industrial inkjet market	■Expansion of the AI semiconductor market	■Increase in global interest in climate change response
■Expansion of display parts for automobiles	◆Advancement of paperless environments	◆Intensifying global competition	◆Addressing variations in related laws and regulations in different countries and regions
◆Addressing intensifying competition and changes in trends			

Strengths

●Collaboration with major Japanese materials manufacturers	●Top-level information network in each industry as a trading company	●Specialized skills in mask blanks, which is one of our key products	●A wide array of renewable energy materials
	●A global network to maintain closeness with clients and the capability of providing processing and distribution services		

NC2026 segment growth strategy

Core	●Expand the electronic device-related business into adjacent markets and grow related businesses ●Improve profitability of consumer inkjet-related business
Growth	●Accelerate expansion in the environment and energy field ●Reinforce semiconductor and electronics components business (including equipment business) ●Expand the industrial inkjet-related business
Next	●Initiatives for environmentally friendly materials (bio-dyes, hydrogen and fuel cell materials, etc.) ●Initiatives for DX-related products

Accelerate growth

Investments, etc.	●Environment and energy field ●Semiconductor-related

Identifying growth areas in the rapidly evolving semiconductor market and cultivating them into our next earnings pillar

Under NC2026, we have identified the semiconductor business as a key growth area that will drive the future of this segment. We have continued to prioritize investments in this area, and during FY2026 we began supplying high-density substrate packaging materials used for connecting to advanced semiconductors, including graphics processing units (GPUs), amid the rapid expansion of data center demand in Japan and overseas driven by the widespread adoption of generative AI. We are also expanding global sales of chemical additives and related materials for semiconductor front-end processing chemicals, responding to customers' increasingly stringent quality requirements and growing demand for a stable supply. By helping customers select the optimal products for their applications and manufacturing processes, while providing flexible supply capabilities, we have delivered value tailored to customer needs and expanded the scope of our solutions. In addition, we are pursuing a wide range of opportunities involving semiconductor encapsulation resins and their raw materials, as well as products related to the growing semiconductor memory market. We are also accelerating commercialization and earnings generation by strengthening our information-gathering capabilities through the expansion of our equipment business and enhancing our organizational capabilities.

We also view the Indian market as an important growth driver. While our current business is centered on Japan and East Asia, we expect India to develop into a major global semiconductor market over the medium to long term. Accordingly, we are building supply chains and expanding our customer base in India, focusing on equipment and materials used in both front-end and back-end semiconductor manufacturing processes. Although these initiatives will take time to contribute to earnings, we see solid growth potential in areas supported by the increasing importance of semiconductors as critical social infrastructure, the trend toward greater in-house production, and expanding demand for AI semiconductors. We will focus our business on solving customers' challenges in these areas and accelerate our growth.

Focus on areas where we can leverage our strengths and build a stable business over the medium to long term

In the industrial inkjet market, demand for small-lot production is expanding, driven by increasingly diverse consumer needs and growing demand for short-run changes to packaging specifications. We are capturing demand for flexible packaging applications, including food packaging and labels, while shifting our primary focus away from the highly competitive textile market. The market is growing at an annual rate of 5–10% and still offers significant growth potential. Although the business is currently modest in scale, we will develop new customers for each application and steadily build our project pipeline. Once adopted, these products are typically used over the long term, providing a stable source of earnings. Building on this strength, we will pursue sustainable growth in the promising European market by assigning dedicated personnel and strengthening our sales organization.

In the environment and energy field, demand for secondary battery-related products has fallen short of expectations amid the slowdown in the EV market. Meanwhile, demand for storage batteries for solar power generation is rising rapidly, driven by increasing electricity demand associated with the widespread adoption of AI. As the industry undergoes a temporary shift from EVs to storage batteries, we are expanding our product offerings for the storage battery market and will continue to pursue EV-related business over the medium term, focusing on selected market segments. In our renewable energy business, biomass power plants in Fukuyama, Hiroshima Prefecture, and Yahaba, Iwate Prefecture, to which we supply wood-chip fuel made from unused thinned timber and other biomass feedstock, commenced commercial operation. Overseas, we will focus on expanding our business in markets where we see strong growth potential, including India and North America, where demand for solar power generation is high.

Chemicals

With firm roots in our founding business of dyes, we deal in chemicals that serve as a platform for all kinds of industries. In 2019, we integrated the Chemicals Division and the Housing & Eco Materials Division, which was dealing with materials that are close to final products, to provide optimum products and services to the entire value chain.



Yutaka Takahashi
Director, Managing Executive Officer

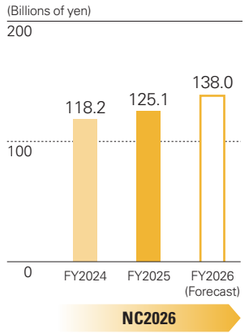
Annual review in light of NC2026

Sharpening our highly specialized knowledge and agility to drive growth in an uncertain world

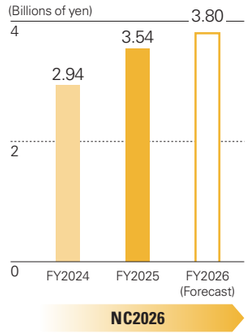
Although net sales fell just short of the second-year target under the NC2026 medium-term management plan in FY2025, operating profit increased significantly, allowing us to achieve our annual target and make solid progress in terms of earnings. Despite a challenging business environment marked by the slowdown in the Chinese market and weaker EV demand, we steadily built new business, particularly in Japan and across our Group companies, through the acquisition of new business rights and closer collaboration with Group companies.

In FY2026, the final year of NC2026, we will continue to view geopolitical risks and changes in the market environment as opportunities. We will pursue sustainable growth and achieve our targets by strengthening our global capabilities in identifying new products and ensuring a stable supply.

Net sales



Operating profit



Business environment (opportunities/risks) and strengths



Functional chemicals



Coating materials



Automobile component materials



Housing materials

Business environment (■ Opportunities ◆ Risks)

- ■Increase in need for materials and new formulations in light of environmental regulations
- ◆Unstable supply of materials and price fluctuations
- ■Increase in demand centered on developing countries
- ◆Response to global industrial restructuring
- ■Sales demand from foreign makers
- ■Expansion in demand for new materials along with the structural revolution of automobiles
- ◆Industry-specific quality control standards and responsibility of supply
- ■Need for construction and distribution innovations in light of labor shortage
- ◆Sluggishness of the domestic market
- ■Enhancing awareness of the circular economy
- ■◆Shift from domestic markets to overseas markets

Strengths

- ●Knowledge of chemicals and a client base nurtured over 130 years
- ●Competence in organizing a global supply chain suitable for our clients
- ●A wide range of products and materials spreading from upstream to downstream
- ●Local handling through overseas manufacturing and processing bases of the Group
- ●Chemical product sourcing and highly specialized knowledge

NC2026 segment growth strategy

Core	• Expand sales of resin materials and additives, coating materials, and housing materials • Achieve synergies with Maruishi Chemical Trading Co., Ltd. (coating materials, paints, etc.)
Growth	• Expand business in materials in the EV field (batteries, motors, display materials) • Bolster overseas development (expand sales of various products using global logistics functions)
Next	• Take on initiatives for biodegradable and recycled materials • Capture new themes by enhancing planning and development capabilities

Accelerate growth

Investments, etc.	• EV field • Functional chemicals, coating materials • Enhance logistics and processing functions

Turning changes in the external environment into new business opportunities

The business environment is changing at a rapid pace, driven by global industry consolidation, intensifying price competition, the slowdown in the Chinese market, and geopolitical developments. Adapting quickly to these changes is essential. One of the most notable trends is the evolving needs of the global chemical suppliers that form the backbone of our supply network. Increasingly, they are looking for partners that can help them develop new overseas markets and sales channels, secure alternative sources of raw materials, or both. Responding to these needs is precisely where Inabata adds value. Leveraging our global network and highly specialized knowledge, we are placing greater emphasis than ever on strengthening the long-standing relationships we have built with our key suppliers.

At the same time, we are broadening our supplier base by sourcing products from Chinese companies while accelerating our expansion in India, enabling us to diversify our supply chains and create new business opportunities. In India, in particular, we have strengthened our market intelligence by deploying personnel locally, supporting the supply of chemicals to Japanese companies and identifying procurement sources beyond those available from Chinese suppliers, thereby establishing a strong foundation for future growth. In the mobility sector, despite the sharp slowdown in the global EV market, we are expanding into new fields, including motor-related materials, in China, the one major EV market that continues to grow. Through these initiatives, we will quickly turn changes in the external environment into new business opportunities, leveraging Inabata's distinctive strengths in research capabilities, highly specialized knowledge, and agility.

Strengthening collaboration with Group companies worldwide and enhancing our sourcing and development capabilities

To strengthen our ability to respond to changes in the external environment, we are also deepening collaboration with Group companies worldwide. In Japan, Inabata Fine Tech & Co., Ltd. and Maruishi Chemical Trading Co., Ltd. operate in business areas that overlap with those of this segment. Although we have traditionally differentiated our roles by, for example, assigning different sales territories, we are now working more closely across the Group to strengthen our proposal capabilities and expand our commercial rights. Overseas, Shanghai Inabata Fine Chemical Co., Ltd. has expanded beyond its traditional coating materials processing business while also working to reduce production and processing costs. In Thailand, Hi-Tech Rubber Products Co., Ltd., which manufactures rubber components for automotive wiring harnesses, is planning to increase production capacity through the construction of a new plant. In Indonesia, we invested in a company that manufactures raw materials for refractory bricks. By strengthening these overseas Group companies, we will further enhance Group-wide business synergies.

Internally, we have also consolidated the sourcing and development functions that were previously dispersed across multiple departments. In April 2026, we established the Planning and Development Department in the Chemicals Division dedicated to creating new businesses, marking a significant shift toward a more proactive business creation framework. As these organizational enhancements begin to bear fruit, the practical capabilities of our younger and mid-career employees are steadily improving, and this segment's strengths in chemical product sourcing and highly specialized knowledge are becoming increasingly evident. We will continue to refine these strengths, which we believe will be a key competitive advantage in an increasingly uncertain business environment.

Life Industry

We contribute to creating healthy and comfortable lives for consumers as a provider of pharmaceuticals, consumer goods, and food products. In our food business, we are expanding our vertically integrated model that covers from upstream to downstream, while in our pharmaceutical business, we are focusing on the field of regenerative medicine with an eye to the future.

Yutaka Takahashi
Director, Managing Executive Officer



Annual review in light of NC2026

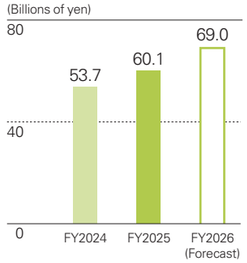
Growth investments in our two core businesses—pharmaceuticals and food—are delivering steady results

Our pharmaceutical ingredient business, a core business of the segment, was significantly affected by inventory adjustments at a major client during the first year of the NC2026 medium-term management plan. In FY2025, the plan's second year, however, the business delivered solid performance, driven by growth in existing operations and the launch of new businesses. We have also accelerated the expansion of our business in key focus areas, including regenerative medicine as well as nucleic acid and biopharmaceuticals, and our growth strategy is progressing steadily.

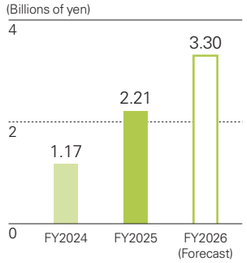
The food business, meanwhile, recorded lower earnings in the first year due to inventory write-downs associated with sluggish sales of processed marine products for the U.S. foodservice market. In the second year, however, profits increased significantly, supported by the normalization of the U.S. market, expanding retail sales of dessert products, and the success of initiatives to enhance our processing functions and expand sales channels in Japan.

We will pursue earnings growth in both businesses through continued growth investment.

Net sales



Operating profit



Business environment (opportunities/risks) and strengths



Pharmaceuticals



Consumer goods



Food products

Business environment (■ Opportunities ◆ Risks)

- ■Expansion of regenerative medicine, nucleic acids, and biopharmaceuticals
- ◆Unstable supply of materials and soaring prices
- ■Diversification of suppliers for raw materials for pharmaceutical products
- ■Transition to natural materials
- ◆Speed of change in market trends
- ■Increasing demand for frozen foods
- ■Boom of Japanese food overseas
- ■Easing of agriculture and fishery regulations in Japan
- ◆Sluggish domestic demand
- ◆Quality risks specific to food products

Strengths

- ●Collaboration with superior suppliers and information network on latest research and development
- ●Processing and distribution services using Group bases in each field
- ●Teams and individuals with expertise
- ●Comprehensive business expertise and profit-generating capabilities spanning the entire value chain

NC2026 segment growth strategy

Core	• Expand sales areas for pharmaceuticals and consumer goods (especially overseas) • Increase sales to conveyor-belt sushi chains by leveraging processing capabilities
Growth	• Boost e-commerce by achieving synergies with Daigo Tsusho Co., Ltd., etc. • Focus on growth areas such as regenerative medicine, nucleic acids, and biopharmaceuticals
Next	• Make use of natural raw materials (cosmetics, agrochemical raw materials, etc.) • Explore business opportunities to reduce CO_2 emissions and sludge by using microorganism formulation

Accelerate growth

Investments, etc.	• Bolster business in upstream and downstream areas in the food and agriculture sectors (especially processing functions) • Explore growth areas such as regenerative medicine

Creating value across the food value chain through stronger synergies

In the food business, we are pursuing profit-oriented growth by leveraging collaboration with our Group companies and developing an integrated business spanning the entire value chain, from upstream to downstream. In the downstream business, where we are strengthening our efforts, PMI at Daigo Tsusho and Satoen Co., Ltd.—both of which joined the Group through acquisitions—has progressed steadily, and the benefits of collaboration are beginning to take shape. We have diversified our sales channels by expanding the B2C sales of our products through Daigo Tsusho's e-commerce infrastructure. We are also expanding our matcha export business by combining Satoen's manufacturing capabilities with Inabata's global network. In the United States, we are also collaborating with our local Group company, DNI Group LLC, to accelerate the development and sales of desserts and Asian foods alongside Japanese food products for the foodservice industry, while expanding our sales channels to mass retailers and hotel chains.

Meanwhile, to strengthen our upstream and midstream businesses, we established a processing plant in Nagano Prefecture in FY2025 for freezing broccoli and other vegetables in response to growing demand for frozen vegetables. This has enabled us to establish an integrated business model encompassing production, processing, and sales, and it has already begun contributing to earnings.

As our B2C business continues to expand, we recognize that rigorous quality management is paramount. With this in mind, we established the Food Quality Assurance Department and are working to further strengthen our credibility as a company that delivers value directly to consumers.

Strengthening our earnings base while making growth investments to achieve sustainable growth

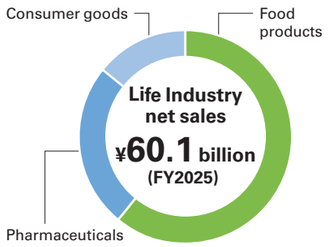
In the pharmaceutical business, we are pursuing a broad range of initiatives with a focus on balancing profitability and growth. To strengthen our earnings base, we have stepped up efforts to secure second-source projects for originator pharmaceutical manufacturers and expand our generic pharmaceuticals business. By increasing personnel and strengthening our network in these areas, where returns can be realized relatively quickly, we have steadily increased order opportunities, creating a solid earnings base.

On the investment front, we continue to build a foundation for future growth, with a particular focus on regenerative medicine. The culture media business of Solallis Bio Inc., in which we have invested, has entered a full-scale growth phase and is now expected to begin contributing to earnings. We have also signed a distributorship agreement with a manufacturer of automated isolation systems for exosomes (the EXODUS Series)—cell-secreted substances used in medical and cosmetic applications—and are expanding sales of its systems alongside culture media. In our induced pluripotent stem (iPS) cell transportation business, which we have cultivated over the years, we have established a high-value-added logistics service for clinical applications in the United States, and orders from Japanese companies continue to grow. We also regard M&A and strategic alliances as key pillars of our growth strategy and continue to invest in advanced medication. During FY2025, we entered into a strategic partnership with Luxna Biotech Co., Ltd., a startup originating from Osaka University, acquiring a license to manufacture and market raw materials for nucleic acid pharmaceuticals while also beginning investments to support the future commercialization of cell-based products.

Feature: Building a foundation for growth in the food business

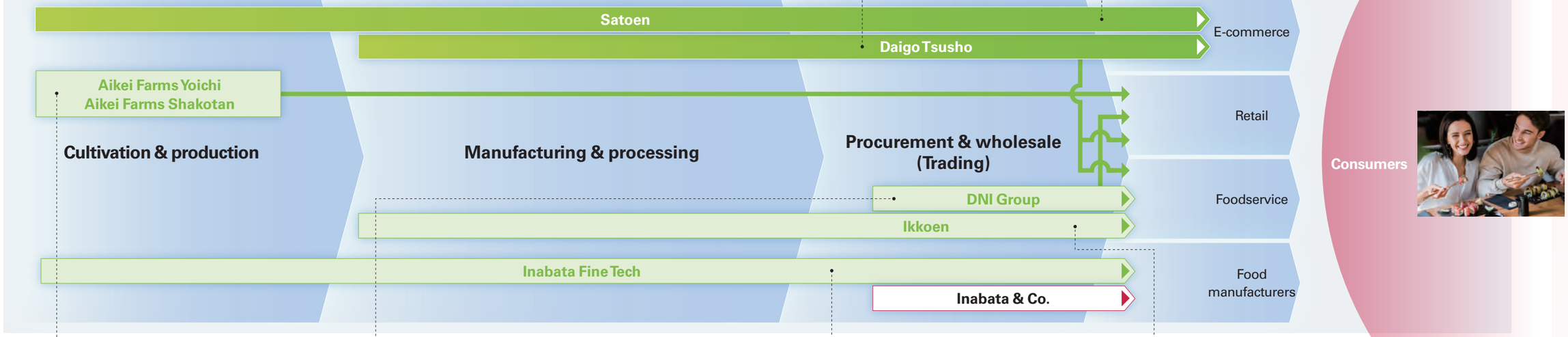
Enhancing earnings through our global network and value chain

We first entered the food business in 1975. Starting with the sale of cornstarch, used as an adhesive for corrugated cardboard, as an ingredient in beer brewing, we have expanded both our product portfolio and business functions in response to changing customer needs and market conditions. Today, we procure and market a wide range of agricultural and marine products through our global network. In recent years, we have further expanded our procurement capabilities by launching our own blueberry cultivation business in Hokkaido and establishing a broccoli processing plant in Nagano Prefecture.



The food business is one of our key growth areas. We create added value and enhance earnings through a vertically integrated business model spanning procurement, manufacturing and processing, and sales of agricultural and marine products. In the food industry, stable procurement alone is not enough. The ability to manage the entire value chain from upstream to downstream has become a key source of competitive advantage. Guided by this approach, we have strengthened our processing functions and retail and e-commerce sales capabilities through M&A. More recently, we brought Daigo Tsusho and Satoen into the Group and are advancing integrated operations across the entire value chain. In April 2026, we also established the Food Quality Assurance Department to further enhance our quality management framework. Going forward, we will continue to strengthen our vertically integrated business model as we pursue sustainable growth.

Food business value chain from upstream to downstream



Daigo Tsusho Co., Ltd.

Type of business: Sale of materials and machinery for food packaging, manufacturing and sale of processed agricultural and marine products, including eel
Joined the Group through an acquisition in 2023
Net sales: 10.0 billion yen
Number of employees: 51
Head office: Shizuoka City, Shizuoka Prefecture



Satoen Co., Ltd.

Type of business: Manufacture and sale of tea and food products
Joined the Group through an acquisition in 2025
Net sales: 2.5 billion yen
Number of employees: 20
Head office: Shizuoka City, Shizuoka Prefecture
Note: Includes Marukabu Sato Seicha Co., Ltd.



Topics

Strengthening manufacturing and sales functions across the value chain

Satoen is a tea manufacturer based primarily in Shizuoka Prefecture, which is one of Japan's leading tea-producing regions, with integrated operations spanning cultivation, manufacturing, and sales. While the company has built strong capabilities in e-commerce and catalog sales, its overseas business has remained limited. In January 2025, we brought Satoen into the Group as part of our efforts to strengthen our food business. Going forward, we will leverage Inabata's global network to accelerate exports to Asia, Europe, and North America. We aim to expand our global sales by capitalizing on growing global demand for matcha. We will also leverage Satoen's customer base to promote cross-selling of the processed agricultural and marine products we procure in Japan and overseas, creating new earnings opportunities across the Group.

Aikei Farms Yoichi Co., Ltd.
Aikei Farms Shakotan Co., Ltd.

Type of business: Cultivation of blueberries, broccoli, melons, garlic, and other crops
Established with a partner company in 2015 (Yoichi)
Net sales: 0.16 billion yen
Number of employees: 16 (including temporary and part-time employees)
Head office: Yoichi District and Shakotan District, Hokkaido



DNI Group LLC

Type of business: Import, export, and sale of food products, including processed marine products
Joined the Group through an acquisition in 2005
Net sales: 7.9 billion yen
Number of employees: 26
Head office: California, U.S.



Inabata Fine Tech & Co., Ltd.

Type of business: Sale of chemicals and food products
Entered the food business in 2017
Net sales: 26.9 billion yen
Number of employees: 82
Head office: Osaka City, Osaka Prefecture



Ikkoen Co., Ltd.

Type of business: Processing and sale of marine products for conveyor-belt sushi restaurants
Joined the Group through an acquisition in 2006
Net sales: 12.7 billion yen
Number of employees: 60
Head office: Sakai City, Osaka Prefecture



Notes: 1. Net sales are based on FY2025, and the consolidated number of employees is as of March 31, 2026.
2. Net sales for each company are presented on a standalone basis.

Plastics

We deal in a wide range of products, from commodity resins to high-performance resins, operating seven plastic compounding factories overseas and five film manufacturing factories in Japan and abroad. We also strive to develop environmentally friendly products such as biomass, recycled, and biodegradable plastics.



Koji Nakano
Senior Managing Executive Officer

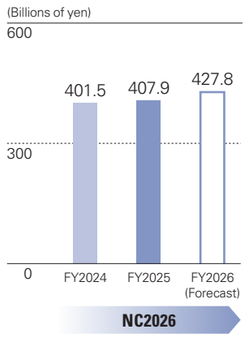
Annual review in light of NC2026

Delivering steady results and building the foundation for future growth amid an uncertain external environment

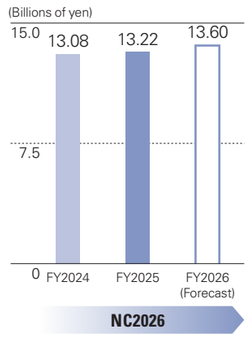
In FY2024, the first year of the NC2026 medium-term management plan, we got off to an excellent start with a significant improvement in business performance. As anticipated, growth moderated somewhat in the second year, but net sales were broadly in line with plan and operating profit increased significantly, enabling us to deliver solid results. In FY2026, the following fiscal year, we also made a solid start, with both sales volumes and selling prices for synthetic resin products increasing.

That said, the external environment remains uncertain, with a period of adjustment expected in the second half of the fiscal year against a backdrop of rising raw material prices and changing supply-demand conditions. Even under these circumstances, we expect to achieve our full-year targets as we continue to pursue the steady growth that is a hallmark of the Plastics segment.

Net sales



Operating profit



Business environment (opportunities/risks) and strengths



Materials for automobiles



Molding materials



OA, electrical and electronic products



Films and sheets



Sporting goods

Business environment (■ Opportunities ◆ Risks)

- ■Need for environmental considerations with weight reduction and the shift to EVs
- ■Expansion in demand for materials due to compositional changes in automobile industry
- ◆Industry-specific quality standards and supplier responsibility
- ■Potential for expansion of overseas business
- ◆Fluctuations in domestic demand
- ■Stable demand among Japanese OA device manufacturers
- ■Addressing the shift toward higher value-added offerings
- ■Potential for developing new markets for sheet products
- ◆Intensifying competition for film products in domestic market
- ■Expansion of global market
- ◆Shrinking domestic market due to diminishing population
- ■◆Restructuring among resin material manufacturers on a global level
- ■Growing needs for recycled plastics

Strengths

- ●A client base built over the Company's long history
- ●Detailed local response capability using network of bases around the world
- ●Ability to provide added value including plastic compounding in own factories and vendor management inventory (VMI)
- ●Ability to propose mono materials and eco materials from outside of Japan
- ●Ability to develop and propose new products using own manufacturing bases in Japan and abroad
- ●High share in niche markets

NC2026 segment growth strategy

Core	●Accelerate global expansion in the automotive field—aiming for sales of 200 billion yen around 2030 ●Strengthen Group company collaboration in the film and sheet-related business
Growth	●Enhance compounding capabilities—strengthen technological development capabilities, streamline production, and enhance quality control by establishing a joint venture company ●Grow recycling business and green business ●Expand EV business in the automotive field ●Acquire more non-Japanese clients
Next	●Develop untapped overseas regions (South Asia, Cambodia, African countries, etc.) ●Explore the chemical recycling business

Accelerate growth

Investments, etc.	●Plastic compounding business ●Recycling business

Expanding our automotive business by enhancing our solid client base and increasing non-Japanese clients

In this segment, we regard expanding our client base in Japan and overseas as a key growth strategy to accelerate the global expansion of our automotive business. Most recently, sales grew in both India and Japan, driven in particular by strong business with major Japanese clients operating across multiple locations, enabling us to achieve steady growth. We have also intensified our efforts to develop business with non-Japanese manufacturers in China and Thailand, establishing sales and supply frameworks tailored to the characteristics of each regional market and client base. In terms of products, we continue to build on our established strengths in materials for gasoline-powered and hybrid vehicles while enhancing our capabilities to support vehicle electrification. Although demand for EV-related products has slowed, we will continue to pursue this business as a medium- to long-term opportunity, particularly in China.

To support this business expansion, we are advancing our compounding capabilities. Through collaboration with Novacel Co., Ltd., our joint venture, and an additive manufacturer with which we entered into a capital alliance in 2024, we are enhancing our capabilities in developing high-quality compounded products. We are also strategically strengthening our involvement in manufacturing by recruiting technical specialists and leveraging technical advisors with experience at OEMs and tier 1 suppliers. By establishing a framework that enables direct dialogue with OEMs from the vehicle development stage, we aim to deepen our relationships with clients, expand our industry network, strengthen our market presence, and become a preferred partner.

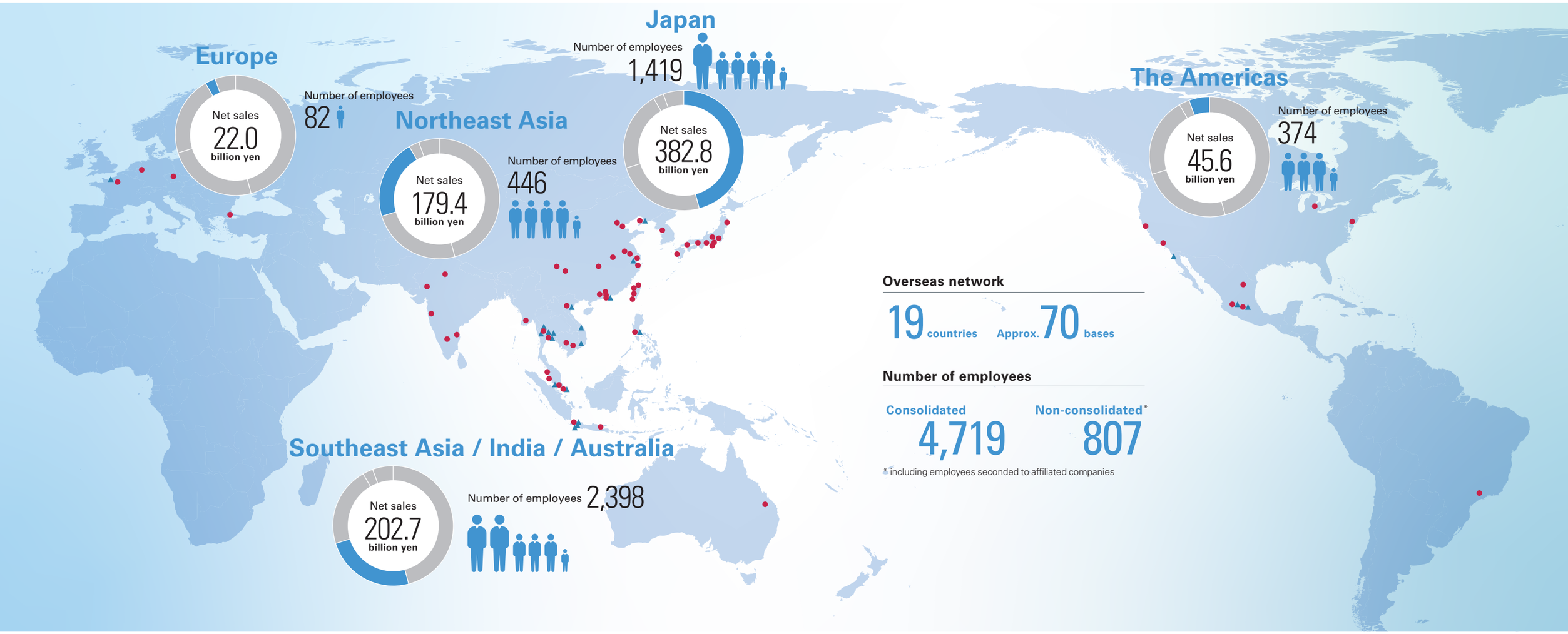
Sustainable growth through sporting goods and environmental businesses

Grip tape products, the core offering in our sporting goods business, are highly regarded for their quality and have established themselves as an industry benchmark. Building on this position, we aim to further expand the business. In recent years, global demand has grown alongside the rising popularity of racket sports such as padel and pickleball, in addition to our traditional tennis and badminton markets. To capture this growth, we plan to establish a new manufacturing plant in India, aiming to begin operations in 2028, to expand production capacity for the European and Indian markets. Going forward, we will optimize our global supply network through closer collaboration with our existing plant in Indonesia.

Our green businesses, including material recycling, are also achieving steady growth. In our recycled resin business, we have established an integrated recycling system led by the Inabata Group, enabling a stable supply of high-quality recycled resins and advancing our circular business model. By leveraging the ISCC PLUS certification we obtained in 2024, we are also exploring new initiatives such as mono material recycling and chemical recycling. Cost remains a challenge for recycled resins, making widespread market adoption difficult through the efforts of private companies alone. Even so, we will continue to position this business as one of the pillars of our growth strategy and create sustainable value.

Inabata's network extending across approximately 70 bases in 19 countries worldwide

Sales and number of employees by region (FY2025 or as of March 31, 2026) ● Trading base ▲ Manufacturing & processing base



Overseas network

19 countries Approx. **70** bases

Number of employees

Consolidated	Non-consolidated*
4,719	807

* including employees seconded to affiliated companies

Europe

- **Germany** Dusseldorf
- **France** Suburb of Paris, Normandy
- **Turkey** Istanbul
- **Czech** Prague

Southeast Asia / India / Australia

- **Singapore**
- **Malaysia** Kuala Lumpur, Penang, Johor
- **Indonesia** Jakarta, Surabaya, Bekasi (suburb of Jakarta)
- **Philippines** Binan (suburb of Manila)
- **Vietnam** Hanoi, Ho Chi Minh City, Haiphong, Da Nang, Duc Trong
- **Cambodia** Phnom Penh
- **Thailand** Bangkok, Samut Prakan (suburb of Bangkok), Ayutthaya, Sriracha (suburb of Laem Chabang), Chonburi
- **Myanmar** Yangon
- **India** Gurugram (suburb of Delhi), Chennai, Pune, Ahmedabad, Bangalore
- **Australia** Brisbane

Northeast Asia

- **China** Hong Kong, Shanghai, Wuxi, Ningbo, Chengdu, Nanjing, Hefei, Chongqing, Beijing, Dalian, Tianjin, Guangzhou, Dongguan, Wuhan, Shenzhen
- **Taiwan** Hsinchu, Tainan, Taichung, Taipei
- **South Korea** Seoul

Japan

Tokyo, Osaka, Nagoya, Iwate, Shiojiri, Shizuoka, Hamamatsu, Hiroshima, Kirishima
(Locations of sales and marketing offices only)

The Americas

- **United States** New York, Los Angeles, Detroit, Novato (suburb of San Francisco)
- **Mexico** Queretaro, Tijuana, Silao, Monterrey
- **Brazil** Sao Paulo

(As of July 1, 2026)

Southeast Asia and India

Net sales 202.7 billion yen Operating profit 9.2 billion yen
Consolidated number of employees 2,398

Pick up

Interview with the General Manager for Southeast Asia

Building on our plastics business to create the next pillar of growth Southeast Asia and India: Where we stand today



Kazunori Fukui
Executive Officer
General Manager,
Southeast Asia

Q Please tell us about the current state of the business.

Diversifying beyond our 85% plastics base

The Southeast Asia and India region, which I oversee, has operations in 10 countries. A key characteristic of the region is that plastics-related raw materials account for more than 85% of the products we handle. In FY2025, we faced challenging conditions due to declining market conditions for plastics, but by maintaining sales volumes, we achieved our targets for both net sales and operating profit. Our commitment to maintaining volumes and steadily building sales regardless of fluctuations in selling prices is an approach passed down by successive general managers. Although the situation in the Middle East is making the outlook increasingly uncertain, all our locations share the goal of maintaining plastics-related business as our foundation while increasing the share of other businesses from around 15% currently to approximately 30% in the future. To achieve this, we are working to develop new business opportunities.

Building the next pillar in India following sales growth of over 30%

India made the largest contribution to growth by country in FY2025, with sales increasing by more than 30% year on year. We are currently focusing on two initiatives. The first is the semiconductor-related business. In 2025, we increased staffing to advance collaboration with an encapsulant manufacturer. We are also working to launch a local business providing cleaning equipment for solvents used in semiconductor manufacturing processes within the next two to three years. The semiconductor business is expanding across the region, with a supply channel for materials used in high-density semiconductor package substrates for a major manufacturer also established in Singapore.

The second initiative is the construction of a new grip tape factory. Our existing factory in Indonesia has generated strong earnings by supplying mainly Japanese companies as well as major sports brands in the United States and Europe. However, its current capacity is insufficient to meet customers' requests for increased production. We have therefore decided to establish our first manufacturing base in India. Construction is scheduled to begin in the second half of FY2026.



Grip tape

Q What new initiatives are underway in the region?

Establishing new food supply chains in Thailand and Vietnam

In Thailand and Vietnam, we are accelerating expansion into the food and materials fields. In Thailand, through an investment in a Japanese company with proprietary activation and decomposition technology, we have built a local factory and launched a new business selling umami additives to the confectionery and bakery industries. With Inabata Thai Co., Ltd. serving as the hub, we are also looking to develop sales channels in Japan, the United States, and other parts of Asia. We are also expanding our range of food products sourced from neighboring countries, including cacao and fruit from Cambodia. In Vietnam, we are expanding our business along two fronts: food and chemicals. In the food business, we assigned a food specialist to Ho Chi Minh City in 2025 and established a coordination function to market locally sourced fruit and seafood, as well as globally popular products such as matcha and high-quality rice, around the world. In chemicals, amid growing difficulties in procuring rare earths due to the situation in the Middle East, we successfully began handling rare earth-related materials from India.

Business

- Plastics for automobiles, home appliances, OA equipment
- Materials for printers
- Materials and rubber products for the automotive industry
- Materials and products for packaging

Facilities



Deepening our presence in Cambodia and the Philippines

We are steadily strengthening our presence in Cambodia and the Philippines. In Cambodia, we opened a branch in spring 2025 and have begun full-scale development of our vendor-managed inventory (VMI) business. By managing inventory previously handled by customers centrally at a local warehouse, we are consolidating procurement and ensuring stable supply. We are currently working with three companies under this model. In the Philippines, Inabata Philippines, Inc. received a government award as a Top-Performing Logistics Service Enterprise. Trading companies are classified as logistics providers in the Philippines, and the award recognized our contribution to the local economy through our own logistics and warehousing capabilities. It also reflects the trust we have steadily built with government agencies.



Inabata's Cambodia office

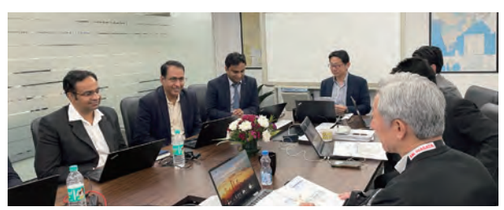


At the ceremony for the Top-Performing Logistics Service Enterprise award in the Philippines

Q What will be your key priorities going forward?

Developing human resources, expanding our business, and driving growth across the region

Our top priority for medium- to long-term growth is human resource development. We will instill Inabata's IK Values among our local employees across 10 countries and promote more of them to managerial positions in the future. At the same time, we will increase the number of expat employees from Japan and establish a framework that supports the growth of both groups. On the business front, a major goal over the next five to six years is to increase the share of businesses other than plastics to around 30%. Rather than reducing our plastics business, our approach is to expand the overall business by developing new opportunities. Through these efforts, we will drive growth across Southeast Asia and India.



Meeting between President Inabata and local employees in India

Note: Figures for net sales and operating profit are based on FY2025, and the consolidated number of employees is as of March 31, 2026.
Maps are as of July 1, 2026.

Northeast Asia

Net sales 179.4 billion yen | Operating profit 4.5 billion yen
Consolidated number of employees 446

We are expanding Inabata's core businesses by harnessing our network spread over 20 cities in China, Taiwan, and South Korea.



Akihiko Isomura
General Manager, Northeast Asia

In this core region that accounts for 22% of our consolidated net sales, we offer businesses leveraging our network spread over 20 cities in China, Taiwan, and South Korea. Starting mainly with FPD components, we are focused on plastics for automotive, OA, and electrical and electronic products. We expect further increase in profits in our China business, where we seek to proactively invest our management resources in growth sectors, such as semiconductors, energy, EV and mobility, medical products and medicine, agriculture and food products, high-tech materials, and environment-related products.

Business

- Plastics for the mobility, OA, electrical and electronic, and home appliance areas
- Components for FPDs
- Functional chemicals compliant with environmental regulations

Facilities ● Trading base ▲ Manufacturing & processing base



Action

Strengthening collaboration with business locations and divisions to expand sales

In the Northeast Asia region, which has undergone significant change in the business environment, we will expand sales in the mobility and semiconductor sectors by strengthening collaboration among locations and divisions within the region and offering products with new supply chain functions that only we can provide. We will also increase exports of Chinese-made chemicals, plastics, and environmental products.

Topics

Responding to market changes and cultivating new growth opportunities — Shanghai Inabata today



Toshimasa Okajima
General Manager, Shanghai Inabata Trading Co., Ltd.

The center of gravity of Asia's display industry has shifted from Japan to South Korea, then Taiwan, and now China, which has become both the world's largest producer and consumer. Against this backdrop of structural market change, Shanghai Inabata continues to position the display business, where it has built a proven track record, as one of its core businesses, while expanding into equipment, facilities, specialty materials, and other new growth areas.

One area receiving particular focus is materials for EVs. In China, new energy vehicles (NEVs), including plug-in hybrid vehicles, now account for more than half of all new vehicle sales, making it the world's largest NEV market. Working with manufacturing partners in China, Shanghai Inabata is developing raw materials for EV motors under the Inabata brand. Through this initiative, we are moving beyond our traditional trading company role and beginning to create added value from a manufacturer's perspective.

We are also strengthening efforts to introduce high-performance films, electronic materials, and chemical raw materials that have become increasingly competitive in China to markets in Japan and Southeast Asia. Our role is evolving from selling products in China to connecting China-origin materials with global markets. By turning changes in the market into opportunities for growth, we will continue cultivating new pillars of earnings for the future.



The Americas

Net sales 45.6 billion yen | Operating profit 1.2 billion yen
Consolidated number of employees 374

In the vast Americas market, we are actively working to expand our business by strengthening collaboration within the Group.



Masaru Inoue
Executive Officer
General Manager, The Americas

Focusing on key areas such as automotive, environment and energy, food products, and life sciences, the Group operates across a total of 11 locations in the United States, Mexico, and Brazil. We mainly deal in electronics materials, functional chemicals, plastics, and digital printing materials. In addition, we are expanding food-related businesses through our subsidiary DNI Group LLC. In rapidly growing Mexico, we are focusing on sales of synthetic resins for the automotive sector in cooperation with multiple manufacturing companies, while also expanding our business into food and functional chemicals. In Brazil, we are also concentrating on sales of synthetic resins for the automotive, medical, and electrical and electronic sectors, as well as functional chemicals.

Business

- Electronics materials (including those related to semiconductors)
- Digital printing materials (inkjet, toner)
- Functional chemicals • Plastics
- Processed products in agriculture and marine industries
- Components related to the environment and energy industry (including lithium-ion battery-related materials and solar power generation applications)
- Materials for pharmaceutical products

Facilities ● Trading base ▲ Manufacturing & processing base



Action

Improving production facilities at our plastic compounding factory in Mexico

In Mexico, which is continuing to grow as a major production base for automotive parts in the Americas, we operate our own plastic compounding factory (IK Plastic Compound Mexico, S.A. de C.V.), and aim to expand our sales base for plastics products by integrating manufacturing and sales.

Europe

Net sales 22.0 billion yen | Operating profit 0.5 billion yen
Consolidated number of employees 82

We operate businesses centered on chemicals, energy, automobiles, life sciences, and other fields, taking advantage of our unique mobility.



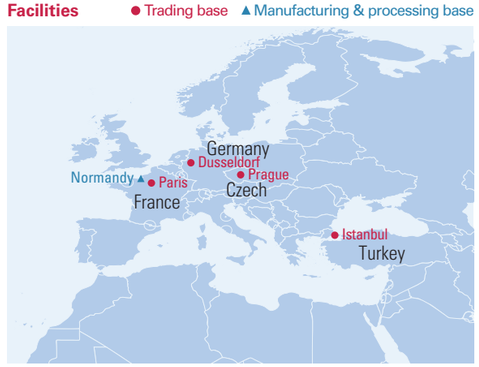
Daisuke Kobayashi
President,
Inabata Europe GmbH

In Europe, we deal in a wide range of products in various segments, such as inkjet ingredients, energy-related products, automobile components, and functional chemicals. Our Group companies manufacture and sell medical products, materials for cosmetics, and other products in France. In the future, we will also seek to focus on businesses in the environmental sector, such as selling materials for the EV battery field and developing plant-based materials for the cosmetics field.

Business

- Inkjet products and materials
- EV-related products
- Medical products, materials for cosmetics
- Functional chemicals • Industrial filters
- Heat pump-related products and materials
- Synthetic resins (automobiles, recycling)

Facilities ● Trading base ▲ Manufacturing & processing base



Action

Enhancing added value by focusing on high-performance materials and sustainable products

In the European market, we will focus on sustainable product areas such as heat pumps and capitalize on growing demand for energy conservation and decarbonization. Leveraging our expertise in complying with chemical regulations such as Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) and packaging material regulations, along with our application support for high-performance and recycled materials, we aim to become a solution partner for a circular society.

Sustainability Management

Basic approach

The Inabata Group views sustainability not merely as a matter of risk management, but as an opportunity for sustainable growth, and systematically advances initiatives based on its material issues (materiality).

For a trading company whose greatest asset is its people, strengthening human capital directly boosts value creation and forms a vital foundation for sustaining competitive advantage. In the environmental field, we focus on sustainable plastics such as recycled and bio-based plastics, contributing not only to a decarbonized society and a circular economy but also strengthening our competitiveness in the plastics business.

The Group's spirit of "love (*ai*)" and "respect (*kei*)" fosters empathy and close support for its customers and society, which deeply aligns with the principles of sustainability. We are committed to enhancing long-term corporate value while contributing to the realization of a sustainable society.

The Group positions sustainability as a key management priority for further enhancing corporate value. We integrate sustainability into our management strategies by reflecting related risks and opportunities in our medium-term management plan, investment decisions, priority initiatives, business operations, and other areas. Through these efforts, we turn environmental and social changes into opportunities for business creation and enhanced corporate value.

Governance

The Inabata Group regards sustainability issues as a key management priority and has established a framework for addressing them systematically and continuously under the supervision of the Board of Directors.

Framework overview

Function	Responsible body	Main roles
Oversight function	Board of Directors	Oversight of responses to sustainability issues
Executive function	Sustainability Committee	Deliberation, approval, and monitoring of policies and initiatives
Planning, promotion, information gathering, and analysis function	Sustainability Promotion Department and related departments	Planning and implementation of initiatives, information gathering and analysis, and company-wide deployment

To promote Group-wide efforts to address sustainability issues, the Inabata Group established the Sustainability Committee in October 2021, chaired by the president of the Company. All directors participate in the Committee, enabling the Board of Directors to exercise its oversight function through the Committee.

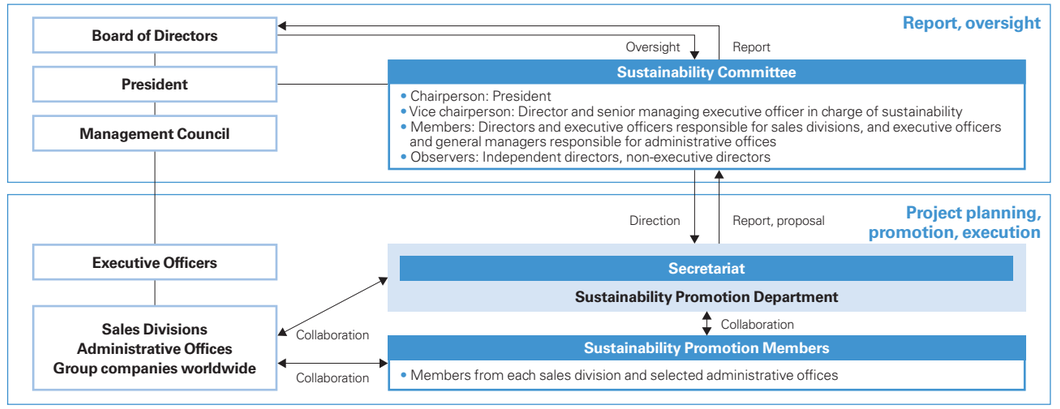
The Committee meets at least once a year in principle, with extraordinary meetings held as necessary, and currently meets twice a year. It deliberates on and reviews sustainability policies and priority initiatives, the status of responses to material issues, and progress on and monitoring of key issues, including climate change. The outcomes of these discussions are reflected in management decisions and the implementation of the medium-term management plan. The Board of Directors receives reports on the status of these initiatives through regular reports from the director in charge and quarterly business execution reports, and oversees key sustainability matters.

To ensure effectiveness, the Group has also established mechanisms to appropriately reflect sustainability issues in management decisions, including linking them to the compensation system and establishing an appropriate framework for promoting sustainability initiatives.

Ensuring effectiveness

Perspective	Details
Board of Directors oversight	Oversight by the Board of Directors through regular reports from the director in charge and quarterly business execution reports
Linkage with director compensation	Use of ESG scores from multiple external rating agencies (FTSE Russell and MSCI) and the Group engagement survey achievement rate as indicators
Implementation framework	Company-wide implementation and operation through collaboration between the Sustainability Promotion Department and the Sustainability Committee Secretariat
Internal sustainability information infrastructure	Support for Sustainability Committee decision-making through the consolidation of information from Sustainability Promotion Committee members and Group companies in Japan and overseas

Sustainability promotion system



Main sustainability-related matters discussed by the Sustainability Committee and reported to the Board of Directors

Fiscal year	Key matters deliberated and reported
2025	FY2024 performance against the Sustainability Medium-term Plan 2026; on-site human rights due diligence survey in Vietnam; status of external ESG ratings (FTSE, MSCI, etc.); current Group-wide GHG emissions; transition to effectively 100% renewable energy at the Company and domestic Group companies; obtaining third-party assurance for GHG emissions; purchase of renewable energy certificates by overseas Group companies; monitoring of products with potential human rights risks; and plans for conducting human rights risk assessments

For information from previous fiscal years, please refer to the Sustainability page of our website.

Strategy

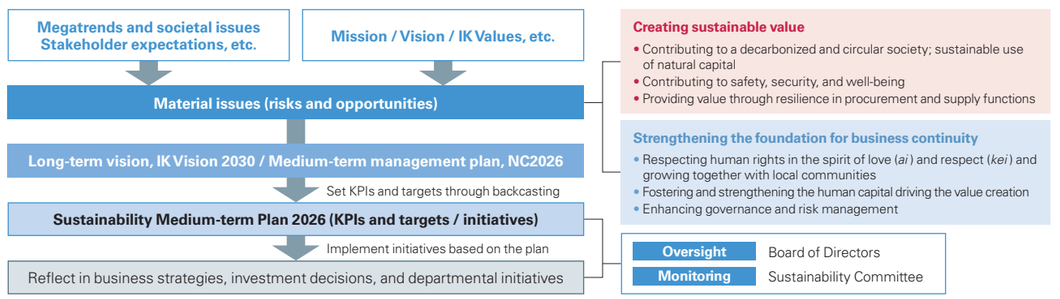
The Inabata Group regards its material issues as sustainability-related risks and opportunities that contribute to enhancing corporate value over the medium to long term and addresses them as an integral part of its management strategy.

In identifying material issues, we take into account our management philosophy, Sustainability Basic Policy and Code of Conduct, as well as the business environment, social issues, and stakeholder expectations. We assess both their impact on our business activities and corporate value and their impact on society and the environment, with the material issues ultimately determined following deliberation by the Sustainability Committee.

The identified material issues are organized from two perspectives: "Creating sustainable value" and "Strengthening the foundation for business continuity." The former directly contributes to the creation of business opportunities and earnings growth, while the latter encompasses areas that support corporate value over the medium to long term through the strengthening of human capital, governance, supply chains, and other foundations.

To translate our approach to these issues into concrete action, we have formulated the Sustainability Medium-term Plan 2026, which systematically sets out the risks and opportunities associated with each material issue, the direction of our initiatives, and related KPIs and targets. The plan is aligned with our medium-term management plan and business strategies and reflected in business and investment decisions and initiatives undertaken by each department. Progress is managed and the plan reviewed through monitoring by the Sustainability Committee and oversight by the Board of Directors.

Embedding the sustainability strategy into management



Risk management

The Inabata Group recognizes sustainability-related risks and opportunities as key management issues that could affect its business and corporate value over the medium to long term. In addition to its existing framework for managing business risks, the Group promotes integrated risk management that incorporates a sustainability perspective.

Sustainability-related risks and opportunities are identified, assessed, and managed primarily by the Sustainability Committee, with oversight by the Board of Directors. In identifying and assessing these risks and opportunities, we consider factors such as the business environment, regulatory trends, social issues, and stakeholder expectations, while also utilizing scenario analysis and other methods. Significant matters are reflected in the priority initiatives, KPIs, and targets of the Sustainability Medium-term Plan 2026. Progress is monitored and integrated with company-wide risk management, with the results reflected in management decision-making.

For details on our company-wide risk management framework and key risks and responses, please refer to “Risk Management” (Page 112–115).

Sustainability-related risk management process

1. Identify	2. Assess	3. Integrate	4. Monitor
Identify risks and opportunities (qualitatively and quantitatively) through scenario analysis and other methods.	Assess materiality based on factors such as impact (business and financial) and likelihood of occurrence.	Reflect in medium-term plan KPIs and targets and priority initiatives (response measures).	Continuously monitor progress toward targets and review as necessary. Report significant matters to the Board of Directors for oversight.

Management: Sustainability Committee / Oversight: Board of Directors

Materiality: Risks, opportunities, and main initiatives (Excerpt)

For the complete content, please refer to the Sustainability page of our website.

Creating sustainable value

Contributing to a decarbonized and circular society; sustainable use of natural capital

Risks	Opportunities	Main initiatives	Risk response	Opportunity response
• Rising costs associated with stricter policies, laws, and regulations for climate change • Lower earnings associated with stricter policies, laws, and regulations and lower consumer demand for petroleum-based plastics	• Growing demand for renewable energy and batteries • Growing demand for biomass, recycled, and biodegradable plastics and the like	■ Promote activities to reduce GHG emissions toward carbon neutrality	◎	◎
		■ Introduce renewable energy	◎	◎
		■ Expand sales from the environment-related business (e.g., clean technology)		◎
		■ Diversify suppliers and outsourcing partners, and decentralize inventories	◎	◎

Contributing to safety, security, and well-being

Risks	Opportunities	Main initiatives	Risk response	Opportunity response
• Rising costs and exclusion from supply chains associated with stricter policies, laws, and regulations for chemical substances • Rising costs at manufacturing bases associated with stricter regulations concerning product safety and quality	• Higher reputation and credibility as a result of appropriate disclosure and sharing of information about safety and security in the value chain based on recognition that products are ultimately provided to consumers	■ Strengthen management of compliance with chemical substances regulations	◎	◎
		■ Strengthen product safety, quality control, and the pertinent measures required of a trading company	○	○
		■ Strengthen supply chain and value chain management	◎	◎

Providing value through resilience in procurement and supply functions

Risks	Opportunities	Main initiatives	Risk response	Opportunity response
• Supply chain disruptions caused by natural disasters, infectious diseases, geopolitical risks, and inadequate measures in inventory management, transportation, and outsourcing • Reputational decline and exclusion from supply chains as a result of inadequate measures to address human rights risk in the supply chain	• Increases in sales opportunities through appropriate responses to geopolitical, environmental, social, and other global risks • Greater value provision as a result of building robust supply chains that properly manage inventories, transport, and outsourcing partners	■ Strengthen supply chain management that takes into account geopolitical, environmental, social, and other global risks	◎	◎
		■ Diversify suppliers and outsourcing partners, and decentralize inventories	◎	◎
		■ Implement human rights due diligence (DD) in the supply chain	◎	◎
		■ Ensure responsible minerals sourcing	◎	◎

The symbols in the Response column indicate the importance of the initiatives (◎ > ○).

Strengthening the foundation for business continuity

Respecting human rights in the spirit of love (*ai*) and respect (*kei*) and growing together with local communities

Risks	Opportunities	Main initiatives	Risk response	Opportunity response
• Litigation risk, reputational decline, and lower productivity due to human rights violations in the Company or Group companies • Litigation risk and reputational decline due to human rights violations at bases, etc., in the local community	• Higher reputation resulting from corporate attitudes and actions that respect human rights • More vibrant workplaces and higher productivity through respect for human rights at the Company and Group companies	■ Conduct human rights due diligence within the Company and Group companies (human rights DD digital survey)	◎	◎
		■ Instill the corporate philosophy, and implement human rights education, in the Company and the Group	◎	◎
		■ Strengthen compliance and anti-corruption efforts	◎	○
		■ Raise awareness of the internal whistleblowing system	◎	○

Fostering and strengthening the human capital driving the value creation

Risks	Opportunities	Main initiatives	Risk response	Opportunity response
• Lower productivity and competitiveness due to a decline in employee well-being (state of being physically, mentally, and socially satisfied) • Lower productivity and competitiveness due to a decline in employee skills and abilities	• Higher productivity and competitiveness due to an increase in employee well-being • Higher productivity and competitiveness due to an increase in employee skills and abilities	■ Instill the corporate philosophy that is based on the spirit of love (*ai*) and respect (*kei*)	◎	◎
		■ Conduct organizational monitoring (e.g., employee engagement surveys) on an ongoing basis	◎	◎
		■ Foster diversity and inclusion	◎	◎
		■ Promote talent management and human resource development	◎	◎

Enhancing governance and risk management

Risks	Opportunities	Main initiatives	Risk response	Opportunity response
• Occurrences of scandals, as well as lower competitiveness and management quality, due to lack of corporate governance • Increases in lawsuits and fines, along with reputational decline, due to inadequate information security measures	• Better management and higher competitiveness due to stronger corporate governance • Smoother business management, as well as higher credibility and reputation, due to adequate information security measures	■ Enhance corporate governance	◎	○
		■ Take thorough measures to ensure information security, including cybersecurity	◎	○
		■ Tighten risk management	◎	○

Metrics and targets

The Inabata Group has established metrics and targets based on its long-term direction to effectively address material issues and manage sustainability-related risks and opportunities.

Under the Sustainability Medium-term Plan 2026, we have formulated a long-term vision for around 2030–2050 and, through backcasting from this vision, established three-year KPIs and targets for FY2024 through FY2026 corresponding to each material issue.

These KPIs and targets cover key issues, including climate change and human capital, from both quantitative and qualitative perspectives, and are intended to make our initiatives for creating corporate value over the medium to long term more visible.

Progress toward the KPIs and targets is regularly monitored by the Sustainability Committee and managed under the oversight of the Board of Directors.

For details on the KPIs and targets under the Sustainability Medium-term Plan 2026 and progress toward them, please refer to pages 37–38.

Information disclosure

To ensure a high level of transparency, the Inabata Group discloses information on its sustainability initiatives and performance not only in the Integrated Report but also on the Company’s website. For details on the materiality identification process, materiality map, Sustainability Medium-term Plan 2026, and other information, please refer to our website.

For more information, please scan the code on the right.

Sustainability Medium-term Plan 2026 strategy / KPIs and targets / FY2025 results

Strategy	Achieve carbon neutrality in business activities

FY2026 target	FY2025 results
Reduce GHG emissions (Scope 1 and 2) by 25% compared to FY2022 levels by FY2026	**Reduced by 23.6% compared to FY2022**

Policy and Basic Approach

Climate change is an important issue that affects our business activities and society as a whole. We recognize that it represents risks while also creating new business opportunities. Accordingly, we strive to reduce GHG emissions and promote the provision of products and solutions that contribute to the realization of a decarbonized society.

Based on the concepts set out by the Task Force on Climate-related Financial Disclosures (TCFD), and taking into account trends in sustainability disclosure in Japan and overseas, we are committed to enhancing the quality and transparency of our climate-related disclosures.

Note: For the full text of "Information Disclosure" Based on TCFD Recommendations released on June 17, 2026, please refer to the Inabata Group Sustainability Website.
https://www.inabata.co.jp/english/sustainability/environment/climate_change/

TCFD's core elements of recommended climate-related financial disclosures and a summary of responses by the Inabata Group

Core elements	Description	Inabata Group response
Governance	Disclose the organization's governance around climate-related risks and opportunities.	Sustainability issues, including climate change, are deliberated and examined by the Sustainability Committee, which is chaired by the president and representative director. All directors participate in the committee, thereby enabling the Board of Directors to exercise its oversight function through the committee. The Board of Directors receives periodic reports from the director in charge of sustainability on the status of initiatives addressing sustainability issues, in accordance with the Regulations of the Board of Directors. Matters deliberated and examined by the Sustainability Committee are also appropriately reported to and overseen by the Board of Directors.
Strategy	Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	Based on scenario analysis using multiple scenarios, including the 1.5°C and 4°C scenarios, the Group evaluates the impact of climate change on its business and finances from the perspectives of both risks and opportunities. Under the 4°C scenario, the Group's locations in Japan and overseas are assumed to be affected by increasingly severe extreme weather events. However, at present, we recognize that the risk is not at a level that would significantly threaten business continuity. In terms of opportunities, demand for products adapted to climate change is expected to increase, and we assess that the Group's business resilience can be maintained. Under the 1.5°C scenario, an increase in operating costs due to carbon pricing and higher electricity prices is assumed, while medium- to long-term revenue opportunities are expected through the expansion of technologies and products that contribute to low-carbon and environmentally friendly solutions. Based on these findings, we position the expansion of environment-related business and contribution to the global environment through business as important growth strategies in the progress toward a decarbonized society.
Risk management	Disclose how the organization identifies, assesses, and manages climate-related risks.	The Inabata Group identifies, assesses, and manages climate-related risks and opportunities mainly through the Sustainability Committee. Risks and opportunities identified from both qualitative and quantitative perspectives based on scenario analysis and other methods are assessed for materiality by the committee and reported to and overseen by the Board of Directors as necessary. The Board of Directors oversees Group-wide risks of high importance in an integrated manner, taking into account reports from the Sustainability Committee as well as other risks reported by the Risk Management Office, the Financial Management Office, the Compliance Committee, and other units.
Metrics and targets	Disclose the metrics and targets used to assess and manage climate-related risks and opportunities.	The Inabata Group has set the long-term target of achieving carbon neutrality by FY2050, covering Scope 1 and 2 emissions of the consolidated Group, in alignment with the 1.5°C goal of the Paris Agreement. In the Sustainability Medium-term Plan 2026, the Group has also set medium-term targets of reducing GHG emissions by 25% by FY2026 and 42% by FY2030 compared with FY2022 levels, covering Scope 1 and 2 emissions of the consolidated Group, and manages progress toward these targets. Since FY2021, the Group has calculated Scope 3 emissions in order to understand emissions across the entire supply chain, and plans to expand the scope of calculation in stages going forward.

Strategy

The Inabata Group strives to understand the risks and opportunities for its business arising from the transition risks and physical risks associated with climate change, and to reflect the results in the formulation of climate change countermeasures and business strategies.

In this analysis, we set 2030, the target year of the Group's long-term vision IK Vision 2030, and 2050, the target year for achieving carbon neutrality, as time horizons. We conducted scenario analysis from both qualitative and quantitative perspectives with reference to the 4°C scenario, which assumes no climate change measures beyond the current level and more frequent and severe extreme weather events, and the 1.5°C scenario, which assumes the implementation of more ambitious climate change measures toward decarbonization, partially incorporating the 2°C scenario as necessary.

Reference scenarios

1.5°C scenario	IEA Net Zero Emissions by 2050	
2°C scenario (partial)	IEA Sustainable Development Scenario	RCP2.6
4°C scenario	IEA Stated Policies Scenario	RCP8.5

Scenario analysis was conducted using the following process.

(1) Visualization of the world in the future based on scenarios
(2) Analysis of impact of climate change risks in business segments
(3) Qualitative analysis of scenario and identification of key responses in business segments
(4) Calculation of financial impact (quantitative scenario analysis)
(5) Results of scenario analysis (summary)

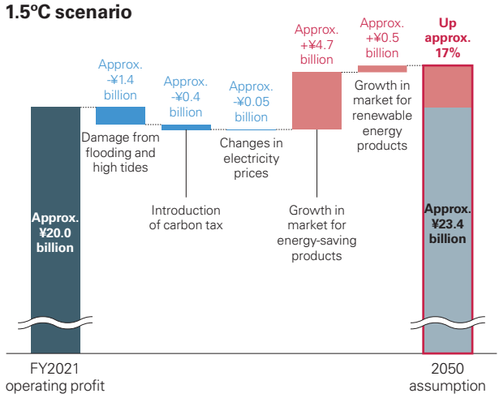
For items (1) to (3), please refer to the Climate Change page in the Sustainability section of our website.
https://www.inabata.co.jp/english/sustainability/environment/climate_change/

Calculation of financial impact (quantitative scenario analysis)

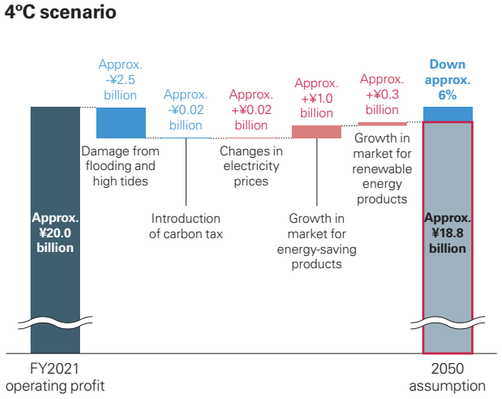
In addition to qualitative analysis, we conducted quantitative scenario analysis. Based on the matters organized and considered in steps (1) to (3), we selected climate-related risks and opportunities that could be calculated, and collected the Group's performance data as well as future forecast information, or parameters, published by external organizations. Using this information, we calculated the financial impact of risks and opportunities under both the 1.5°C and 4°C scenarios.

These financial impact estimates were calculated by narrowing the scope of analysis and setting certain assumptions based on the limited information and data available at this point in time, and do not indicate future results.

1.5°C scenario



4°C scenario



For details on the calculation formulas used in the estimates, please refer to the Climate Change page in the Sustainability section of our website.

Summary of scenario analysis results

Based on the results of the analyses described above, we summarized the Group's climate-related risks and opportunities.

Under the 4°C scenario, damage to the Group's locations in Japan and overseas is assumed due to increasingly severe extreme weather events. However, based on the current analysis, we recognize that these risks are not at a level that would immediately and significantly threaten the Group's business continuity. In terms of opportunities, demand for products adapted to rising temperatures and changing weather patterns is expected to increase. We have reaffirmed the potential to contribute to society as a whole in adapting to global warming while maintaining the Group's own business resilience.

Under the 1.5°C scenario, we identified increased operating costs due to the introduction of carbon pricing and higher electricity prices as risks. At the same time, the analysis indicated that medium- to long-term revenue opportunities can be expected through the spread of technologies and products that contribute to low-carbon and environmentally friendly solutions. This has reaffirmed that the expansion of environment-related business, a growth strategy set out in the New Challenge 2026 medium-term management plan, and contribution to the global environment through business, as set out in the Sustainability Medium-term Plan 2026, are important initiatives closely linked to the Group's growth as society advances toward decarbonization.

Note: For details on environment-related business, please refer to page 73.

Risk management

Climate-related risks are managed in the same manner as other sustainability-related risks. For details on the management structure and methodologies, please refer to page 67.

Metrics and targets

To commit to achieving the global goal of limiting the increase in temperatures to 1.5ºC as stated in the Paris Agreement, the Inabata Group has set the long-term goal of carbon neutrality by FY2050, along with intermediate targets for FY2026 and FY2030. This target was set in alignment with the 1.5ºC goal stated in the Paris Agreement (covering Scope 1 and 2 emissions of the Group).

In FY2025, in addition to entering into renewable electricity supply contracts at certain locations and installing solar power generation systems, we continued to introduce renewable electricity through the purchase of non-fossil certificates, following the previous fiscal year. As a result, Scope 2 GHG emissions from our domestic operations were effectively reduced to nearly zero. We also began purchasing environmental certificates (I-RECs) at overseas manufacturing sites with relatively high levels of emissions. Consequently, GHG emissions (Scope 1 and 2) were reduced by 23.6% compared with the FY2022 base year, demonstrating steady progress toward our interim target of a 25% reduction by FY2026.

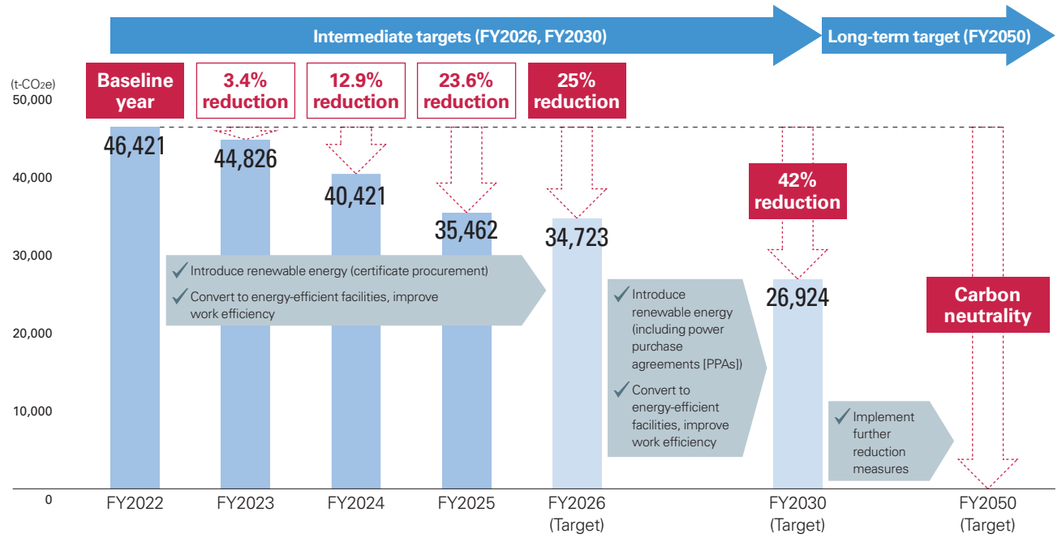
The Group began calculating Scope 3 emissions in FY2021. At present, the calculation covers the parent company only; however, we plan to expand the scope of calculation in stages going forward.

Supply chain emissions

Scope	GHG emissions [t-CO_2e]		
	FY2022 (Base year)	FY2024	FY2025
Scope 1	2,755	★3,630	★4,275
Scope 2 (market-based)	43,666	★36,791	★31,187
Scope 1 and 2 total	**46,421**	**40,421**	**35,462**
Scope 3	1,960,235	1,925,467	2,288,253
Scope 1, 2, and 3 total	**2,006,656**	**1,965,888**	**2,323,716**

Notes: 1. Scope of calculation:
Scope 1 and 2: Inabata & Co., Ltd. and domestic and overseas consolidated subsidiaries;
Scope 3: Inabata & Co., Ltd.
2. Data marked with a star (★) have received third-party assurance in accordance with ISO 14064-3:2019 from SOCOTEC Certification Japan Co., Ltd. (FY2025) and LRQA Limited (FY2024), independent assurance providers.
3. Figures are rounded, and therefore the totals may not equal the sum of individual figures.

GHG emissions reduction targets (covering Scope 1 and 2 emissions of the Group)



Initiatives for FY2025

Introduction of renewable electricity at overseas sites (purchase of I-RECs)*

To achieve our Scope 2 GHG emissions reduction target, in FY2025, we newly introduced renewable electricity at two manufacturing subsidiaries in Vietnam through the purchase of I-RECs. Inabata & Co. and 13 consolidated subsidiaries in Japan continued to reduce their Scope 2 emissions to effectively zero through the purchase of non-fossil certificates, as in the previous fiscal year. As a result, the Group achieved a 23.6% reduction compared to FY2022 levels. Going forward, we will further accelerate our efforts to reduce GHG emissions by expanding the use of renewable electricity at our overseas consolidated subsidiaries.

* I-REC (International Renewable Energy Certificate): An international environmental certificate that certifies the environmental value of renewable energy and enables it to be traded separately from the electricity itself.


The International Tracking Standard Foundation

This Redemption Statement has been produced for

SIK VIETNAM CO., LTD.

by

KINECT ENERGY GREEN SERVICES A.S.

confirming the Redemption of

5 000.000000

I-REC Certificates, representing 5 000.000000 MWh of electricity generated from renewable sources

This Statement relates to electricity consumption located at or in

Vietnam

In respect of the reporting period

2025-04-01 to 2026-03-31

The Stated Redemption Purpose is

Redeemed for the benefit of SIK Vietnam Co., Ltd. for the consumption 2025.04.01. - 2026.3.31.

World Kinect

I-REC certificate

Improvement in CDP rating and introduction of Sustainability-Linked Loan

The Group received an "A–" rating, at the Leadership level, from CDP, an international benchmark for climate change initiatives. In addition to strengthening our sustainability initiatives, we introduced a Sustainability-Linked Loan with our CDP Climate Change score as a KPI as part of our efforts to diversify funding sources under our financial strategy. Under the loan agreement, the sustainability performance target (SPT) is to maintain a CDP score of "A" or "A–," with the commitment fee varying depending on whether the target is achieved. Through sustainable finance, the Group will further align its sustainability and financial strategies, thereby contributing to the sustainable enhancement of corporate value.

CDP Discloser 2025

Environment-Related Business

Sustainability Medium-term Plan 2026 strategy / KPIs and targets / FY2025 results

Strategy	Contribute to the global environment through the business

FY2026 target	FY2025 results
Achieve net sales of 100 billion yen* for environment-related business	**Environment-related business sales of ¥36.8 billion**

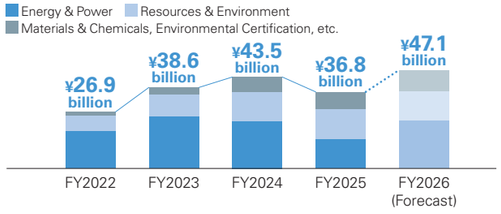
* The expected ratio of environment-related business by field in the final fiscal year of the Sustainability Medium-term Plan 2026 is outlined below.
- Energy & Power (renewable energy, batteries, etc.): Approx. 70%
- Resources & Environment (sustainable materials, recycling, water, etc.): Approx. 20%
- Materials & Chemicals, Agriculture & Food, Transportation & Logistics, and Environmental Certification: Approx. 10%

Business outline and goals

Under NC2026, the Inabata Group has positioned the expansion of environment-related businesses as a company-wide growth strategy. Aligned with this, the Sustainability Medium-term Plan 2026 outlines the strategic goal of contributing to the global environment through our business, with a KPI and target of achieving 100 billion yen in sales from environment-related business by FY2026. In FY2025, sales in the Energy & Power field declined, reflecting lower sales of solar power-related products and lithium-ion battery materials. Meanwhile, sales in the Resources & Environment and Materials & Chemicals fields remained solid, including products that contribute to a circular economy, such as recycled and biomass materials.

In addition, amid an unstable external environment, including heightened uncertainty surrounding the international situation, sales are expected to fall short of the FY2026 target of 100 billion yen. Meanwhile, sales in the Energy & Power field are expected to recover after bottoming out in FY2025, and overall sales from environment-related businesses are also expected to return to an upward trend. As demand for products with a low environmental impact is expected to keep growing, the Group will continue working through its business activities toward the realization of "Contributing to a decarbonized and circular society; sustainable use of natural capital." At the same time, we will further strengthen our foundations for growth and steadily advance toward achieving our targets.

Environment-related business: Results and forecast



Notes: 1. Coverage: Inabata Group (consolidated)
2. Totals are simple sums.

Environment-related business fields and main items

Fields	Main items
Energy & Power	Renewable energy (solar power, biomass power, wind power)-related and battery-related, etc.
Resources & Environment	Sustainable materials such as recycled, biomass, biodegradable, and waste materials, recycling systems, and water-related, etc.
Materials & Chemicals	Low-carbon materials, environmental pollutant reduction, etc.
Environmental Certification	Forestry certification, marine product certification, etc.

Sales by field (Billions of yen)

Fields	FY2022	FY2023	FY2024	FY2025	FY2026 (Forecast)
Energy & Power	17.5	24.4	22.5	**13.7**	22.8
Resources & Environment	7.5	10.7	13.8	**14.4**	13.9
Materials & Chemicals, Environmental Certification, etc.	1.8	3.2	7.2	**8.4**	10.2
Total	**26.9**	**38.6**	**43.5**	**36.8**	**47.1**

Since amounts less than 100 million yen are rounded down, totals in the graphs may not match the sum of individual figures.

Supply Chain Management

Sustainability Medium-term Plan 2026 strategy / KPIs and targets / FY2025 results

Strategy	Enhance resilience in procurement and supply functions by strengthening supply chain management

Fiscal 2026 target	FY2025 results
Clarify the Company's position on responsible procurement, and communicate it internally and externally	**• Raised internal awareness of the Inabata Group Human Rights Policy and Inabata Group Sustainable Supply Chain Policy by delivering the president's message and explanatory videos during the annual training program for all employees** **• Published Japanese-, English-, and Chinese-language versions of each policy on the Company website. Additional language versions are under consideration**

Basic approach

For the Inabata Group, our supply chain is our lifeline and the foundation for creating value. We have set "Providing value through resilience in procurement and supply functions" as a material issue to which we assign priority and focus. For this reason, our suppliers are important partners in creating value, and we aim for mutual growth by working together to resolve environmental and social issues.

Inabata Group Sustainable Supply Chain Policy

In November 2024, we established the Inabata Group Sustainable Supply Chain Policy to express our commitment to building a supply chain that respects the environment, human rights, and working conditions. This new policy builds upon and expands the Inabata Supply Chain CSR Action Guidelines. The policy outlines the values that should be shared between the Inabata Group and its business partners, as well as key areas of action, presented as guidelines and thematic policies. Working together with our business partners, we aim to help realize a sustainable society.

Inabata Group Sustainable Supply Chain Policy (Overview)

1 Commitment to a Sustainable Supply Chain

2 Scope
- All officers and employees of the Inabata Group, including those on fixed-term contracts and temporary employees
- All business partners who work with us to build a sustainable supply chain

3 Supply Chain Sustainability Promotion Guidelines

These Guidelines define the values that the Inabata Group and our business partners should share in transactions, as well as the matters we should promote together.

1) Compliance with Laws and Regulations and Support for and Respect of International Norms
2) Fair Transactions and Anti-Corruption
3) Respect for Human Rights
4) Environmental Conservation
5) Quality Control
6) Information Management
7) Coexistence with the Local Community
8) Partnerships
9) Information Disclosure

4 Engagement with Business Partners

5 Policies for Specific Fields
- Responsible Minerals Sourcing Policy
- Wood Procurement Policy

Review of FY2025 and future initiatives

The Group recognizes that building a sustainable supply chain requires not only establishing policies but also promoting awareness and understanding of those policies both within and outside the organization. In FY2025, as part of our annual training for all employees, we shared a message from the president and explanatory videos on the Inabata Group Human Rights Policy and Sustainable Supply Chain Policy to promote awareness throughout the Group. We also published Japanese, English, and Chinese versions of these policies on our website to communicate them to external stakeholders.

Going forward, to further enhance the effectiveness of our efforts to build a sustainable supply chain, we are considering conducting a questionnaire survey on environmental issues, human rights, labor practices, and other areas to better understand our suppliers' initiatives and the challenges they face. Through this survey, we will identify risks and issues and work to address them, while applying the insights gained to our procurement activities and further enhancing our policies, thereby improving sustainability throughout the supply chain.

Management of Compliance with Chemical Substances Regulations

Sustainability Medium-term Plan 2026 strategy / KPIs and targets / FY2025 results

Strategy	Ensure safe and secure quality through stronger management of compliance with chemical substances regulations

FY2026 target	FY2025 results
Understand and share trends in chemical substances regulations in Japan and overseas in a timely manner, and strengthen the compliance management framework	• Developed training content on chemical regulations in each country • Provided support for Group companies following M&A transactions (PMI) • Promoted education and awareness-building, primarily for new graduates and mid-career hires (The following initiatives have been continued since the previous fiscal year.) • Shared information on global trends in chemical regulations • Assessed the status of regulatory compliance at Group companies and provided support • Conducted internal seminars led by external experts

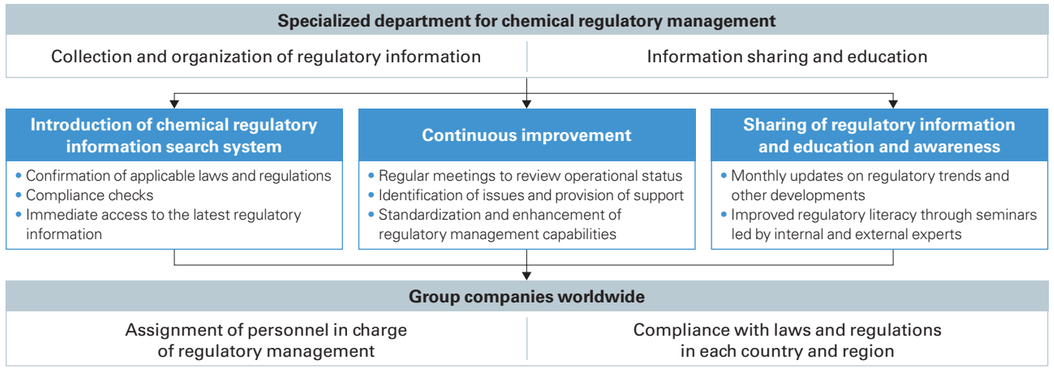
Basic approach

For the Inabata Group, which operates four segments centered around the chemicals business, proper management of chemicals and chemical substances in compliance with laws and regulations is a critical issue. While chemical substances are highly useful, they can also have adverse effects on the global environment, such as water, soil, air, and ecosystems of plants and animals, as well as on human health and safety. This has led to numerous laws and regulations governing various stages such as manufacturing, import and export, sales, transportation, and storage, with the handling of these substances often requiring permits and approvals. Failure to address these appropriately could potentially have a serious adverse impact on both the chemicals business and management itself. Therefore, we will maintain a thorough understanding of the increasingly stringent domestic and international regulatory trends and respond appropriately.

Additionally, for individual projects within each sales division, we proactively assess the environmental and social impacts related to chemical substances and implement sufficient measures before advancing new business initiatives.

Development of management system

The Group has established a specialized department for chemical regulatory management and is working to develop and enhance a management system encompassing Group companies in Japan and overseas. Personnel responsible for regulatory management are assigned at each site to ensure compliance with the laws and regulations of each country and region, while collaboration with the specialized department helps standardize regulatory management capabilities across the Group. We have also introduced a chemical regulatory information search system to enable efficient and reliable regulatory and compliance checks before importing or exporting products.



We are promoting the use of this system to enable personnel at each site to access the latest regulatory information and make accurate decisions.

Information on regulatory trends and related developments in each country collected by the specialized department is shared with Group companies worldwide through monthly updates, helping employees enhance their regulatory compliance capabilities and literacy. By encouraging appropriate action in response to new regulatory requirements, we are raising compliance awareness and strengthening the management system across the Group. In addition, we review the operational status of regulatory management activities through regular meetings with Group companies in Japan and overseas, identify issues, and provide ongoing support as needed, thereby ensuring effective regulatory compliance and driving continuous improvement. We also hold seminars led by internal and external experts to share the latest knowledge in areas of particular focus for the Group, including key legislation governing chemical substance management and the circular economy. Through these initiatives, we are developing a sustainable and effective management system capable of responding to increasingly sophisticated and globalized regulatory requirements.

Initiatives for FY2025

In the Sustainability Medium-term Plan 2026, we have set the goal of understanding and sharing trends in chemical substances regulations in Japan and overseas in a timely manner, and strengthening the compliance management framework.

In FY2025, we carried out the following initiatives.

	Initiatives	Overview
1	Developed training content on chemical regulations in each country	To improve understanding of regulatory requirements for chemical imports at overseas locations and strengthen collaboration among locations, we developed and shared training materials on chemical substance regulatory compliance through the Company intranet.
2	Provided support for Group companies following M&A transactions (PMI)	As part of PMI, conducted on-site visits to identify issues at newly acquired Group companies and laid the groundwork for long-term support.
3	Promoted education and awareness-building, primarily for new graduates and mid-career hires	To improve understanding of chemical regulations among employees, particularly new graduates and mid-career hires, we developed and shared training videos linked to skills assessments through the Company intranet.
4	Shared information on global trends in chemical regulations*	We regularly share information on chemical regulatory trends around the world with Group companies in Japan and overseas.
5	Assessed the status of regulatory compliance at Group companies and provided support*	We continuously monitored the regulatory compliance status of Group companies in Japan and overseas and provide support as necessary.
6	Conducted internal seminars led by external experts	We held an internal seminar led by an external expert on the theme of global trends in packaging material regulations.

* Ongoing initiative from the previous fiscal year

Voice of the Chemical Regulations Department manager

With chemical regulations becoming increasingly stringent both in Japan and overseas, we believe that keeping abreast of regulatory trends in a timely manner and responding proactively is essential to the success of a specialized chemical trading company engaged in global trade.

In addition to ensuring compliance with chemical regulations in Japan, our Chemical Regulations Department actively provides information, regulatory compliance support, and training throughout the Company, including to affiliated companies in Japan and overseas. In recent years, we have also been addressing emerging issues, including initiatives related to recycled materials and global regulations on per- and polyfluoroalkyl substances (PFAS).



Miharu Takahashi
Senior Manager, Chemicals Regulations Department, Risk Management Office

Human Rights

Sustainability Medium-term Plan 2026 strategy / KPIs and targets / FY2025 results

Strategy **Establish supply chains that respect human rights**

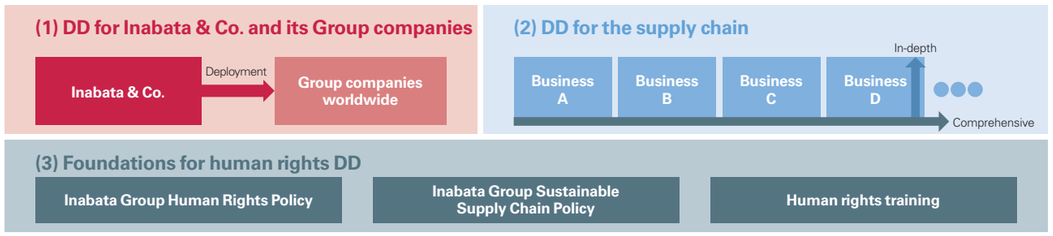
FY2026 target	FY2025 results
Establish the human rights due diligence (DD) cycle* for selected operations as a model case	**Developed plans for a survey to assess human rights initiatives across Group companies in preparation for extending the human rights DD cycle established in the previous fiscal year throughout the Group. The survey is scheduled to be conducted in FY2026**

* The human rights DD cycle refers to the due diligence processes and supporting measures set out in the OECD Due Diligence Guidance for Responsible Business Conduct.

Strategy **Improve the well-being (state of being physically, mentally, and socially satisfied) of employees who support sustainable growth**

FY2026 target	FY2025 results
Expand the implementation boundary for the human rights DD digital survey to the Group	**Developed a plan for implementation across all employees of Inabata & Co. in FY2026**

Overview of human rights due diligence (DD)

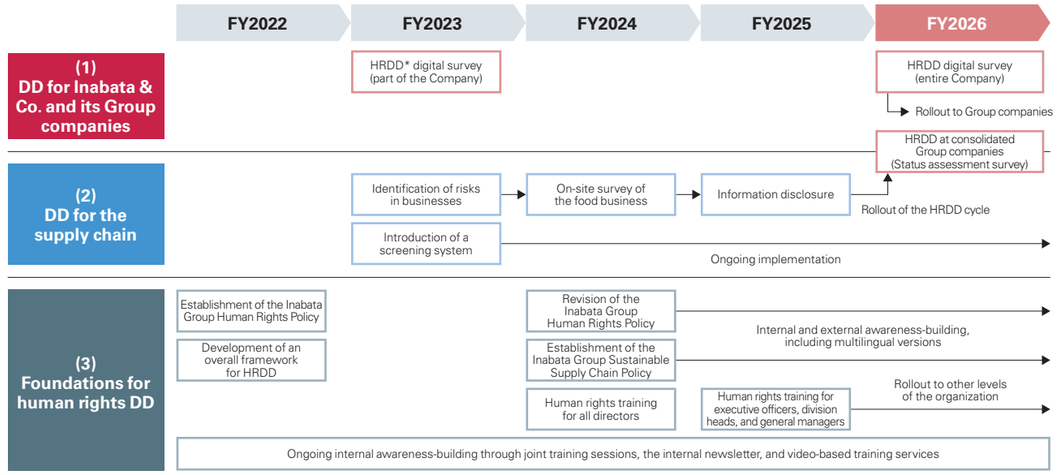


FY2025 activity results and FY2026 activity plan

Category	Theme	FY2025 activity results	FY2026 activity plan
(1) DD for Inabata & Co. and its Group companies	Human rights DD digital survey	Expanded the scope and developed a plan for the second survey covering all employees of Inabata & Co.	Conduct and analyze the survey.
(2) DD for the supply chain	Expansion of the human rights DD cycle to other business operations	Considered expanding the established human rights DD cycle to other business operations.	Expand human rights DD to Group companies and conduct a survey to assess the current situation.
	DD for business partners (new and existing)	Continued monthly monitoring of compliance risks, including human rights risks, of business partners using the screening system. No business partners with severe risks have been identified. Established operating procedures, including a risk information-sharing flow and guidelines, following approval by the Management Council.	Continue ongoing monitoring. Consider other forms of supplier engagement.
(3) Foundations for human rights DD	Establishment and dissemination of policies and guidelines	[Internal] At the annual joint training session held each August, we raised awareness by distributing a message from the president on the Inabata Group Human Rights Policy and Inabata Group Sustainable Supply Chain Policy, along with videos explaining each policy. [External] Published Japanese, English, and Chinese versions of each policy on the Company website.	[Internal] Translate the president's message and videos explaining each policy developed in the previous fiscal year into multiple languages (English and Chinese) and roll them out to overseas Group companies. [External] Consider additional language versions.
	Human rights training	Conducted in-person (and online) training for executive officers, general managers, and division heads who are not directors.	Consider training for managers.

Progress on human rights initiatives

Since establishing the Inabata Group Human Rights Policy in FY2022, the Group has progressively advanced its human rights initiatives. Recognizing that these efforts are ongoing, we will continue to steadily implement feasible measures based on a risk-based approach.



* Human rights due diligence

Participation as a panelist in the Annual Business and Human Rights Dialogue in Tokyo organized by UNDP and the Ministry of Foreign Affairs of Japan

The Company participated as a panelist in the Annual Business and Human Rights Dialogue, hosted by the United Nations Development Programme (UNDP) and Japan's Ministry of Foreign Affairs, in Tokyo in February 2026. Approximately 340 people attended the event, where representatives from companies, governments, international organizations, and other groups discussed challenges and leading practices related to respect for human rights.

Since 2022, the Company has participated continuously in the Business and Human Rights (B+HR) Academy, implemented by UNDP with the support of the Japanese government, where we have shared information on the Inabata Group's initiatives. We believe that our ongoing involvement in these activities led to our participation as a panelist at this year's dialogue. At the event, we introduced the initiatives described above and exchanged views on practical challenges.

We will apply the insights gained through this dialogue to our future initiatives.



Photo: UNDP / Ken Katsurayama
Third from the left: Hisae Fukuchi, Manager, Sustainability Promotion Department of the Company

External perspective



Akiko Sato
Business and Human Rights Project Liaison Officer, UNDP

Positioning respect for human rights as a solid foundation for management not only enables companies to fulfill their responsibilities to society but also contributes to their own sustainable growth. The continued implementation of human rights due diligence within the Company, Group companies, and supply chain, together with efforts to promote understanding and embed the underlying principles, is aligned with the United Nations Guiding Principles on Business and Human Rights. Going forward, it will be important to further strengthen the governance framework supporting cross-functional initiatives, further develop mechanisms for responding to changing social conditions and human rights issues in a timely and appropriate manner, operate effective grievance mechanisms that help identify structural issues and provide remedy and corrective action, and further enhance dialogue with stakeholders affected by business activities. I hope to see a human rights perspective become firmly embedded throughout the organization as a guiding principle for day-to-day decisions and actions.

Basic approach

Rather than relying on specific products or technologies, the Inabata Group's competitive strength lies in providing optimal solutions to the challenges faced by our clients and suppliers. The driving force behind this capability is our people—the knowledge, experience, and initiative of each employee. We therefore regard human capital as one of our most important management resources and strengthening it as a key management priority.

Underpinning the Inabata Group's human capital management is the spirit of "love (*ai*)" and "respect (*kei*)," values that have been passed down since our founding. Guided by these principles of mutual respect and valuing people, we are committed to maintaining a healthy organization in which every employee can perform to their full potential with confidence. We strengthen our organizational competitiveness by enabling diverse talent to thrive.

We also regard our human capital initiatives not merely as costs, but as investments that drive business growth and enhance corporate value. We clearly define the talent and organizational capabilities required to execute our management strategy and take an integrated approach to recruitment, development, placement, compensation, and workplace improvement. We also monitor progress through indicators such as employee engagement, using the results to drive continuous improvement.

Message from the Senior Managing Executive Officer in Charge of Administrative Affairs

Enhancing corporate value starting with human capital

Until now, we have built our business as a trading company that competes on the strength of its people, and we believe this has been one of our key strengths. That said, we do not assume this approach will continue to be effective indefinitely. As work styles and values continue to evolve, we believe it is becoming increasingly difficult to sustain growth by relying solely on individual sales capabilities and relationship-building skills, as we have in the past. Against this backdrop, we view strengthening human capital not simply as a matter of valuing our people, but as a fundamental management challenge of how to sustain and enhance the Inabata Group's competitive strength.

At the same time, recognizing the importance of human capital does not mean it will automatically translate into results. Investments in people must also be guided by the question of where and how resources can be allocated most effectively. Like financial capital, human capital should be regarded as one of our limited management resources, and we believe it is essential to allocate investment in alignment with our business strategy. To do so, we must first understand what kinds of talent our Group needs to support the future direction of our businesses and identify any gaps between those needs and our current workforce. We must then choose the most appropriate approach from among a range of options according to the circumstances, whether by reallocating talent to growth areas, recruiting external talent, or reskilling and upskilling our existing employees.

Our future growth will also depend on our ability to empower local employees. As the global presence of Japanese companies continues to decline, expanding our business with non-Japanese clients will become increasingly important. To succeed, we must move beyond a management model centered primarily on Japanese personnel. Instead, we will accelerate the appointment of outstanding local employees in each region and gradually shift to an organization in which local teams take the lead in driving business growth.

We take a similar approach to employee engagement. The scores themselves are only part of the picture. As the scope of our surveys expands, some decline in overall scores is only natural. What matters is the insight those results provide and how effectively we translate that insight into action. By continuously evaluating the impact of our initiatives and refining our approach, we will continue to strengthen employee engagement over time.

Human capital cannot be managed on the basis of ideals alone. We must respond realistically to changing business conditions and the constraints we face. As the quality of talent and ways of working continue to evolve, it will be increasingly important to strengthen our organizational competitiveness by building systems and functions that complement individual strengths, rather than relying too heavily on the capabilities of individual employees. Even so, our identity as a company that competes on the strength of its people will remain one of the Inabata Group's defining strengths. To ensure this continues to drive sustainable growth, we will steadily execute our human capital strategy.



Kenichi Yokota
Director, Senior Managing Executive Officer

Management plan and human capital strategy

Our human capital strategy provides the foundation for executing our long-term vision IK Vision 2030, and the medium-term management plan NC2026. As we evolve our business portfolio and expand our growth businesses, we are strengthening our talent base in line with the capabilities and roles required to support those initiatives, thereby driving business growth and enhancing profitability.

We assess the gap between our current workforce "As is" and the talent and organizational capabilities required to execute our management strategy "To be." Based on that assessment, we take an integrated approach to talent acquisition, development, placement, evaluation, and compensation, while strengthening our organizational foundation through initiatives that enhance both individual capabilities and organizational effectiveness. We have also established human capital KPIs and targets under the Sustainability Medium-term Plan 2026. By continuously monitoring progress against these targets, we make the execution of our strategy visible and support ongoing improvement.

Human capital strategy aligned with our management strategy

Desired future state (To be)

Financial — Long-term vision: IK Vision 2030; Medium-term management plan: NC2026 ➤ Pages 29–32

Non-financial — Sustainability Medium-term Plan 2026 ➤ Pages 37–38

Human capital growth drivers created through our human capital strategy

- Talent capable of creating value from the client's perspective
- Organizational capability to create value
- Talent base capable of driving growth in global markets

Human capital strategy and KPIs

Human capital strategy		Metrics in the Sustainability Medium-term Plan 2026
State of our talent and organization resulting from our human capital initiatives	Enhancing employee well-being and engagement	Positive response rate in employee engagement survey
Foster individuals who can work autonomously and independently in a global environment	Appropriate human resources allocation	—
	Support career development	Average training expenditure per employee per year
		Ratio of employees with overseas posting experience
Strengthen the organization to maximize individual capabilities	Create a richly diverse organization	Ratio of women in managerial positions
		Ratio of mid-career hires
		Ratio of male employees taking parental leave
		Employment rate of persons with disabilities
	Develop a comfortable work environment	—
	Develop a human resources system as well as evaluation and remuneration systems	—
Foundation supporting our human capital strategy	Cultivate a spirit of "love (*ai*)" and "respect (*kei*)"	—
	Promote health and productivity management	Rate of complete checkup
		Comprehensive health risk found by stress checks
	Ensure psychological safety	—

Current state (As is)

Financial — Medium-term management plan: NC2026 FY2025 results ➤ Pages 33–34

Non-financial — Sustainability Medium-term Plan 2026 FY2025 results ➤ Pages 37–38

The human capital strategies and metrics shown in colored cells are those included in the Sustainability Medium-term Plan 2026. For details of the plan, please refer to pages 37–38. The following pages present our key human capital initiatives under four themes: Employee Engagement, Diversity and Inclusion, Human Resource Development, and Health and Productivity Management.

We monitor both management indicators and human capital indicators, and have confirmed a certain degree of correlation between strengthening human capital and improved business performance. We also continue to examine how best to measure and visualize the relationship between human capital and corporate value more accurately.

Measures to Strengthen Human Capital (1)
Employee Engagement

Sustainability Medium-term Plan 2026 strategy / KPIs and targets / FY2025 results

Strategy	Improve the well-being (state of being physically, mentally, and socially satisfied) of employees who support sustainable growth

FY2026 target

- Employee engagement survey response rate of 90% or higher
- Positive response rate of at least 80%* to the following statements
  - (1) I am satisfied with the work I am doing at Inabata now.
  - (2) I can relate to Inabata's philosophy, vision, and management policies, and I want to participate in achieving them.
- Positive response rate of at least 70% overall*

FY2025 results

- **Response rate: 88%**
- **Positive response rate to the following statements**
  - (1) **I am satisfied with the work I am doing at Inabata now: 69%**
  - (2) **I can relate to Inabata's philosophy, vision, and management policies, and I want to participate in achieving them: 67%**
- **Positive response rate across all items: 64%**

* The positive response rate in employee engagement surveys refers to—of employee responses on the five-point scale (5. Strongly agree / 4. Agree / 3. Neither agree nor disagree / 2. Disagree / 1. Strongly disagree)—the proportion of responses 4 and 5, which are the positive responses.

Employee engagement surveys

Since FY2021, we have conducted an annual employee engagement survey around May to continuously identify changes over time. The primary goal is to visualize current issues and utilize the findings for creating and improving systems and organizational development. In addition, findings on employee motivation and satisfaction with the organization are quantified and fed back to supervisors, serving as a guide for behavioral change and contributing to the revitalization of the organization.

Survey results (2021–2026)

			Pilot introduction (scope expansion phase)			Full-scale implementation (consolidated Group)		
			May 2021	May 2022	May 2023	May 2024	May 2025	May 2026
Number of employees surveyed (people)	Total		1,400	1,697	1,901	2,714	2,837	2,940
		Inabata & Co.	587	606	652	686	715	692
		Overseas trading subsidiaries	768	934	903	864	881	893
		Overseas manufacturing subsidiaries	45	157	346	624	574	702
		Domestic subsidiaries	—	—	—	540	667	653
Response rate (%)	Total		49	73	72	82	88	93
Overall average score*1			3.68	3.77	3.61	3.64	3.67	3.73
Ratio of positive responses for key items*2 (%)	**Engagement** I am satisfied with the work I am doing at Inabata now.		70	73	76	69	69	69
	Relationship with superiors I have the necessary collaboration with my supervisor at work.		75	80	80	73	73	74
	Organizational culture When a problem occurs in the course of my duties, my supervisor and the people around me provide appropriate support.		83	85	83	77	76	77
	Corporate philosophy I can relate to Inabata's philosophy, vision, and management policies, and I want to participate in achieving them.		70	73	73	67	67	70
	Human resources system and benefits Inabata's salary standards are satisfactory, compared to other companies in the same industry.		59	55	57	50	54	56
	Human resources system and training Inabata supports employee training to improve their skills.		41	48	54	51	54	54
	Work-life balance Overtime is kept to a level that is acceptable for me.		64	69	75	73	71	68

Scope: Inabata & Co. and its domestic and overseas consolidated subsidiaries (targeting employees with Company email addresses)
*1 The average score across all items. Employees were asked to rate 39 items on a five-point scale (5. Strongly agree / 4. Agree / 3. Neither agree nor disagree / 2. Disagree / 1. Strongly disagree), and the score for each item was calculated.
*2 The proportion of positive responses, which are ratings of 5 (Strongly agree) and 4 (Agree), among the five-point scale ratings provided by employees.

Review of progress to date (2021–2025)

Since FY2021, the Inabata Group has conducted employee engagement surveys on an ongoing basis, using the results to visualize organizational issues and drive improvements. From FY2024, we expanded the scope to include consolidated Group companies in Japan and overseas, and in FY2025, the survey covered the broadest range of companies to date, including companies that had recently joined the Group. As a result, respondents are now distributed roughly equally among four categories: Inabata & Co., overseas trading subsidiaries, overseas manufacturing subsidiaries, and domestic subsidiaries, enabling us to gain a balanced understanding of conditions across the Group.

As the scope has expanded, differences among companies that had previously been difficult to identify have become clearer, and positive response rates for some key items have declined. However, when compared on the same survey scope, the overall average score and positive response rates for key items have generally remained stable or improved. We therefore do not believe that employee engagement is declining across the Group as a whole.

By category, Inabata & Co. has maintained generally high positive response rates for key items and continues to show steady improvement. Overseas trading subsidiaries and overseas manufacturing subsidiaries also maintain relatively high levels of engagement within the Group. Domestic subsidiaries, which were added to the survey scope in FY2024, currently remain below the Group average. We will progressively implement improvement initiatives based on the circumstances of each company, taking into account factors such as cultural and regional characteristics and business structures. Analysis of key items by company and category is used to provide feedback to managers and inform improvement activities at each company. In this way, we are advancing a Group-wide PDCA cycle based on the survey results.

[Reference] Overall average score by category

	FY2021	FY2022	FY2023	FY2024	FY2025
Inabata & Co.	3.49	3.56	3.53	3.54	3.65
Overseas trading subsidiaries	3.89	3.93	3.84	3.85	3.82
Overseas manufacturing subsidiaries	3.88	3.80	3.93	3.86	4.01
Domestic subsidiaries	—	—	—	3.23	3.25

[Reference] Positive response rates in FY2024 and FY2025 based on the same survey scope as FY2021–FY2023 (Inabata & Co., overseas trading subsidiaries, and overseas manufacturing subsidiaries) (Percentage of respondents who selected 4 or 5 on a 5-point scale)

		2021	2022	2023	2024	2025
Ratio of positive responses for key items (%)	**Engagement** I am satisfied with the work I am doing at Inabata now.	70	73	76	**75**	**77**
	Relationship with superiors I have the necessary collaboration with my supervisor at work.	75	80	80	**79**	**78**
	Organizational culture When a problem occurs in the course of my duties, my supervisor and the people around me provide appropriate support.	83	85	83	**81**	**81**
	Corporate philosophy I can relate to Inabata's philosophy, vision, and management policies, and I want to participate in achieving them.	70	73	73	**73**	**74**
	Human resources system and benefits Inabata's salary standards are satisfactory, compared to other companies in the same industry.	59	55	57	**56**	**61**
	Human resources system and training Inabata supports employee training to improve their skills.	41	48	54	**57**	**61**
	Work-life balance Overtime is kept to a level that is acceptable for me.	64	69	75	**76**	**75**

Employee Engagement

Key insights from five years of results

Inabata & Co. maintains high positive response rates and continues to improve

Inabata & Co. has maintained generally high positive response rates for key items, with steady improvement over time. In particular, "Human resources systems and training (support for employee skill development)," which had the lowest positive response rate in FY2021, has been the focus of ongoing initiatives based on employee needs, including revisions to training programs and an expanded range of voluntary training options. As a result, the positive response rate improved from 30% in FY2021 to 50% in FY2025. We regard this as one example of how identifying issues through the survey and implementing specific measures has led to tangible results.

We believe this improvement demonstrates that the basic human capital management cycle of assessing the current situation through the survey, formulating and implementing measures, and evaluating their effectiveness is functioning effectively at Inabata & Co. At the same time, to maintain employee engagement at a consistently high level and raise it further, we recognize the need to continue our current initiatives while also addressing emerging issues, such as supporting employees' career development and promoting communication within the organization.

Going forward, we will gradually roll out the improvement cycle and successful initiatives established at Inabata & Co. to Group companies in ways tailored to their individual circumstances. At Inabata & Co., we will also continue initiatives aimed at achieving further improvement.

Overseas trading and manufacturing subsidiaries maintain relatively high engagement levels

Overseas trading subsidiaries and overseas manufacturing subsidiaries continue to maintain relatively high levels of engagement within the Group. In FY2025, their overall average scores were 3.82 and 4.01, respectively, placing them among the highest of the four categories. At overseas manufacturing subsidiaries, employees also reported relatively high levels of satisfaction with compensation and support for their development. We believe that locally rooted business operations and the active roles played by local employees are reflected in the engagement levels in these categories.

At the individual question level, however, there is some variation among items. At overseas trading subsidiaries, scores for satisfaction, organizational culture, and work-life balance have softened somewhat since FY2022. At overseas manufacturing subsidiaries, some declines have also been seen in areas such as organizational culture, collaboration with supervisors, and permeation of corporate philosophy, representing an adjustment from the high levels recorded in FY2023. We believe these trends reflect changes in the business environment, as well as differences in management and the extent to which the corporate philosophy has been embedded as the survey has expanded to cover more locations.

Overseas trading subsidiaries and overseas manufacturing subsidiaries continue to play important roles in supporting the Inabata Group's strengths. To achieve sustainable growth across the Group, it is important to maintain current engagement levels and reduce disparities among subsidiaries. We will continue to take measures tailored to the circumstances of each company and further strengthen management across the Group.

Raising engagement at domestic subsidiaries taking structural factors into account

Domestic subsidiaries, which were added to the survey scope in FY2024, currently have relatively low engagement scores, which we recognize as one factor affecting the overall Group score. We take these results seriously and are working to analyze and address the issues identified through the survey.

At the same time, we recognize that several underlying factors need to be considered when interpreting the results. For example, response patterns can vary due to cultural and regional characteristics, with respondents in Japan tending to select more neutral ratings than those overseas. In addition, many of our domestic subsidiaries have between several dozen and around 100 employees, and many have joined the Group in recent years as our business has expanded. Their circumstances and business environments vary, and organizational structures and systems are currently being progressively developed according to each company's stage of growth.

These domestic subsidiaries will play an important role in supporting the Inabata Group's future growth. We believe that improving engagement at each company will contribute to enhancing corporate value across the Group.

Going forward, we will expand the human resource management initiatives established at Inabata & Co. while supporting the development and operation of systems tailored to each company's business characteristics and organizational scale. Through these efforts, we will drive continuous improvement.

Progress in understanding conditions across the consolidated Group

In FY2025, we conducted a survey covering the entire Group, with respondents distributed roughly equally among four categories: Inabata & Co., overseas trading subsidiaries, overseas manufacturing subsidiaries, and domestic subsidiaries. This has enabled us to gain a balanced understanding of conditions across the Group without the results being disproportionately weighted toward any particular category.

The expansion in scope means more than simply increasing the number of companies surveyed. The ability to compare companies across the Group using the same metrics and identify their respective strengths and issues from a common perspective represents a meaningful step forward in terms of Group governance. Greater visibility across the consolidated Group is also providing a foundation for Group companies to work together to address the issues they face.

We recognize that raising engagement levels not only contributes to the well-being of individual employees but also enhances the Group's corporate value over the medium to long term through improvements in productivity and the quality of organizational management. Going forward, we will treat the Group-wide and company-specific issues identified through the survey as important inputs for human capital management. We will work to achieve sustainable value enhancement across the Group by utilizing these insights at both the management and workplace levels.

Strengthening management in light of its impact on engagement: The next priority

A common trend among overseas trading subsidiaries, overseas manufacturing subsidiaries, and domestic subsidiaries is that employee engagement levels fluctuate to some extent as their management structures change. This suggests that each company's management policies and organizational culture can influence employee attitudes, and we recognize that management teams play an important role in achieving steady improvements in engagement.

Through M&A and business expansion, the Inabata Group has grown to encompass companies spanning diverse businesses, regions, and organizational scales. While respecting the history and culture of each company, we believe that management teams have a significant role to play in sharing the Group's management philosophy and IK Values throughout their organizations. Managing operations in line with the Group's overall direction and adapting them to conditions on the ground not only helps improve engagement at each company but also supports the quality of management across the Group.

Based on this recognition, we regard the development and strengthening of management teams at Group companies as an important aspect of human capital management. We believe that enhancing management across the Group will increase the effectiveness of Group governance and contribute to enhancing corporate value over the medium to long term. We will continue to pursue initiatives in this area.

Overview of the 2026 survey results

In the survey conducted in May 2026, the number of employees covered increased and the response rate reached a record high of 93%, enabling us to gain a more comprehensive understanding of conditions across the Group than ever before. The overall average score also improved year on year to 3.73, from 3.67, and remains at a high level. Scores for most of the 39 questions exceeded the previous year's averages, and positive response rates for the key items used as indicators generally remained stable or improved. Although the score for the question on work-life balance declined slightly, it remains high, and we recognize the year-on-year decline as an area for improvement.

Trends over the past five years also confirm that engagement levels have remained generally stable.

We will continue to use the survey results to improve organizational management and human resource initiatives and further enhance engagement across the Group.

Measures to Strengthen Human Capital (2)
Diversity and Inclusion (D&I)

Sustainability Medium-term Plan 2026 strategy / KPIs and targets / FY2025 results

Strategy	Foster diversity and inclusion that makes the most of diverse individuals

FY2026 target

1. Increase the ratio of women in managerial positions to at least 8% by March 2028, and to 10% by 2030
2. Maintain the ratio of mid-career hires at around 50%
3. Increase the ratio of male employees taking parental leave to 100%*1
4. Continue to exceed the legal rate of employment for persons with disabilities
5. Encourage managerial appointments for local employees at overseas subsidiaries

FY2025 results

1. **Ratio of women in managerial positions 7.3%**
2. **Ratio of mid-career hires 57%**
3. **Ratio of male employees taking parental leave 100%*2**
4. **Employment rate of persons with disabilities 3.14%**
5. **• Appointed one local employee at our Malaysia operation to a senior management position (director), marking the third such appointment following Taiwan and the United States**
   • Approved the framework for the process of appointing senior management (president and directors) at the Management Council. Details of the system are currently under development, with implementation targeted for FY2026

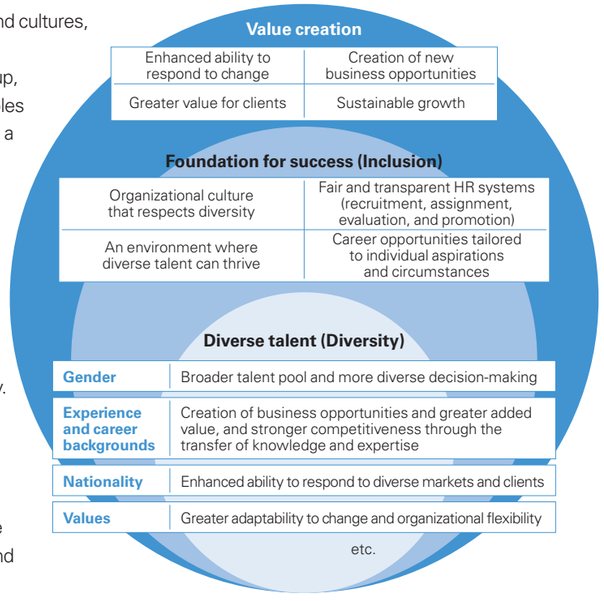
*1 Based on the Company's policy allowing employees to take parental leave until the child turns three years old, a 100% uptake rate indicates that all male employees whose spouses gave birth took parental leave within three fiscal years, including the fiscal year in which the child was born.
*2 As parental leave was made mandatory under a new system introduced in FY2023, the uptake rate for FY2025 is calculated based on the three years since the system's implementation (FY2023–FY2025). The calculation formula is as follows:
Number of male employees whose spouses gave birth in FY2023 and who took parental leave in FY2023–FY2025 (14) / Number of male employees whose spouses gave birth in FY2023 (14)

Strategy for turning diversity into value creation

As a trading company operating across diverse markets and cultures, promoting D&I serves as a key source of our competitive advantage. For the sustainable growth of the Inabata Group, where employees with diverse backgrounds play active roles globally, we believe it is essential to cultivate and embrace a diversity of values and perspectives.

Accordingly, we are developing systems to ensure fair recruitment, assignment, evaluation, and promotion that respect the individuality and capabilities of each employee, regardless of race, nationality, age, gender, disability, or other attributes. We are also fostering an organizational culture that embraces diversity and enables employees to work together with a sense of unity.

Beyond simply ensuring diversity, we are creating an environment and career opportunities that enable each employee to fully demonstrate their capabilities. By empowering diverse talent in this way, we aim to enhance corporate value by creating new business opportunities and strengthening our ability to respond to change.



Promoting women's advancement and supporting work-life balance

The Inabata Group is promoting women's advancement together with support for balancing work and personal responsibilities. In Japan in particular, challenges remain in promoting women to managerial positions and supporting career continuity. Given the characteristics of our business, we recognize that progress across the industry as a whole also remains insufficient.

At the Company, the relatively small number of women historically hired for Staff positions has resulted in a structural issue: a limited pipeline of female candidates for managerial positions. There is also room for improvement in the ratio of women among new graduate hires and their retention after joining the Company. We recognize these as important issues that could affect the stability of our human resource portfolio. We are therefore working to broaden our talent pool through internal development and mid-career recruitment, increase the proportion of women hired, and improve retention. As a result of these initiatives, we are beginning to see improvements in these areas. In addition, we regularly hold joint seminars with other companies and discussion sessions with officers to raise awareness and support network building.

We also recognize that addressing these challenges requires support for balancing work and personal responsibilities for both men and women, as well as a review of working practices. We are therefore enhancing childcare and nursing care programs and flexible work arrangements, encouraging men to take parental leave, and providing career support through a mentoring program.

By expanding career and work-style options in line with individual circumstances and aspirations, we are working to build an organization in which diverse talent can continue to thrive.

Challenges to date, key measures, and current status

Challenges to date		Key measures	Current status
Recruitment and retention	Challenges with the ratio of women among new graduate hires and their retention after joining the Company	Maintain the ratio of women among new graduate hires at 20% or higher and strengthen follow-up measures	These initiatives have significantly improved retention, stabilized the human resource portfolio, and increased the assignment of female employees to sales divisions.
Advancement and development	Career continuity and development opportunities can be constrained by childbirth, childcare, and other factors	Expand support for balancing work and personal responsibilities, including parental leave, reduced working hours, and childcare subsidies	
	Traditional working practices hinder the advancement of diverse talent	Introduce flexible work arrangements, including staggered working hours and telework	
	Anxiety and isolation related to career development	Support career development through initiatives such as the new employee rotation program and mentoring program	
Career diversification	Uniform career paths lead to employee turnover and lost opportunities	Provide diverse career and work-style options through measures such as the job category conversion program	The number of participants in the job category conversion program is gradually increasing.
Promotion	Insufficient pipeline of female candidates for managerial positions due to past hiring patterns and employee turnover	Utilize the job category conversion program, strengthen internal development, and leverage mid-career recruitment	The pipeline of female candidates for managerial positions is gradually expanding, and the proportion of female managers is rising, but challenges remain. We will continue to develop and secure talent over the medium to long term.

[Example of key measure] Job category conversion program

We are enhancing our job category conversion program to provide employees with diverse career options suited to their individual life stages and aspirations. Our job categories comprise four types: Professional positions (P), Staff positions (S), Challenge positions (C), and Assistant positions (A). P positions are managerial positions responsible for core operations; S and C positions are non-managerial positions responsible for core operations; and A positions primarily involve support functions. Under the job category conversion program, employees can transfer between S and A positions based on their career aspirations and life stages.

Previously, however, the possibility of transfers requiring relocation in S positions presented an obstacle for employees in A positions considering conversion. To address this issue, we established the Challenge (C) category in 2023 as a job category that does not require relocation. Like S positions, C positions are responsible for core operations but offer employees with geographic constraints greater opportunities to take on new challenges.

This has expanded career options beyond transfers between S and A positions to include the C category, enabling employees to make flexible career choices that take both work and personal circumstances into account. Through these initiatives, we aim to create a human resource portfolio in which diverse talent can continue to thrive.

Employee perspective on using the program

I wanted to take a more proactive role in my work, so I used the job category conversion program to move from an A position to an S position. I currently handle IT-related inquiries in the Digital Promotion Office.

In my current role, I draw on the empathy and communication skills I developed in my A position. Going forward, I hope to develop my IT and analytical skills so that I can make more effective proposals.



Chihiro Kujirai
IT Utilization Support Department, Digital Promotion Office

Measures to Strengthen Human Capital (3)
Human Resource Development

Sustainability Medium-term Plan 2026 strategy / KPIs and targets / FY2025 results

Strategy	Focus on investment in human capital

FY2026 target	FY2025 results
Every year, spend more on education and training costs* per employee than in the previous fiscal year	**Education and training costs per employee per year: ¥89,124**
Maintain the ratio of employees with overseas posting experience at around 40%	**Ratio of employees with overseas posting experience 38.5%**

* Education and training costs refer to the expenses spent on group training, external training, video learning, and so on at Inabata & Co. on a non-consolidated basis.

Overview of human resource development

The Inabata Group recognizes that people are the driving force behind value creation and positions human resource development as a critical management priority. Building on a shared understanding of our management philosophy and IK Values, we develop talent with the expertise and global perspective needed to drive our businesses in Japan and overseas through diverse work experiences and growth opportunities, as well as development tailored to individual roles and career stages. We also strive to create an environment where each employee can proactively shape their own career and experience personal growth.

Based on this approach, the Inabata Group has established a foundation for human resource development and identified priority areas aligned with its management strategy to systematically develop talent.

Human resource development framework

Foundation for human resource development

Human resource database management (Talent management system)	HR and evaluation systems	Diverse training programs	Organizational culture and systems

Alignment with management strategy

Long-term vision, IK Vision 2030 / Medium-term management plan, NC2026

Key areas of human resource development initiatives for achieving the management strategy

Philosophy and fundamentals	Expertise and value creation	Global talent	Leadership and management talent
Strengthening Group cohesion and the corporate foundation by sharing the management philosophy and IK Values and developing fundamental skills	Enhancing our ability to create added value by strengthening specialized knowledge and proposal capabilities to address client and market needs	Strengthening capabilities to drive business globally through practical overseas experience and cross-cultural understanding	Strengthening the capabilities needed to lead organizations and businesses and support sustainable growth through effective leadership
Examples • **Management philosophy workshops** • Level-specific training programs	**Examples** • Practical training, including credit management training • Career advancement self-reporting system (Enhancing value creation through optimal talent placement)	**Examples** • **Overseas trainee program** • **Expanded opportunities for overseas assignments**	**Examples** • **Global Staff Meeting** • Leadership development training

Note: Items in bold are introduced on the following page.

Conducting Group-wide workshops to share the management philosophy



As the Inabata Group becomes increasingly diverse through the pursuit of M&A and expanded mid-career recruitment, we recognize that fostering shared values and a sense of unity across the Group is an important priority. We are therefore rolling out management philosophy workshops to deepen Group employees' understanding of the IK Values and encourage them to put these values into practice in their day-to-day work. The program provides opportunities for employees to reflect on the management philosophy in their own words through individual and group work, in addition to sharing messages from management and feedback from employees. Through these workshops, we aim to strengthen the foundation for value creation as a unified Group.

Voice of a workshop participant



Although I am now in my 14th year with the Company, this workshop gave me a valuable opportunity to reflect once again on the IK Values. I was assigned to Inabata Philippines, Inc. (IKP) in March 2026 and was surprised to find that the management philosophy is also shared there in Tagalog. As I work alongside local colleagues with different cultures and values, I expect to encounter a variety of situations. I hope that we can approach these with a shared understanding of the IK Values and grow together.

Hiroki Miyamori
Inabata Philippines, Inc.

Expanding opportunities for young employees to gain overseas experience

As part of our growth strategy to expand the ratio of overseas sales, we are strengthening the development of global talent. Under the Sustainability Medium-term Plan 2026, we have set a target of maintaining the proportion of employees with overseas assignment experience at 40% and are expanding opportunities for young employees to gain experience overseas.

In FY2023, we introduced an overseas trainee program for employees in Staff positions in their third year with the Company, providing short-term overseas assignments that deepen their understanding of practical business operations and different cultures. In addition, we are strategically expanding opportunities for overseas assignments, which are becoming increasingly important as a means of gaining practical experience in driving and managing businesses locally. Although still limited in number, female sales employees are also taking on overseas assignments, broadening opportunities for diverse talent to play active roles. Through these initiatives, we are strengthening the talent base that supports business growth.

Voice of an employee on an overseas assignment



It has been about a year since I was assigned to Malaysia. What I have come to realize is most important on an overseas assignment is working collaboratively with local staff. This requires engaging in meaningful dialogue with people who have different perspectives and values, involving them in the process, and working together toward shared goals. I believe an overseas assignment is a valuable opportunity not only to broaden one's professional experience but also to develop the ability to think and act independently.

Haruka Wada
Inabata Malaysia Sdn. Bhd.

Global Staff Meeting



As the Inabata Group operates businesses around the world, we regard the development of global talent, including local employees, and the strengthening of networks as important initiatives that support our growth. Since 2014, we have held the Global Staff Meeting, which brings together selected employees from each region at our head office to share our management philosophy and IK Values. The program was suspended from FY2020 due to the spread of COVID-19 but resumed in FY2023 and has been held regularly since then. In FY2025, 16 employees from Inabata & Co. and overseas locations participated. Through group work and discussions in English, participants deepen mutual understanding and exchange views on addressing challenges, helping to promote collaboration across national and cultural boundaries and develop the next generation of leaders.

Health and Productivity Management

Sustainability Medium-term Plan 2026 strategy / KPIs and targets / FY2025 results

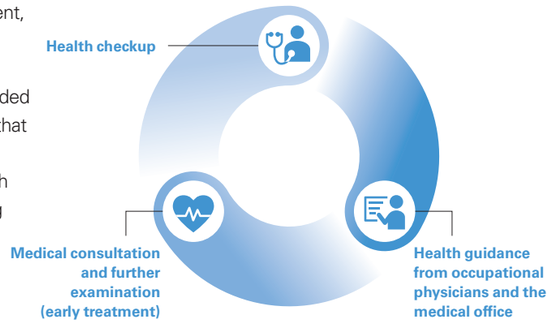
Strategy	Further advance health and productivity management

FY2026 target	FY2025 results
Rate of complete checkup 100%*1	**Rate of complete checkup 94.9%**
Maintain comprehensive health risk found by stress checks at current levels*2	**Comprehensive health risk score 74** **(national average 100; lower scores indicate better results)**

*1 The rate of complete checkup refers to the proportion of employees who were advised to undergo a complete checkup after the initial health check and actually followed the advice.
*2 Comprehensive health risk is an indicator for stress evaluation provided by the Ministry of Health, Labour and Welfare to comprehensively assess to what degree the workplace environment impacts on employee health. The risk is calculated by using four criteria obtained from stress checks: psychological burden of work (volume), degree of discretion at work, degree of support from managers, and degree of support from colleagues. The national average is calculated as 100: workplace health risk is high if the value exceeds 100, and low if the value falls below 100.

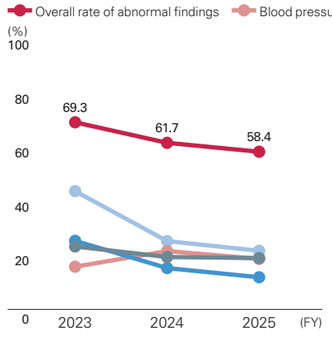
Health and productivity management challenges and progress

Before we began promoting health and productivity management, the proportion of employees with abnormal findings in health checkups for blood pressure, liver function, lipids, and blood glucose, which are risk factors for lifestyle-related diseases, tended to be higher than the national average. We therefore recognize that ensuring employees who require further examination receive appropriate follow-up is an important priority in preventing health risks from developing into more serious conditions and avoiding unexpected absences from work. To address this issue, in addition to subsidizing health checkup costs, we encourage employees to undergo further examinations and provide health guidance based on their checkup results through our occupational physicians and medical office. We are pursuing a cycle of continuous improvement with the goal of achieving a 100% rate of complete checkup. Through these initiatives, we aim to reduce the number of employees who repeatedly receive findings requiring further examination and the number who take leave from work, as well as reduce productivity losses due to presenteeism and absenteeism.* In fact, the indicators we have identified as challenges are showing signs of improvement.

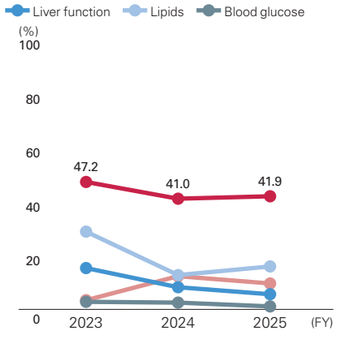


* Presenteeism refers to reduced performance at work due to physical or mental health issues despite being present, and absenteeism refers to being unable to work due to poor health or other reasons, resulting in absence or leave from work.

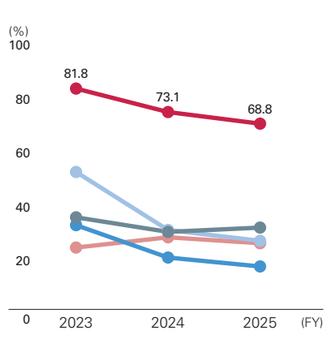
Rate of abnormal findings (overall)



Rate of abnormal findings (under age 34)



Rate of abnormal findings (age 34 and over)



Going forward, we will continue to create an environment in which employees can work with high levels of engagement and physical and mental well-being, thereby maximizing individual performance and enhancing productivity across the organization.

Company sports days held in Osaka and Tokyo

The Company regards maintaining and improving the health of each employee, as well as strengthening organizational unity and engagement, as important management priorities and is pursuing a range of initiatives. As part of these efforts, in February 2026 we held company sports days in Osaka and Tokyo in collaboration with the Inabata labor union. A total of 46 employees in Osaka and 97 in Tokyo participated, competing in mixed teams made up of employees from different departments. The president also participated at the Osaka event, and the senior managing executive officer in charge of human resources participated at the Tokyo event.

Events such as ball toss, tug-of-war, and relay races provided opportunities for employees who have little contact in their day-to-day work to interact, strengthening connections across the organization. Participants also commented that the event provided more opportunities to communicate with colleagues from other departments and fostered a greater sense of unity through teamwork.

In addition to promoting employee health, this initiative helps foster communication and enhance engagement. We regard health and productivity management as an important foundation for management and will continue to create an environment in which employees can maintain their physical and mental well-being and fully demonstrate their capabilities.

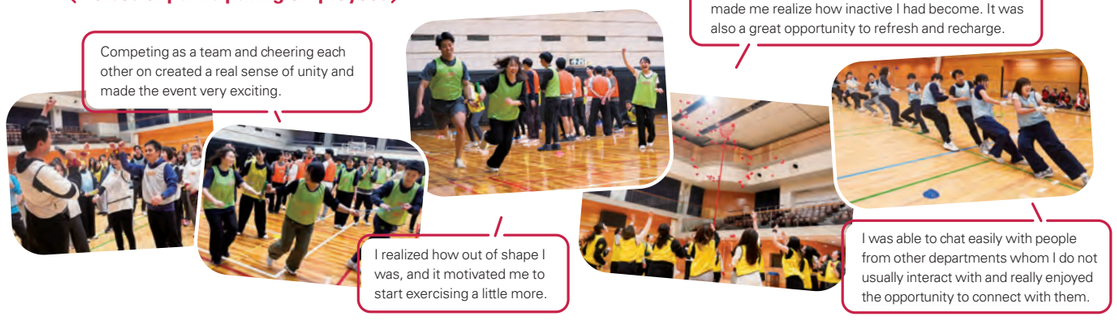


Group photo (Osaka)



Group photo (Tokyo)

Voices of participating employees

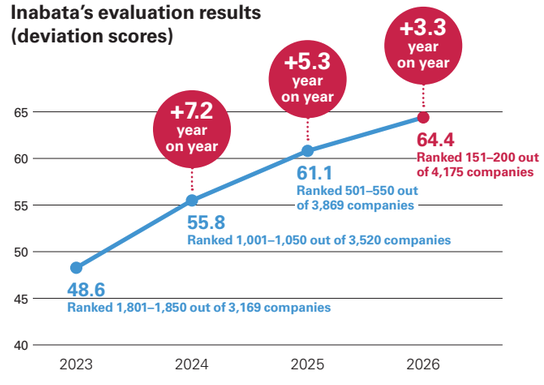


2026 Outstanding Organization of KENKO Investment for Health (White 500)

On March 9, 2026, Inabata was recognized as one of the 2026 Outstanding Organizations of KENKO Investment for Health in the Large Enterprise Category (White 500), under a program jointly conducted by the Ministry of Economy, Trade and Industry (METI) and Nippon Kenko Kaigi (Japan Health Council). Our evaluation has improved each year, and this marks our first recognition as a White 500 organization and our fourth consecutive year of recognition as an Outstanding Organization of KENKO Investment for Health.

2026 健康経営優良法人 KENKO Investment for Health 大規模法人部門 ホワイト500

Inabata's evaluation results (deviation scores)



Independent Director Three-Way Talk



As NC2026, Inabata's medium-term management plan, enters its final year, how has the Board of Directors evolved through its deliberations, and what changes lie ahead?

Three-Way Talk

We spoke with three Independent Directors—Osamu Chonan, Hisayuki Suekawa, and Mari Ikegaki (with Ikegaki joining the Board in June 2025)—about the Board's effectiveness, the Company's growth strategy, and its approach to human capital and sustainability.

(The three-way talk was held in May 2026.)

Osamu Chonan (left)
Independent Director
Chairperson of the Nominating and Remuneration Committee
Time in office: Jun. 2023–present

My role

I have served for many years as the head of both the manufacturing and sales divisions at a leading food manufacturer, which has played a key role in creating the market for salad food culture that supports a healthy lifestyle, particularly in Japan, China, and Southeast Asia. As an executive, I have accumulated diverse experience and knowledge, and I aim to enhance product branding from an external perspective, while elevating Inabata's image and value.

Mari Ikegaki (center)
Independent Director
Time in office: Jun. 2025–present

My role

Throughout my career as head of human resources at the Japanese subsidiary of a global financial institution, I have led the development of talent, fostered corporate culture, and designed organizational structures and systems, while also overseeing corporate governance and human resources risk and compliance. Drawing on both a global perspective and my experience collaborating with Japanese companies, I hope to contribute to building an organization where everyone can perform at their best and to fostering a corporate culture that embraces diversity.

Hisayuki Suekawa (right)
Independent Director
Time in office: Jun. 2024–present

My role

I have promoted business strategy and management reform at a cosmetics company with over 150 years of history. From a CSR perspective, I have also addressed societal issues, having led the establishment of an on-site daycare and a consultation center specializing in severe skin concerns. In addition to enhancing branding through engagement with society, I aim to contribute to boosting the Inabata brand and developing the next generation of talent by leveraging my experience and know-how from university lectures and corporate training programs I am currently involved in.

Board operations and effectiveness

Over the past year, have you observed any changes in the way the Board conducts its discussions and makes decisions, or in your overall perception of the Inabata Group?

Chonan

What has impressed me most is how the Company has become increasingly open to candid and constructive discussion over the years. Rather than focusing solely on shareholders, the Board takes into account a broad range of stakeholders, including employees, and directors exchange frank views without hesitation or deference to the president.

I believe companies that stand the test of time share three common features: a clear philosophy, outstanding people, and effective systems. Inabata has long placed great value on these intangible assets, beyond what appears on its balance sheet. I believe this has fostered an open culture that listens sincerely to outside perspectives and is willing to embrace change when necessary.

Suekawa

I agree. One of the Company's defining characteristics is that it does not treat the Board effectiveness evaluation as a mere formality. Instead, it uses the process to drive continuous improvement. There are certainly many issues to address, and not all of them can be resolved overnight. Even so, management tackles them head-on, and whenever we ask for reports or explanations, they respond openly and thoroughly. That attitude is extremely encouraging.

Another thing that stands out is the respect shown toward independent directors. Whenever there is something we do not understand, people take the time to explain it carefully, and our comments are taken seriously. Rather than viewing the outside perspective as a procedural requirement, the Company genuinely seeks to use it as a catalyst for improvement. I believe that is one of Inabata's greatest strengths.

Ikegaki

Before joining the Board, I spent many years in human resources, leading company-wide initiatives ranging from earthquake disaster response to the COVID-19 pandemic. Based on that experience, I believe my role at Inabata is to contribute perspectives on diversity, employee engagement, and people-related risk and compliance.

Since joining the Board, I have found it to be an exceptionally open and dynamic forum where even a newly appointed director feels comfortable speaking up. The Company also provides extensive information and learning opportunities to help develop a thorough understanding of the business. Its commitment to helping independent directors understand the Company is evident throughout, as is its sincere desire to put outside perspectives to work for the Company's benefit.

Progress of the medium-term management plan and growth strategy

Turning to growth strategy, how do you view the progress of the medium-term management plan, the Company's approach to portfolio management, and the expectations of the capital markets?

Suekawa

I believe the medium-term management plan is delivering steady results. The Company deserves high praise for continuing to achieve record-high profits despite operating in a rapidly changing business environment. I also highly value its steady evolution beyond a traditional trading company that simply intermediates products into one that helps solve clients' challenges.

During last year's Three-Way Talk, I commented that the Company tended to take a somewhat conservative approach. Since then, however, my involvement in initiatives such as developing the Corporate Message has reinforced my appreciation that there is tremendous value in the role a trading company plays in supporting the things people take for granted. Building on that solid foundation, the Company is now taking meaningful steps to create new value, and I view that very positively.

I am equally impressed by the Company's approach to the capital markets. Its commitment to a 10% ROE target, reducing strategically held shares, and maintaining a progressive dividend policy demonstrates a genuine commitment to meeting the expectations of shareholders and investors. Rather than prioritizing its own interests, management engages sincerely with its stakeholders, and I believe that is one of the Company's defining qualities. The views expressed by investors through this dialogue are reported to the Board and reflected in its discussions. Although geopolitical risks continue to create uncertainty over revenue prospects, I believe the Company remains well positioned to deliver solid earnings.

Chonan

The latest results also demonstrate the Company's growing resilience. When one business faces headwinds, other segments are increasingly able to offset their impact. One



"Rather than viewing the outside perspective as a procedural requirement, the Company genuinely seeks to use it as a catalyst for improvement. That is one of Inabata's greatest strengths."

—Hisayuki Suekawa

significant development is that business leaders now share information more openly and have built relationships in which they support one another. It has also reinforced the Company's open culture, with different parts of the business increasingly supporting one another when one area comes under pressure.

Through the Company's IR activities, we are also being highly regarded for emphasizing stability, a progressive dividend policy, prudent management, and a long history. While many investors appreciate the Company's disciplined approach, avoiding overreach and pursuing only well-considered growth initiatives, they are also looking ahead, asking what will drive the Company's next phase of growth. The challenge is how to achieve transformative growth while maintaining today's stability. There is no easy answer. Rather than stretching beyond its capabilities, I believe Inabata should continue building its next stage of growth in a way that remains true to what makes the Company distinctive. M&A is undoubtedly an effective means of achieving transformative growth. However, during PMI, the Company's approach to respect acquired companies has at times made it reluctant to intervene when necessary. Going forward, Inabata must be able to identify emerging issues early and step in decisively where needed as the head office.

Ikegaki
Although I have not been on the Board for very long, I can already sense management's clear commitment to bolstering the Company's business foundation by reshaping its business portfolio. That is why it will become increasingly important to embrace new opportunities, carefully assess growth potential, and allocate management resources where they can create the greatest value.

The true value of M&A lies not in acquiring businesses or assets, but in creating synergies after the acquisition. That requires developing a deep understanding of acquired companies as quickly as possible and communicating openly about the Company's vision and the changes needed to achieve it. During the PMI process, it is important to respect the acquired company while also engaging in more proactive dialogue and management. As the Company expands businesses that are closer to consumers, such as the food business within the Life Industry segment, it must also pay even closer attention to new risks, including product quality and compliance.



Redefining what it means to be "Inabata"

All three of you also participated as observers in the MOVE MOVE PROJECT, an initiative in which employees themselves took the lead in creating the Company's new Corporate Message. How do you assess this initiative, and what impact do you think it has had?

Suekawa
At first, the project started with the purpose of creating a brand message. However, as discussions progressed, the project members came to recognize the need to clarify its relationship with the management philosophy and the IK Values and position it systematically as a corporate message representing the Company as a whole. Through that process, it also became much clearer whom the Company seeks to serve and the value it aims to deliver.

Before joining Inabata, I worked for a consumer goods manufacturer, where I was involved in brand building and worked closely with consumers. That experience has taught me that a brand or corporate message is never complete simply because the right words have been chosen. It only becomes a true brand when it is brought to life through the actions of each employee and every interaction with customers.

That is why I believe the greatest value of this project lay not simply in creating the message itself, but in the process of having so many employees participate in the discussions and reflect on what makes Inabata unique. Going forward, I believe the Company has entered a phase in which it is essential to connect that message with employees' day-to-day work so that each individual embraces it as their own and puts it into practice.

Chonan
What impressed me most about this initiative was that it was not something handed down by management. Instead, younger and mid-career employees took the lead in asking themselves: What has been the driving force behind Inabata's success over the past 136 years? What are Inabata's strengths? What should the Company aspire to going forward? They then put those answers into words. I believe the fact that the very people who will shape the Company's future engaged with those questions themselves was tremendously meaningful.

Moreover, they developed the message only after reflecting on the values passed down by those who came before them, as well as the challenges the Company will face in the future. It was a process that inspired genuine conviction. That is why it is important that the message does not remain merely a slogan, but continues to evolve as a set of words that will help shape the future of Inabata.

Ikegaki
This is also an important issue from the perspective of corporate value. As a B2B company, I believe Inabata has not always done enough to articulate its identity and future direction. Yet these



are precisely the kinds of issues that influence how the market evaluates the Company. The Company needs to clearly communicate, both internally and externally, where it is headed and the value it delivers.

From that perspective, I believe it was highly significant that employees themselves articulated the value of their work and the value they deliver to clients. Although the project initially focused on Japan, discussions about involving overseas employees led to a bilingual rollout and participation in the voting process, representing another important step forward. I believe it has been an excellent initiative for fostering a stronger sense of unity across the Company.

Human capital and sustainability

Finally, let's hear about human capital and sustainability. How do you see the reinforcing of human capital, the development of future leaders, and the challenge of translating sustainability into business value?

Ikegaki
When I interviewed candidates for new executive positions as part of the Nominating and Remuneration Committee, I was struck by the caliber of talent the Company has developed. Another important priority is how the Company develops the next generation of talent more broadly, including women. The workplace and employees' values have changed dramatically, and the success models of previous generations alone are no longer sufficient. Young employees should be given opportunities to broaden their experience beyond their own areas of responsibility, whether through overseas assignments or challenging rotations in other departments, and to build networks across the organization. Furthermore, flexible career development is also important. As the Company places greater emphasis on expanding its global business, the perspectives of employees with overseas experience and those of non-Japanese nationals should be more actively incorporated into decision-making at headquarters. Only by bringing together people with diverse backgrounds can Inabata build an organization capable of supporting a diverse range of businesses.

Discussions within the Sustainability Committee have also progressed steadily. The next important step is to extend initiatives such as human rights due diligence not only to employees in Japan but also to those overseas. Doing so sends a clear message that headquarters is equally committed to employees outside Japan, helping to foster a stronger sense of unity across the Group.

Suekawa
I believe the Sustainability Promotion Department has done an outstanding job, particularly given its limited resources, including its support for the Sustainability Committee. Sustainability, however, is not something that can be left solely to the Sustainability Promotion Department. KPIs should measure not only whether initiatives have been implemented, but also what has actually changed as a result. For example, it is not enough simply to increase training expenditure per employee; what matters is how employees have grown as a result. Likewise, the Company's environmental initiatives should ensure that its green businesses both help resolve social issues and generate business value.

Given the highly specialized nature of the Company's businesses, it is important for each division to develop professionals with deep expertise. Another important aspect of talent development is creating opportunities for employees to gain experience across different departments and functions early in their careers, thereby broadening their perspectives.

It is only natural for each division to want to develop the people who will lead its future. However, if the Company views talent not as the property of a division but as a company-wide asset, and fosters a culture in which executive officers engage in serious discussions about talent development from a company-wide perspective, I believe the organization as a whole will become even stronger.

Chonan
The succession plan is making progress, with initiatives to make the candidate pool more visible and provide executive candidates with opportunities to present their ideas, helping them develop a stronger awareness of their leadership potential. I also see a clear commitment to developing people regardless of gender, nationality, or whether they joined the Company as new graduates or through mid-career recruitment. Advancing women's participation, however, remains a significant challenge. Management's desire to promote women does not always align with the aspirations of the individuals themselves. The question is how far the Company can change traditional practices, including those that still remain in frontline sales. It will not be easy, but it is an issue Inabata cannot afford to avoid.

When it comes to sustainability, I believe the Company could do more to clearly articulate what makes Inabata distinctive. In particular, as a company with a long history in synthetic resins, I believe Inabata should speak openly about both the value plastics bring to society and the challenges they present. Plastics have long supported society by improving hygiene, enhancing safety, and increasing logistics efficiency. At the same time, however, they also present challenges related to waste. That is precisely why I believe the Company should demonstrate a genuine commitment to supporting a circular economy, from raw materials to recycling, and communicate that commitment more clearly as a core business mission. I believe this is an important theme in creating both business opportunities and solutions to social issues.

Corporate Governance

Basic concept

The Inabata Group's Mission is "People come first, based on the spirit of 'love (*ai*)' and 'respect (*kei*),' and together we strive towards contributing to the development of society." With a foundation on this mission, the Company aims to respond to the expectations of all stakeholders who support the Company's activities including shareholders, business partners, and employees, and sustainably improve corporate value. For this, the Company believes it is essential to have a strong corporate governance system for ensuring transparency and fairness in business and speed and resolution in decisions.

Organizational design framework: Company with an audit and supervisory committee

We have positioned the enhancement and improvement of corporate governance as an important management issue, and have been working to improve the effectiveness of the Board of Directors by shifting the focus of meetings of the Board of Directors from business execution to management strategy and medium- to long-term issues. In June 2022, we transitioned to a company with an audit and supervisory committee in order to further promote these initiatives, further strengthen the Company's supervisory function, and establish a system to accelerate management decision-making. The majority of the Board of Directors is composed of independent directors in order to embody a monitoring-type Board of Directors, thereby enhancing corporate value.

Changes in initiatives to strengthen governance

	–2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Organizational design	Company with an audit & supervisory board								Company with an audit and supervisory committee				
Corporate governance system	• 2003 Executive officer system introduced • 2006 Term of appointment of directors reduced from two years to one year • 2013 Appointment of two outside directors*	• Nominating and Remuneration Committee established • Appointment of three outside directors*						• Independent director appointed Chairperson of the Nominating and Remuneration Committee	• Transition to a majority of independent directors* • Advisor and corporate advisor system abolished • Retirement age for officers introduced				
Executive remuneration system	• 2006 Retirement benefit system for directors and Audit & Supervisory Board members abolished • 2009 Retirement benefit system for executive officers abolished	• Performance-linked compensation plan introduced			• Performance-linked stock compensation plan introduced Board Benefit Trust (BBT) introduced				• Performance-linked compensation KPIs ROIC / ESG scores introduced	• Performance-linked compensation KPIs ROE / Stock price added		• Employee engagement survey achievement rate added as BBT KPI	
Effectiveness evaluation of the Board of Directors		Self-evaluation	Self-evaluation	Third-party evaluation	Self-evaluation	Self-evaluation	Third-party evaluation	Self-evaluation	Self-evaluation	Third-party evaluation	Self-evaluation	Self-evaluation	Third-party evaluation (planned)
		• Board effectiveness evaluation introduced (third-party evaluation every three years)											
Evolution of the Tokyo Stock Exchange's Corporate Governance Code	★				▲			▲					▲

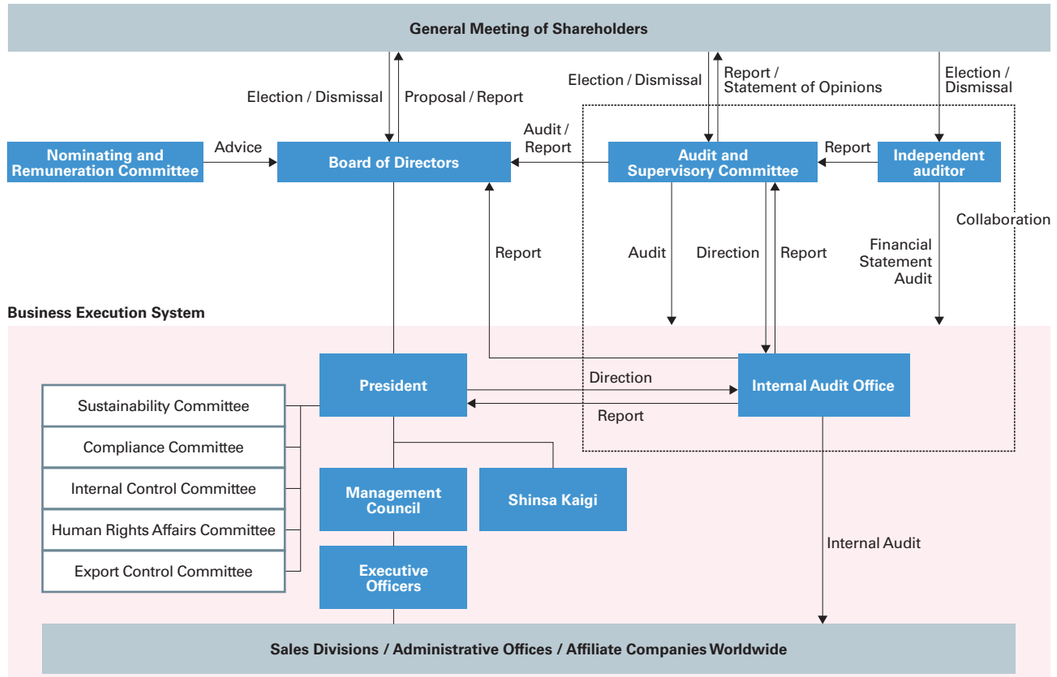
★ Corporate Governance Code established
▲ Corporate Governance Code revised
* Board structure

Governance structure at a glance (As of July 1, 2026)

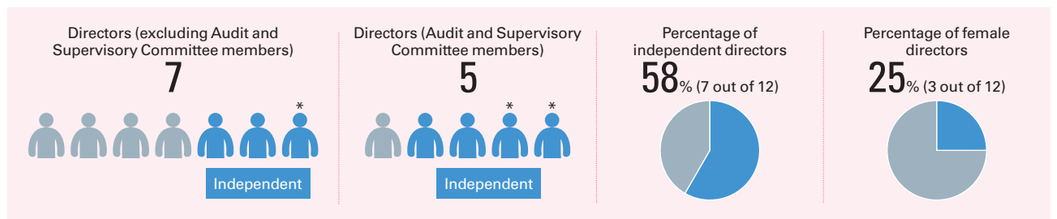
Organizational design	Company with an audit and supervisory committee
Directors not on the Audit and Supervisory Committee	7 (including 3 independent directors)
Directors on the Audit and Supervisory Committee	5 (including 4 independent directors)
Chairperson of the Board of Directors	President
Term of office for directors not on the Audit and Supervisory Committee	1 year
Term of office for directors on the Audit and Supervisory Committee	2 years

Executive officer system	Yes
Voluntary advisory committees to the Board of Directors	Nominating and Remuneration Committee
Independent auditor	KPMG AZSA LLC
Corporate governance report	https://www.inabata.co.jp/english/investor/library/governance/

Corporate governance system (As of July 1, 2026)



Composition of the Board of Directors (As of July 1, 2026)



* Female

Board of Directors

The Board of Directors makes decisions on important matters set out in laws and regulations, Articles of Incorporation, and Regulations of the Board of Directors. These matters include formulation of business plans and annual budgeting as well as making basic management policies and appointing executive officers. The Board of Directors consists of 12 members, including seven directors who are not Audit and Supervisory Committee members and five directors who are Audit and Supervisory Committee members. Among the 12 members, seven are independent directors, comprising the majority. By adopting the organizational structure of a company with an audit and supervisory committee, we have strengthened the monitoring-type Board of Directors' supervisory function and enabled the delegation of important business execution decisions to executive officers. This structure allows for faster and more agile management decision-making.

Key matters submitted to and reported to the Board of Directors (FY2025)

Item	Key matters submitted and reported	
	Items to be resolved	Items to be reported
Management strategy	—	• Progress of the medium-term management plan, NC2026 • Results of the review of the rationale for strategically held shares and progress in reducing such holdings • Establishment of overseas bases
Matters related to officers	• Director appointments and remuneration • Allocation of responsibilities for business execution among directors • Appointment of independent officers • Revision of the officer share benefit regulations • Limited liability agreements with directors who are not executive directors, etc. • Appointment of members of the Nominating and Remuneration Committee • Directors and officers liability insurance policy	• Nomination of new director and executive officer candidates • Business execution
General Meeting of Shareholders	• Convening of the Annual General Meeting of Shareholders	—
Governance	—	• Corporate governance report • The effectiveness evaluation of the Board of Directors • Status of the internal whistleblowing system
Sustainability	—	• Succession planning • Implementation status of director training and related matters
Human resources	• Personnel appointments of executive officers and other key personnel	• Performance evaluations and other assessments to be reflected in senior management appointments
IR	—	• Survey to identify institutional shareholders • Follow-up interviews with domestic and overseas institutional investors • Results of individual investor survey
Audit	—	• Status of audits by the Audit and Supervisory Committee • Audit plan of the Audit and Supervisory Committee • Direct reports from the Internal Audit Office
Financial	• Share buybacks • Matters related to financial results • Appropriation of surplus	• Related-party transactions • Monthly financial results • Securities report (in Japanese only)
Investments and lending	—	• Assessment of subsidiaries subject to withdrawal review criteria • PMI status of M&A transactions
IT	—	• Status of information security measures

Audit and Supervisory Committee

Inabata is a company with an audit and supervisory committee, and the Audit and Supervisory Committee consists of five Audit and Supervisory Committee members, four of whom are independent directors.

The committee works in collaboration with the Board of Directors to oversee the executive officers and conducts audits of their business activities. Directors who are members of the Audit and Supervisory Committee are extremely well versed in finance, accounting, and law, and are also highly independent.

Members of the Internal Audit Office are supporting the duties of the Audit and Supervisory Committee as assistant employees.

Independent Inside

	Number of times convened in FY2025	Members	Chairperson	Main matters considered and activities
Audit and Supervisory Committee	14 times	• Four independent directors • One inside director	Independent director **Noriya Yokota**	(Matters considered) • Audit policies, audit plans, and allocation of audit responsibilities • Opinions on the appointment, remuneration, and other matters concerning directors who are not Audit and Supervisory Committee members • Proposals for the appointment of candidates for directors who are Audit and Supervisory Committee members • Reports on the results of on-site audits of subsidiaries by Audit and Supervisory Committee members • Matters concerning the Management Council, Shinsa Kaigi, and compliance • Evaluation and reappointment or non-reappointment of the independent auditor • Audit fees for the independent auditor (Activities) • Attended Board of Directors' meetings and supervised directors' execution of duties • Audited the status of operations and assets through on-site audits of subsidiaries • Held regular reporting meetings with the Internal Audit Office to ensure coordination • Met with internal control departments to gather information • Reported audit status to the Board of Directors • Received reports from the independent auditor on audit plans and quarterly audit results • Attended the independent auditor's on-site audits of subsidiaries to confirm the status of audits • Discussed Key Audit Matters (KAM) with the independent auditor

Nominating and Remuneration Committee

We have voluntarily established the Nominating and Remuneration Committee. The committee, the majority of which consists of independent directors and which is chaired by the lead independent director, reviews decisions made by the Board of Directors on issues such as the selection and dismissal of executives, the nomination of candidates for positions of director and executive officer, and the remuneration of directors. The Board of Directors strives to ensure objectivity, fairness, and transparency by fully respecting the deliberation results of the committee.

Independent Inside

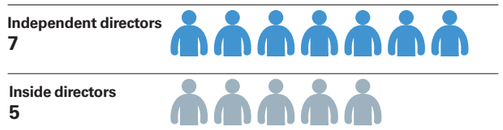
	Number of times convened in FY2025	Members	Chairperson	Main matters considered and activities
Nominating and Remuneration Committee	11 times	• Four independent directors* • One inside director	Lead independent director **Osamu Chonan**	Nomination-related matters • Conducted individual interviews with director and executive officer candidates • Selected director and executive officer candidates Remuneration-related matters • Considered remuneration for directors (excluding directors who are Audit and Supervisory Committee members) based on performance evaluations

* Including one independent director who is an Audit and Supervisory Committee member

Structure for independent directors

In electing independent directors, Inabata aims to appoint candidates who have abundant experience and knowledge of corporate management, the ability to oversee the decision-making and business execution of the Board of Directors of the Company which conducts business on a global basis, and who provide appropriate advice from an objective perspective.

Independent directors account for 58% of the Board of Directors (seven out of 12 directors).



Meetings of independent directors only
Number of times held: FY2025 2 times

Training for independent directors

In order to deepen independent directors' understanding of the Inabata Group's business activities, we provide opportunities for them to meet with the heads of each division, as well as opportunities to visit overseas (including online meetings). Even after directors have assumed office, we provide training opportunities to help them acquire the necessary knowledge and promote an understanding of their roles and responsibilities. The status of director training is reported to the Board of Directors annually.

Exchange of views among independent directors

Since transitioning to a company with an Audit and Supervisory Committee in 2022, the Company has held meetings twice a year for independent directors to exchange views. These meetings provide a forum outside the Board of Directors for independent directors to openly exchange views and perspectives on management and governance issues.



Independent directors exchanging views at a meeting held in March 2026

Management Council and Shinsa Kaigi

We set up the Management Council as an institution for business execution. This council deliberates on basic policies and important matters related to management and decides their direction. We have also established the Shinsa Kaigi as an institution to review important matters related to business execution, investment and loan projects, and credit. Its participants (including those who join online) from across the world hold direct discussions with the management.

Number of times convened: FY2025 Management Council 12 times, Shinsa Kaigi 20 times

Audit system

Internal audits

The Company has established the Internal Audit Office under direct supervision of the president and staffed it with certified internal auditors and other qualified professionals. The Internal Audit Office is responsible for ensuring compliance with the internal control reporting system for financial reporting based on the Financial Instruments and Exchange Act, auditing to improve the governance of our domestic and overseas Group companies, and auditing compliance with the Act on Securing Quality, Efficacy, and Safety of Products Including Pharmaceuticals and Medical Devices, and economic security-related laws and regulations. The Internal Audit Office regularly reports its audit plans and results to the president, the Board of Directors, and the Audit and Supervisory Committee.

Independent auditor

Financial statement audits, interim reviews, and internal control audits for Inabata are conducted by KPMG AZSA LLC. The Audit and Supervisory Committee formulates evaluation criteria, including assessments of independence and expertise, for the appointment and non-reappointment of the independent auditor and makes decisions based on the evaluation results.

Cooperation Among the Audit and Supervisory Committee, the Independent Auditor, and the Internal Audit Office

The Audit and Supervisory Committee, the independent auditor, and the Internal Audit Office collaborate through periodic reporting and discussion of audit results.

In investigating the status of our operations and assets and performing other auditing duties, the Audit and Supervisory Committee works closely with the Internal Audit Office to ensure that audits are conducted in an organized and efficient manner. The committee receives regular reports from the office regarding its audit plans and results. It may also request investigations as necessary or provide specific instructions concerning the execution of the office's duties.

The Audit and Supervisory Committee and Internal Audit Office hold regular meetings with the independent auditor to discuss accounting audits and interim review reports. While receiving timely and occasional reports from the independent auditor regarding audits, they also share information with the independent auditor that could be useful for the audit or that might impact the auditor's work, based on the information obtained during the execution of their duties. This facilitates the sharing of information and coordination with the independent auditor.

The effectiveness evaluation of the Board of Directors

With the aim of increasing corporate value through enhancing the effectiveness and transparency of the Board of Directors, Inabata & Co. has been conducting effectiveness evaluations of the Board since FY2015.

- Each evaluation cycle spans three years, with self-evaluations conducted in the first and second years and a third-party evaluation conducted in the third year.
- The overview of each evaluation and related issues identified for further consideration are published on the Company's website.
- A self-evaluation was carried out in FY2025.



FY2025 Self-evaluation process (questionnaire format)



* Director in charge of financial management and investor relations

Evaluation results for FY2025

1. Target of evaluation	All 12 current directors as of March 31, 2026 7 directors who are not Audit and Supervisory Committee members, 5 directors who are Audit and Supervisory Committee members
2. Evaluation methodology	• Each item on the questionnaire was decided by the director in charge and in-house staff for the evaluation of the Board of Directors, in collaboration with the external consultant in charge of collection based on the FY2024 questionnaire (self-evaluation) and the results of said evaluation and analysis. • The questionnaire above was distributed to directors, and responses were collected from all of them. • After the external consultant collected the responses, the in-house staff for the evaluation of the Board of Directors carried out a simplified analysis and compilation, and the director in charge reported to the Board of Directors. • After the content of the report was sufficiently verified by the Board of Directors, the direction of future measures was decided.
3. Results of the analysis and evaluation	The results of the analysis and evaluation indicated that the operations of the Board of Directors of the Company were appropriate and highly rated overall for its open and lively discussions, led by a chairperson who encourages open exchange of opinions. The results also indicated that the Company was providing sufficient support to independent directors in general, who in turn were making significant contributions to Board discussions; the Nominating and Remuneration Committee as well as the Audit and Supervisory Committee were being operated properly; and the status of dialogue with investors and shareholders was being shared with the Board of Directors adequately. Based on these evaluation and analysis results, the Company confirmed that the Board of Directors was executing its functions appropriately in general while maintaining effectiveness. The results also confirmed that, although some progress and improvement had been made on the following issues identified in the previous fiscal year's self-evaluation of effectiveness, further consideration would be required going forward. • Further discussion on issues regarding succession plans • Risk tolerance and risk management • Adequate communication of the Company's long-term competitive strengths to the capital market In addition to the above issues carried over from the previous fiscal year, we recognized that the following issues would require further consideration for improvement going forward. • New risks arising from M&A and measures to address them • Promotion of diversity within the Company • Status of internal control systems, including Group-wide controls • Sufficient information sharing and communication from the Nominating and Remuneration Committee to the Board of Directors In addition, among the major risks facing the Company, the potential risks of overseas activities, the risk related to business investment, and the credit risk of clients were identified as particularly significant in terms of their potential impact on business performance and likelihood of occurrence.
4. Future measures	The Company will strive to further enhance the effectiveness of the Board of Directors by taking measures to address the issues identified from the results of the above analysis and evaluation. In FY2026, the Company plans to conduct a third-party evaluation of the effectiveness of the Board of Directors.

Questions

1. Operational status of the Board of Directors
2. Function and role of the Board of Directors
3. Composition of the Board of Directors
4. Composition and role of the Nominating and Remuneration Committee
5. Operational status of the Nominating and Remuneration Committee
6. Composition and role of the Audit and Supervisory Committee
7. Operational status of the Audit and Supervisory Committee
8. Support system for independent directors
9. Dialogue with investors and shareholders
10. The Company's governance structure and overall Board effectiveness

Remuneration of directors and Audit and Supervisory Committee members

A summary of information on remuneration and other benefits is as follows.

1. Remuneration for directors who are not Audit and Supervisory Committee members

(1) Fixed remuneration*1	Minimum guaranteed amount by position
(2) Performance-linked remuneration	Calculated by multiplying the fixed remuneration for each position in (1) by a coefficient for: • Profit before income taxes and non-controlling interests (excluding gain on sales of investment securities)*2 • Return on capital (ROIC and ROE)*3 • Stock price*3 • ESG scores from multiple external evaluation organizations (FTSE Russell and MSCI)*4
(3) Board Benefit Trust (BBT)*5	A system under which executive directors receive the points granted to them during their term in the form of shares and cash upon their retirement. (Method of calculating points awarded to directors) Points granted for the current year = Ⓐ Service points + Ⓑ Performance points Ⓐ 50% of the base points determined for each position (fixed points) Ⓑ Service points × Performance coefficient Performance coefficient: Determined based on the achievement rates of the consolidated operating profit target*6 and the Group engagement survey*7

Of the remuneration for directors who are not Audit and Supervisory Committee members, (1) fixed remuneration and (2) performance-linked remuneration are determined by the Board of Directors within the scope of the total amount of remuneration approved by the Ordinary General Meeting of Shareholders. The maximum amount of remuneration for directors who are not members of the Audit and Supervisory Committee as per the resolution of the Ordinary General Meeting of Shareholders is 430 million yen per year (of which 50 million yen is for independent directors).

In addition, (3) remuneration limits for the BBT, a performance-linked stock remuneration plan for executive directors, has been determined by resolution at the General Meeting of Shareholders.

The individual remuneration of directors who are not Audit and Supervisory Committee members is designed to be calculated automatically using formulas and coefficients defined in regulations resolved by the Board of Directors, without taking qualitative factors into consideration, and the Human Resources Office will calculate this in accordance with regulations. The results of the calculations are reviewed by the Nominating and Remuneration Committee, which is chaired by the lead independent director and at which independent directors have a majority. The Board of Directors determines the remuneration of directors who are not Audit and Supervisory Committee members with full respect for the results of the deliberations of the Nominating and Remuneration Committee.

These procedures ensure objectivity, fairness, and transparency in the determination of individual remuneration for directors who are not Audit and Supervisory Committee members, and the determination of individual remuneration is never delegated to specific directors or other parties.

*1 Remuneration for directors who are not executive directors is fixed remuneration only.
*2 Executive directors are responsible for all business activities of the entire Group, including the operating and financial activities of Group companies, and we believe that the results of these activities are reflected in consolidated profit before income taxes and non-controlling interests, which is used as one indicator.
*3 We have adopted ROIC as an indicator because one of the key strategies in our medium-term management plan, NC2026, is "accelerate growth through proactive investment," and we believe that capital efficiency and investment yield should also be considered in light of requests from the capital market and trends among listed companies. In addition, as part of our measures to realize management conscious of cost of capital and share price, we use ROE and stock price (specifically, the difference between the year-on-year growth rate of TOPIX and the year-on-year growth rate of our stock price) as indicators.
*4 Since we recognize that addressing sustainability is an important management issue for our Company, we use ESG scores from several external evaluation organizations as an indicator.
*5 We have introduced the BBT as a performance-linked stock remuneration plan in order to clarify the linkage between the remuneration of executive directors and our business performance and stock value. Having directors share not just the benefits of higher stock prices, but also the risk of lower stock prices with shareholders, will increase their awareness, so that they can contribute to improving business performance and increasing corporate value over the medium to long term.
*6 Actual performance compared to the rate externally announced in the medium-term management plan.
*7 Achievement rate against the average employee engagement survey KPI under the Sustainability Medium-term Plan 2026.

The performance indicators approved in June 2026 (FY2025)

	Consolidated financial results		Return on capital		Share price		ESG scores
Profit before income taxes (A)	29.2 billion yen	ROIC	7.7%	YoY growth in share price	7.1%	FTSE Russell	4.2
Gain on sale of investment securities (B)	2.6 billion yen						
(A) – (B)	26.5 billion yen	ROE	9.3%			MSCI	5.1

The performance coefficient approved in June 2026

	NC2026 FY2025 target	FY2025 actual	Target achievement rate	Performance coefficient
Consolidated operating profit	24,500 million yen	26,164 million yen	107%	0.96
Employee engagement surveys	80%	72%	90%	

2. Remuneration for directors who are Audit and Supervisory Committee members

Fixed remuneration	Fixed remuneration only

Remuneration for directors who are Audit and Supervisory Committee members is decided via discussions by directors who are Audit and Supervisory Committee members, within the scope of total remuneration approved by the Ordinary General Meeting of Shareholders. The maximum remuneration amount for directors who are Audit and Supervisory Committee members, as per the resolution of the Ordinary General Meeting of Shareholders, is 80 million yen per year.

3. Actual remuneration of directors in FY2025*8

Classification	Total amount of remuneration and other benefits (Millions of yen)	Total amount of remuneration and other benefits by type (Millions of yen)			No. of eligible directors
		Fixed remuneration	Performance-linked remuneration	BBT	
Directors (excluding Audit and Supervisory Committee members and independent directors)*9, 11, 12, 13	241	108	108	24	5
Directors (Audit and Supervisory Committee members; excluding independent directors)*10	30	30	—	—	1
Independent directors	72	72	—	—	8

*8 The above includes one director (excluding Audit and Supervisory Committee members and independent directors) and one independent director (excluding Audit and Supervisory Committee members) who retired at the conclusion of the 164th Ordinary General Meeting of Shareholders held on June 17, 2025.
*9 At the 161st Ordinary General Meeting of Shareholders held on June 22, 2022, the annual amount of remuneration for directors (excluding Audit and Supervisory Committee members) was approved at up to 430 million yen (of which 50 million yen or less is for independent directors). As of the conclusion of the General Meeting of Shareholders, the Company had seven directors (including two independent directors; excluding Audit and Supervisory Committee members). In addition, at the same General Meeting of Shareholders, remuneration limits for the BBT, the introduction of which was approved at the 157th Ordinary General Meeting of Shareholders held on June 22, 2018, were reapproved. As of the conclusion of the General Meeting of Shareholders, four directors were eligible for the remuneration program.
*10 At the 161st Ordinary General Meeting of Shareholders held on June 22, 2022, the annual amount of remuneration for directors (Audit and Supervisory Committee members) was approved at up to 80 million yen. As of the conclusion of the General Meeting of Shareholders, four directors (all of whom are Audit and Supervisory Committee members and independent directors) were eligible for the remuneration program.
*11 BBT is the amount of provision for the reserve for directors' stock benefits included in the fiscal year under review.
*12 The Company has not established a guideline on deciding the payment ratio between performance-linked remuneration and other types of remuneration for directors (excluding directors who are Audit and Supervisory Committee members and independent directors) because these forms of remuneration are determined automatically based on their respective performance indicators and formulas, and therefore have no possibility of being adjusted arbitrarily.
*13 Remuneration for directors for the fiscal year under review was deliberated on at a meeting of the Nominating and Remuneration Committee held on May 28, 2025, and approved at a meeting of the Board of Directors held on June 17, 2025. The Board of Directors has checked that the determination method for, and the details of, the individual remuneration for directors in the fiscal year under review are consistent with the determination policy approved by the Board of Directors, and has deemed that they are in accordance with such determination policy.

Ratio of performance-linked remuneration and fixed remuneration in FY2025

Performance-linked remuneration	Fixed remuneration
55.2%	**44.8%**

Reference: Past remuneration of directors*14

FY2021	319 million yen
FY2022	335 million yen
FY2023	306 million yen
FY2024	269 million yen
FY2025	241 million yen

*14 Figures for FY2021 refer to directors (excluding independent directors). Figures for FY2022 onward refer to directors (excluding Audit and Supervisory Committee members and independent directors).



Management (As of July 1, 2026)

Directors



Katsutaro Inabata
Director, President

Jan. 1989 Joined Inabata & Co., Ltd.
Dec. 2005 Director, President (present)



Yutaka Takahashi
Director, Managing Executive Officer

Chemicals and Life Industry, Information & Electronics (assisting), the Americas and Europe

Apr. 1987 Joined Inabata & Co., Ltd.
Jun. 2026 Director, Managing Executive Officer (present)



Osamu Chonan*
Independent Director, Chairperson of the Nominating and Remuneration Committee

Apr. 1980 Joined Kewpie Corp.
Sep. 2008 Corporate Officer, Manager of Osaka Branch, Kewpie Corp.
Jul. 2012 Corporate Officer, Manager of Tokyo Branch, Kewpie Corp.
Feb. 2014 Director, Manager of Tokyo Branch, Kewpie Corp.
Feb. 2016 Director, Executive Corporate Officer, Kewpie Corp.
Feb. 2017 Representative Director, President and Chief Executive Corporate Officer, Kewpie Corp.
May 2021 Chairman, Kewpie Mirai Tamago Foundation
Feb. 2022 Advisor, Kewpie Corp.
Jun. 2023 Independent Director, Inabata & Co., Ltd. (present)
Jun. 2024 Outside Director, Lotte Co., Ltd. (present)



Mari Ikegaki*
Independent Director

Apr. 1987 Joined Morgan Stanley International Limited Tokyo Branch (now Morgan Stanley Group Co., Ltd.)
Dec. 2006 Executive Director, Morgan Stanley
Dec. 2008 Director, Morgan Stanley Japan Business Group Co., Ltd.
Apr. 2010 Director, Head of Human Resources Department, Morgan Stanley Group Co., Ltd.
Representative Director, Morgan Stanley Japan Business Group Co., Ltd.
Jan. 2012 Managing Director, Morgan Stanley
Member of Management Committee, Morgan Stanley MUFG Securities Co., Ltd.
Nov. 2013 Outside Director, Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
Jun. 2025 Trustee, Ferris Jogakuin (present)
Independent Director, Inabata & Co., Ltd. (present)
Outside Director (Audit & Supervisory Committee Member), COMTURE CORPORATION (present)



Kenichi Yokota
Director, Senior Managing Executive Officer

Administrative Affairs

Jul. 1996 Joined Inabata & Co., Ltd.
Jun. 2017 Director, Senior Managing Executive Officer (present)



Noriaki Takeshita
Director

Apr. 1982 Joined Sumitomo Chemical Co., Ltd.
Apr. 2010 Executive Officer, Sumitomo Chemical Co., Ltd.
Apr. 2013 Managing Executive Officer, Sumitomo Chemical Co., Ltd.
Jun. 2017 Representative Director, Managing Executive Officer, Sumitomo Chemical Co., Ltd.
Apr. 2018 Representative Director, Senior Managing Executive Officer, Sumitomo Chemical Co., Ltd.
Jun. 2023 Senior Managing Executive Officer, Sumitomo Chemical Co., Ltd.
Jun. 2024 Director, Senior Managing Executive Officer, Sumitomo Chemical Co., Ltd.
Apr. 2025 Director, Sumitomo Chemical Co., Ltd.
Jun. 2025 Director, Inabata & Co., Ltd. (present)
Advisor, Sumitomo Chemical Co., Ltd.
Director (Non-Executive Director), Sumitomo Seika Chemicals Co., Ltd. (present)



Hisayuki Suekawa*
Independent Director

Apr. 1982 Joined Shiseido Company, Limited
Apr. 2008 Corporate Officer, General Manager, Corporate Planning Department, Shiseido Company, Limited
Jun. 2009 Director, Corporate Officer, and General Manager, Corporate Planning Department, Shiseido Company, Limited
Apr. 2010 Director, Corporate Executive Officer and General Manager, Business Planning Department, Shiseido Company, Limited
Apr. 2011 Representative Director, President and CEO, Shiseido Company, Limited
Apr. 2013 Senior Advisor, Shiseido Company, Limited
Jun. 2014 Outside Director, Nitta Gelatin Inc.
Jun. 2017 Outside Director, SAN HOLDINGS, INC.
Jul. 2019 Advisor, NIPPON KANZAI Co., Ltd.
Jun. 2020 Unaffiliated Director, Morishita Jintan Co., Ltd. (present)
Apr. 2023 Member, The Board of Trustees, Showa Women's University (present)
Advisor, NIPPON KANZAI HOLDINGS Co., Ltd.
Jun. 2024 Independent Director, Inabata & Co., Ltd. (present)

Directors, Audit and Supervisory Committee Members



Nobukazu Kuboi
Director, Audit and Supervisory Committee Member

Jul. 2001 Joined Inabata & Co., Ltd.
Jun. 2024 Director, Audit and Supervisory Committee Member (present)



Shiho Ito*
Independent Director, Audit and Supervisory Committee Member

Apr. 1987 Joined Toyo Trust and Banking Co., Ltd. (now Mitsubishi UFJ Trust and Banking Corporation)
Oct. 1991 Joined Chuo Shinko Audit Corporation (later Misuzu Audit Corp.)
Jul. 2005 Partner, Chuo Aoyama Audit Corporation (later Misuzu Audit Corp.)
Aug. 2007 Partner, Shin Nihon & Co. (now Ernst & Young ShinNihon LLC)
Jun. 2022 External Director, Japan Display Inc. (present)
Jul. 2022 Established Shiho Ito certified public accountant's office (present)
Dec. 2023 Supervisory Director, Nomura Real Estate Private REIT, Inc. (present)
Jun. 2024 Independent Director, Audit and Supervisory Committee Member, Inabata & Co., Ltd. (present)
Jun. 2025 Director, Audit & Supervisory Committee Member (part-time), The Master Trust Bank of Japan, Ltd. (present)



Keiko Shindo*
Independent Director, Audit and Supervisory Committee Member

Apr. 1993 Joined Ajinomoto Co., Inc.
Dec. 2000 Joined DuPont K.K.
Dec. 2010 Bar admission (Daini Tokyo Bar Association)
Jan. 2011 Joined Matsumura International Law Office (now Shindo & Matsumura Law Office)
Oct. 2013 Joined the Consumer Affairs Agency of Japan (fixed-term national government official)
May 2015 Bar readmission (Daini Tokyo Bar Association)
Joined Fujikura Ltd.
Oct. 2016 General Manager of Legal Department, Fujikura Ltd.
Apr. 2021 Executive Officer, Head of Corporate Governance Unit, Fujikura Ltd.
Apr. 2026 Executive Advisor, Fujikura Ltd. (present)
Jun. 2026 Independent Director, Audit and Supervisory Committee Member, Inabata & Co., Ltd. (present)



Noriya Yokota*
Independent Director, Chairperson of the Audit and Supervisory Committee

Apr. 1984 Joined Kirin Brewery Co., Ltd. (now Kirin Holdings Co., Ltd.)
Mar. 2014 Executive Officer, General Manager, Production & Quality Control Department, Kirin Brewery Co., Ltd.
Apr. 2015 Director of Group Personnel & General Affairs, Kirin Holdings Company, Limited
Executive Officer, General Manager, Personnel & General Affairs Department, Kirin Company, Limited (now Kirin Holdings Company, Limited)
Mar. 2017 Senior Executive Officer, Director of Corporate Strategy, Kirin Holdings Company, Limited
Director of the Board, Senior Executive Officer, Kirin Company, Limited
Director of the Board, Kyowa Hakko Kirin Co., Ltd. (now Kyowa Kirin Co., Ltd.)
Mar. 2018 Director of the Board, Senior Executive Officer, Kirin Holdings Co., Ltd.
Mar. 2022 Director of the Board, Kirin Brewery Co., Ltd.
Jun. 2023 Independent Director, Audit and Supervisory Committee Member, Inabata & Co., Ltd. (present)
Jan. 2024 Senior Advisor, Newton Investment Partners, Inc. (now Japan Activation Capital, Inc.) (present)
Jun. 2026 Member of the Board, Outside Director (Independent Director), J-OIL MILLS, INC. (present)



Yoshikazu Yasui*
Independent Director, Audit and Supervisory Committee Member

Apr. 1984 Joined Mitsubishi Metal Corporation (now Mitsubishi Materials Corporation)
Jun. 2011 General Manager Aluminum Div., Mitsubishi Materials Corporation
Director of the Board, Mitsubishi Aluminum Co., Ltd. (now MA Aluminum Corporation)
Director of the Board, Universal Can Corporation (now ALTEMIRA Can Co.,Ltd.)
Apr. 2015 Operating Officer, General Manager, Human Resources Dept., Mitsubishi Materials Corporation
Director of the Board, Material Business Support Corp.
Apr. 2018 Managing Executive Officer, General Manager, Human Resources & General Affairs Div., Mitsubishi Materials Corporation
Apr. 2020 Senior Executive Councilor, Mitsubishi Materials Corporation
Jun. 2020 Director of the Board, Full-time member of the Audit Committee, member of the Nomination Committee, Mitsubishi Materials Corporation
Jun. 2026 Independent Director, Audit and Supervisory Committee Member, Inabata & Co., Ltd. (present)

* These directors meet the requirements for outside directors as defined in Article 2, Item 15 of the Companies Act as well as Inabata's criteria for independence for independent directors and the requirements for independent officers set by Tokyo Stock Exchange, Inc.

Executive Officers

Koji Nakano
Senior Managing Executive Officer
Plastics, Southeast Asia

Tsuyoshi Maruta
Managing Executive Officer
Information & Electronics, Northeast Asia,
General Manager, Information & Electronics Division I

Koichi Noda
Executive Officer
General Manager,
Financial Management Office

Takaharu Ookura
Executive Officer
(President, ORDIY CO. LTD.)

Masato Tsunoda
Executive Officer
General Manager,
Risk Management Office

Hiroyuki Furubayashi
Executive Officer
General Manager,
Human Resources Office

Kazunori Fukui
Executive Officer
General Manager, Southeast Asia

Jiro Hiraki
Executive Officer
General Manager, Information & Electronics Division II

Masaru Inoue
Executive Officer
General Manager, The Americas

Executive officers' roles noted in brackets are their roles at the places they have been seconded.

Skills matrix approach

Our mission is that "People come first, based on the spirit of 'love (*ai*)' and 'respect (*kei*),' and together we strive towards contributing to the development of society," and we seek to take the approach of "To continually evolve, serving clients and society, through global operations and meeting their changing needs." We have also set forth our long-term vision, IK Vision 2030, which is how we envision ourselves around 2030, and have positioned our medium-term management plan, NC2026, as a step toward that long-term vision.

In identifying the skills expected of directors, we have determined what skills are necessary to build a system that can fulfill the Board of Directors' decision-making and its supervisory oversight of business execution by executive officers in our globally operating company, based on our Mission, Vision, long-term vision IK Vision 2030, and medium-term management plan NC2026. From this perspective, we have specifically identified the skills listed below and developed a skills matrix.



Board of Directors' meeting held in April 2026

	Directors								Directors (Audit and Supervisory Committee Members)				
	Inside				Independent				Inside	Independent			
	Katsutaro Inabata	Kenichi Yokota	Yutaka Takahashi	Noriaki Takeshita	Osamu Chonan	Hisayuki Suekawa	Mari Ikegaki		Nobukazu Kuboi	Noriya Yokota	Shiho Ito	Yoshikazu Yasui	Keiko Shindo
Gender	Male	Male	Male	Male	Male	Male	Female		Male	Male	Female	Male	Female
Independent	—	—	—	—	●	●	●		—	●	●	●	●
Audit and Supervisory Committee	—	—	—	—	—	—	—		○	◎	○	○	○
Nominating and Remuneration Committee	○	—	—	—	◎	○	○		—	○	—	—	—
Attendance at Board of Directors' meetings	100% 16/16 times	100% 16/16 times	—	92% 12/13 times	100% 16/16 times	100% 16/16 times	100% 13/13 times		100% 16/16 times	100% 16/16 times	100% 16/16 times	—	—
Attendance at Audit and Supervisory Committee meetings*	—	—	—	—	—	—	—		100% 14/14 times	100% 14/14 times	93% 13/14 times	—	—
Attendance at Nominating and Remuneration Committee meetings*	100% 6/6 times	—	—	—	100% 11/11 times	100% 11/11 times	100% 11/11 times		—	100% 11/11 times	—	—	—
Skill categories: Global management	●				●	●							
Skill categories: Business/industry knowledge: Chemicals/Electronics	●		●	●									
Skill categories: Business/industry knowledge: Food/Life			●		●	●				●			●
Skill categories: Finance/Accounting		●		●					●	●	●		
Skill categories: Legal/Risk management/Internal control	●	●							●		●	●	●
Skill categories: HR/Labor	●	●		●			●			●		●	
Skill categories: IT/Digital		●		●						●			
Skill categories: ESG	●	●					●		●	●		●	●

◎ Chairperson, ○ Member
* Attendance in FY2025 (for newly appointed members, since their appointment)

Skill requirements for our Board of Directors

Expertise and experience	Required skills and suitability
Global management	We are expanding our business globally, and in particular, in our long-term vision, IK Vision 2030, we anticipate that the overseas business ratio will be 70% or more. From this point of view, in order to plan the future growth of the Inabata Group, we believe that it is extremely useful to appoint those who have knowledge of global corporate management as directors. Therefore, especially when inviting independent directors, we make sure to include managers of companies that are developing business globally, especially top management, or those with equivalent experience. The global management item in the skills matrix is based on top management of a company that is developing business globally or whether the candidate has experience equivalent to this. When judging the candidates under this requirement, Katsutaro Inabata, Osamu Chonan, and Hisayuki Suekawa all have abundant experience as executive managers in global companies, demonstrating their global management skills.
Business/ industry knowledge	In managing a specialized trading firm like ours, first and foremost, vast expertise and experience in each business field is indispensable. In particular, regarding executive directors who are in charge of business execution, it is extremely important in practice to the development of the business of a trading firm like ours to hold a wide range of knowledge, experience, and personal connections in each of our business fields, and when appointing executive directors, we give consideration to balance among those who have knowledge of the Company's business fields. More specifically, Katsutaro Inabata has many years of experience in the Company's Plastics segment. Yutaka Takahashi has many years of experience in the Company's Chemicals segment and, after being appointed executive officer, also assumed responsibility for the Life Industry segment. Each therefore possesses knowledge and experience in different areas of the Company's business. When inviting independent directors, we give consideration to the broad knowledge and experience in various business fields, and aim to include individuals capable of providing supervision and opinions on business strategies from an objective perspective. We consider independent directors to possess business and industry knowledge if they have business experience in industries that are the same as or closely related to those associated with the products handled by the Company.
Finance/ Accounting	Financial strategy (corporate finance) in corporate management is of course important, and we believe that we need someone among executive directors who is responsible for financial strategy and can lead efforts to improve corporate value through various dialogues with investors. Kenichi Yokota has long served in management positions in the finance, accounting, and IR departments, and as part of his duties, he has held dialogues with various investors and provided valuable feedback to Company management as part of his consistent efforts to strengthen corporate governance and enhance corporate value. Noriaki Takeshita has held the position of CFO at a comprehensive chemicals manufacturer's large-scale joint venture in Saudi Arabia. He has extensive knowledge and experience in finance and accounting. In addition, in order to strengthen the supervisory function for business execution, we believe that it is useful to always include those who are familiar with finance and accounting among directors who are Audit and Supervisory Committee members. Nobukazu Kuboi has many years of experience in the Company's finance and accounting operations and subsequently gained experience in audit operations as a full-time Audit and Supervisory Board member and a full-time Audit and Supervisory Committee member. Noriya Yokota has held the position of CFO at a major global alcoholic beverages and soft drinks manufacturer. He has extensive knowledge and experience in finance, accounting, and IR operations. Shiho Ito has specialized expertise as a Certified Public Accountant (CPA). She has many years of experience in accounting audits at various companies, and this experience will be valuable in strengthening the Company's supervisory function for business execution.
Legal/Risk management/ Internal control	At the Inabata Group, which is expanding its business globally, there are various risks such as credit risk of clients, risk related to business investment, potential risks of overseas activities, risk of fluctuations in foreign exchange, and risk of fluctuations in commodities markets. Therefore, risk management is extremely important for management. As director, Katsutaro Inabata has had direct control over the internal audit department, and in that capacity he has been closely involved with risk management and internal controls. In addition, he has served for many years as chair of the Compliance Committee. Kenichi Yokota has served for many years as chair of the Company's Internal Control Committee while being directly involved in the establishment of internal control systems. After being appointed director, he has been in charge of the legal and risk management departments. In addition, we are committed to management that emphasizes compliance above all else, and in order to strengthen the supervisory function for business execution, we believe it is useful to ensure that at least one Audit and Supervisory Committee member possesses legal expertise. Keiko Shindo is a qualified attorney and, after working at a law firm, gained valuable experience overseeing the legal function at a manufacturer with global operations in electronics and other fields. She has extensive knowledge of corporate legal affairs. Additionally, we have chosen to be a company with an audit and supervisory committee with the aim of expediting management decision-making and strengthening the supervisory function for business execution. Companies with an audit and supervisory committee are required to make effective use of the company internal control system to conduct systematic audits. From this point of view, we believe that it is essential to include those who have specialized knowledge and experience in internal control and auditing among directors who are Audit and Supervisory Committee members. Nobukazu Kuboi has been engaged in the establishment of internal control systems since the rollout of the J-SOX system. Shiho Ito has extensive expertise and experience in internal control and auditing after having been engaged in internal controls and audits of various companies over many years as an employee of major audit firms. Yoshikazu Yasui has experience in audit operations as a director of the board and full-time member of the audit committee at a comprehensive materials manufacturer that offers a wide range of materials and products globally, and possesses extensive practical experience in internal controls and auditing.
HR/Labor	In a trading firm like ours, human resources are our greatest asset, and human resource development is an important management issue in the medium to long term. The medium-term management plan, NC2026, places a priority on improving the well-being of employees who support our sustainable growth, promoting D&I, further expanding health and productivity management initiatives, and increasing investment in human capital. To implement this strategy, we believe it desirable for directors to include those who have experience and skills in HR and labor, and we place great importance on this perspective when inviting independent directors. During his experience as director, Katsutaro Inabata has been in charge of the human resources department. Kenichi Yokota is currently in charge of the human resources department and has extensive experience reforming various personnel systems. Noriaki Takeshita has experience in the human resources department of a petrochemicals department at a comprehensive chemicals manufacturer. Additionally, Mari Ikegaki held positions of responsibility for many years in the human resources division at a global financial services company, and has broad experience in relation to human resources and labor. Therefore, the Company expects that she will provide advice particularly in the areas of human resources strategy, the promotion of diversity, etc. Noriya Yokota has extensive experience in human resources and labor, having served as director of group-wide human resources and general affairs at a major alcoholic beverages and soft drinks manufacturer. Yoshikazu Yasui has extensive expertise in human resources and labor relations, having served as head of human resources and as a managing executive officer responsible for human resources and general affairs at a comprehensive materials manufacturer with global operations spanning a wide range of materials and products. We therefore expect him to provide advice on matters such as promoting human capital management and D&I.
IT/Digital	The Company's medium-term management plan, NC2026, includes a medium-term digital strategy as one of the core management strategies. The basic policy behind the digital strategy is to enhance the management information infrastructure and strengthen Group-wide security. To implement the digital strategy and promote data-driven management and DX initiatives, we need specialized expertise in IT and digital technology. In addition, threats to information security have been increasing year by year, and we believe that IT/digital skills are necessary to strengthen countermeasures against these. Kenichi Yokota holds multiple national certifications in the IT and digital fields for IT engineers and other experts. With that specialized knowledge, he has led many initiatives aimed at strengthening the Group's overall information security. Additionally, both Noriaki Takeshita and Noriya Yokota have served as CIO or in equivalent positions at a major company with global operations, attesting to their wide range of knowledge in the IT and digital fields.
ESG	We established the Sustainability Committee in October 2021 and consider the promotion of sustainability to be an important management issue. We also consider improving the external evaluation of ESG as an important issue. From this point of view, we believe that it is necessary to include those who have knowledge of sustainability and ESG in corporate management among directors, and we take these points into consideration when inviting independent directors. Katsutaro Inabata has broad knowledge and experience across all aspects of ESG, having served as chair of the Company's Sustainability Committee. Kenichi Yokota has led initiatives to improve corporate governance, and while in charge of human resources, he implemented employee engagement surveys and health and productivity management programs. Through these initiatives, he has developed particular expertise in the Governance and Society aspects of ESG. Nobukazu Kuboi was closely engaged in company-wide initiatives to implement the Corporate Governance Code. He has developed particular expertise in the Governance aspect of ESG. Additionally, Mari Ikegaki has extensive experience in human resources strategy and diversity promotion. She is expected to take a leading role in making recommendations in the "S (Social)" area of ESG. Noriya Yokota has been in charge of management strategies at a leading Japanese alcoholic beverages and soft drinks manufacturer recognized for its advanced environmental initiatives. He is expected to take a leading role in making recommendations in the "E (Environment)" area of ESG. Given his extensive experience in human resources and labor relations, we expect Yoshikazu Yasui to provide advice particularly on the "S (Social)" aspect of ESG, including the promotion of human capital management and D&I. Keiko Shindo has experience as an executive officer responsible for corporate governance at a manufacturer with global operations in electronics and other fields. We therefore expect her to provide advice particularly on the "G (Governance)" aspect of ESG.

Strategically held shares

Basic approach

Close business and cooperative relations with various companies are valuable assets to Inabata, and the Company believes the establishment, maintenance, and development of these relations enhance corporate value in the medium and long term and lead to the benefit of shareholders and investors. Also, as Inabata believes that strategically holding shares of such companies continues to be an effective way to establish, maintain, and develop good cooperative relations, the Company owns strategically held shares.

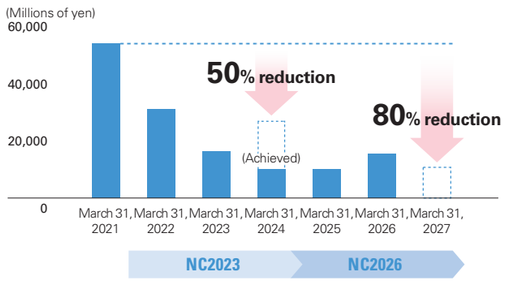
Policy related to holding and reducing strategically held shares

Inabata forms a judgment concerning the pros and cons of strategically held shares based on whether holding them contributes to the establishment of cooperative relations, enhances the Company's corporate value in the medium and long term, and leads to the benefit of shareholders and investors. To be specific, the Board of Directors will make annual comprehensive reviews of the appropriateness of holding each individual stock, taking into account the financial condition of the investee company, the liquidity of the stock, trends in the volume of transactions and profits related to business with the Company or its Group companies and their medium- to long-term prospects, economic rationales such as whether the risk and return are commensurate with the cost of capital, and other qualitative information. The Company follows a policy of reducing the shares that the holding of which is not considered significant, while considering timing and the effect on the market and the business.

As part of the financial strategy in the three-year medium-term management plan, NC2026, which runs through FY2026, we are committed to improving asset efficiency and securing investment funds by curtailing strategically held shares, and are steadily implementing this policy. We are gradually reducing strategically held shares toward the target set for the final year of NC2026, the fiscal year ending March 31, 2027.

Policy on reducing strategic shareholdings
We will reduce strategically held shares over the medium to long term, aiming to cut the balance by approximately 80% by March 31, 2027, relative to the balance as of March 31, 2021.

Reduction of strategic shareholdings



Strategic shareholdings: Stocks listed in Japan

Sales of strategically held shares

FY2020	2,944 million yen
FY2021	9,367 million yen
FY2022	10,076 million yen
FY2023	4,159 million yen
FY2024	2,922 million yen
FY2025	2,330 million yen

Criteria for exercise of voting rights

In principle, Inabata exercises voting rights for all agendas in order to exercise its rights as a shareholder.

The Company reviews the merits and demerits of each agenda and exercises voting rights based on the judgment criteria of whether sustainable growth of the held company and improvement of its corporate value in the medium and long term can be expected.

Basic approach

With approximately 70 bases across 19 countries outside Japan, and four business segments operating globally, the Inabata Group is exposed to various risks.

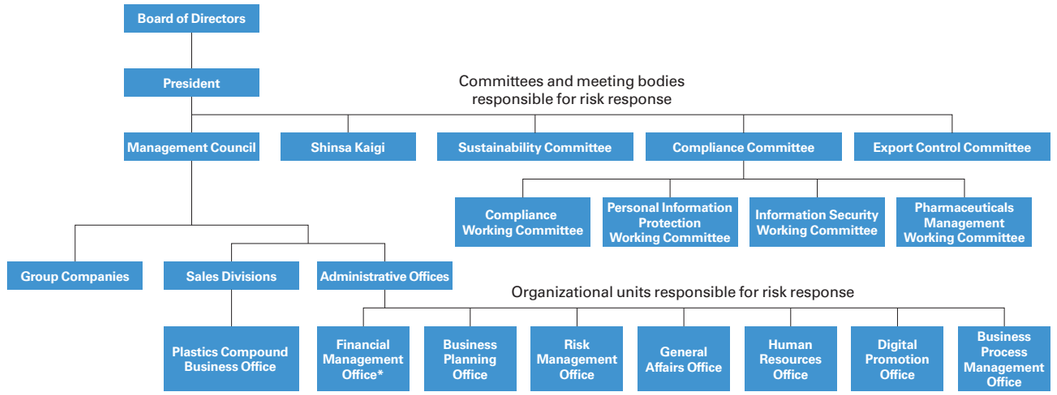
We manage risks by establishing and implementing various regulations related to credit management, export management, product management, and others, with the Risk Management Office at the core. Additionally, we prepare ourselves for risks arising from daily work by establishing and implementing multilingual operational rules for trading bases and manufacturing bases, along with conducting appropriate risk assessments and oversight from head offices using regulations for managing Group companies in Japan and abroad.

Risk management system and relevant organizational units

At Inabata, individual risks are continuously monitored by each responsible organization, and relevant committees and meeting bodies collaborate to promote risk management that enables us to appropriately address risks.

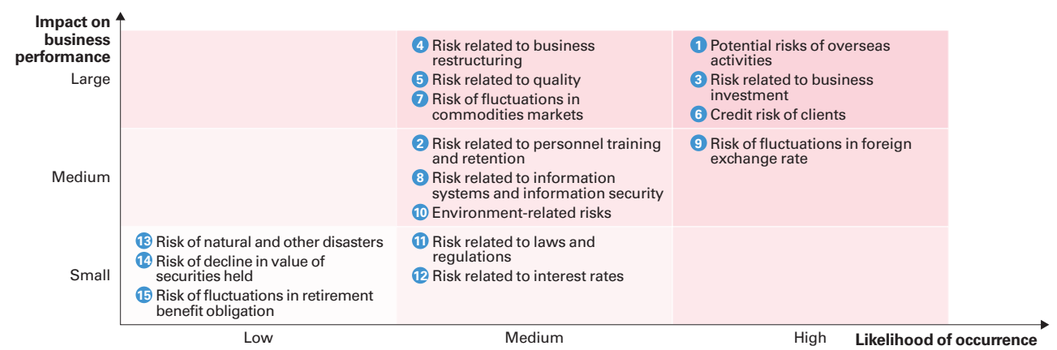
We have identified the 15 risks shown in the risk matrix below as the main risks faced by the Group. The risks have been mapped on the matrix based on their potential impact on the Group's business performance and their likelihood of occurrence, taking into account responses regarding management's risk awareness obtained through the Board of Directors' effectiveness evaluation (self-assessment) conducted in FY2025. The following pages describe the risks considered most significant to the Group.

Risk management system and relevant organizational units (as of March 31, 2026)



* Effective July 1, 2026, the Financial Management Office was reorganized into the Financial Management Office and the Affiliate Management Office.

Risk matrix



Risks of high importance and related countermeasures (FY2025)

Risks	Countermeasures
Potential risks of overseas activities	The Inabata Group's production and sales activities overseas cover multiple regions, including Southeast Asia and Northeast Asia, North America, and Europe. There are inherent risks in operating in these foreign markets, which include unexpected changes in laws or regulations, adverse political or economic factors, difficulty in recruiting and retaining personnel, underdeveloped technological infrastructure, potentially adverse tax consequences, and social disruptions due to other factors. To ensure that we can reduce such risks, we have established a framework for adapting swiftly to changes, and carefully monitor laws and regulations throughout the world, environmental laws and regulations, and trends among society and our business partners. For sales in the consolidated fiscal year by region, Asia accounted for 46% of the total, having the largest influence on our business. We have formulated and are implementing business continuity plans (BCPs)* at our major overseas bases to serve as countermeasures for emergencies such as natural disasters and infectious disease outbreaks. **Relevant organizational units: Risk Management Office, Financial Management Office** * Please refer to Business continuity plan (BCP) on page 115.
Risk related to personnel training and retention	Given that the Inabata Group's core business is *shosha* trading, human capital is the most important asset and source of value creation for us. So that we can sustainably improve our corporate value, we need to train and retain diverse outstanding human resources that have expertise in core operational areas such as management, finance, and IT, as well as the four business fields we operate in, at our locations in Japan and overseas. Regarding the training and strengthening of our human capital as a key management issue, we are progressively enhancing our internal system to train and retain personnel that will lead our efforts to create value. However, the declining birthrate, aging population, and increasing job mobility may make it difficult to fill our talent needs or become a hurdle in training personnel. In such cases, the Group's financial position and business performance could be adversely affected. **Relevant organizational unit: Human Resources Office**
Risk related to business investment	When developing business at the Inabata Group, in many cases, we make investments and acquire equity in a joint enterprise or joint venture. Notably, with respect to our investments in consolidated affiliates, there is a risk that the Group's financial position and business performance could be adversely impacted by trends in the financial status and performance of such Group companies. In principle, the Group invests in minority interests with the main objective of expanding the *shosha* trading business, and limits the risks and amounts for investments in majority interests. Under NC2026, the Group aims to expand earnings through proactive investments as part of the Group-wide growth strategy. For high-priority new investment projects, the specialized M&A department works in collaboration with the sales and other relevant departments to assess and analyze risks from both quantitative and qualitative perspectives. Projects are then deliberated on by the Shinsa Kaigi (investment review committee). After the execution of investment, risks are monitored regularly, and appropriate measures are taken for projects that do not meet established criteria. **Relevant organizational units: Risk Management Office, Business Planning Office**
Risk related to business restructuring	In order to promote business selection and concentration, the Inabata Group continues to restructure its business by withdrawing from unprofitable businesses and selling or reorganizing subsidiaries and affiliates. These measures may adversely impact the performance and financial condition of the Group. We may be unable to execute our business restructuring plans in a timely manner due to factors such as government regulations and employment issues in each country. There is no guarantee that the Group will be able to achieve all or part of the original objectives through the implementation of business restructuring. We have established criteria for considering withdrawal from businesses, and hold deliberations on withdrawal, etc., from the relevant Group companies at the Shinsa Kaigi. **Relevant organizational unit: Risk Management Office**
Risk related to quality	While we are a *shosha*, or Japanese trading company, group, we also own companies involved in manufacturing and processing in a variety of fields, including plastic compounding, plastic film, materials for medical products, and processed marine products, in Japan and abroad. We conduct quality management to ensure the reliability and safety of the products manufactured and processed by these companies. As a *shosha*, we also procure a diverse array of materials and products from our business partners in the four business areas of Information & Electronics, Chemicals, Life Industry, and Plastics, and sell them to our customers. For these materials and products, we ascertain global changes in relevant laws, regulations, and standards related to the environment and safety, working to manage quality accordingly. However, it is difficult to completely avoid quality issues, and if any arise and result in loss, the Group may be held responsible. In such an event, the Group's financial position and business performance could be adversely affected. **Relevant organizational units: Risk Management Office, Plastics Compound Business Office, Financial Management Office, each sales division**

* Effective July 1, 2026, the Financial Management Office was reorganized into the Financial Management Office and the Affiliate Management Office. The information on pages 113–114 is based on the organizational structure prior to the reorganization on the same date.

Risks	Countermeasures
Credit risk of clients	Group companies grant credit to many clients in Japan and abroad. Although we carry out credit management on a global scale, including our overseas clients as well, we cannot guarantee a full recovery of receivables. Therefore, there is a risk of adverse impact on the Inabata Group's financial position and business performance due to the aggregation of bad-debt losses and allowance for doubtful accounts through bankruptcy and civil rehabilitation procedures and so on from contingencies concerning clients. As of the end of the consolidated fiscal year, the Group's notes receivable—trade and electronically recorded monetary claims—operating were 25,553 million yen, accounts receivable—trade were 179,470 million yen, and inventories were 96,524 million yen, the total of which accounted for 61% of total assets. Screening for credit of significant importance is conducted by the Shinsa Kaigi. With regard to accounts receivable—trade and inventories, we monitor and manage the balance of each consolidated Group company on a monthly basis. **Relevant organizational unit: Risk Management Office**
Risk of fluctuations in commodities markets	Many of the information and electronic materials, chemical materials, food products, and plastics handled by the Inabata Group are impacted by fluctuations in commodity prices. Failure to respond flexibly to market fluctuations could adversely impact the financial position and business performance of the Group. Each sales division gathers market information, monitors price trends, and thoroughly manages inventory. In the consolidated fiscal year, the Information & Electronics business was affected by declining market prices in the solar power-related business. **Relevant organizational units: Financial Management Office, each sales division**
Risk related to information systems and information security	As we operate business as a *shosha*, or Japanese trading company, group, we hold confidential and personal information relating to our business partners and confidential and personal information relating to the Inabata Group. To ensure that this information is not leaked externally, destroyed, or falsified, we have established our Information Security Policy, prepared manuals that define information management procedures, and developed a Group-wide management framework. Based on this, we engage in thorough management practices, enhance information security, and implement employee education and other such measures. For our regulations and manuals, we review them continuously to adapt to new risks and technologies. Moreover, given that remote work has increased with the advancement of work-style reforms, in addition to traditional antivirus software, we have introduced an endpoint detection and response system* that monitors the behavior of devices, thereby working to enhance security in alignment with a "zero trust" approach. To address security incidents, we have established an internal Computer Security Incident Response Team (CSIRT) to respond quickly and accurately and are strengthening information sharing both internally and externally. Security monitoring is also performed 24 hours a day, 7 days a week by an external security operations center (SOC). Moreover, to mitigate the potential negative financial impact of cyberattacks and other similar incidents, we have obtained cyber insurance coverage. Nevertheless, as cyberattacks are becoming increasingly sophisticated, it is difficult to completely block unauthorized external access and other threats, and the Group's financial position and business performance may be adversely impacted if such unforeseen events occur. **Relevant organizational unit: Digital Promotion Office** * A system that detects and analyzes suspicious behavior or virus infections occurring in real time on network-connected PCs and mobile devices and responds as necessary
Risk of fluctuations in foreign exchange rate	The Inabata Group engages in the production and sale of products and materials, as well as trading activities, as part of its overseas business operations. In principle, we conduct hedging transactions through measures such as forward exchange contracts. However, we may be impacted by exchange rate fluctuations associated with foreign currency-denominated transactions. Furthermore, we convert items (including sales, expenses, and assets in each region) denominated in local currencies into Japanese yen for the preparation of consolidated financial statements. Consequently, the exchange rate at the time of conversion may impact the value after conversion into yen. In FY2025, the Group recorded foreign exchange losses of 9 million yen and foreign currency translation adjustments of 40,460 million yen. **Relevant organizational unit: Financial Management Office**
Environment-related risks	The Inabata Group handles a wide range of products in four business fields in Japan and overseas. The manufacture and sale of these products may be impacted by factors including regional environmental regulations and changes in demand for environmentally friendly products. In addition, the plastics business may be impacted by the transition to plastic-free products. Alongside working to diversify suppliers, we are focusing on the sale of recycled products and other materials that reduce environmental impact to contribute to a decarbonized and circular society. For climate change risks, we appropriately assess the impact of climate change on our business activities. The Sustainability Committee evaluates and monitors these risks, with oversight by the Board of Directors. This information is disclosed in accordance with the disclosure framework recommended by the TCFD. For details, please refer to the Corporate Governance Report (disclosed on June 17, 2026). **Relevant organizational unit: General Affairs Office**

Addressing other risks

Tax compliance

All officers and employees of the Inabata Group strive to comply with laws and regulations as well as internal regulations, regardless of the country, to achieve compliance-focused management.

With regard to taxes, we recognize that one of our social responsibilities is to pay taxes according to related laws and regulations in each country or region and maintain transparency. We believe that proper tax payment contributes to economic development of the country or region and in return results in sustainable growth of the Group and improvement of our medium- to long-term corporate value. Therefore, we strive to minimize tax risk and maintain as well as improve tax compliance.

Business continuity plan (BCP)

Since 2018, we have been developing a BCP to protect organizational assets, with the highest priority placed on human life, and to ensure the rapid recovery and continuity of business in the event of a crisis. For Inabata, BCPs for each division were completed by the end of FY2023. In the following fiscal year, operational leaders were appointed in each division, and they led focused efforts to review the BCP documents, raise awareness, and conduct training.

Similarly, for Group companies worldwide, BCP documents for key facilities were completed and training began by FY2023. By FY2025, BCPs were in operation at 86 locations and companies in Japan and overseas, with three additional companies scheduled to begin implementation in FY2026. These BCP training exercises will be conducted annually on an ongoing basis.

In addition, we regularly conduct system-based safety confirmation drills, evacuation drills, and automated external defibrillator (AED) training sessions to enhance employee safety and readiness for business continuity.

Please refer to the following pages for information on responses to sustainability-related risks.

- Sustainability Management ➤ Pages 65–68
- Climate Change ➤ Pages 69–72
- Supply Chain Management ➤ Page 74
- Human Rights ➤ Pages 77–78
- Compliance / Anti-Corruption ➤ Page 116

Compliance

For information on corporate governance, please refer to pages 95–111.

Basic approach

To establish management practices that emphasize compliance, the Inabata Group advocates thorough compliance per the Inabata Group Sustainability Code of Conduct. We have also adopted the Inabata Declaration of Compliance and the Compliance Guidelines. The Group conducts its corporate activities in compliance not only with laws and regulations but also with generally accepted social norms.

We also believe that carrying on the spirit of our founder—love (*ai*) and respect (*kei*) for people—is essential to fostering a corporate culture that emphasizes compliance. Hence, we strive to promote understanding of our Mission, Vision, and IK Values within the Group.

We have also formulated a policy on tax compliance.

Internal whistleblowing system

The Inabata Group's internal whistleblowing system consists of two separate routes. The "compliance hotline" is primarily for reporting violations of laws and regulations, such as bribery and other types of corrupt activities, and incidents of serious breaches of compliance, including organizational fraud. The "counseling desk" provides mediation and coordination to help employees resolve issues related to the work environment and work relationships. For both reporting routes, contact and consultation are possible by oral communication, telephone, email, and postal mail.

Inabata operates its internal whistleblowing system in accordance with the Internal Whistleblowing Rules. As regulations common to the above two whistleblowing routes, the rules clearly stipulate that persons engaged in handling whistleblowing reports are required to keep the identity of the whistleblower confidential and that attempts to identify whistleblowers and any adverse treatment of whistleblowers or persons cooperating with investigations are prohibited. These provisions ensure that employees and other eligible persons can provide information without fear of adverse treatment.

When information is received, the rules provide clear procedures for communicating and verifying the information promptly and appropriately.

The president of Inabata, who chairs the Compliance Committee, regularly reports the operational status of the internal whistleblowing system to the Board of Directors, which provides oversight on this status.

Anti-Corruption

Basic approach

The Inabata Group Sustainability Code of Conduct and the Inabata Declaration of Compliance set out our commitment to prevent corrupt practices, including bribery and the improper provision of money or other benefits to foreign public officials. In addition, the Inabata Group Sustainable Supply Chain Policy for our business partners and other stakeholders also states our commitment to not engaging in corrupt business practices.

To help prevent corruption by employees, we have prepared the Compliance Guidelines and various manuals covering antitrust law, the SME Transactions Act (formerly known as the "Subcontract Act"), the Unfair Competition Prevention Act, insider trading, and bribery. These materials are communicated to employees and made readily accessible on the Company's intranet portal.

The Compliance Committee, which is chaired by the president, oversees serious cases of compliance violation, including bribery, law violations, and organizational fraud. The committee regularly reports to the Board of Directors, which provides oversight.

Information Security

Information security system

In the Inabata Group, recognizing the importance of information security and promoting company-wide efforts, we have established the Information Security Working Committee as a subordinate organization of the Compliance Committee, which is chaired by the president of the Company. The Information Security Working Committee meets as necessary to review policies, rules, and manuals related to information security, and to develop training and educational plans.

Moreover, an internal audit conducted by the information security auditor appointed by the chair of the committee is carried out annually.

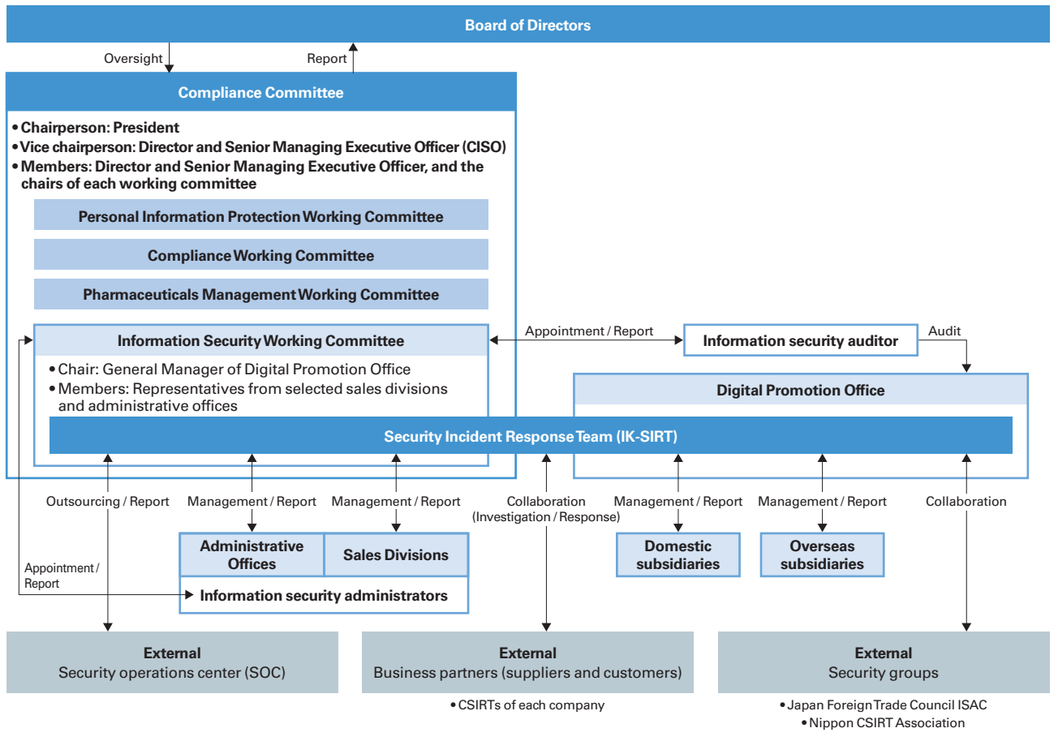
The results of the internal audit are reported to the chair of the committee.

The Compliance Committee, as the higher organization, meets regularly four times a year and holds additional meetings as needed. At Compliance Committee meetings, the chair of the Information Security Working Committee promptly submits or reports on significant matters and internal audit results that are discussed and addressed within the working committee. Significant matters discussed at Compliance Committee meetings are reported to the Management Council and the Board of Directors as needed, and are subject to oversight by the Board. We also report on the status of information security initiatives to the Board of Directors through quarterly business execution reports, and on matters discussed and reviewed by the Information Security Working Committee as part of this process, fulfilling the Board's oversight function.

For execution functions such as planning, promotion, and implementation, we have established a security incident response team (IK-SIRT*) to respond quickly and accurately to increasingly sophisticated security incidents.

* IK-SIRT: A term combining the Group's symbol "IK" and an acronym for "Security Incident Response Team."

Information security structure



Strengthening cybersecurity risk management and response capabilities

In recent years, cyberattacks have become increasingly sophisticated, raising the risk of companies becoming targets regardless of their industry or size. As serious incidents can have a significant impact on business continuity and corporate value, the Group regards cybersecurity as a fundamental part of its management infrastructure and is implementing multilayered measures across the three stages of prevention, detection, and response.

While we have focused on strengthening our prevention and detection frameworks to date, in FY2025 we also worked to enhance our ability to respond on the assumption that incidents will occur. In FY2026, we will expand the scope of training to include administrative offices, enhance cross-functional coordination and decision-making, and continue strengthening our prevention and detection frameworks, thereby reinforcing the company-wide information security system.

FY2022–

Enhancement of prevention and detection systems

✓ **Establishment of Security Incident Response Team (IK-SIRT)**

✓ **Establishment of a framework for early threat detection and prevention of the spread of damage**
- Introduction of endpoint detection and response (EDR)
- Coordination with SOC (24/7 monitoring)
- Vulnerability assessments
- Establishment of operational standards
- Targeted attack simulation exercises, etc.

FY2025

Verification and enhancement of security incident response capabilities

✓ **Security incident response exercises conducted based on actual incident scenarios**
- **Verification of response capabilities through practical exercises**
  Initial response and decision-making processes verified through exercises in which scenarios were not disclosed in advance
- **External evaluation and identification of issues**
  Issues assessed based on feedback from external experts
- **Incorporation into improvement plans and strengthening of the framework**
  Issues incorporated into improvement plans and the framework for normal operations strengthened

FY2026

Enhancement of cross-functional collaboration and decision-making

DX Promotion

Use of generative AI to enhance sales capabilities and develop new businesses

In recent years, advances in digital technologies have made the effective use of data increasingly important for companies. In particular, the use of unstructured data accumulated through sales activities is attracting attention as a means of gaining a better understanding of customer needs and creating new business opportunities.

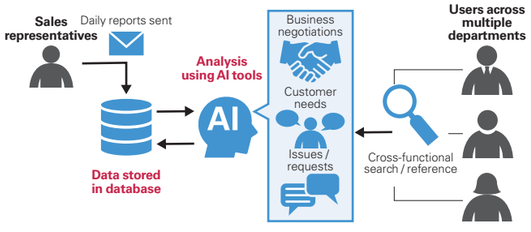
The Company is working to enhance its sales activities and develop new business opportunities by using generative AI to visualize and share sales information.

Since FY2024, we have been using generative AI (Azure OpenAI) to develop a tool for analyzing and aggregating text data such as daily business reports. The tool provides an environment in which information on business negotiations and customer interactions can be searched and referenced across the organization, facilitating the sharing of sales knowledge.

In FY2025, in addition to rolling out the tool internally, we began introducing it at overseas locations in Northeast Asia, where it is operated under access controls that take into account the laws and regulations of each country.

Going forward, we will add multilingual capabilities and expand the tool's use globally, with the aim of further improving productivity and creating new business opportunities.

Overview of sales data utilization



Benefits of using generative AI in sales activities

- **Identification of insights** by linking transaction details with customer interactions
- **Development of new customers and business areas** based on sales activities in other departments
- **More efficient handovers** when employees are transferred or seconded

Sustainability Data

1. Reporting scope and basic policies

- This data section primarily covers the results of the Inabata Group for each consolidated fiscal year (April 1 to March 31 of the following year). Data on employees, labor practices and diversity, management system certifications, and sustainability-related certifications are as of the end of each fiscal year (the end of March).
- In principle, the scope covers Inabata & Co. and its domestic and overseas consolidated subsidiaries, although the scope varies depending on the nature of each indicator. Please refer to "2. Scope and sales coverage."
- Unless otherwise indicated, figures are rounded and may therefore not add up to the totals shown.
- Certain environmental indicators marked with a "★" have received third-party assurance in accordance with the international standard ISO 14064-3:2019 from SOCOTEC Certification Japan Co., Ltd. (FY2025) and LRQA Limited (FY2024), the respective assurance providers.

2. Scope and sales coverage

The scope of each indicator is presented together with the percentage of consolidated net sales accounted for by the businesses included in that scope (sales coverage). Coverage figures are approximate and may vary because the scope differs by indicator and certain activities are excluded from calculations. Any specific exceptions are noted in the relevant tables.

Scope	Major category	Subcategory	Sales coverage
Inabata & Co. and domestic and overseas consolidated subsidiaries	Environment	Energy and climate (energy consumption, GHG emissions [Scope 1 and 2])	100%
		Environmental management	
		Environment-related business	
	Society	Employee status	
		Occupational health and safety (occupational accidents) For FY2023, Inabata & Co. and domestic and overseas consolidated manufacturing subsidiaries	
		Employee engagement	
	Certification	Status of management system certifications	
		Status of sustainability-related certifications	
Inabata & Co. and domestic and overseas consolidated manufacturing subsidiaries	Environment	Pollution prevention and resource circulation (excluding paper purchased and the green purchasing ratio of office supplies, etc.)	Approx. 55%
		Water resources	
Inabata & Co. * including employees seconded to Group companies	Environment	Energy and climate (GHG emissions [Scope 3])	Approx. 43%
		Pollution prevention and resource circulation (paper purchased and the green purchasing ratio of office supplies, etc.)	
	Society	Labor practices / Diversity*	
		Occupational health and safety (excluding occupational accidents)*	
		Human resource development*	
		Social contribution activities*	
	Governance	Corporate governance	
		Attendance at meetings of the Board of Directors, Audit and Supervisory Committee, and Nominating and Remuneration Committee	
		Compliance	
	External Evaluation	ESG-related index inclusion status	

Environment

Energy and climate

Energy consumption

Item		FY2023	FY2024	FY2025
Electricity (MWh)		77,624	82,241	**82,676**
	Of which, from renewable energy sources* (MWh)	—	14,050	**25,566**
Hot water / cold water (GJ)		1,142	1,212	**1,232**
Volatile oil (gasoline) (kL)		747	796	**885**
Kerosene (kL)		2	4.2	**4.9**
Light oil (kL)		342	280	**281**
Heavy oil A (kL)		53	50	**200**
Liquefied petroleum gas (LPG) (t)		84	151	**153**
Other combustible natural gas (1,000 m^3)		0	0	**0**
City gas (1,000 m^3)		250	231	**242**

* Renewable energy-derived electricity includes 10 MWh from renewable electricity plans, 14 MWh from on-site generation, 15,954 MWh covered by FIT non-fossil certificates (solar), and 9,587 MWh covered by I-RECs.

GHG emissions (Scope 1 and 2)

Item		FY2023	FY2024	FY2025
Scope 1 (t-CO_2e)	CO_2 from energy sources	3,572	★ 3,630	★ **4,275**
	Other (CO_2 from non-energy sources, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3)	0	0	**0**
Scope 2 (t-CO_2e)	Market-based	41,254	★ 36,791	★ **31,187**
	Location-based	41,553	★ 42,737	★ **42,814**
Total (t-CO_2e)	Scope 1 + Scope 2 (market-based)	44,826	40,421	**35,462**
	Scope 1 + Scope 2 (location-based)	45,125	46,367	**47,089**
GHG emissions intensity per sales (t-CO_2e / ¥100 million)		5.9	4.8	**4.3**

Notes: 1. For domestic Scope 2 emissions, the emission factors by electricity supplier published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry are used for the market-based method, while the national average emission factor is used for the location-based method. For overseas Scope 2 emissions, International Energy Agency (IEA) Emissions Factors 2024 are used.
2. Scope 2 emissions on a market-based basis are shown after deducting 11,672 t-CO_2e corresponding to renewable energy certificates (non-fossil certificates and I-RECs).
3. Emissions intensity is based on Scope 1 + Scope 2 (market-based) GHG emissions.

GHG emissions (Scope 3)

(t-CO_2e)

Item	FY2023	FY2024	FY2025
1. Purchased goods and services	1,416,876	★ 1,610,161	★ **1,934,648**
2. Capital goods	1,943	4,804	**25,276**
3. Fuel- and energy-related activities not included in Scope 1 or Scope 2	44	40	**45**
4. Upstream transportation and distribution	32,679	★ 39,681	★ **43,226**
5. Waste generated in operations	67	8	**75**
6. Business travel	2,723	2,271	**2,538**
7. Employee commuting	256	257	**274**
8. Upstream leased assets	Not subject to calculation	Not subject to calculation	**Not subject to calculation**
Subtotal (upstream)	1,454,588	1,657,222	**2,006,082**
9. Downstream transportation and distribution	Not subject to calculation	Not subject to calculation	**Not subject to calculation**
10. Processing of sold products	Not subject to calculation	Not subject to calculation	**Not subject to calculation**
11. Use of sold products	Not subject to calculation	Not subject to calculation	**Not subject to calculation**
12. End-of-life treatment of sold products	464,711	268,172	**282,100**
13. Downstream leased assets	65	73	**72**
14. Franchises	Not subject to calculation	Not subject to calculation	**Not subject to calculation**
15. Investments	Not subject to calculation	Not subject to calculation	**Not subject to calculation**
Subtotal (downstream)	464,776	268,245	**282,172**
Total	1,919,364	1,925,467	**2,288,253**

Notes: 1. Category 8 is not applicable as it is included in Scope 1 and 2.
2. Categories 9 and 10 are excluded from calculations as they are difficult to determine or reasonably estimate since there is a wide range of products sold and forwarding destinations.
3. Categories 11, 14, and 15 are not applicable as they are outside the scope of relevant business activities.
4. Category 12 is calculated based on items for which weight-based data can be collected.

Pollution prevention / Resource circulation

Item		FY2023	FY2024	FY2025
Nitrogen oxides (NOx) (t)		0	1	**1**
Sulfur oxides (SOx) (t)		0	0	**1**
Volatile organic compounds (VOCs) (t)		116	122	**131**
Waste (t)	Total	7,838	7,498	**7,130**
	Waste recycled	4,861	3,904	**3,408**
	Waste not recycled	2,977	3,594	**3,722**
Waste recycling rate (%)		62	52	**48**
Hazardous waste (t)		1,734	1,764	**2,042**
Paper purchased (copy paper) (thousands of sheets)		1,986	1,325	**1,524**
Green purchasing ratio of office supplies, etc. (%)		70	67	**67**

Note: Waste for overseas resin compound manufacturing business bases is calculated based only on resin, the main material.

Water resources

Item		FY2023	FY2024	FY2025
Water discharge by destination (1,000 m^3)	Total	400	404	**466**
	Ocean	0	0	**0**
	River / lake (fresh surface water)	244	252	**294**
	Groundwater	0	1	**1**
	Sewage (third-party treated)	156	152	**171**
Water withdrawal by source (1,000 m^3)	Total	476	497	**520**
	River / lake (fresh surface water)	0	0	**0**
	Groundwater	287	286	**305**
	Water supply / industrial water	189	210	**215**
	Rainwater	0	0	**0**
	Sea water	0	0	**0**
Water withdrawals/consumption in water-stressed regions (m^3)		0	0	**0**
Number of violations related to water quality / water withdrawals (violations of permits, standards, regulations, etc.)		0	0	**0**

Environmental management

Item	FY2023	FY2024	FY2025
Number of environmental law violations	1*	0	**0**
Environmental fines and penalties (yen)	354,775.86THB	0	**0**

* Wastewater violation at the compounding factory in Thailand

Environment-related business

Sales by field

(Millions of yen)

Fields	Main items	FY2023	FY2024	FY2025
Total		38,605	43,571	**36,809**
Energy & Power	Renewable energy-related and battery-related, etc.	24,496	22,520	**13,760**
Resources & Environment	Sustainable materials, recycling systems, water-related, etc.	10,791	13,807	**14,485**
Materials & Chemicals	Low-carbon materials, environmental pollutant reduction, etc.	3,143	6,695	**8,271**
Agriculture & Food	Food waste reduction, soil improvement, etc.	0	0	**0**
Transportation & Logistics	EV charging, green logistics, etc.	0	0	**0**
Environmental Certification	Forestry certification, marine product certification, etc.	175	548	**294**

Notes: 1. There are no results for Agriculture & Food or Transportation & Logistics.
2. Totals are simple sums.

Society

Employee status

Number of employees, ratio of managers, and gender ratio (non-consolidated / consolidated)

Item		FY2023				FY2024				FY2025			
		Total	Men	Women	Ratio of women	Total	Men	Women	Ratio of women	Total	Men	Women	Ratio of women
Inabata Group (consolidated)	Total	—	—	—	—	5,063	2,907	2,156	43%	**5,258**	**2,977**	**2,281**	**43%**
	Number of employees	4,631	2,522	2,109	46%	4,677	2,686	1,991	43%	**4,719**	**2,744**	**1,975**	**42%**
	Management	818	578	240	29%	925	680	245	26%	**945**	**685**	**260**	**28%**
	Others	3,813	1,944	1,869	49%	3,752	2,006	1,746	47%	**3,774**	**2,059**	**1,715**	**45%**
	Number of temporary employees	—	—	—	—	386	221	165	43%	**539**	**233**	**306**	**57%**
Inabata & Co.	Number of employees	630	369	261	41%	667	387	280	42%	**678**	**382**	**296**	**44%**
	Management	130	121	9	7%	129	118	11	9%	**132**	**118**	**14**	**11%**
	Others	500	248	252	50%	538	269	269	50%	**546**	**264**	**282**	**52%**
	Number of employees, including secondees	748	481	267	36%	780	494	286	37%	**807**	**504**	**303**	**38%**
	Management	189	180	9	5%	184	173	11	6%	**191**	**177**	**14**	**7%**
	Others	559	301	258	46%	596	321	275	46%	**616**	**327**	**289**	**47%**
Domestic consolidated subsidiaries	Number of employees	645	466	179	28%	660	481	179	27%	**741**	**524**	**217**	**29%**
	Management	141	131	10	7%	159	147	12	8%	**158**	**146**	**12**	**8%**
	Others	504	335	169	34%	501	334	167	33%	**583**	**378**	**205**	**35%**
Overseas consolidated subsidiaries	Number of employees	3,356	1,687	1,669	50%	3,350	1,818	1,532	46%	**3,300**	**1,838**	**1,462**	**44%**
	Management	547	326	221	40%	637	415	222	35%	**655**	**421**	**234**	**36%**
	Others	2,809	1,361	1,448	52%	2,713	1,403	1,310	48%	**2,645**	**1,417**	**1,228**	**46%**

Notes: 1. Coverage: The number of employees at Inabata & Co. (non-consolidated) excludes secondees.
2. Numbers for domestic and overseas consolidated subsidiaries include employees seconded from Inabata & Co.

Number of employees, ratio of managers, and gender ratio (by area)

Item		FY2023				FY2024				FY2025			
		Total	Men	Women	Ratio of women	Total	Men	Women	Ratio of women	Total	Men	Women	Ratio of women
Japan	Number of employees	1,275	835	440	35%	1,327	868	459	35%	**1,419**	**906**	**513**	**36%**
	Management	271	252	19	7%	288	265	23	8%	**290**	**264**	**26**	**9%**
	Others	1,004	583	421	42%	1,039	603	436	42%	**1,129**	**642**	**487**	**43%**
Southeast Asia	Number of employees	2,493	1,150	1,343	54%	2,468	1,256	1,212	49%	**2,398**	**1,255**	**1,143**	**48%**
	Management	313	161	152	49%	399	250	149	37%	**404**	**250**	**154**	**38%**
	Others	2,180	989	1,191	55%	2,069	1,006	1,063	51%	**1,994**	**1,005**	**989**	**50%**
Northeast Asia	Number of employees	463	248	215	46%	448	241	207	46%	**446**	**244**	**202**	**45%**
	Management	129	89	40	31%	140	92	48	34%	**143**	**96**	**47**	**33%**
	Others	334	159	175	52%	308	149	159	52%	**303**	**148**	**155**	**51%**
The Americas	Number of employees	323	246	77	24%	357	278	79	22%	**374**	**291**	**83**	**22%**
	Management	76	58	18	24%	79	58	21	27%	**75**	**54**	**21**	**28%**
	Others	247	188	59	24%	278	220	58	21%	**299**	**237**	**62**	**21%**
Europe	Number of employees	77	43	34	44%	77	43	34	44%	**82**	**48**	**34**	**41%**
	Management	29	18	11	38%	19	15	4	21%	**33**	**21**	**12**	**36%**
	Others	48	25	23	48%	58	28	30	52%	**49**	**27**	**22**	**45%**

Note: Numbers for domestic and overseas consolidated subsidiaries include employees seconded from Inabata & Co.

Labor practices / Diversity

Item			FY2023			FY2024			FY2025		
			Total	Men	Women	Total	Men	Women	Total	Men	Women
Ratio of women in managerial positions (%)	Manager level and above		4.8	—	—	6.0	—	—	**7.3**	—	—
	Senior manager level and above		5.5			6.1			**4.9**	—	—
Number of non-Japanese staff (people)			12	—	—	12	—	—	**17**	—	—
Number of employees by age	Under 30 years old		165	67	98	184	70	114	**184**	**65**	**119**
	30–39 years old		189	123	66	196	125	71	**210**	**133**	**77**
	40–49 years old		150	99	51	147	104	43	**155**	**105**	**50**
	50–59 years old		187	148	39	191	147	44	**184**	**140**	**44**
	60–64 years old (Senior positions, etc.)		57	44	13	53	40	13	**65**	**54**	**11**
	65 years old and over (rehired, etc.)					9	8	1	**9**	**7**	**2**
	Total		748	481	267	780	494	286	**807**	**504**	**303**
Number of hires	New graduates		30	11	19	24	9	15	**24**	**9**	**15**
	Retention rate (3 years) for new graduates (%)		100	—	—	96	—	—	**90**	—	—
	Mid-career		32	27	5	36	25	11	**32**	**21**	**11**
	Ratio of regular employees hired mid-career (%)		52	—	—	60	—	—	**57**	—	—
Voluntary turnover rate (%)	Non-consolidated		2.6	—	—	3.6	—	—	**2.2**	—	—
	Consolidated (Japan)		—	—	—	4.5	—	—	**3.8**	—	—
Number of employees rehired under the job return system			3	3	0	1	0	1	**3**	**0**	**3**
Employment of persons with disabilities*1	Number of employees		22	—	—	26	—	—	**26**	—	—
	Employment rate (%)		2.81	—	—	3.20	—	—	**3.14**	—	—
Average age			41.9	44.3	37.5	41.9	44.5	37.3	**41.9**	**44.7**	**37.2**
Average years of service			13.6	15.5	10.2	14.2	16.1	10.8	**14.1**	**16.2**	**10.6**
Average annual salary (thousands of yen)			8,854	—	—	9,633	11,559	6,900	**10,058**	**11,892**	**7,009**
Gender wage gap (%)*2	All employees		59.0	—	—	59.7	—	—	**61.3**	—	—
	Regular employees		60.0	—	—	60.3			**61.6**	—	—
		Professionals	96.6	—	—	98.2	—	—	**100.0**	—	—
		Staff/Challenge positions	91.0	—	—	84.9	—	—	**86.2**	—	—
		Assistants	102.7	—	—	113.6	—	—	**110.7**	—	—
	Non-regular employees		45.5	—	—	51.3	—	—	**63.3**	—	—
Total annual working hours per employee (hours/year)			1,868	—	—	1,770	—	—	**1,749**	—	—
Monthly average overtime working hours (hours/month)			14.5	—	—	14.3	—	—	**15.1**	—	—
Annual paid leave	Days taken (days)		12.3	—	—	12.8	—	—	**12.4**	—	—
	Utilization rate (%)		66.9	—	—	68.6	—	—	**67.5**	—	—
Parental leave	Number of employees who took leave in the fiscal year*3		18	9	9	33	22	11	**23**	**19**	**4**
	Leave utilization rate for the fiscal year (%)*3		78.3	64.3	100	110	110	110	**121**	**127**	**100**
	Rate of employees returning to work (%)		94.1	—	—	95.7	—	—	**95.7**	—	—
	Number of employees who took leave within the prescribed period (3 years)*4		—	—	—	22	13	9	**23**	**14**	**9**
	Leave utilization rate within the prescribed period (3 years)*4		—	—	—	95.7	92.9	100	**100**	**100**	**100**
Number of employees taking nursing care leave			2	—	—	0	—	—	**0**	—	—

Note: The scope covers employees of Inabata & Co. (non-consolidated) and secondees to Group companies.
*1 The figures for each fiscal year are as of June 1 of the following fiscal year.
*2 The gender wage gap is calculated as the ratio of female to male wages.
"All employees" refers to regular employees and non-regular employees.
"Regular employees" includes employees in four position categories: "Professionals," which refers to those in management positions engaged in core duties; "Staff" and "Challenge," which refer to those in non-management positions engaged in core duties, with Challenge positions not requiring transfers involving relocation; and "Assistants," which refers to those engaged mainly in support duties. Senior positions are calculated in accordance with their respective grades and divided into the four aforementioned position categories.
"Non-regular employees" includes unretired senior employees working on a fixed-term contract or special fixed-term contract but excludes temporary employees. The difference in wages between men and women is due to the difference in the personnel composition by position and the difference in the personnel composition for qualification classifications ("bands").
*3 Under the Company's parental leave system, leave can be taken until the child reaches three years of age. Therefore, the number of employees taking leave in FY2025 includes employees who gave birth or whose spouses gave birth between FY2023 and FY2025. The leave utilization rate is calculated as follows: Number of employees who took parental leave in FY2025 among employees who gave birth or whose spouses gave birth between FY2023 and FY2025 / Number of employees who gave birth or whose spouses gave birth in FY2025.
*4 In FY2023, the Company introduced a new system requiring employees to take parental leave. Accordingly, the number and percentage of employees taking parental leave within three years after they or their spouses gave birth are calculated. For FY2025, the number represents employees who gave birth or whose spouses gave birth in FY2023 and who took parental leave between FY2023 and FY2025, and the percentage is calculated based on all employees who gave birth or whose spouses gave birth in FY2023.

Society

Occupational health and safety

Item		FY2023			FY2024			FY2025		
		Non-consolidated	Consolidated		Non-consolidated	Consolidated		Non-consolidated	Consolidated	
			Employees	Temporary*1		Employees	Temporary*1		Employees	Temporary*1
Health checkup attendance rate (%)		100	—	—	100	—	—	**100**	—	—
Stress check	Number of employees who attended	662	—	—	695	—	—	**657**	—	—
	Attendance rate (%)	89.2	—	—	90.3	—	—	**92.1**	—	—
Number of employees who attended health and safety training	Safe driving training (e-learning)	43	—	—	76	—	—	**98**	—	—
	Earthquake/ safety confirmation training	May 662 December 669	—	—	May 640	—	—	**May 703** **November 707**	—	—
	Firefighting training (on-site training)	Self-defense fire brigade members in Tokyo, Osaka, and Nagoya 74	—	—	Self-defense fire brigade members in Tokyo, Osaka, and Nagoya 81	—	—	Self-defense fire brigade members in Tokyo, Osaka, and Nagoya **95**	—	—
Number of occupational accidents	Fatalities	0	0	0	0	0	0	**0**	**0**	**0**
	Lost-time injuries	0	31	5	0	38	3	**0**	**29**	**9**
	Non-lost-time injuries	0	13	0	1	16	2	**1**	**11**	**3**
Lost-time injury frequency rate*2		0	4.15	—	0	2.97	3.87	**0**	**2.90**	**8.67**
Lost-time injury severity rate*3		0	0.05	—	0	0.04	0.05	**0**	**0.04**	**0.05**

Note: For categories other than occupational accidents, the scope covers employees of Inabata & Co. (non-consolidated) and secondees to Group companies.
*1 Temporary: Temporary employees
*2 (Number of casualties due to occupational accidents requiring at least one day off work / Total actual working hours) × 1,000,000. The industry average (wholesale and retail businesses with 100 or more employees) was 2.10 in FY2025 (according to the Ministry of Health, Labour and Welfare's Survey on Industrial Accidents for 2025). Comparison with Inabata & Co., Ltd.
*3 (Total working days lost / Total actual working hours) × 1,000. The industry average (wholesale and retail businesses with 100 or more employees) was 0.05 in FY2025 (according to the Ministry of Health, Labour and Welfare's Survey on Industrial Accidents for 2025). Comparison with Inabata & Co., Ltd.

Human resource development

Item	FY2023	FY2024	FY2025
Total time for employee skills development training (hours)	480	669	**748**
Total number of employees participating in training for skills development	1,310	1,690	**1,693**
Average training hours per employee per year (hours)	0.6	0.9	**0.9**
Average training expenditure per employee per year (yen)	67,496	83,400	**89,124**

Note: The scope covers Inabata & Co. (non-consolidated) and includes employees seconded to Group companies.

Social contribution activities

Item		FY2023	FY2024	FY2025
Number of employees taking leave for volunteering*1		0	34	**24**
Total amount of donations, activity expenses, etc., that contribute to society*2 (millions of yen)		21	11	**11**
Results of main social contribution activities	Support for the activities of the Sociedade Luso-Nipónica de Osaka (10,000 yen)	80	80	**80**
	Académie de musique française de Kyoto (number of participants)*3	99	108	**93**
	Number of winners of Inabata Award in French music competition (since 1974)*4	No participants Cumulative 49	1 Cumulative 50	**1** **Cumulative 51**
	Support for the Shougaisha Jiritsu Suishin Kikou Association*5	Bronze Partner	Bronze Partner	**Bronze Partner**

Note: The scope covers employees of Inabata & Co. (non-consolidated) and secondees to Group companies.
*1 Although the system was initially recognized for use after severe disasters, it was formalized as part of the human resources system from July 1, 2023, to support employees' volunteer activities.
*2 Main donations include cultural support for the Japan Philharmonic Orchestra, the Osaka Philharmonic Orchestra, etc., and community support for the Keidanren Nature Conservation Fund, etc.
*3 A Japan–France music exchange program sponsored by Inabata. Top-class musicians are invited from France and master classes are held for about two weeks. The program provides a valuable opportunity for young Japanese musicians to receive high-quality education in French music.
*4 At the French music competition sponsored by Fondation Culturelle Kansei de Ashiya, the Inabata Award (named after Inabata & Co., Ltd.) is awarded every year to the best performer in the vocal or piano category.
*5 In addition to providing support as a partner, we used a work from Paralym Art, a program which is managed and operated by the association, as the design for our shareholder incentive (QUO cards).

Employee engagement

Item			FY2024	FY2025	FY2026
Number of employees surveyed (people)	Total		2,714	2,837	**2,940**
		Inabata & Co.	686	715	**692**
		Overseas trading companies*1	864	881	**893**
		Overseas manufacturing companies*1	624	574	**702**
		Domestic subsidiaries*1	540	667	**653**
Response rate (%)	Total		82	88	**93**
Overall average score*2			3.64	3.67	**3.73**
Ratio of positive responses for key items*3 (%)	**Engagement** I am satisfied with the work I am doing at Inabata now.		69	69	**69**
	Relationship with superiors I have the necessary collaboration with my supervisor at work.		73	73	**74**
	Organizational culture When a problem occurs in the course of my duties, my supervisor and the people around me provide appropriate support.		77	76	**77**
	Corporate philosophy I can relate to Inabata's philosophy, vision, and management policies, and I want to participate in achieving them.		67	67	**70**
	Human resources system and benefits Inabata's salary standards are satisfactory, compared to other companies in the same industry.		50	54	**56**
	Human resources system and training Inabata supports employee training to improve their skills.		51	54	**54**
	Work-life balance Overtime is kept to a level that is acceptable for me.		73	71	**68**

*1 The survey targeted employees with Company email addresses.
*2 The average score across all items. Employees were asked to rate 39 items on a five-point scale (5. Strongly agree / 4. Agree / 3. Neither agree nor disagree / 2. Disagree / 1. Strongly disagree), and the score for each item was calculated.
*3 The proportion of positive responses, which are ratings of 5 (Strongly agree) and 4 (Agree), among the five-point scale ratings provided by employees.

Governance

Corporate governance

Composition of directors		As of July 1, 2024		As of July 1, 2025		As of July 1, 2026	
		Men	Women	Men	Women	Men	Women
Directors (excluding Audit and Supervisory Committee members) (people)	Total		7		7		**7**
	Inside	4	0	4	0	**4**	**0**
	Independent	2	1	2	1	**2**	**1**
Directors (Audit and Supervisory Committee members) (people)	Total		5		5		**5**
	Inside	1	0	1	0	**1**	**0**
	Independent	3	1	3	1	**2**	**2**
Total number of directors	Total		12		12		**12**
		10	2	10	2	**9**	**3**

Attendance status for meetings of the Board of Directors, Audit and Supervisory Committee, and Nominating and Remuneration Committee (April 1, 2025 to March 31, 2026)

Attendance rate is listed in ( ).

Position	Name	Independent	Number of Board of Directors' meetings attended	Number of Audit and Supervisory Committee meetings attended	Number of Nominating and Remuneration Committee meetings attended*1
Director	Katsutaro Inabata		16/16 times (100%)	—	6/6 times (100%)
Director	Toyohiro Akao		16/16 times (100%)	—	—
Director	Kenichi Yokota		16/16 times (100%)	—	—
Director	Noriaki Takeshita (appointed June 2025)		12/13 times (92%)	—	—
Director	Osamu Chonan	○	16/16 times (100%)	—	11/11 times (100%)
Director	Hisayuki Suekawa	○	16/16 times (100%)	—	11/11 times (100%)
Director	Mari Ikegaki (appointed June 2025)	○	13/13 times (100%)	—	11/11 times (100%)
Director (Audit and Supervisory Committee member)	Nobukazu Kuboi		16/16 times (100%)	14/14 times (100%)	—
Director (Audit and Supervisory Committee member)	Minoru Sanari	○	16/16 times (100%)	14/14 times (100%)	—
Director (Audit and Supervisory Committee member)	Tomokazu Fujisawa	○	16/16 times (100%)	14/14 times (100%)	—
Director (Audit and Supervisory Committee member)	Noriya Yokota	○	16/16 times (100%)	14/14 times (100%)	11/11 times (100%)
Director (Audit and Supervisory Committee member)	Shiho Ito	○	16/16 times (100%)	13/14 times (93%)	—
Director	Takashi Shigemori (retired June 2025)		3/3 times (100%)	—	—
Director	Takako Hagiwara (retired June 2025)	○	3/3 times (100%)	—	0/0 times (—%)

*1 Interviews with director and executive officer candidates by the Nominating and Remuneration Committee (five times) were conducted only by independent outside directors.

Compliance

	FY2023	FY2024	FY2025
Number of whistleblower reports/consultations*1 (cases)	10	6	**8**
Number of serious compliance violations (including labor standards) (cases)	0	0	**0**
Political contributions (yen)	0	0	**0**
Number of dismissals and disciplinary actions due to non-compliance with anti-corruption policy (cases)	0	0	**0**
Penalties, surcharges, and settlements related to corruption (10,000 yen)	0	0	**0**

*1 Includes the number of consultations to the "counseling desk"

Certification

Status of management system certifications

		ISO 14001 (Environmental management)		ISO 9001 (Quality management)		ISO 45001 (Occupational health and safety)		IATF 16949 (Automotive)		JFS-C Standard (Food safety)	
		By number of sites	By number of employees	By number of sites	By number of employees	By number of sites	By number of employees	By number of sites	By number of employees	By number of sites	By number of employees
Japan	Number of certifications obtained	17	1,002	8	730	0	0	0	0	1	60
	Acquisition ratio (%)	31	71	15	51	0	0	0	0	2	4
Overseas	Number of certifications obtained	19	1,992	22	2,246	3	579	8	1,447	0	0
	Acquisition ratio (%)	26	60	31	68	4	18	11	44	0	0
Consolidated	Number of certifications obtained	36	2,994	30	2,976	3	579	8	1,447	1	60
	Acquisition ratio (%)	28	63	24	63	2	12	6	31	1	1

Status of sustainability-related certifications

Certification	Details	Certification scope (License number)
Forest Stewardship Council (FSC®) certification	International certification for responsibly managed forests and responsibly sourced forest products	Information & Electronics Division III, Inabata & Co., Ltd. (FSC-C194246)
		Housing Materials Department, Chemicals Division, Inabata & Co., Ltd. (FSC-C089398)
		Plastics Division II, Inabata & Co., Ltd. (FSC-C140691)
Programme for the Endorsement of Forest Certification (PEFC) certification	Forest certification system aimed at promoting sustainable forest management	Housing Materials Department, Chemicals Division, Inabata & Co., Ltd. (PEFC/31-32-1665)
		Plastics Division II, Inabata & Co., Ltd. (PEFC/31-31-1616)
Marine Stewardship Council (MSC) certification	Certification of sustainable fisheries that are properly managed with consideration for marine resources and the environment	Inabata & Co., Ltd. and Inabata Europe GmbH Ikkoen Co., Ltd.
Aquaculture Stewardship Council (ASC) certification	Certification of marine products produced through responsible aquaculture	Inabata & Co., Ltd. and Inabata Europe GmbH
International Sustainability & Carbon Certification (ISCC)	Certification system for managing and ensuring that biomass and recycled materials are sustainable by using a mass balance approach across the supply chain	Inabata & Co., Ltd.
		PT. Inabata Indonesia
		Inabata Malaysia Sdn. Bhd.
		Taiwan Inabata Sangyo Co., Ltd.
		Inabata Singapore (Pte.) Ltd.
Green Gold Label (GGL) certification	Certification ensuring the sustainability of biomass fuel and its traceability	Inabata & Co., Ltd.
Global Recycled Standard (GRS) certification	International certification program for recycled products	Inabata & Co., Ltd.

Note: All are Chain of Custody (CoC) certified

External Evaluation

ESG-related index inclusion status (As of August 2026)

- FTSE JPX Blossom Japan Index★
- FTSE JPX Blossom Japan Sector Relative Index★
- MSCI Japan Empowering Women Index (WIN)★*
- S&P/JPX Carbon Efficient Index★
- Morningstar Japan ex-REIT Gender Diversity Tilt Index (GenDi J)★
- SOMPO Sustainability Index
- JPX-Nikkei Index Human Capital 100

★ ESG index selected by the Government Pension Investment Fund (GPIF)

FTSE JPX Blossom Japan Index

FTSE JPX Blossom Japan Sector Relative Index

S&P/JPX Carbon Efficient Index

2026 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

2026 Sompo Sustainability Index

JPX-NIKKEI HC100 2025–2026

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Summary of 11 years

(Millions of yen)

		FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Business Performance	Net sales	577,037	586,630	621,137	634,740	600,312	577,583	680,962	735,620	766,022	837,838	832,745
	Gross profit	41,064	42,740	44,854	47,257	46,259	46,040	57,370	62,874	69,288	78,923	83,801
	Selling, general and administrative expenses	29,692	30,123	38,891	33,226	33,029	31,066	37,317	42,560	48,097	53,098	57,637
	Operating profit	11,371	12,616	5,962	14,031	13,229	14,973	20,052	20,314	21,190	25,824	26,164
	Ordinary profit	12,257	13,672	6,374	14,309	14,211	16,514	21,648	19,110	21,393	26,134	27,748
	Profit attributable to owners of parent	9,510	9,687	6,744	12,896	11,415	13,792	22,351	19,478	20,000	19,833	20,632
	Exchange rate USD/yen	120.15	108.34	110.85	110.92	108.70	106.10	112.39	135.50	144.59	152.62	150.67
Financial Position	Total assets	305,436	340,147	352,741	366,514	322,848	353,228	389,059	380,443	427,320	441,972	498,138
	Interest-bearing debt	68,377	71,075	71,993	57,277	52,848	41,206	64,538	64,769	62,835	73,633	89,844
	Equity capital	126,038	146,258	141,403	162,973	145,924	173,804	174,918	179,461	200,166	208,155	235,779
Cash Flows	Cash flows from operating activities	11,866	1,840	5,960	12,510	10,690	17,613	(11,448)	9,915	30,187	19,903	21,075
	Cash flows from investing activities	(161)	4,504	5,086	743	(525)	(423)	5,446	8,278	(2,386)	(9,498)	(13,012)
	Cash flows from financing activities	(11,129)	(481)	(4,901)	(19,546)	(7,273)	(17,582)	5,999	(17,568)	(13,981)	(805)	3,922
	Cash and cash equivalents	17,088	22,935	29,235	23,011	25,480	25,983	28,251	29,790	46,301	55,357	72,698
Reference	(Amount of capital investment)	3,067	2,431	2,500	3,441	3,707	3,175	2,799	3,803	4,460	6,154	14,722
	(Depreciation)	2,270	2,066	2,335	2,413	2,976	2,874	3,160	3,532	3,743	4,219	4,216
Sales by Segment	Information & Electronics*1	211,659	221,023	214,963	217,904	218,690	224,534	247,713	238,003	239,114	264,056	239,336
	Chemicals*2	48,198	48,047	51,580	77,522	74,181	66,626	78,644	89,820	112,657	118,298	125,137
	Life Industry	41,022	40,434	42,392	39,046	36,919	37,361	38,203	43,662	53,597	53,759	60,115
	Plastics	251,163	251,885	286,900	300,094	270,345	248,888	316,226	363,955	360,471	401,541	407,974
	(Housing & Eco Materials)*2	24,817	25,064	25,137	—	—	—	—	—	—	—	—
	Others	176	175	162	172	175	172	174	178	181	181	181
	Total	577,037	586,630	621,137	634,740	600,312	577,583	680,962	735,620	766,022	837,838	832,745
Operating Profit (Loss) by Segment	Information & Electronics*1	3,833	3,992	(2,045)	4,819	4,482	6,327	6,422	5,269	6,904	8,477	7,042
	Chemicals*2	1,011	1,003	259	1,424	1,208	1,320	2,207	2,770	2,788	2,948	3,548
	Life Industry	1,524	1,820	1,920	1,310	1,166	1,563	2,618	1,936	1,480	1,175	2,215
	Plastics	4,434	5,396	5,541	6,341	6,235	5,631	8,677	10,205	9,879	13,086	13,221
	(Housing & Eco Materials)*2	421	260	157	—	—	—	—	—	—	—	—
	Others	146	142	129	136	135	130	127	131	137	136	136
	Total	11,371	12,616	5,962	14,031	13,229	14,973	20,052	20,314	21,190	25,824	26,164
	Overseas sales ratio (%)	53	53	53	54	53	53	59	60	55	55	54
	Overseas operating profit ratio (%)	45	46	—	54	54	54	60	67	59	62	60
	Number of employees on a consolidated basis (people)	3,509	3,827	4,098	4,184	4,282	4,203	4,207	4,316	4,631	4,677	4,719
Management Indicators	Operating profit ratio (%)	2.0	2.2	1.0	2.2	2.2	2.6	2.9	2.8	2.8	3.1	3.1
	Net D/E ratio (times)*3	0.37	0.30	0.28	0.19	0.16	0.06	0.17	0.16	0.06	0.07	0.06
	Equity ratio (%)	41.3	43.0	40.1	44.5	45.2	49.2	45.0	47.2	46.8	47.1	47.3
	ROE (%)*4	7.5	7.1	4.7	8.5	7.4	8.6	12.8	11.0	10.5	9.7	9.3
	ROA (%)*5	3.0	3.0	1.9	3.6	3.3	4.1	6.0	5.1	5.0	4.6	4.4
	Share price at the end of the fiscal year (yen)	1,116	1,357	1,616	1,505	1,180	1,658	2,063	2,687	3,175	3,170	3,950
	Total market value (including treasury shares) (billion yen)*6	70.8	86.1	102.6	95.5	74.9	105.2	125.4	153.4	177.5	173.4	212.1
	P/E ratio (times)*7	7.3	8.7	14.7	7.1	6.2	7.2	5.5	7.8	8.8	8.7	10.3
	P/B ratio (times)*8	0.55	0.57	0.70	0.56	0.49	0.57	0.67	0.84	0.88	0.83	0.89
	Number of shares issued and outstanding at the end of the fiscal year (including treasury shares) (shares)*9	63,499,227	63,499,227	63,499,227	63,499,227	63,499,227	63,499,227	60,799,227	57,114,127	55,914,127	54,714,127	53,714,127
	Number of treasury shares at the end of the period (shares)*10	1,402,268	2,002,305	2,402,417	3,002,502	3,302,640	3,302,651	3,682,139	1,284,045	680,789	330,404	332,214
Information per Share	EPS (yen)	151.91	156.25	109.92	211.36	188.82	229.13	374.23	343.31	362.17	363.90	384.84
	BPS (yen)	2,029.70	2,378.31	2,314.42	2,693.92	2,424.13	2,887.29	3,062.46	3,214.42	3,624.01	3,827.53	4,416.83
	Annual dividend (yen)	36	40	40	48	53	63	110	115	120	125	128
	Dividend payout ratio (%)	23.7	25.6	36.4	22.7	28.1	27.5	29.4	33.5	33.1	34.4	33.3
	Total return ratio*11	31.1	34.8	46.5	30.0	31.9	27.6	62.2	47.1	44.7	55.0	48.8

Notes: 1. From FY2018, the Partial Amendments to Accounting Standard for Tax Effect Accounting was applied. This has been applied retroactively to the figures for FY2017.
2. We have applied the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29), etc., from FY2021.

*1 From FY2016, the business of designing, manufacturing, installation, and sales of cranes, which was part of the Others segment, has been included in the Information & Electronics segment. The performance figures for FY2015 are based on the revised categories.
*2 In FY2019, the Housing & Eco Materials segment was integrated into the Chemicals segment. The performance figures for FY2018 are based on the revised categories.
*3 Net D/E ratio = (Interest-bearing debt – Cash and deposits) ÷ Equity capital
*4 ROE (%) = (Net profit ÷ Average equity capital at the beginning and end of the FY) × 100
*5 ROA (%) = (Net profit ÷ Average total assets at the beginning and end of the FY) × 100
*6 Total market value (including treasury shares) = Share price at the end of the FY × Number of shares issued and outstanding at the end of the FY (including treasury shares)
*7 P/E ratio is calculated by dividing share price at the end of the FY (TSE closing price) by net profit per share.
*8 P/B ratio is calculated by dividing share price at the end of the FY (TSE closing price) by net assets per share.
*9 Cancellation of treasury shares: 1,660,000 shares in FY2014, 2,700,000 shares in FY2021, 3,685,100 shares in FY2022, 1,200,000 shares in FY2023, 1,200,000 shares in FY2024, and 1,000,000 shares in FY2025.
*10 The number of treasury shares at the end of the FY includes shares owned by the BBT introduced in FY2018 and consolidated subsidiaries in addition to shares owned by Inabata.
*11 Total return ratio has become the shareholder return index from FY2014. Total return ratio = (Dividends + Share repurchases) ÷ Consolidated net income ×100

Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	59,839	76,836
Notes receivable - trade	7,506	3,011
Electronically recorded monetary claims - operating	22,184	22,541
Accounts receivable - trade	173,813	179,470
Merchandise and finished goods	79,782	89,104
Work in process	1,517	1,941
Raw materials and supplies	5,431	5,479
Other	10,356	16,305
Allowance for doubtful accounts	(454)	(618)
Total current assets	359,977	394,072
Non-current assets		
Property, plant and equipment		
Buildings and structures	18,658	28,248
Accumulated depreciation	(12,951)	(15,337)
Buildings and structures, net	5,707	12,910
Machinery, equipment and vehicles	24,277	28,192
Accumulated depreciation	(19,342)	(22,631)
Machinery, equipment and vehicles, net	4,935	5,560
Land	3,985	4,575
Construction in progress	1,991	1,614
Other	8,390	9,792
Accumulated depreciation	(5,297)	(6,030)
Other, net	3,093	3,761
Total property, plant and equipment	19,713	28,422
Intangible assets	9,325	13,723
Investments and other assets		
Investment securities	36,230	42,620
Long-term loans receivable	2,314	2,546
Retirement benefit asset	10,502	12,752
Deferred tax assets	1,442	1,535
Other	8,626	8,570
Allowance for doubtful accounts	(6,161)	(6,105)
Total investments and other assets	52,955	61,920
Total non-current assets	81,994	104,066
Total assets	441,972	498,138

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	121,191	124,967
Short-term borrowings	28,338	37,102
Income taxes payable	3,374	4,159
Accrued expenses	1,830	2,080
Provision for bonuses	1,997	2,105
Other	11,735	14,072
Total current liabilities	168,469	184,487
Non-current liabilities		
Bonds payable	25,000	25,000
Long-term borrowings	20,294	27,741
Deferred tax liabilities	6,380	9,345
Provision for retirement benefits for directors (and other officers)	33	36
Provision for share awards for directors (and other officers)	262	287
Retirement benefit liability	2,134	2,395
Other	2,841	2,905
Total non-current liabilities	56,947	67,713
Total liabilities	225,416	252,200
Net assets		
Shareholders' equity		
Share capital	9,364	9,364
Capital surplus	7,230	7,260
Retained earnings	153,617	164,582
Treasury shares	(785)	(783)
Total shareholders' equity	169,427	180,424
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	9,417	12,612
Deferred gains or losses on hedges	310	346
Foreign currency translation adjustment	28,148	40,460
Remeasurements of defined benefit plans	850	1,935
Total accumulated other comprehensive income	38,727	55,354
Non-controlling interests	8,400	10,159
Total net assets	216,555	245,938
Total liabilities and net assets	441,972	498,138

Consolidated Statement of Income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	837,838	832,745
Cost of sales	758,915	748,943
Gross profit	78,923	83,801
Selling, general and administrative expenses	53,098	57,637
Operating profit	25,824	26,164
Non-operating income		
Interest income	855	950
Dividend income	1,051	979
Share of profit of entities accounted for using equity method	313	464
Miscellaneous income	1,117	1,489
Total non-operating income	3,339	3,883
Non-operating expenses		
Interest expenses	1,485	1,557
Foreign exchange losses	811	9
Provision of allowance for doubtful accounts	96	286
Miscellaneous losses	636	444
Total non-operating expenses	3,029	2,298
Ordinary profit	26,134	27,748
Extraordinary income		
Gain on sale of non-current assets	512	—
Gain on sale of investment securities	3,615	2,691
Total extraordinary income	4,127	2,691
Extraordinary losses		
Loss on retirement of non-current assets	170	—
Loss on valuation of investment securities	646	1,059
Contribution for joint development cost	325	—
Loss on liquidation of subsidiaries	—	160
Total extraordinary losses	1,142	1,219
Profit before income taxes	29,119	29,220
Income taxes - current	7,558	8,085
Income taxes - deferred	615	(485)
Total income taxes	8,173	7,599
Profit	20,945	21,620
Profit attributable to non-controlling interests	1,111	988
Profit attributable to owners of parent	19,833	20,632

Consolidated Statement of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	20,945	21,620
Other comprehensive income		
Valuation difference on available-for-sale securities	(941)	3,704
Deferred gains or losses on hedges	(301)	80
Foreign currency translation adjustment	(519)	12,406
Remeasurements of defined benefit plans, net of tax	438	1,091
Share of other comprehensive income of entities accounted for using equity method	134	92
Total other comprehensive income	(1,189)	17,376
Comprehensive income	19,756	38,996
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	18,722	37,259
Comprehensive income attributable to non-controlling interests	1,033	1,737

Consolidated Statement of Changes in Equity

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	9,364	7,177	144,689	(904)	160,327
Changes during period					
Dividends of surplus			(6,876)		(6,876)
Profit attributable to owners of parent			19,833		19,833
Purchase of treasury shares				(4,079)	(4,079)
Cancellation of treasury shares		(2)	(4,028)	4,031	—
Disposal of treasury shares		655		142	797
Treasury stock transfer of stock ownership trust				25	25
Change in scope of consolidation					—
Purchase of shares of consolidated subsidiaries		(600)			(600)
Capital increase of consolidated subsidiaries					—
Net changes in items other than shareholders' equity					
Total changes during period	—	52	8,928	119	9,100
Balance at end of period	9,364	7,230	153,617	(785)	169,427

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	10,289	595	28,541	412	39,838	6,588	206,754
Changes during period							
Dividends of surplus							(6,876)
Profit attributable to owners of parent							19,833
Purchase of treasury shares							(4,079)
Cancellation of treasury shares							—
Disposal of treasury shares							797
Treasury stock transfer of stock ownership trust							25
Change in scope of consolidation							—
Purchase of shares of consolidated subsidiaries							(600)
Capital increase of consolidated subsidiaries							—
Net changes in items other than shareholders' equity	(871)	(284)	(393)	438	(1,111)	1,811	699
Total changes during period	(871)	(284)	(393)	438	(1,111)	1,811	9,800
Balance at end of period	9,417	310	28,148	850	38,727	8,400	216,555

Fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	9,364	7,230	153,617	(785)	169,427
Changes during period					
Dividends of surplus			(6,930)		(6,930)
Profit attributable to owners of parent			20,632		20,632
Purchase of treasury shares				(3,208)	(3,208)
Cancellation of treasury shares			(3,210)	3,210	—
Disposal of treasury shares					—
Treasury stock transfer of stock ownership trust					—
Change in scope of consolidation			474		474
Purchase of shares of consolidated subsidiaries		32			32
Capital increase of consolidated subsidiaries		(2)			(2)
Net changes in items other than shareholders' equity					
Total changes during period	—	29	10,965	1	10,996
Balance at end of period	9,364	7,260	164,582	(783)	180,424

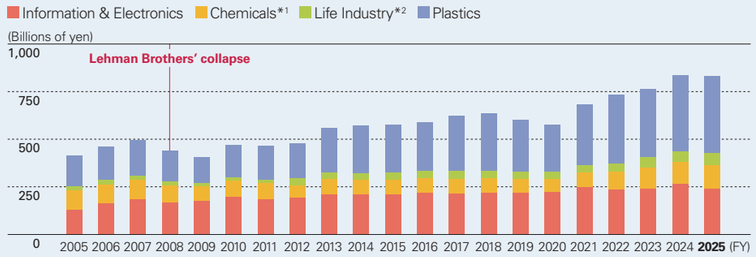
	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	9,417	310	28,148	850	38,727	8,400	216,555
Changes during period							
Dividends of surplus							(6,930)
Profit attributable to owners of parent							20,632
Purchase of treasury shares							(3,208)
Cancellation of treasury shares							—
Disposal of treasury shares							—
Treasury stock transfer of stock ownership trust							—
Change in scope of consolidation							474
Purchase of shares of consolidated subsidiaries							32
Capital increase of consolidated subsidiaries							(2)
Net changes in items other than shareholders' equity	3,194	35	12,312	1,084	16,627	1,759	18,386
Total changes during period	3,194	35	12,312	1,084	16,627	1,759	29,382
Balance at end of period	12,612	346	40,460	1,935	55,354	10,159	245,938

Consolidated Statement of Cash Flows

(Millions of yen)

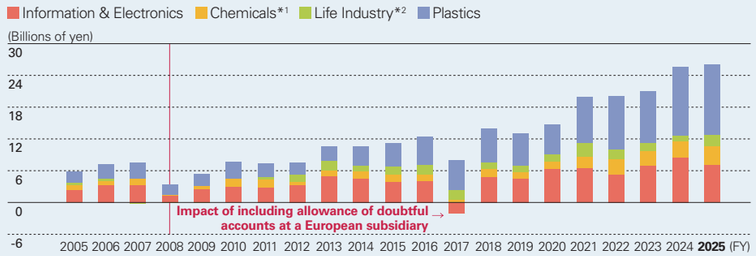
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	29,119	29,220
Depreciation	4,219	4,216
Amortization of goodwill	244	325
Increase (decrease) in allowance for doubtful accounts	46	(563)
Increase (decrease) in retirement benefit liability	105	620
Decrease (increase) in retirement benefit asset	(804)	(1,127)
Interest and dividend income	(1,907)	(1,929)
Interest expenses	1,485	1,557
Share of loss (profit) of entities accounted for using equity method	(313)	(464)
Gain on sale of non-current assets	(512)	—
Loss on retirement of non-current assets	170	—
Loss (gain) on valuation of investment securities	646	1,059
Loss (gain) on sale of investment securities	(3,615)	(2,691)
Loss (gain) on liquidation of subsidiaries	—	160
Decrease (increase) in trade receivables	3,095	7,881
Decrease (increase) in inventories	(93)	(4,428)
Decrease (increase) in other current assets	1,879	(4,763)
Decrease (increase) in other non-current assets	258	1,038
Increase (decrease) in trade payables	(6,552)	(2,482)
Increase (decrease) in other current liabilities	(670)	1,342
Other, net	(44)	(715)
Subtotal	26,758	28,257
Interest and dividends received	2,022	2,047
Interest paid	(1,479)	(1,567)
Income taxes paid	(7,398)	(7,662)
Net cash provided by (used in) operating activities	19,903	21,075
Cash flows from investing activities		
Payments into time deposits	(4,565)	(3,975)
Proceeds from withdrawal of time deposits	4,955	4,721
Purchase of property, plant and equipment	(3,782)	(9,173)
Proceeds from sale of property, plant and equipment	759	35
Purchase of intangible assets	(2,372)	(5,548)
Purchase of investment securities	(2,349)	(1,413)
Proceeds from sale of investment securities	4,024	3,312
Purchase of shares of subsidiaries	(1,434)	(345)
Decrease (increase) in short-term loans receivable	(187)	325
Long-term loan advances	(770)	(1,044)
Proceeds from collection of long-term loans receivable	671	654
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(4,422)	—
Payments for acquisition of businesses	—	(569)
Other, net	(23)	9
Net cash provided by (used in) investing activities	(9,498)	(13,012)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(13,058)	5,866
Proceeds from long-term borrowings	8,988	10,045
Repayments of long-term borrowings	(2,368)	(1,078)
Proceeds from issuance of bonds	17,385	—
Purchase of treasury shares	(4,149)	(3,221)
Proceeds from sale of shares of parent held by subsidiaries	1,524	—
Dividends paid	(6,876)	(6,930)
Dividends paid to non-controlling interests	(100)	(135)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(1,300)	—
Other, net	(850)	(623)
Net cash provided by (used in) financing activities	(805)	3,922
Effect of exchange rate change on cash and cash equivalents	(543)	4,938
Net increase (decrease) in cash and cash equivalents	9,055	16,924
Cash and cash equivalents at beginning of period	46,301	55,357
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	—	417
Cash and cash equivalents at end of period	55,357	72,698

Sales by business segment



We have applied the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29), etc., from FY2021.

Operating profit (loss) by business segment



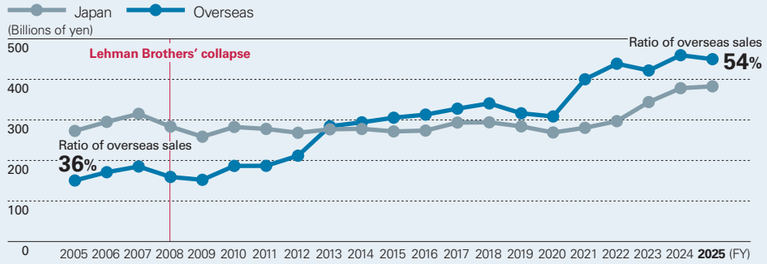
*1 In FY2019, the Housing & Eco Materials segment was integrated into the Chemicals segment.
The performance figures prior to FY2019 are also based on the revised categories.
*2 In FY2012, the Life Industry segment was established by integrating the life sciences-related elements of the Chemicals segment and the Food segment.
The performance figures for the Food segment prior to FY2012 are presented as the Life Industry segment.

The Chemicals segment has a long history and is performing steadily based on its strong foundation of business partners.

The Plastics segment has expanded its business since the rapid economic growth in the 1950s, ranging from home appliances to OA and automobiles. The Information & Electronics segment grew significantly along with the rapid growth of the LCD market from 2000 onward.

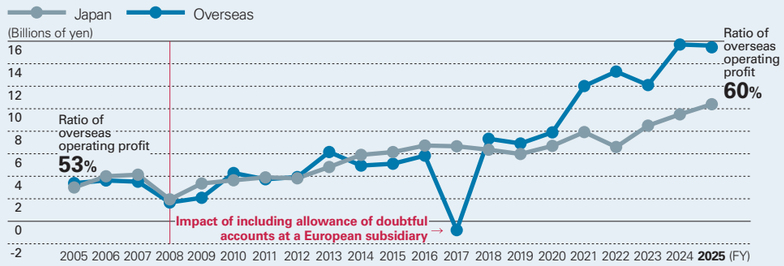
The Life Industry segment has been operating in the fields of food and advanced medicine in recent years and is expected to grow in the future.

Sales by domestic or overseas market



We have applied the Accounting Standard for Revenue Recognition (ASBJ Statement No. 29), etc., from FY2021.

Operating profit (loss) by domestic or overseas market



Inabata established its first postwar overseas subsidiary in 1976 and has been rapidly intensifying its global business in alignment with production transfer by Japanese companies to locations outside Japan. Over the 49 years since, its overseas business has expanded, and the proportion of overseas sales has grown from 36% in FY2005 to 54% in FY2025.

Consolidated Subsidiaries and Affiliates (As of July 1, 2026)

Consolidated subsidiaries

● Trading company ▲ Manufacturing & processing base

Company name	Countries and regions		Business
Japan			
▲ I & P Co., Ltd.	Japan	Osaki, Miyagi	Molding and processing of synthetic resins
▲ Ikkoen Co., Ltd.	Japan	Sakai, Osaka	Processing and sale of marine products
● Inabata Fine Tech & Co., Ltd.	Japan	Osaka	Sale of chemicals, food
▲ NIC Co., Ltd.	Japan	Tokyo	Processing and sale of plastic film products
● Ordiy Co., Ltd.	Japan	Osaka	Processing of plastic film products and packaging materials; design and marketing of supplementary equipment and systems
▲ Kansai Kobunshi Co., Ltd.	Japan	Yamato-Koriyama, Nara	Manufacturing of plastic films
● Satoen Co., Ltd.	Japan	Shizuoka	Sale of tea and food
▲ Daigo Tsusho Co., Ltd.	Japan	Shizuoka	Sale of materials and machinery for food packaging, manufacturing and sale of processed agricultural and marine products
▲ Taiyo Plastics Co., Ltd.	Japan	Hasuda, Saitama	Manufacturing of plastic films
▲ Novacel Co., Ltd.	Japan	Tokyo	Research, development, production, and sale of resin compounds
● Maruishi Chemical Trading Co., Ltd.	Japan	Osaka	Sale of chemicals
● Maruishi Techno Co., Ltd.	Japan	Nagoya, Aichi	Sale of water treatment chemicals for air conditioning systems, maintenance of air conditioning equipment, sale of various paints
▲ Marukabu Sato Seicha Co., Ltd.	Japan	Shizuoka	Manufacture and sale of tea
Southeast Asia / India			
● Inabata India Private Ltd.	India	Gurugram (Delhi suburb)	Import & export and sale of synthetic resins, electronic materials, and chemicals
▲ PT. IK Precision Indonesia	Indonesia	Bekasi (Jakarta suburb)	Molding and processing of synthetic resins
▲ PT. Inabata Creation Indonesia	Indonesia	Bekasi (Jakarta suburb)	Processing of grip tapes for tennis rackets
● PT. Inabata Indonesia	Indonesia	Jakarta	Import & export and sale of synthetic resins and chemicals
▲ PT. S-IK Indonesia	Indonesia	Bekasi (Jakarta suburb)	Compounding of resins
● Inabata Malaysia Sdn. Bhd.	Malaysia	Kuala Lumpur	Import & export and sale of synthetic resins
▲ SIK Color (M) Sdn. Bhd.	Malaysia	Johor	Compounding of resins
▲ IK Plastic Compound Phils. Inc.	Philippines	Binan (Manila suburb)	Compounding of resins
● Inabata Philippines, Inc.	Philippines	Binan (Manila suburb)	Sale of synthetic resins
● Inabata Singapore (Pte.) Ltd.	Singapore	Singapore	Import & export and sale of synthetic resins, electronic materials, and chemicals
▲ Novacel Singapore (Pte.) Ltd.	Singapore	Singapore	Research, development, production, and sale of resin compounds
▲ Apple Film Co., Ltd.	Thailand	Samut Prakan (Bangkok suburb)	Manufacturing of plastic films
▲ Hi-Tech Rubber Products Co., Ltd.	Thailand	Ayutthaya	Molding and processing of rubber products
● IKT Consulting Co., Ltd.	Thailand	Bangkok	Sale of machinery and provision of various services
● Inabata Thai Co., Ltd.	Thailand	Bangkok	Import & export and sale of synthetic resins, chemicals, food, and machinery
● Maruishi Chemical (Thailand) Co., Ltd.	Thailand	Bangkok	Sale of chemicals
▲ Novacel (Thailand) Co., Ltd.	Thailand	Bangkok	Research, development, production, and sale of resin compounds
▲ SIK (Thailand) Ltd.	Thailand	Samut Prakan (Bangkok suburb)	Compounding of resins
▲ Apple Film Da Nang Co., Ltd.	Vietnam	Da Nang	Manufacturing of plastic films
● Inabata Vietnam Co., Ltd.	Vietnam	Hanoi	Import & export and sale of synthetic resins, electronic materials, and chemicals
▲ SIK Vietnam Co., Ltd.	Vietnam	Haiphong	Compounding of resins
Northeast Asia			
●▲ Inabata Industry & Trade (Dalian F.T.Z.) Co., Ltd.	China	Dalian	Compounding of resins; import & export and sale of synthetic resins and chemicals
● Inabata Sangyo (H.K.) Ltd.	China	Hong Kong	Import & export and sale of synthetic resins, machinery, electronic materials, and chemicals
▲ Novacel (Hong Kong) Ltd.	China	Hong Kong	Research, development, production, and sale of resin compounds
● Guangzhou Inabata Trading Co., Ltd.	China	Guangzhou	Import & export and sale of synthetic resins, machinery, electronic materials, and chemicals
● Shanghai Inabata Trading Co., Ltd.	China	Shanghai	Import & export and sale of synthetic resins and chemicals
▲ Shanghai Inabata Fine Chemical Co., Ltd.	China	Shanghai	Processing of coating materials
● Inabata Korea & Co., Ltd.	South Korea	Seoul	Import & export and sale of electronic materials
● Taiwan Inabata Sangyo Co., Ltd.	Taiwan	Hsinchu	Import & export and sale of electronic materials, semiconductor-related equipment, and chemicals
The Americas			
▲ IK Plastic Compound Mexico, S.A. de C.V.	Mexico	Silao	Compounding of resins
● Inabata Mexico, S.A. de C.V.	Mexico	Queretaro	Sale of synthetic resins
▲ NH Inabata, S. de R.L. de C.V.	Mexico	Queretaro	Design and production, installation, and distribution of overhead traveling cranes
● DNI Group LLC	United States	Novato (San Francisco suburb)	Import & export and sale of food
● Inabata America Corp.	United States	New York	Import & export and sale of electronic materials, chemicals, and synthetic resins
Europe			
● Inabata France S.A.S.	France	Issy-les-Moulineaux (Paris suburb)	Import & export and sale of chemicals
▲ Pharmasynthese S.A.S.	France	Normandy	Manufacturing of pharmaceuticals, materials for cosmetics, and fine chemicals
● Inabata Europe GmbH	Germany	Dusseldorf	Import & export and sale of electronic materials, chemicals, and synthetic resins

Equity-method affiliates

Company name	Countries and regions		Business
▲ Ulvac Coating Corp.	Japan	Chichibu, Saitama	Manufacturing of electronics and optical industrial materials
● Clean Assist Co., Ltd.	Japan	Tokyo	Sale of plastic films and plastic sundries

Other affiliates

Company name	Countries and regions		Business
Japan			
▲ Aikei Farms Shakotan Co., Ltd.	Japan	Shakotan, Hokkaido	Production and sale of agricultural products
▲ Aikei Farms Yoichi Co., Ltd.	Japan	Yoichi, Hokkaido	Production and sale of agricultural products
▲ Inabata Optech Co., Ltd.	Japan	Kawasaki, Kanagawa	Research and development of encapsulants for optical semiconductor devices
Southeast Asia			
▲ Clover Plastics (Thailand) Co., Ltd.	Thailand	Chonburi	Manufacturing and sale of recycled plastic
The Americas			
● Inabata Brazil Import and Export Ltd.	Brazil	Sao Paulo	Sale of chemicals and synthetic resins
Australia			
● Inabata Australia Pty. Ltd.	Australia	Brisbane	Export of roughage, etc., import and sale of resin products, etc.

Corporate Information (As of July 1, 2026)

Company name	Inabata & Co., Ltd.
Founded	October 1, 1890
Incorporated	June 10, 1918
Paid-in capital	9,364 million yen
Domestic offices	Osaka Head Office, Tokyo Head Office, Nagoya Office, Iwate Office, Shiojiri Office, Shizuoka Office, Hamamatsu Office, Hiroshima Office, Kyushu Office (Kirishima)
Overseas offices	Approximately 70 locations in 19 countries including Singapore, Bangkok, Jakarta, Shanghai, Hong Kong, Taipei, Los Angeles, New York, and Dusseldorf
Number of employees	Non-consolidated: 807 (including employees seconded to affiliated companies) Consolidated: 4,719 (As of March 31, 2026)
Independent auditor	KPMG AZSA LLC
Securities code	Tokyo Stock Exchange Prime Market 8098

Website

www.inabata.co.jp/english/

Organization

(As of July 1, 2026)



Investor Relations

We actively engage in dialogue with shareholders and investors to contribute to sustainable growth and enhance corporate value over the medium to long term.

(1) IR system

- The president is ultimately responsible for IR, and the director in charge of IR has also been appointed. Dialogue with shareholders and investors is conducted by the president, the director in charge of IR, and the IR Department.
- In cooperation with relevant departments within the Company, the IR Department collects and analyzes various management information and communicates it internally and externally in a timely and appropriate manner.

(2) IR activities

- Inabata handles meetings with investors positively and reasonably. We also respond to requests for meetings with independent directors where feasible.
- Inabata holds a briefing on financial results twice a year to explain the progress of the medium-term management plan and provide an overview of financial results.
- Inabata provides opportunities for dialogue with individual shareholders and investors through participation in IR events for individual investors, etc.
- Inabata actively provides information through its website, integrated report, shareholder newsletters, and notices of the General Meeting of Shareholders.

(3) Feedback

- The director in charge of IR presents a report to the Board of Directors regarding shareholder opinions and concerns obtained through dialogue with shareholders.

IR activities in FY2025

Activity	Implemented
Financial results briefings	2 times
Individual meetings with institutional investors, analysts, etc. (including overseas)	62 times
Briefings for individual investors (participation in IR fair)	1 time
Participation in panel discussions for investors, including overseas investors	1 time

External Evaluation

Inclusion in indices (As of August 2026)

- JPX-Nikkei Index 400

JPX-NIKKEI 400
2023–2026

Note: For ESG-related index inclusion, please refer to page 126.

Other awards

We were selected for the AAA Website rating in the 2025 All Japanese Listed Companies' Website Ranking announced by Nikko Investor Relations Co., Ltd. We also received the Excellence Award in the Daiwa Internet IR Awards 2025 published by Daiwa Investor Relations Co., Ltd. In addition, we were recognized with the Best Company Award (Silver Award) in the Gomez IR Site Ranking 2025 and the Excellent Company Award in the Gomez ESG Site Ranking 2025, both announced by BroadBand Security, Inc.

企業ホームページ 最優秀サイト 2025 日興アイ・アール 総合部門

Internet IR 優良賞 2025 Daiwa Investor Relations

Gomez IR Site Ranking IRサイト総合ランキング 銀賞 2025年

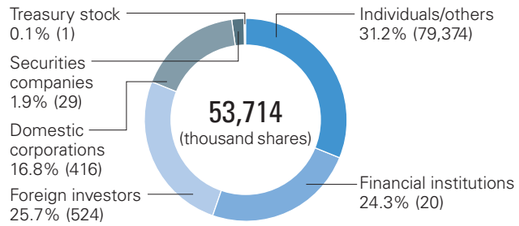
Gomez ESG Web Awards 2025

Stock Information (As of March 31, 2026)

Stock information

Total number of authorized shares	200,000,000
Number of shares issued and outstanding	53,714,127
Number of shareholders	80,364

Status of stock allocation by owners

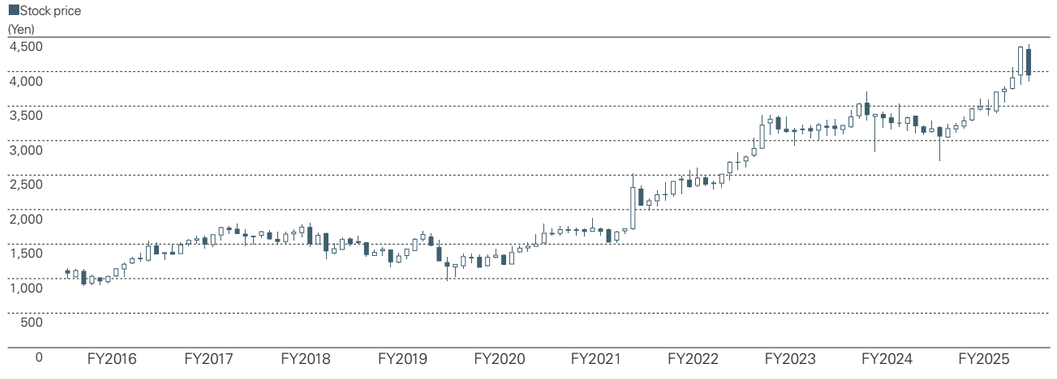


Principal shareholders (top 10)

Name of shareholder	Number of shares held (in thousands)	Shareholding ratio (%)
The Master Trust Bank of Japan, Ltd. (trust account)	6,992	13.0
Sumitomo Chemical Co., Ltd.	5,591	10.4
Custody Bank of Japan, Ltd. (trust account)	3,445	6.4
THE BANK OF NEW YORK, TREATY JASDEC ACCOUNT	843	1.6
RE FUND 107-CLIENT AC	798	1.5
STATE STREET BANK AND TRUST COMPANY 505001	725	1.4
Inabata Employee Shareholding Association	711	1.3
STATE STREET BANK AND TRUST COMPANY 505223	668	1.2
JP MORGAN CHASE BANK 385781	641	1.2
Custody Bank of Japan, Ltd. (trust account 4)	636	1.2

Note: Inabata & Co., Ltd. owns 77,714 shares of treasury stock, which are not included in the shareholding ratio calculation. However, 254,500 shares of Inabata & Co., Ltd. held by Custody Bank of Japan, Ltd. (trust account E) as trust assets under the Board Benefit Trust (BBT) system are excluded from the treasury shares and, therefore, included in the shareholding ratio calculation.

Stock price



Rating agency (Announced on August 21, 2025)

Credit rating	Issuer rating
Rating and Investment Information, Inc. (R&I)	A (stable)