

Translation

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May 9, 2025

Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Based on Japanese GAAP)

Company name: Inabata & Co., Ltd.
 Stock exchange listing: Tokyo
 Stock code: 8098 URL <https://www.inabata.co.jp/english/>
 Representative: Director, President Katsutaro Inabata
 Executive Officer,
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 Scheduled date of ordinary general meeting of shareholders: June 17, 2025
 Scheduled date to file Securities Report: June 16, 2025
 Scheduled date to commence dividend payments: May 30, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2025	837,838	9.4	25,824	21.9	26,134	22.2	19,833	(0.8)
Fiscal year ended March 31, 2024	766,022	4.1	21,190	4.3	21,393	11.9	20,000	2.7

Note: Comprehensive income For the fiscal year ended March 31, 2025: ¥19,756 million [(34.2)%]
 For the fiscal year ended March 31, 2024: ¥30,021 million [98.4%]

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Fiscal year ended March 31, 2025	363.90	—	9.7	6.0	3.1
Fiscal year ended March 31, 2024	362.17	—	10.5	5.3	2.8

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended March 31, 2025: ¥313 million

For the fiscal year ended March 31, 2024: ¥311 million

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	441,972	216,555	47.1	3,827.53
As of March 31, 2024	427,320	206,754	46.8	3,624.01

Reference: Equity

As of March 31, 2025: ¥208,155 million

As of March 31, 2024: ¥200,166 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Fiscal year ended March 31, 2025	19,903	(9,498)	(805)	55,357
Fiscal year ended March 31, 2024	30,187	(2,386)	(13,981)	46,301

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2024	—	55.00	—	65.00	120.00	6,700	33.1	3.5
Fiscal year ended March 31, 2025	—	60.00	—	65.00	125.00	6,829	34.4	3.4
Fiscal year ending March 31, 2026 (Forecast)	—	63.00	—	65.00	128.00		35.0	

3. Forecast of consolidated financial results for the year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2025	430,000	2.0	12,500	(9.8)	12,500	(10.6)	9,500	(18.0)	176.56
Full year	870,000	3.8	25,500	(1.3)	25,500	(2.4)	19,500	(1.7)	365.86

4. Notes

- (1) Significant changes in the scope of consolidation during the period: Yes
 Newly included: 4 companies (Novacel Co., Ltd. and 3 other companies)
- (2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2025	54,714,127 shares	As of March 31, 2024	55,914,127 shares
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Number of treasury shares at the end of the period

As of March 31, 2025	330,404 shares	As of March 31, 2024	680,789 shares
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Average number of shares during the period

Fiscal year ended March 31, 2025	54,503,814 shares	Fiscal year ended March 31, 2024	55,222,368 shares
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Note: The Company has introduced the "Board Benefit Trust (BBT)," and shares of the Company held by this trust are included in the number of treasury shares to be deducted in the calculation of "Number of treasury shares at the end of the period" and "Average number of shares during the period."

[Reference] Overview of non-consolidated financial results

Non-consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(1) Non-consolidated operating results

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2025	358,180	10.3	7,389	13.6	11,112	(13.0)	10,103	(17.5)
Fiscal year ended March 31, 2024	324,830	0.1	6,504	8.2	12,778	27.9	12,249	(5.1)

	Earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended March 31, 2025	184.92	—
Fiscal year ended March 31, 2024	220.01	—

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2025	237,055	92,669	39.1	1,703.99
As of March 31, 2024	228,532	93,678	41.0	1,685.63

Reference: Equity

As of March 31, 2025: ¥92,669 million

As of March 31, 2024: ¥93,678 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Proper use of earnings forecasts, and other special matters

The above forecasts are based on information available to the Company as of the date of the announcement of this document and are not intended to be a commitment by the Company to achieve them. In addition, actual results may differ from the forecasts due to various factors in the future. For matters concerning financial forecasts, please refer to “(4) Future outlook” of “1. Overview of operating results and others” on page 6 of the attached material.

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1. Overview of operating results and others

(1) Overview of operating results for the fiscal year

During the fiscal year ended March 31, 2025, the global economy was generally on a recovery trend, although there were differences by region.

In the U.S., the economy expanded as consumer spending and government expenditure increased. In China, production and exports increased due to the effects of government policy, but consumption and capital expenditure remained flat, and the recovery continued to be at a standstill. In emerging countries of Asia, the Indian economy expanded and the Indonesian economy picked up moderately. On the other hand, the economy is weaker in Thailand. In Europe, there were signs of a recovery centered on consumption and capital expenditure in the Euro area, but there was a standstill in recovery in Germany. In the U.K., there was a standstill in the recovery, chiefly in consumption and production.

The Japanese economy recovered gradually, mainly in capital expenditure. Although there was some standstill in consumer spending, there were signs of a recovery. In addition, corporate earnings and employment conditions also improved generally.

Under this situation, the Group's consolidated net sales were ¥837,838 million (up 9.4% year-on-year), marking a record high partly due to the effect of the yen's depreciation. As for profits, operating profit was ¥25,824 million (up 21.9% year-on-year), ordinary profit was ¥26,134 million (up 22.2% year-on-year), all of which setting new record highs. Profit attributable to owners of parent was ¥19,833 million (down 0.8% year-on-year) due to absence of gain on bargain purchase in the fiscal year ended March 31, 2025, which was recorded in the fiscal year ended March 31, 2024.

The average exchange rate against US dollar during the fiscal year ended March 31, 2025 was ¥152.62 (¥144.59 during the fiscal year ended March 31, 2024).

	(Millions of yen)		
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Year-on-year (%)
Net sales	766,022	837,838	9.4% increase
Operating profit	21,190	25,824	21.9% increase
Ordinary profit	21,393	26,134	22.2% increase
Profit attributable to owners of parent	20,000	19,833	0.8% decrease

Operating results by segment are as follows.

Information & Electronics Business

In the Information & Electronics Business, net sales increased due to a recovery in sales related to flat panel displays (hereinafter, "FPDs") and other products such as printers and copier-related materials. In addition, due to improved profit margins overall, segment profit (operating profit) increased significantly.

For products related to FPDs, the recovery of end-user demand in China and other markets was sluggish, and with panel manufacturers making adjustments to production, sales of products for large TVs were weak. On the other hand, due in part to the shift to OLEDs panels such as for mobile devices and tablets, sales for in-vehicle electronics and products for OLEDs were robust. Going into the fourth quarter, operations of panel manufacturers recovered due to the effects of China's economic stimulus measures and other factors.

For LED-related products, due to inventory adjustments for outdoor displays arising in China, sales decreased.

For products related to inkjet printers, sales were strong. Sales to consumers of raw materials for consumable goods and components increased as inventory adjustments were completed by the end of

the previous fiscal year. For industrial materials, sales of related materials also increased due to strong sales for food and beverage packaging applications, etc.

For copier-related products, sales of relevant materials increased due to the completion of inventory adjustment of toner for office use.

For products related to solar cells, sales decreased mainly in Europe and the U.S. due to intensified global price competition, mainly affected by the spreading of inexpensive panels to Europe and other regions.

For products related to secondary cells, sales decreased significantly worldwide against a backdrop of the slowdown in EV sales.

For photomask-related products, sales for semiconductors were robust and demand for LCD products were strong, but there were slight differences depending on the customers, and sales for related materials declined slightly.

Sales in semiconductor-related products were strong. This was mainly due to increased demand from China and sales of semiconductor materials for AI-related applications, as well as sales of largescale equipment.

For products related to electronics peripheral components, inventory adjustments ran their course, but the recovery of actual demand has been slow, and sales have remained almost at the same level.

As a result, net sales amounted to ¥264,056 million (up 10.4% year-on-year). Segment profit (operating profit) was ¥8,477 million (up 22.8% year-on-year).

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Year-on-year (%)
Net sales	239,114	264,056	10.4% increase
Segment profit (operating profit)	6,904	8,477	22.8% increase

Chemicals Business

In the Chemicals Business, sales increased due to strong performance in businesses related to resin materials/additives, papermaking agents and building materials, as well as increased overseas sales.

For resin materials/additives, despite a decrease in sales of urethane-related products, sales increased, partly due to the acquisition of new business overseas.

For materials for automotive parts, sales decreased mainly due to the impact of slowdown in EV sales.

For the coating/ink/adhesive area, although sales were sluggish and the volume decreased slightly for automotive products and building materials, unit sales prices rose, with the result that overall sales were at the same level as the previous year.

For papermaking agents, sales increased as inventory adjustments for plain paper ran their course.

For products related to building materials, sales increased due to expanded sales to house-builders and increased sales for apartments and condominiums, despite the decline in new housing starts.

As a result, net sales amounted to ¥118,298 million (up 5.0% year-on-year). Segment profit (operating profit) was ¥2,948 million (up 5.7% year-on-year).

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Year-on-year (%)
Net sales	112,657	118,298	5.0% increase
Segment profit (operating profit)	2,788	2,948	5.7% increase

Life Industry Business

In the Life Industry Business, sales of both life science-related products and food-related products almost remained at the same level.

For life science-related products, sales of insect repellents and insecticide were robust, but pharmaceuticals were affected by customers' inventory adjustments.

For food-related products, in terms of agricultural products, sales of frozen vegetables were robust in the Japanese market, but sales of frozen fruits were sluggish in overseas markets. For fishery products, sales were robust for conveyor-belt sushi restaurants and mass retailers in Japan, but both sales and profit of processed fishery products and other ingredients for Japanese cuisine in the U.S. market declined sharply due to sluggish demand for restaurants and intensified competition. Moreover, DAIGO TSUSHO CO., LTD., which was made a consolidated subsidiary in the previous fiscal year, has made a steady contribution in terms of income.

As a result, net sales amounted to ¥53,759 million (up 0.3% year-on-year). Segment profit (operating profit) was ¥1,175 million (down 20.6% year-on-year).

	(Millions of yen)		
	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Year-on-year (%)
Net sales	53,597	53,759	0.3% increase
Segment profit (operating profit)	1,480	1,175	20.6% decrease

Plastics Business

In the Plastics Business, sales increased due to generally strong sales in each sector. In addition, improved profit margins mainly due to the recovery in operations of manufacturing functions, including the compound business, resulted in a significant increase in segment profit (operating profit).

For products related to commodity resins, amid generally weak demand in various sectors, such as daily necessities and building materials, we focused on selling imported products and cultivating new customers, resulting in increased sales.

For products related to high-performance resins, sales of products for OA increased significantly as inventory adjustments were completed by the end of the previous fiscal year. For automotive-related products, sales in Japan were mostly flat, and sales in Southeast Asia decreased slightly. However, sales in Mexico and India increased. In China, sales to Japanese-affiliated automakers were sluggish, but sales to local manufacturers expanded. Overall, global sales of automotive-related products remained almost at the same level.

For the compound business, sales increased due to a recovery in demand from the OA sector as well as due to the new consolidation of Novacel Co., Ltd., which is a joint venture with Daicel Corporation, and Novacel's three subsidiaries.

For polyolefin resins, exports decreased, but sales for electric wire coatings for Asia were strong. In Japan, sales of polyolefin resins increased on the back of increased inbound demand, etc.

For film-related products, sales in the soft packaging area performed well on the back of increased inbound demand, etc., resulting in both higher quantities and unit prices.

For sheet-related products, sales increased significantly due to increased sales of sporting goods-related products among major customers both in Japan and overseas, as well as the cultivation of new customers.

The recycling material business grew significantly, partly due to improvement of production capacity.

As a result, net sales amounted to ¥401,541 million (up 11.4% year-on-year). Segment profit (operating profit) was ¥13,086 million (up 32.5% year-on-year).

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Year-on-year (%)
Net sales	360,471	401,541	11.4% increase
Segment profit (operating profit)	9,879	13,086	32.5% increase

(2) Overview of financial position for the fiscal year

Assets

Total assets as of March 31, 2025 increased by ¥14,651 million compared with March 31, 2024 (up 3.4% year-on-year) to ¥441,972 million.

The increase in current assets by ¥5,971 million was mainly due to increases in cash and deposits despite decreases in accounts receivable - trade and in electronically recorded monetary claims - operating.

The increase in non-current assets by ¥8,680 million was mainly due to increases in intangible assets, in investment securities and in retirement benefit asset.

Liabilities

Total liabilities as of March 31, 2025 increased by ¥4,851 million compared with March 31, 2024 (up 2.2% year-on-year) to ¥225,416 million.

The decrease in current liabilities by ¥20,769 million was principally due to decreases in short-term borrowings and in notes and accounts payable - trade.

The increase in non-current liabilities by ¥25,620 million was mainly due to increases in bonds payable and in long-term borrowings.

Net assets

Total net assets as of March 31, 2025 increased by ¥9,800 million compared with March 31, 2024 (up 4.7% year-on-year) to ¥216,555 million. This was mainly attributable to increases in retained earnings and in non-controlling interests despite a decrease in valuation difference on available-for-sale securities.

As a result, the equity ratio was 47.1% (up 0.3 points from March 31, 2024). The amount of net assets per share based on the total number of issued shares at the end of the period was ¥3,827.53 (up ¥203.52 from March 31, 2024).

(3) Overview of cash flows for the fiscal year

Cash and cash equivalents as of March 31, 2025 (hereinafter referred to as “cash”) increased by ¥9,055 million compared with March 31, 2024 to ¥55,357 million, mainly because profit before income taxes and proceeds from issuance of bonds were higher than net decrease in short-term borrowings, income taxes paid, dividends paid and decrease in trade payables.

The status of cash flows and factors therein in the fiscal year ended March 31, 2025 are as follows.

Cash flows from operating activities

Cash gained as a result of operating activities was ¥19,903 million (cash gained of ¥30,187 million in the fiscal year ended March 31, 2024). This was mainly because profit before income taxes and depreciation were higher than income taxes paid and decrease in trade payables.

Cash flows from investing activities

Cash used as a result of investing activities was ¥9,498 million (cash used of ¥2,386 million in the fiscal year ended March 31, 2024). This was mainly because purchase of shares of subsidiaries resulting in change in scope of consolidation, purchase of property, plant and equipment, purchase of intangible assets and purchase of investment securities were higher than proceeds from sale of

investment securities.

Cash flows from financing activities

Cash used as a result of financing activities was ¥805 million (cash used of ¥13,981 million in the fiscal year ended March 31, 2024). This was mainly because net decrease in short-term borrowings and dividends paid were higher than proceeds from issuance of bonds.

(4) Future outlook

As future outlook for the global economy, we expect that the economic recovery will continue at a moderate pace in general, despite signs of a standstill seen in some regions. On the other hand, there are concerns about an economic slowdown due to the impact of U.S. tariff measures, and it is expected that uncertainty will continue due to ongoing inflation associated with these measures, fluctuations in financial and capital markets, and changes in the situation surrounding Russia, Ukraine and the Middle East.

Regarding the U.S. tariffs, there has been no particular impact on the Company's business or performance at this time. With regard to the future, the situation is fluid in terms of the countries and products that will be subject to the tariffs, the effective dates of enforcement, etc. In addition, due to the nature of the wholesale business, there is a possibility that the impact will vary greatly depending on how customers respond. At present, it is difficult to make a reasonable estimate of the degree and amount of the impact, and for these reasons, we have not incorporated the tariffs into our consolidated earnings forecast for the fiscal year ending March 31, 2026. We will do our utmost to gather information, such as by exchanging information more closely with our customers in each segment and region.

For the outlook for consolidated financial results for the fiscal year ending March 31, 2026, we forecast net sales of ¥870,000 million, operating profit of ¥25,500 million, ordinary profit of ¥25,500 million, and profit attributable to owners of parent of ¥19,500 million.

The exchange rate which is a precondition for the outlook for financial results is assumed to be 1USD = ¥143.00.

Outlook for consolidated financial results

(Millions of yen)

	FY2026	
	Forecast for the first six months	Full-year forecast
Net sales	430,000	870,000
Operating profit	12,500	25,500
Ordinary profit	12,500	25,500
Profit attributable to owners of parent	9,500	19,500

Descriptions about the future, such as forecast for financial results, presented in this material were prepared based on information available to the Company as of the date of releasing this material, and certain assumptions considered reasonable. Actual results may differ from the forecasts due to various factors in the future.

2. Basic rationale for selection of accounting standards

The Group prepares consolidated financial statements in accordance with Japanese GAAP, taking into account the period comparability of the consolidated financial statements and the comparability between companies.

With regard to the application of IFRS, as our policy, we will respond appropriately by taking into consideration changes in the ratio of foreign shareholders, trend of the application by other Japanese companies in the same industry, and other factors.

3. Consolidated financial statements and significant notes thereto

(1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	51,310	59,839
Notes receivable - trade	7,792	7,506
Electronically recorded monetary claims - operating	23,406	22,184
Accounts receivable - trade	175,264	173,813
Merchandise and finished goods	78,286	79,782
Work in process	1,938	1,517
Raw materials and supplies	4,843	5,431
Other	11,639	10,356
Allowance for doubtful accounts	(475)	(454)
Total current assets	354,006	359,977
Non-current assets		
Property, plant and equipment		
Buildings and structures	18,439	18,658
Accumulated depreciation	(12,417)	(12,951)
Buildings and structures, net	6,022	5,707
Machinery, equipment and vehicles	22,887	24,277
Accumulated depreciation	(17,847)	(19,342)
Machinery, equipment and vehicles, net	5,040	4,935
Land	4,134	3,985
Construction in progress	291	1,991
Other	8,666	8,390
Accumulated depreciation	(5,529)	(5,297)
Other, net	3,136	3,093
Total property, plant and equipment	18,625	19,713
Intangible assets	3,855	9,325
Investments and other assets		
Investment securities	34,872	36,230
Long-term loans receivable	2,262	2,314
Retirement benefit asset	9,346	10,502
Deferred tax assets	1,313	1,442
Other	9,169	8,626
Allowance for doubtful accounts	(6,131)	(6,161)
Total investments and other assets	50,833	52,955
Total non-current assets	73,314	81,994
Total assets	427,320	441,972

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	127,702	121,191
Short-term borrowings	42,946	28,338
Income taxes payable	2,498	3,374
Accrued expenses	1,911	1,830
Provision for bonuses	1,863	1,997
Other	12,315	11,735
Total current liabilities	189,238	168,469
Non-current liabilities		
Bonds payable	7,500	25,000
Long-term borrowings	12,389	20,294
Deferred tax liabilities	5,952	6,380
Provision for retirement benefits for directors (and other officers)	42	33
Provision for share awards for directors (and other officers)	262	262
Retirement benefit liability	2,343	2,134
Other	2,836	2,841
Total non-current liabilities	31,327	56,947
Total liabilities	220,565	225,416
Net assets		
Shareholders' equity		
Share capital	9,364	9,364
Capital surplus	7,177	7,230
Retained earnings	144,689	153,617
Treasury shares	(904)	(785)
Total shareholders' equity	160,327	169,427
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	10,289	9,417
Deferred gains or losses on hedges	595	310
Foreign currency translation adjustment	28,541	28,148
Remeasurements of defined benefit plans	412	850
Total accumulated other comprehensive income	39,838	38,727
Non-controlling interests	6,588	8,400
Total net assets	206,754	216,555
Total liabilities and net assets	427,320	441,972

(2) Consolidated statement of income and consolidated statement of comprehensive income**Consolidated statement of income**

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net sales	766,022	837,838
Cost of sales	696,734	758,915
Gross profit	69,288	78,923
Selling, general and administrative expenses	48,097	53,098
Operating profit	21,190	25,824
Non-operating income		
Interest income	425	855
Dividend income	1,073	1,051
Share of profit of entities accounted for using equity method	311	313
Miscellaneous income	1,232	1,117
Total non-operating income	3,042	3,339
Non-operating expenses		
Interest expenses	1,873	1,485
Foreign exchange losses	204	811
Provision of allowance for doubtful accounts	101	96
Miscellaneous losses	660	636
Total non-operating expenses	2,839	3,029
Ordinary profit	21,393	26,134
Extraordinary income		
Gain on sale of non-current assets	285	512
Gain on sale of investment securities	3,765	3,615
Gain on bargain purchase	3,419	—
Total extraordinary income	7,470	4,127
Extraordinary losses		
Loss on retirement of non-current assets	543	170
Loss on valuation of investment securities	69	646
Loss on step acquisitions	225	—
Contribution for joint development cost	—	325
Total extraordinary losses	838	1,142
Profit before income taxes	28,025	29,119
Income taxes - current	6,883	7,558
Income taxes - deferred	450	615
Total income taxes	7,333	8,173
Profit	20,692	20,945
Profit attributable to non-controlling interests	691	1,111
Profit attributable to owners of parent	20,000	19,833

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Profit	20,692	20,945
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,164)	(941)
Deferred gains or losses on hedges	195	(301)
Foreign currency translation adjustment	11,313	(519)
Remeasurements of defined benefit plans, net of tax	(103)	438
Share of other comprehensive income of entities accounted for using equity method	88	134
Total other comprehensive income	9,329	(1,189)
Comprehensive income	30,021	19,756
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	28,924	18,722
Comprehensive income attributable to non-controlling interests	1,097	1,033

(3) Consolidated statement of changes in equity

Fiscal year ended March 31, 2024

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	9,364	6,718	134,684	(2,220)	148,546
Changes during period					
Dividends of surplus			(6,658)		(6,658)
Profit attributable to owners of parent			20,000		20,000
Purchase of treasury shares				(2,230)	(2,230)
Cancellation of treasury shares			(3,337)	3,337	–
Disposal of treasury shares		584		304	889
Treasury stock transfer of stock ownership trust					–
Purchase of shares of consolidated subsidiaries		(124)			(124)
Change in scope of consolidation				(283)	(283)
Change in scope of equity method				188	188
Net changes in items other than shareholders' equity					
Total changes during period	–	459	10,005	1,315	11,780
Balance at end of period	9,364	7,177	144,689	(904)	160,327

	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	12,805	395	17,187	526	30,914	2,046	181,507
Changes during period							
Dividends of surplus							(6,658)
Profit attributable to owners of parent							20,000
Purchase of treasury shares							(2,230)
Cancellation of treasury shares							–
Disposal of treasury shares							889
Treasury stock transfer of stock ownership trust							–
Purchase of shares of consolidated subsidiaries							(124)
Change in scope of consolidation							(283)
Change in scope of equity method							188
Net changes in items other than shareholders' equity	(2,515)	200	11,354	(114)	8,924	4,542	13,467
Total changes during period	(2,515)	200	11,354	(114)	8,924	4,542	25,247
Balance at end of period	10,289	595	28,541	412	39,838	6,588	206,754

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
Purchase of shares of consolidated subsidiaries		(600)			(600)
Change in scope of consolidation					–
Change in scope of equity method					–
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
Purchase of shares of consolidated subsidiaries							(600)
Change in scope of consolidation							–
Change in scope of equity method							–
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

(4) Consolidated statement of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	28,025	29,119
Depreciation	3,743	4,219
Amortization of goodwill	1	244
Increase (decrease) in allowance for doubtful accounts	(139)	46
Increase (decrease) in retirement benefit liability	278	105
Decrease (increase) in retirement benefit asset	(1,197)	(804)
Interest and dividend income	(1,498)	(1,907)
Interest expenses	1,873	1,485
Share of loss (profit) of entities accounted for using equity method	(311)	(313)
Gain on sale of non-current assets	(285)	(512)
Loss on retirement of non-current assets	42	170
Loss (gain) on valuation of investment securities	69	646
Loss (gain) on sale of investment securities	(3,765)	(3,615)
Gain on bargain purchase	(3,419)	—
Loss (gain) on step acquisitions	225	—
Decrease (increase) in trade receivables	(3,861)	3,095
Decrease (increase) in inventories	13,608	(93)
Decrease (increase) in other current assets	331	1,879
Decrease (increase) in other non-current assets	8	258
Increase (decrease) in trade payables	4,184	(6,552)
Increase (decrease) in other current liabilities	1,374	(670)
Other, net	(279)	(44)
Subtotal	39,009	26,758
Interest and dividends received	1,611	2,022
Interest paid	(1,886)	(1,479)
Income taxes paid	(8,546)	(7,398)
Net cash provided by (used in) operating activities	30,187	19,903
Cash flows from investing activities		
Payments into time deposits	(4,829)	(4,565)
Proceeds from withdrawal of time deposits	6,909	4,955
Purchase of property, plant and equipment	(2,595)	(3,782)
Proceeds from sale of property, plant and equipment	301	759
Purchase of intangible assets	(1,864)	(2,372)
Purchase of investment securities	(2,808)	(2,349)
Proceeds from sale of investment securities	4,213	4,024
Purchase of shares of subsidiaries	(548)	(1,434)
Decrease (increase) in short-term loans receivable	50	(187)
Long-term loan advances	(1,052)	(770)
Proceeds from collection of long-term loans receivable	781	671
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(852)	(4,422)
Other, net	(90)	(23)
Net cash provided by (used in) investing activities	(2,386)	(9,498)

(Millions of yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(13,978)	(13,058)
Proceeds from long-term borrowings	7,099	8,988
Repayments of long-term borrowings	(2,558)	(2,368)
Proceeds from issuance of bonds	–	17,385
Proceeds from share issuance to non-controlling shareholders	1,000	–
Purchase of treasury shares	(2,245)	(4,149)
Decrease (increase) in money held in trust for acquisition of treasury shares	2,837	–
Proceeds from sale of shares of parent held by subsidiaries	1,453	1,524
Dividends paid	(6,658)	(6,876)
Dividends paid to non-controlling interests	(19)	(100)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(124)	(1,300)
Other, net	(786)	(850)
Net cash provided by (used in) financing activities	(13,981)	(805)
Effect of exchange rate change on cash and cash equivalents	2,691	(543)
Net increase (decrease) in cash and cash equivalents	16,511	9,055
Cash and cash equivalents at beginning of period	29,790	46,301
Cash and cash equivalents at end of period	46,301	55,357

(5) Notes to consolidated financial statements**Notes on premise of going concern**

Not applicable.

Note to changes in presentationConsolidated statement of cash flows

“Amortization of goodwill,” which was included in “Other, net” under the “Cash flows from operating activities” in the previous fiscal year, is presented as a separate line item from the current fiscal year due to its increased importance in terms of amount. To reflect this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, ¥(277) million that had been presented in “Other, net” under “Cash flows from operating activities” in the consolidated statement of cash flows for the previous fiscal year has been restated as ¥1 million under “Amortization of goodwill” and ¥(279) million under “Other, net.”

Notes to segment information, etc.**1. Overview of reportable segments**

The Group’s reportable segments are, among the Group’s components, those whose separated financial information is available and which are regularly examined by the Board of Directors to determine allocation of managerial resources and assess business performance.

The Group is mainly engaged in sale and purchase of goods in Japan and abroad, manufacturing and sales of various products, provision of services and others. It develops domestic and overseas comprehensive strategies for merchandise, products and services offered, and conducts business activities.

In implementing these business activities, the Group has classification of four reportable segments of “Information & Electronics,” “Chemicals,” “Life Industry” and “Plastics” by merchandise, product, or target market/industry based on business units of sales divisions at the head office.

Major merchandise, products and services of each reportable segment are as follows.

- | | |
|-------------------------------|---|
| (1) Information & Electronics | Materials for semiconductors/LCDs, machinery and equipment, dyes and pigments for copiers/printers, and materials for the electronics industry |
| (2) Chemicals | Raw materials for automotive parts, raw materials for resins/rubbers, raw materials for coating/ink/adhesives, papermaking agents, dyes/dyeing and weaving materials, lumber, laminated timber, wood-based building materials, housing equipment, and materials related to housing facilities |
| (3) Life Industry | Raw materials for pharmaceutical products and agricultural chemicals, fine chemicals, raw materials for insecticide/toiletries, raw materials for functional food, marine products, agricultural products, and starches |
| (4) Plastics | Commodity resins, engineering plastics, and various film products |

2. Method for calculating amounts of net sales, profit or loss, assets, liabilities and other items by reportable segment

The accounting method for the operating segments that are reportable complies with those used in preparing the consolidated financial statements.

Intersegment sales or transfers are based on current market price.

3. Information on the amounts of net sales, profit or loss, assets, liabilities and other items by reportable segment

Fiscal year ended March 31, 2024

(Millions of yen)

	Reportable segments				
	Information & Electronics	Chemicals	Life Industry	Plastics	Total
Net sales					
(1) Sales to external customers	239,114	112,657	53,597	360,471	765,840
(2) Intersegment sales or transfers	—	—	—	—	—
Total	239,114	112,657	53,597	360,471	765,840
Segment profit	6,904	2,788	1,480	9,879	21,053
Segment assets	108,714	62,224	33,182	184,773	388,894
Other items					
Depreciation	590	451	302	2,400	3,743
Amortization of goodwill	—	—	—	1	1
Investment in entities accounted for using equity method	1,141	—	—	1,201	2,342
Increase in property, plant and equipment and intangible assets	142	244	475	1,697	2,560

	Others (Note) 1	Total	Adjustments (Note) 2	Consolidated financial statement amounts (Note) 3
Net sales				
(1) Sales to external customers	181	766,022	—	766,022
(2) Intersegment sales or transfers	—	—	—	—
Total	181	766,022	—	766,022
Segment profit	137	21,190	—	21,190
Segment assets	350	389,245	38,075	427,320
Other items				
Depreciation	—	3,743	—	3,743
Amortization of goodwill	—	1	—	1
Investment in entities accounted for using equity method	—	2,342	—	2,342
Increase in property, plant and equipment and intangible assets	—	2,560	1,900	4,460

Notes: 1. “Others” category represents a business segment that is not included in reportable segments, and real estate leasing business.

2. (1) Of segment assets, ¥38,075 million of corporate assets included in items of adjustments mainly consist of surplus funds for management at the parent company (cash and deposits), long-term investment funds (investment securities, etc.), and assets related to administrative offices.

(2) Adjustments to increase in property, plant and equipment and intangible assets of ¥1,900 million are increase related to administrative offices of the parent company.

3. The total amount of segment profit corresponds to operating profit in the consolidated statement of income.

4. Information about impairment loss of non-current assets or goodwill, etc., by reportable segment
(Gain on bargain purchase)

A bargain purchase occurred in conjunction with the Company making Maruishi Chemical Trading Co., Ltd. and its wholly-owned subsidiary Maruishi Techno Co., Ltd. into consolidated subsidiaries of the Company through the additional acquisition of shares. The amount of gain on bargain purchase recorded due to this event was ¥3,047 million for the fiscal year ended March 31, 2024.

Gain on bargain purchase is an extraordinary income and is not included in the segment profit.

Fiscal year ended March 31, 2025

(Millions of yen)

	Reportable segments				
	Information & Electronics	Chemicals	Life Industry	Plastics	Total
Net sales					
(1) Sales to external customers	264,056	118,298	53,759	401,541	837,656
(2) Intersegment sales or transfers	—	—	—	—	—
Total	264,056	118,298	53,759	401,541	837,656
Segment profit	8,477	2,948	1,175	13,086	25,688
Segment assets	110,181	60,138	30,778	200,118	401,217
Other items					
Depreciation	627	524	335	2,731	4,219
Amortization of goodwill	—	—	—	244	244
Investment in entities accounted for using equity method	1,298	—	—	1,376	2,675
Increase in property, plant and equipment and intangible assets	194	337	458	6,025	7,015

	Others (Note) 1	Total	Adjustments (Note) 2	Consolidated financial statement amounts (Note) 3
Net sales				
(1) Sales to external customers	181	837,838	—	837,838
(2) Intersegment sales or transfers	—	—	—	—
Total	181	837,838	—	837,838
Segment profit	136	25,824	—	25,824
Segment assets	343	401,561	40,410	441,972
Other items				
Depreciation	—	4,219	—	4,219
Amortization of goodwill	—	244	—	244
Investment in entities accounted for using equity method	—	2,675	—	2,675
Increase in property, plant and equipment and intangible assets	—	7,015	3,567	10,583

- Notes: 1. “Others” category represents a business segment that is not included in reportable segments, and real estate leasing business.
2. (1) Of segment assets, ¥40,410 million of corporate assets included in items of adjustments mainly consist of surplus funds for management at the parent company (cash and deposits), long-term investment funds (investment securities, etc.), and assets related to administrative offices.
- (2) Adjustments to increase in property, plant and equipment and intangible assets of ¥3,567 million are increase related to administrative offices of the parent company.
3. The total amount of segment profit corresponds to operating profit in the consolidated statement of income.
4. Information about impairment loss of non-current assets or goodwill, etc., by reportable segment
(Significant change in the amount of goodwill)

In the Plastics Segment, the Company, with the acquisition of the shares of Novacel Co., Ltd., included that company and its three consolidated subsidiaries in the scope of consolidation from the fiscal year ended March 31, 2025. As a result, goodwill of ¥3,198 million was recognized in the Plastics Segment.

Notes to per share information

(Yen)

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Net assets per share	3,624.01	3,827.53
Basic earnings per share	362.17	363.90
	Diluted earnings per share are not provided because there is no potential share.	Same as the left

Notes: 1. In the calculation of net assets per share, shares of the Company held by the “Board Benefit Trust (BBT)” are included in the number of treasury shares deducted in the calculation of the “total number of issued common shares at the end of the period.” In addition, in the calculation of basic earnings per share, shares of the Company held by the trust are included in the number of treasury shares deducted in the calculation of the “average number of common shares during the period.”

The number of the treasury shares deducted in the calculation of net assets per share was 266,400 shares as of March 31, 2024 and 254,500 shares as of March 31, 2025. Furthermore, the average number of the treasury shares deducted in the calculation of basic earnings per share during the period was 266,400 shares as of March 31, 2024 and 258,161 shares as of March 31, 2025.

2. The basis for calculation of the basic earnings per share is as follows.

	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025
Basic earnings per share		
Profit attributable to owners of parent (Millions of yen)	20,000	19,833
Profit not attributable to common shareholders (Millions of yen)	—	—
Profit attributable to owners of parent related to common shares (Millions of yen)	20,000	19,833
Average number of shares during the period (Shares)	55,222,368	54,503,814

Notes to subsequent events

Not applicable.

4. Others

Changes in officers

Changes in officers (scheduled for June 17, 2025) are as follows.

(1) Changes in directors

(i) Directors scheduled for appointment

Director	Noriaki Takeshita	Current Director, Sumitomo Chemical Co., Ltd.
Outside Director	Mari Ikegaki	Former Managing Director, Morgan Stanley

(ii) Retiring directors

Takashi Shigemori	Current Director
Takako Hagiwara	Current Outside Director

(2) Changes in executive officers

Executive officer scheduled for appointment

Executive Officer	Kazunori Fukui	Current Managing Director, Inabata Singapore (Pte.) Ltd.
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New management structure

The Company's management structure is scheduled to be as follows as of June 17, 2025.

Director, President	Katsutaro Inabata	
Director, Senior Managing Executive Officer	Toyohiro Akao	In charge of Information & Electronics segment, Life Industry segment (assisting), Northeast Asia
Director, Senior Managing Executive Officer	Kenichi Yokota	In charge of Administrative Affairs
Director	Noriaki Takeshita	
Outside Director	Osamu Chonan	
Outside Director	Hisayuki Suekawa	
Outside Director	Mari Ikegaki	
Director, Audit and Supervisory Committee Member	Nobukazu Kuboi	
Outside Director, Audit and Supervisory Committee Member	Minoru Sanari	
Outside Director, Audit and Supervisory Committee Member	Tomokazu Fujisawa	
Outside Director, Audit and Supervisory Committee Member	Noriya Yokota	
Outside Director, Audit and Supervisory Committee Member	Shiho Ito	
Managing Executive Officer	Koji Nakano	In charge of Plastics Segment and Southeast Asia
Managing Executive Officer	Yutaka Takahashi	In charge of Chemicals, Life Industry Segments, the Americas and Europe
Executive Officer	Shinya Kawai	Assisting of officer in charge of Plastics Segment; General Manager, Plastics Division I; General Manager, Plastics Compound Business Office
Executive Officer	Katsutoshi Tanaka	President, Inabata Fine Tech Co., Ltd.
Executive Officer	Tsuyoshi Maruta	Assisting of officer in charge of Northeast Asia; General Manager, Information & Electronics Division I
Executive Officer	Koichi Noda	General Manager, Financial Management Office
Executive Officer	Takaharu Ookura	General Manager, Northeast Asia
Executive Officer	Masato Tsunoda	General Manager, Risk Management Office
Executive Officer	Hiroyuki Furubayashi	General Manager, Human Resources Office
Executive Officer	Kazunori Fukui	General Manager, Southeast Asia