Iwatani

Note: This document is a translation of a part of the original Japanese version and provided for reference purposes only. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.

Consolidated Financial Results for the Six Months Ended September 30, 2026 [Japanese GAAP]

November 10, 2026

Company name: IWATANI CORPORATION
Stock exchange listing: Tokyo
Code number: 8088
URL: https://www.iwatani.co.jp/
Representative: Hiroshi Majima President and CEO
Contact: Yasutoshi Ueda General Manager Accounting Dept.
Phone: 06-7637-3325

Scheduled date of filing semi-annual securities report: November 10, 2026
Scheduled date of commencing dividend payments: December 14, 2026
Availability of supplementary briefing material on financial results: Yes
Schedule of financial results briefing session: Yes

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Six Months Ended September 30, 2026 (April 1, 2026 to September 30, 2026)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2026	477,533	16.7	24,551	128.2	59,688	231.6	48,367	138.1
September 30, 2025	409,128	2.3	10,758	(33.3)	18,000	(12.8)	20,315	51.1

(Note) Comprehensive income: Six months ended September 30, 2026: ¥ 55,932 million [140.6%]
Six months ended September 30, 2025: ¥ 23,248 million [32.0 %]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2026	210.12	-
September 30, 2025	88.27	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Million yen	Million yen	%
September 30, 2026	928,271	500,002	52.5
March 31, 2026	899,772	448,995	48.6

(Reference) Equity: As of September 30, 2026: ¥ 487,758 million
As of March 31, 2026: ¥ 437,098 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	-	23.50	-	23.50	47.00
Fiscal year ending March 31, 2027	-	26.00			
Fiscal year ending March 31, 2027 (Forecast)			-	26.00	52.00

(Note) Revision to the forecast for dividends announced most recently: Yes

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2027(April 1, 2026 to March 31, 2027)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	990,000	9.0	57,000	48.8	68,500	24.0	49,100	3.0	213.29

(Note) Revision to the financial results forecast announced most recently: Yes

* Notes:

(1) Significant changes in the scope of consolidation during the period: No

(2) Accounting policies adopted specially for the preparation of semi-annual consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No
2) Changes in accounting policies other than 1) above: No
3) Changes in accounting estimates: No
4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):
September 30, 2026: 234,246,596 shares
March 31, 2026: 234,246,596 shares

2) Number of treasury shares at the end of the period:
September 30, 2026: 4,033,651 shares
March 31, 2026: 4,070,547 shares

3) Average number of shares outstanding during the period:
Six months ended September 30, 2026: 230,194,457 shares
Six months ended September 30, 2025: 230,158,549 shares

*1. Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

*2. Cautionary Statement with Respect to Forward-Looking Statements, and Other Information

(Caution regarding forward-looking statements)

The forward-looking statements, such as results forecasts, included in this document are based on information currently available to the Company and assumptions considered reasonable, and do not purport to be a promise by the Company to achieve such results. Actual results may differ materially, depending on a range of factors. For the assumptions prerequisite to the results forecasts and the points to be noted in the use of the results forecasts, please see “Overview of Operating Results, Etc. (4) Consolidated Financial Results Forecasts” on page 4.

(How to obtain supplementary briefing material on financial results)

The briefing material on financial results is scheduled to be posted on the company’s website.

Contents

Overview of Operating Results, Etc. …… 2
(1) Overview of Operating Results for the Six Months Ended September 30, 2026 …… 2
(2) Segment Information …… 3
(3) Overview of Financial Position for the Six Months Ended September 30, 2026…… 3
(4) Consolidated Financial Results Forecasts …… 4

Semi-annual Consolidated Financial Statements and Notes …… 5
(1) Semi-annual Consolidated Balance Sheets …… 5
(2) Semi-annual Consolidated Statements of Income and Comprehensive Income …… 7
(3) Semi-annual Consolidated Statements of Cash Flows …… 9
(4) Explanatory Notes to Semi-annual Consolidated Financial Statements …… 11
(Notes to Segment Information, Etc.) …… 11
(Notes in the Event of Significant Changes in Shareholders' Equity) …… 12
(Notes on the Assumption of a Going Concern) …… 12
(Notes on Additional Information) …… 12

Additional Information …… 13
Results for 1H FY2026 …… 13
(1) Consolidated Statements of Income …… 13
(2) Operating Profit Except for Impact of LPG Import Price Fluctuation …… 13
(3) LPG Import Price (CP) …… 13
(4) Segment Information …… 13
(5) LPG and Industrial Gases Net Sales -Sales Volume …… 14
(6) Financial Position …… 14
(7) Capital Expenditure …… 14
(8) Cash Flows …… 14
(9) Actual Results and Full-Year Earnings Forecast Excluding the Impact of Cosmo …… 14
(10) Dividends …… 14

Overview of Operating Results, Etc.

(1) Overview of Operating Results for the Six Months Ended September 30, 2026

1) Economic Environment and Initiatives

During the first half of the current fiscal year, the Japanese economy continued its gradual recovery trend, supported by robust corporate earnings, increased capital investment in labor-saving measures and AI-related technologies, and solid personal consumption resulting from improvements in the employment and income environment. However, the outlook remained uncertain due to factors such as persistently high energy prices amid instability in the Middle East.

Under these circumstances, Iwatani (hereinafter referred to as the "Company") expanded its business to achieve its basic policies of "solutions to social issues" and "sustained growth" in accordance with its medium-term management plan, "PLAN27," which ends in the fiscal year ending March 31, 2028.

In order to realize a hydrogen energy-based society, the joint project between the Company and the East Japan Railway Company to develop hydrogen fuel cell railway vehicle technology and hydrogen supply technology has been selected for funding under a grant program administered by the New Energy and Industrial Technology Development Organization (NEDO). The Company will be responsible for developing fast-filling and filling control technologies for large-capacity hydrogen tanks. In addition, as demand for hydrogen continues to grow, including for demonstration projects related to decarbonization, we commenced operations at a new compressed hydrogen plant established in Kawasaki-shi, Kanagawa, in July 2026, thereby enhancing our supply capacity in the Kanto region. Furthermore, in collaboration with COSMO ENERGY HOLDINGS CO., LTD., we made a final investment decision regarding a hydrogen business to be conducted on the premises of the Chiba Refinery of COSMO OIL CO., LTD. Under this project, COSMO OIL CO., LTD. will restore an existing hydrogen production plant, and a portion of the hydrogen produced there will be liqufied at a new liquid hydrogen plant that we will build and then, supply to domestic customers. Through such initiatives, we will not only strengthen our system for the stable supply of hydrogen but also meet the growing demand for hydrogen in the future.

In addition, regarding the business of manufacturing intermediate products for beverage containers made from recycled PET bottles in Thailand, we established a joint venture with one of the world's largest PET resin manufacturers in July 2026. This initiative has been selected for the Ministry of Economy, Trade and Industry's Global South Future-Oriented Co-Creation Project, with production scheduled to begin in 2028. As the first company in Southeast Asia to utilize technology that directly recycles flakes derived from used PET bottles into intermediate products, we will improve production efficiency and reduce environmental impact, thereby contributing to decarbonization through resource recycling in Thailand.

Following the 2026 Kumamoto Earthquake, we provided support to the disaster area by working to ensure the safety of LPG customers through the rapid restoration of filling stations and other energy infrastructure, as well as the dispatch of disaster relief teams. We also made use of the LPG Emergency Relief Program established in partnership with Saudi Aramco, Saudi Arabia's state-owned oil company, to provide supplies such as portable gas cooking stoves, cassette gas canisters, and the Natural Mineral Water from Mt. Fuji.

2) Earnings

During the first half of the current fiscal year, due to higher profit from LPG import price fluctuations as LPG import prices remained high, as well as improved profitability of helium, net sales were 477.533 billion yen (+68.405 billion yen year-on-year), operating profit was 24.551 billion yen (+13.792 billion yen year-on-year), ordinary profit was 59.688 billion yen (+41.688 billion yen year-on-year), and profit attributable to owners of parent was 48.367 billion yen (+28.052 billion yen year-on-year).

(2) Segment Information

Effective from the first half of the current fiscal year, the two consolidated subsidiaries that were previously included in “Others” have been reclassified to “Integrated Energy.” Segment information for the first half of the previous fiscal year has been restated based on the new classification.

Integrated Energy

In the Integrated Energy Business, net sales increased due to higher LPG import prices and increased sales volume in the retail sector. As for profits, although sales of portable gas cooking stoves and cassette gas canisters decreased, improved LPG profitability and the positive impact of LPG import price fluctuations (+6.890 billion yen year-on-year) led to an increase in profits. In addition, sales of energy-related equipment, etc. remained strong. As a result, net sales in this segment were 188.849 billion yen (+19.8 billion yen year-on-year) and operating profit was 9.674 billion yen (+9.247 billion yen year-on-year).

Industrial Gases & Machinery

In the Industrial Gases & Machinery Business, shipments of air separation gases were steady, led primarily by nitrogen for the electronic component industry. In the hydrogen business, sales volume of liquid hydrogen for decarbonization applications and space development increased. As for specialty gases, profitability of helium improved significantly due to higher market prices, and gases for the semiconductor industry remained strong. In the gas-related equipment, sales of ammonia supply equipment for decarbonization applications and equipment for the automobile industry increased.

As a result, net sales in this segment were 150.707 billion yen (+18.260 billion yen year-on-year) and operating profit was 12.796 billion yen (+6.973 billion yen year-on-year).

Materials

In the Materials Business, sales increased as the Company addressed rising raw material costs for resin products and rechargeable battery materials while making efforts to ensure stable supply of rare earths and other items. On the other hand, in the mineral sands business, while revenue increased due to the start of operations at the Company’s new mining site in Australia, profitability declined because the development of the new mining site did not get on track. In addition, sales of stainless steel and film materials for smartphones for the Chinese market declined.

As a result, net sales in this segment were 134.483 billion yen (+29.527 billion yen year-on-year) and operating profit was 4.628 billion yen (-1.445 billion yen year-on-year).

Others

The businesses comprise a group of subsidiaries that handle functions such as finance, insurance, transportation, safety, and information processing with net sales of 3.493 billion yen (+0.818 billion yen year-on-year) and operating profit of 0.927 billion yen (+33 million yen year-on-year).

(3) Overview of Financial Position for the Six Months Ended September 30, 2026

1) Total Assets

Total assets at the end of the first half of the current fiscal year increased by 28.498 billion yen from the end of the previous fiscal year to 928.271 billion yen. This was mainly due to increases of 39.769 billion yen in investment securities, 8.011 billion yen in property, plant and equipment, and 6.230 billion yen in merchandise and finished goods, respectively, despite decreases of 15.562 billion yen in notes and accounts receivable - trade, and contract assets, and 10.270 billion yen in cash and deposits, respectively.

2) Total Liabilities

Total liabilities at the end of the first half of the current fiscal year decreased by 22.508 billion yen from the end of the previous fiscal year to 428.268 billion yen. This was mainly due to decreases of 12.369 billion yen in short-term borrowings, 9.281 billion yen in long-term borrowings, and 8.616 billion yen in notes and accounts payable - trade, respectively, despite an increase of 8.974 billion yen in "Other" under non-current liabilities, including deferred tax liabilities.

Interest-bearing debt, including lease liabilities, etc., at the end of the first half decreased by 17.562 billion yen to 229.796 billion yen from the end of the previous fiscal year.

3) Total Net Assets

Total net assets at the end of the first half of the current fiscal year increased by 51.006 billion yen from the end of the previous fiscal year to 500.002 billion yen. This was mainly due to increases of 41.503 billion yen in retained earnings, 7.661 billion yen in valuation difference on available-for-sale securities, and 1.520 billion yen in foreign currency translation adjustment, respectively.

Cash Flows

Cash and cash equivalents (hereinafter referred to as "cash") at the end of the first half of the current fiscal year decreased by 10.270 billion yen from the end of the previous fiscal year to 17.390 billion yen.

(Operating Activities)

Net cash provided by operating activities in the first half of the current fiscal year increased in revenue by 3.829 billion yen from the same period of the previous fiscal year to 26.859 billion yen.

This was mainly due to an increase in cash resulting from profit before income taxes of 65.041 billion yen, depreciation of 16.219 billion yen, a decrease in accounts receivable - trade, and contract assets of 7.634 billion yen and a loss on valuation of investment securities of 2.458 billion yen, and a decrease in cash resulting from share of profit of entities accounted for using equity method of 32.910 billion yen, income taxes paid of 9.943 billion yen, a gain on sale of investment securities of 8.419 billion yen, a decrease in trade payables of 7.818 billion yen and an increase in inventories of 5.558 billion yen.

(Investing Activities)

Net cash used in investing activities in the first half of the current fiscal year increased in expenditure by 8.630 billion yen from the same period of the previous fiscal year to 11.335 billion yen.

This was mainly due to an increase in cash resulting from the proceeds from sale and redemption of investment securities of 8.819 billion yen, and a decrease in cash resulting from the purchase of property, plant and equipment of 22.247 billion yen.

(Financing Activities)

Net cash used in financing activities in the first half of the current fiscal year increased in expenditure by 6.178 billion yen from the same period of the previous fiscal year to 28.115 billion yen.

This was mainly due to a decrease in cash resulting from a net decrease in short-term borrowings of 14.260 billion yen, repayments of long-term borrowings of 9.305 billion yen, and dividends paid of 5.404 billion yen.

(4) Consolidated Financial Results Forecasts

We have revised our consolidated financial results forecast announced on May 14, 2026.

For details, please see the "Notice Concerning Revisions of Consolidated Financial Forecasts, and Revisions of Dividends of Surplus (Interim Dividend) and Year-end Dividend Forecast" announced today (November 10, 2026).

Semi-annual Consolidated Financial Statements and Notes

(1) Semi-annual Consolidated Balance Sheets

(Million yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and deposits	27,670	17,400
Notes and accounts receivable - trade, and contract assets	150,865	135,302
Electronically recorded monetary claims - operating	27,596	28,742
Merchandise and finished goods	65,454	71,684
Work in process	8,710	8,280
Raw materials and supplies	12,057	12,394
Other	25,892	30,156
Allowance for doubtful accounts	(300)	(306)
Total current assets	317,947	303,656
Non-current assets		
Property, plant and equipment		
Land	73,702	73,808
Other, net	174,073	181,979
Total property, plant and equipment	247,776	255,788
Intangible assets		
Goodwill	20,020	18,858
Other	15,534	15,583
Total intangible assets	35,555	34,441
Investments and other assets		
Investment securities	237,585	277,355
Other	61,431	57,535
Allowance for doubtful accounts	(522)	(506)
Total investments and other assets	298,493	334,384
Total non-current assets	581,825	624,614
Total assets	899,772	928,271

(Million yen)

	As of March 31, 2026	As of September 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	69,538	60,922
Electronically recorded obligations - operating	27,281	24,151
Short-term borrowings	38,036	25,667
Income taxes payable	9,220	12,842
Contract liabilities	8,007	7,559
Provision for bonuses	7,336	7,920
Other	51,728	50,071
Total current liabilities	211,149	189,134
Non-current liabilities		
Bonds payable	70,000	70,000
Long-term borrowings	120,254	110,972
Provision for retirement benefits for directors (and other officers)	1,246	1,066
Retirement benefit liability	6,110	6,105
Other	42,015	50,990
Total non-current liabilities	239,627	239,133
Total liabilities	450,777	428,268
Net assets		
Shareholders' equity		
Share capital	35,096	35,096
Capital surplus	32,323	32,384
Retained earnings	307,098	348,601
Treasury shares	(1,559)	(1,553)
Total shareholders' equity	372,957	414,529
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	41,835	49,497
Deferred gains or losses on hedges	3,094	3,199
Foreign currency translation adjustment	15,936	17,456
Remeasurements of defined benefit plans	3,274	3,076
Total accumulated other comprehensive income	64,140	73,229
Non-controlling interests	11,897	12,243
Total net assets	448,995	500,002
Total liabilities and net assets	899,772	928,271

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statements of Income (For the six months)

(Million yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Net sales	409,128	477,533
Cost of sales	302,529	350,699
Gross profit	106,598	126,834
Selling, general and administrative expenses		
Transportation costs	15,648	17,330
Provision of allowance for doubtful accounts	52	16
Salaries, allowances and bonuses	22,970	24,459
Provision for bonuses	6,367	6,770
Retirement benefit expenses	872	787
Provision for retirement benefits for directors (and other officers)	73	54
Other	49,855	52,864
Total selling, general and administrative expenses	95,839	102,283
Operating profit	10,758	24,551
Non-operating income		
Interest income	165	197
Dividend income	986	1,149
Foreign exchange gains	171	–
Share of profit of entities accounted for using equity method	5,245	32,910
Subsidy income	1,025	997
Other	1,824	2,666
Total non-operating income	9,419	37,921
Non-operating expenses		
Interest expenses	1,505	1,868
Foreign exchange losses	–	198
Other	673	716
Total non-operating expenses	2,178	2,784
Ordinary profit	18,000	59,688
Extraordinary income		
Gain on sale of non-current assets	11,662	468
Gain on sale of investment securities	57	8,419
Gain on liquidation of subsidiaries and associates	409	–
Subsidy income	52	3
Gain on liquidation of project	332	–
Total extraordinary income	12,514	8,890
Extraordinary losses		
Loss on sale of non-current assets	59	25
Loss on retirement of non-current assets	405	306
Loss on sale of investment securities	0	–
Loss on valuation of investment securities	–	2,458
Loss on tax purpose reduction entry of non-current assets	52	746
Impairment losses	–	0
Total extraordinary losses	517	3,537
Profit before income taxes	29,997	65,041
Income taxes	8,950	16,179
Profit	21,046	48,862
Profit attributable to non-controlling interests	731	494
Profit attributable to owners of parent	20,315	48,367

Semi-annual Consolidated Statements of Comprehensive Income (For the six months)

(Million yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Profit	21,046	48,862
Other comprehensive income		
Valuation difference on available-for-sale securities	6,578	7,558
Deferred gains or losses on hedges	290	(783)
Foreign currency translation adjustment	(4,102)	(224)
Remeasurements of defined benefit plans, net of tax	(486)	(176)
Share of other comprehensive income of entities accounted for using equity method	(77)	696
Total other comprehensive income	2,201	7,070
Comprehensive income	23,248	55,932
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	22,548	55,480
Comprehensive income attributable to non-controlling interests	699	451

(3) Semi-annual Consolidated Statements of Cash Flows

(Million yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Cash flows from operating activities		
Profit before income taxes	29,997	65,041
Depreciation	14,648	16,219
Impairment losses	–	0
Loss on tax purpose reduction entry of non-current assets	52	746
Amortization of goodwill	1,605	1,591
Increase (decrease) in allowance for doubtful accounts	40	(33)
Increase (decrease) in provision for bonuses	293	550
Increase (decrease) in retirement benefit liability	90	(6)
Decrease (increase) in retirement benefit asset	239	(168)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(391)	(180)
Interest and dividend income	(1,152)	(1,347)
Interest expenses	1,505	1,868
Foreign exchange losses (gains)	(12)	(0)
Share of loss (profit) of entities accounted for using equity method	(5,245)	(32,910)
Loss (gain) on sale and retirement of non-current assets	(11,197)	(136)
Loss (gain) on sale of investment securities	(57)	(8,419)
Loss (gain) on valuation of investment securities	–	2,458
Loss (gain) on liquidation of subsidiaries and associates	(409)	–
Decrease (increase) in accounts receivable - trade, and contract assets	38,732	7,634
Decrease (increase) in inventories	(9,633)	(5,558)
Increase (decrease) in trade payables	(23,041)	(7,818)
Decrease (increase) in advance payments to suppliers	(2,375)	(4,319)
Increase (decrease) in contract liabilities	2,931	(1,305)
Other, net	(5,128)	(259)
Subtotal	31,490	33,647
Interest and dividends received	1,054	1,245
Dividends received from entities accounted for using equity method	3,593	3,699
Interest paid	(1,448)	(1,789)
Income taxes refund (paid)	(11,659)	(9,943)
Net cash provided by (used in) operating activities	23,029	26,859

(Million yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Cash flows from investing activities		
Purchase of property, plant and equipment	(19,721)	(22,247)
Proceeds from sale of property, plant and equipment	22,064	494
Purchase of intangible assets	(3,849)	(1,819)
Proceeds from sale of intangible assets	8	–
Purchase of investment securities	(859)	(1,579)
Proceeds from sale and redemption of investment securities	94	8,819
Proceeds from liquidation of subsidiaries and associates	652	–
Proceeds from sale of investments in capital	1	1
Loan advances	(8,865)	(1,553)
Proceeds from collection of loans receivable	8,716	1,529
Other, net	(945)	5,020
Net cash provided by (used in) investing activities	(2,704)	(11,335)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,485	(14,260)
Proceeds from long-term borrowings	–	2,120
Repayments of long-term borrowings	(6,435)	(9,305)
Net increase (decrease) in commercial papers	(5,000)	–
Net decrease (increase) in treasury shares	(2)	(4)
Repayments of lease liabilities	(637)	(789)
Dividends paid	(10,796)	(5,404)
Dividends paid to non-controlling interests	(544)	(472)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(5)	–
Net cash provided by (used in) financing activities	(21,936)	(28,115)
Effect of exchange rate change on cash and cash equivalents	(934)	14
Net increase (decrease) in cash and cash equivalents	(2,546)	(12,576)
Cash and cash equivalents at beginning of period	27,588	27,660
Increase (decrease) in cash and cash equivalents resulting from change in accounting period of consolidated subsidiaries	–	2,306
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	592	–
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	227	–
Cash and cash equivalents at end of period	25,862	17,390

(4) Explanatory Notes to Semi-annual Consolidated Financial Statements

(Notes to Segment Information, Etc.)

I. First Half of FY2025 (April 1, 2025 - September 30, 2025)

a) Information related to sales, operating income (loss) by reportable segment

(million yen)

	Reportable Segments				Others *1	Total	Adjustments *2	Semi-annual Consolidated Statements of Income *3
	Integrated Energy	Industrial Gases & Machinery	Materials	Subtotal				
Net sales								
Outside customers	169,049	132,447	104,955	406,452	2,675	409,128	-	409,128
Intersegment	2,056	1,070	1,112	4,240	15,084	19,324	(19,324)	-
Total	171,105	133,518	106,068	410,693	17,759	428,452	(19,324)	409,128
Segment income (loss)	427	5,823	6,074	12,324	893	13,217	(2,458)	10,758

(Note) *1. “Others” is an operating segment not included in reportable segments. “Others” represents businesses in finance, insurance, transportation, safety, information processing, etc.

*2. Adjustments for segment income (loss) include companywide expenses not allocated to each segment and the elimination of intersegment transactions.

*3. Segment income (loss) is adjusted with operating income of the semi-annual consolidated statements of income.

b) Information on impairment loss on fixed assets and goodwill by reportable segment

None

II. First Half of FY2026 (April 1, 2026 - September 30, 2026)

a) Information related to sales, operating income (loss) by reportable segment

(million yen)

	Reportable Segments				Others *1	Total	Adjustments *2	Semi-annual Consolidated Statements of Income *3
	Integrated Energy	Industrial Gases & Machinery	Materials	Subtotal				
Net sales								
Outside customers	188,849	150,707	134,483	474,040	3,493	477,533	-	477,533
Intersegment	3,103	842	1,011	4,957	16,211	21,169	(21,169)	-
Total	191,952	151,550	135,494	478,998	19,705	498,703	(21,169)	477,533
Segment income (loss)	9,674	12,796	4,628	27,099	927	28,026	(3,475)	24,551

(Note) *1. “Others” is an operating segment not included in reportable segments. “Others” represents businesses in finance, insurance, transportation, safety, information processing, etc.

*2. Adjustments for segment income (loss) include companywide expenses not allocated to each segment and the elimination of intersegment transactions.

*3. Segment income (loss) is adjusted with operating income of the semi-annual consolidated statements of income.

b) Matters related to changes in reportable segments, etc.

Effective from the first half of the current fiscal year, the two consolidated subsidiaries that were previously included in “Others” have been reclassified to “Integrated Energy.” Furthermore, segment information for the cumulative first half of the previous fiscal year was prepared based on the new classification.

c) Information on impairment loss on fixed assets and goodwill by reportable segment

None

(Notes in the Event of Significant Changes in Shareholders' Equity)

None

(Notes on the Assumption of a Going Concern)

None

(Notes to Additional Information)

(Changes in Fiscal Year-Ends of Consolidated Subsidiaries)

Effective from the first quarter of the current fiscal year, the fiscal year-end of overseas consolidated subsidiaries has been unified to the consolidated fiscal year-end of March 31. Consolidated subsidiaries for which the fiscal year-end can be changed will have their fiscal year-end changed from December 31 to March 31. For China-based consolidated subsidiaries where changing the fiscal year-end is difficult, consolidation is achieved by conducting a provisional year-end closing on the consolidated fiscal year-end of March 31.

The Company has adopted a method whereby the profit and loss of the subsidiary for the three months from January 1, 2026 to March 31, 2026 are adjusted according to retained earnings.

As a result, at the beginning of the first quarter of the current fiscal year, retained earnings decreased by 1,450 million yen

Additional Information

Results for 1H FY2026

(1) Consolidated Statements of Income

(Unit: 100 million yen) (Figures are rounded down to the nearest 100 million yen)

	1H FY2025 Apr-Sep 2025	1H FY2026 Apr-Sep 2026	Change	Rate	FY2026 (Forecast)	Overview
Net sales	4,091	4,775	684	16.7%	9,900	Net sales increased due to steady sales of rechargeable battery materials and various industrial gases, as well as high import prices of LPG. In terms of profit, the impact of increased profit from LPG import price fluctuation, improved profitability of helium, an increase in share of profit of entities accounted for using equity method, etc. contributed to achieving record-high profits in all subsequent profit categories.
Gross profit	1,065	1,268	202	19.0%	—	
Operating profit	107	245	137	128.2%	570	
Ordinary profit	180	596	416	231.6%	685	
Profit attributable to owners of parent	203	483	280	138.1%	491	

* Figures for fiscal year ending March 31, 2027 (forecast) were announced on November 10, 2026.

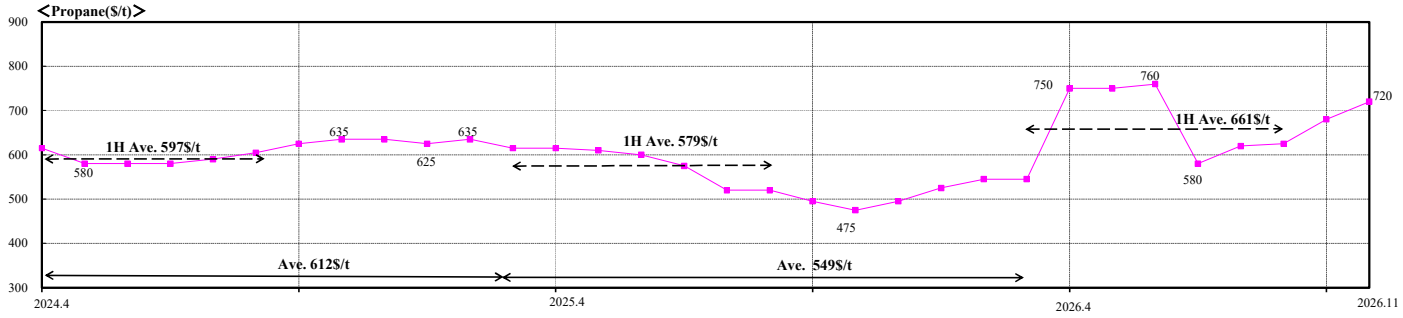
(2) Operating Profit Except for Impact of LPG Import Price Fluctuation

(Unit: 100 million yen)

	1H FY2025 Apr-Sep 2025	1H FY2026 Apr-Sep 2026	Change	Rate	FY2026 (Forecast)	Overview
Operating profit	107	245	137	128.2%	570	・Impact of LPG import price fluctuation led to increase in profit by 6.8 billion yen year-on-year. ・Operating profit except for the impact of LPG import price fluctuation was 20.7 billion yen, an increase of 6.9 billion yen.
Impact of LPG import price fluctuation	(31)	37	68	—	—	
Operating profit except for impact of LPG import price fluctuation	138	207	69	49.7%	570	

* For more detailed information, please see a slide of "Impact of LPG Import Prices" in Iwatani Corporation Business Overview. (https://www.iwatani.co.jp/eng/ir/pdf/about_iwatani.pdf)

(3) LPG Import Price (CP)



(4) Segment Information

(Unit: 100 million yen)

		1H FY2025 Apr-Sep 2025	1H FY2026 Apr-Sep 2026	Change	Rate	Overview
Integrated Energy	Net sales	1,690	1,888	198	11.7%	・Profit increased due to positive impact of LPG import price fluctuation. ・Sales volume in the LPG retail sector increased. ・Profitability improved in the LPG wholesale sector. ・Sales of portable gas cooking stoves and cassette gas canisters decreased.
	Operating profit	4	96	92	—	
Industrial Gases & Machinery	Net sales	1,324	1,507	182	13.8%	・Shipments of air separation gases remained strong mainly for the electronic component industry. ・Sales volume of liquid hydrogen grew for decarbonization and space development applications. ・Profitability of helium improved and gases for the semiconductor industry remained strong. ・Sales of ammonia supply equipment for decarbonization applications grew.
	Operating profit	58	127	69	119.7%	
Materials	Net sales	1,049	1,344	295	28.1%	・Net sales of resin products and rechargeable battery materials grew due to higher selling prices. ・Sales of rare earths and other items increased. ・Profitability of our own new mineral sands mining site in Australia declined. ・Sales volume of stainless steel decreased.
	Operating profit	60	46	(14)	(23.8%)	
Others, Adjustments	Net sales	26	34	8	30.6%	
	Operating profit	(15)	(25)	(9)	—	

* Net sales represent sales to third parties.
* "Others, Adjustments" represents the sum of the "Other" business segment and "Adjustments."

(5) LPG and Industrial Gases Net Sales・Sales Volume

	Sales volume (thousand tons)				Net sales (100 million yen)			
	1H FY2025 Apr-Sep 2025	1H FY2026 Apr-Sep 2026	Change	Rate	1H FY2025 Apr-Sep 2025	1H FY2026 Apr-Sep 2026	Change	Rate
Domestic residential use	477	480	2	0.5%	753	889	135	18.0%
Domestic industrial use	155	154	(0)	(0.3%)	171	214	43	25.1%
LPG sub total (except for overseas)	633	634	1	0.3%	925	1,103	178	19.3%
LPG total	639	638	(0)	(0.1%)	932	1,110	178	19.1%
Various industrial gases	—	—	—	—	801	950	149	18.6%

(6) Financial Position

(Unit: 100 million yen)

	FY2025 end	1H FY2026 end	Change
Total assets	8,997	9,282	284
Equity	4,370	4,877	506
Interest-bearing debt, gross	2,473	2,297	(175)
Interest-bearing debt, net	2,196	2,123	(72)
Equity ratio	48.6%	52.5%	3.9pt
Ratio of interest-bearing debt to total assets	27.5%	24.8%	(2.7) pt
Debt-to-equity ratio, gross	0.56	0.47	(0.09) pt
Debt-to-equity ratio, net	0.50	0.43	(0.07) pt

(7) Capital Expenditure

(Unit: 100 million yen)

	1H FY2026 Apr-Sep 2026	FY2026 (Forecast)
Integrated Energy	89	190
Industrial Gases & Machinery	110	310
Materials	36	133
Others, Adjustments	20	67
Capital expenditure	257	700
Depreciation	162	323

* Presented here are figures for property, plant and equipment, intangible assets (including goodwill), and investments securities, etc. (which include 21.0 billion yen invested in property, plant and equipment in the current period.)
*"Others, Adjustments" represents the total of the "Others" business segment and "Adjustments."

(8) Cash Flows

(Unit: 100 million yen)

	1H FY2025 Apr-Sep 2025	1H FY2026 Apr-Sep 2026	Change
Cash and cash equivalents at beginning of period	275	276	0
Cash flows from operating activities	230	268	38
Cash flows from investing activities	(27)	(113)	(86)
Free cash flow	203	155	(48)
Cash flows from financing activities	(219)	(281)	(61)
Effect of exchange rate change on cash and cash equivalents	(9)	0	9
Net increase (decrease) in cash and cash equivalents	(25)	(125)	(100)
Increase (decrease) in cash and cash equivalents resulting from change in accounting period of consolidated subsidiaries	—	23	23
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	5	—	(5)
Increase in cash and cash equivalents resulting from merger with unconsolidated subsidiaries	2	—	(2)
Cash and cash equivalents at end of period	258	173	(84)

(9) Actual Results and Full-Year Earnings Forecast Excluding the Impact of Cosmo

(Unit: 100 million yen)

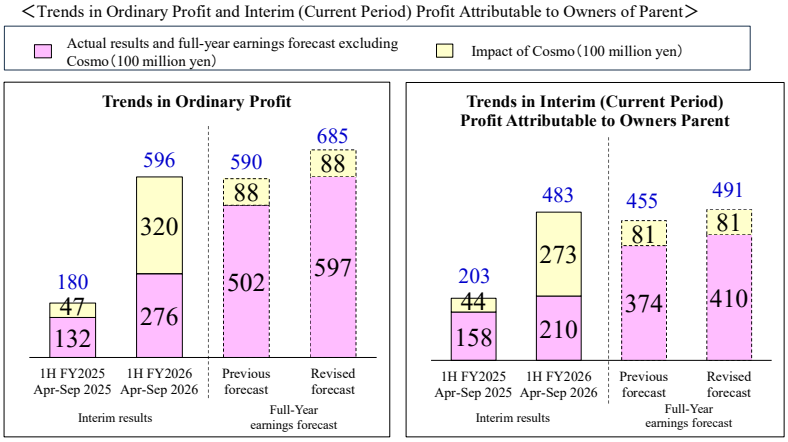
Actual Results	1H FY2025 Apr-Sep 2025			1H FY2026 Apr-Sep 2026		
	Actual results	Impact of Cosmo	Excluding Cosmo	Actual results	Impact of Cosmo	Excluding Cosmo
Net sales	4,091	—	4,091	4,775	—	4,775
Gross profit	1,065	—	1,065	1,268	—	1,268
Operating profit	107	—	107	245	—	245
Ordinary profit	180	47	132	596	320	276
Profit attributable to owners of parent (*)	203	44	158	483	273	210

(Unit: 100 million yen)

FY2026 Earnings Forecast	Previous forecasts			Revised forecasts		
	Forecast	Impact of Cosmo	Excluding Cosmo	Forecast	Impact of Cosmo	Excluding Cosmo
Net sales	9,600	—	9,600	9,900	—	9,900
Operating profit	488	—	488	570	—	570
Ordinary profit	590	88	502	685	88	597
Profit attributable to owners of parent (*)	455	81	374	491	81	410

* Profit attributable to owners of parent reflecting the impact of Cosmo includes equity method investment gain (loss) from Cosmo and income taxes associated with the retained earnings of Cosmo.

＜Trends in Ordinary Profit and Interim (Current Period) Profit Attributable to Owners of Parent＞



(10) Dividends

(Unit: Yen)

	1H FY2026 end	1H FY2026 end(Forecast)	FY2026 (Forecast)	Dividend payout ratio(%)
Previous forecast (May 14, 2026)	23.50	23.50	47.00	23.8%
Revised forecast	26.00	26.00	52.00	24.4%

* The figure for 1H FY2026 in the revised forecast is an actual result.

In this document, "Cosmo Energy Holdings Co., Ltd." is abbreviated to "Cosmo."