

Profile

Inabata & Co., Ltd. is a specialized trading company operating in four business segments led by Information & Electronics and Plastics, followed by Chemicals, and Life Industry. Inabata operates in about 60 locations in 17 countries around the world. Inabata is capable of responding to diverse and global needs of its clients, utilizing its highly specialized expertise in each business segment, offering a comprehensive service ranging from planning, logistics, and manufacturing/processing. Inabata operates multiple manufacturing/processing bases mainly in Asia. Close collaboration with clients gives Inabata access to the latest information on product developments and marketing trends. This is what makes Inabata's strategy to expand its trading business unique.

Share information (February 16, 2022)

Share price	¥2,446
Total shares issued	60,799,227
Market capitalization (millions)	¥148,714

Investment Highlights

➤ Profits hit record highs in FY03/21

All profit categories hit record highs despite the impact of the COVID-19 pandemic, thanks to a sharp recovery in business in the automotive field among others in the second half of the fiscal year and a decline in SG&A expenses. Ordinary profit and profit attributable to owners of parent reached their respective targets in the medium-term management plan *NC2020*. Net debt-to-equity ratio was 0.06, indicating further enhancement in the financial health. The Plastics and Chemicals segments posted sales declines due to the impact of the pandemic, but the Information & Electronics segment benefited from an increase in FPD-related sales in China.

➤ New medium-term management plan, *New Challenge 2023 (NC2023)*

Develop business in the new energy field, and expand lineup of environmentally friendly products

- FY03/22 is the first year of the three-year medium-term management plan *NC2023*. Inabata plans to expand its lineup of environmentally friendly products, an area with growth potential, and rollout initiatives to support and develop businesses in the new energy, 5G-related, and automotive/mobility-related fields in a multifaceted manner. Through these efforts, the Company aims to raise its earnings to a higher level.
- In food and agriculture, Inabata will strengthen upstream and downstream expansion, including through various investments, to ensure profitability.
- Inabata will review strategically held shares with a view to cutting them in half in three years. Funds obtained through sales of strategic shareholdings are basically to be allotted not to internal reserve but to shareholder return and investment for future growth.
- Based on a sound financial base, Inabata will make aggressive investments aimed at expanding its trading business.

➤ Partially revised shareholder return policy

(disclosed on February 7, 2022)

1) The actual amount of dividends paid in the previous fiscal year will be used as the lower limit for dividends per share, and the basic policy is to continuously increase the dividends without reducing them. (Continuation of progressive dividends).

2) The target for total return ratio is roughly 50%.

However, in any fiscal year when strategic shareholdings are sold and consequently, a substantial amount of cash-in is generated, shareholder return will be made without necessarily regard to the above target for total return ratio, comprehensively taking into account future funding needs, Inabata's financial conditions, stock price, market conditions and other factors.

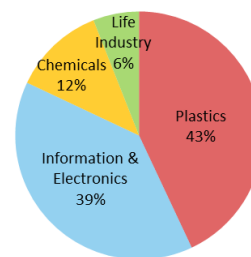
Additional strengthening of corporate governance

Inabata voluntarily established the Nominating and Remuneration Committee in 2015. The Group conducted a third-party evaluation of its Board of Directors in the fiscal year ended March 2021 and disclosed the results of this assessment and its future response.

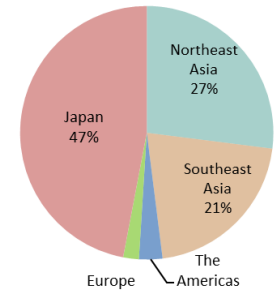
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Year Ended March 2021

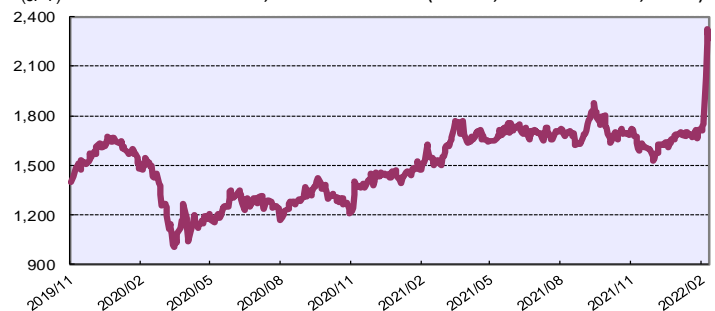
Net sales by business segment



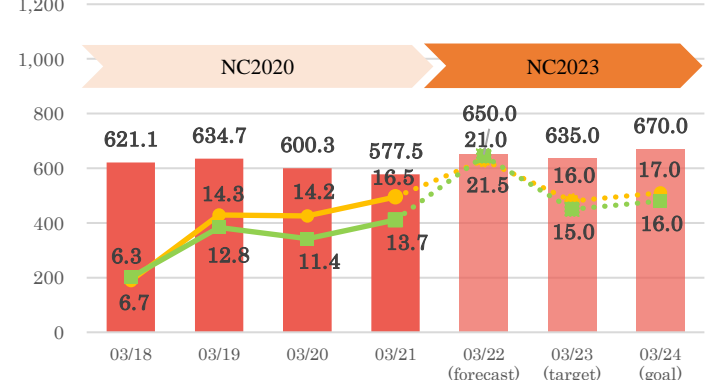
Net sales by geographical segment



Inabata & Co., Ltd. Share Price (Nov. 1, 2019 – Feb. 10, 2022)



(JPY Billion) Net Sales Ordinary Profit Profit attributable to owners of parent



Notes: On February 7, 2022, Inabata raised its FY03/22 forecast.

Inabata has adopted Accounting Standard for Revenue Recognition effective from Q1 FY03/22.

FY03/24 sales goal based on accounting standards prior to the adoption of the revised revenue

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