



The Heart of Industry

Results of Operations for the
Fiscal Year Ended March 31, 2025
(FY3/25)

May 14, 2025

IWAKI CO.,LTD.

Stock code: 6237
Trade name: Iwaki Pump



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Terms used for periods

4Q

3-month periods

Full year

12-month periods

I. Summary of FY3/25 Financial Results

Performance was strong in the chemicals category throughout FY3/25 and the water treatment category also posted a strong performance, mainly in Japan. The semiconductor/liquid crystal category remained sluggish. The result was 2.7% sales growth.

	FY3/24		FY3/25	
	Amount (Millions of yen)	Amount (Millions of yen)	Differences	YoY change
Net sales	44,539	45,763	1,224	+2.7%
Gross profit (Gross margin)	18,328 (41.2%)	18,498 (40.4%)	170	+0.9%
Operating profit (Operating margin)	5,465 (12.3%)	5,845 (12.8%)	379	+7.0%
Ordinary profit	6,222	6,517	294	+4.7%
Profit attributable to owners of parent	4,459	4,468	8	+0.2%
Net income per share (Yen)	202.32	202.15	-0.17	-0.1%
Return on equity (ROE)	14.4%	12.6%	-	(-1.8pt)
Return on invested capital (ROIC)	12.8%	11.7%	-	(-1.1pt)
Exchange rate (average)	USD/JPY (Yen)	140.66	151.69	
	EUR/JPY (Yen)	152.10	164.04	
	CNY/JPY (Yen)	19.82	21.03	

1 Sales: Up 2.7% from one year earlier due to strong sales in the chemicals category

- Chemicals category sales were strong throughout FY3/25 mainly in Japan and the United States.
- Sales in the water treatment category were also strong in Japan and the United States. Sales of metering pumps, which are primarily used in the water treatment category, were up 12.7% vs. FY3/24.
- Sales were firm in the medical equipment category with a big increase in the United States.
- In the semiconductor/liquid crystal category, the slow pace of the recovery in China and South Korea had a big negative impact on sales. Signs of a recovery in Taiwan are emerging.

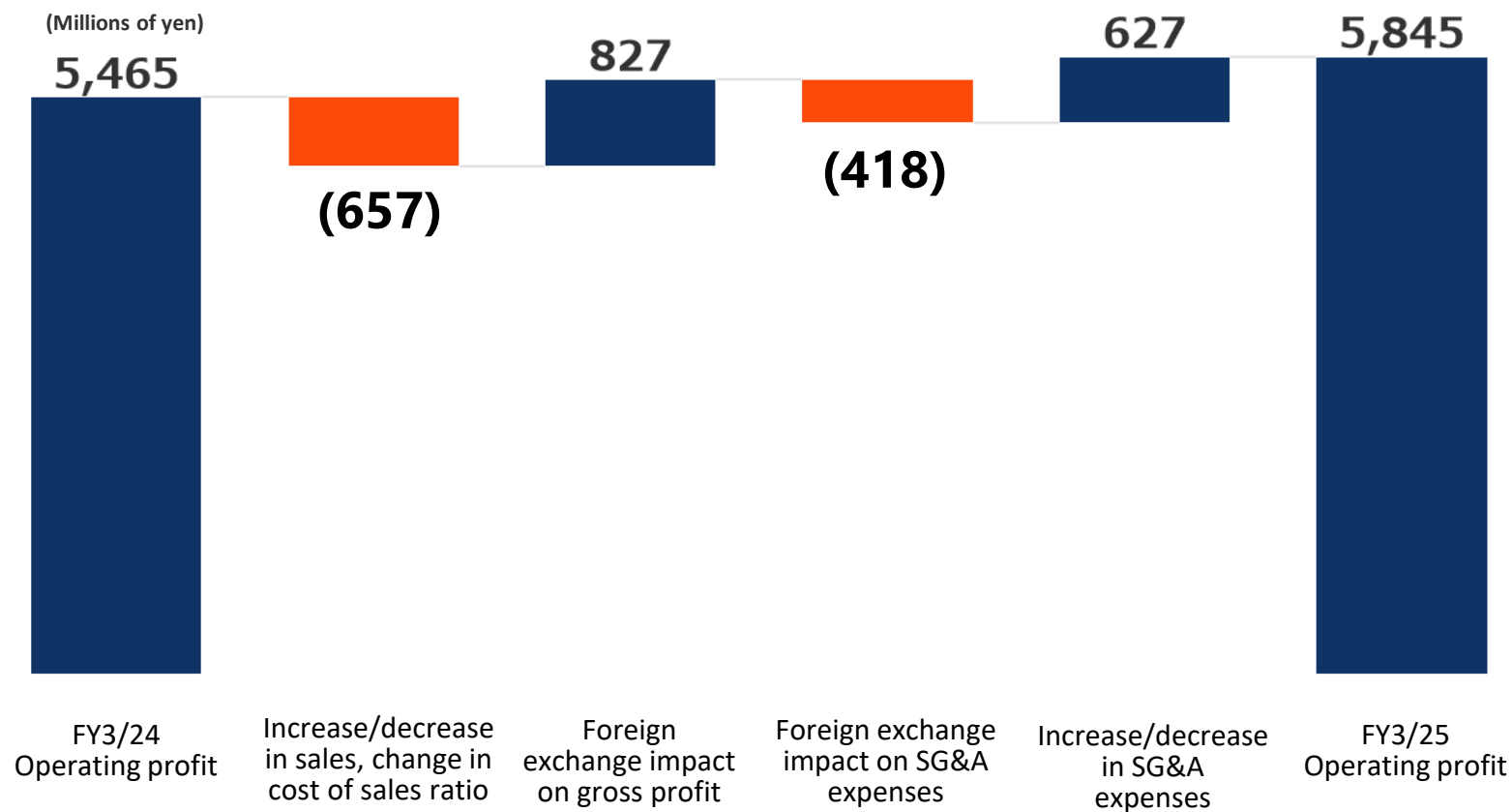
2 Operating profit: Up due to a decrease in SG&A expenses

- Although sales increased, the gross profit was up only 0.9% because of the inventory valuation loss.
- Operating profit increased 7.0% because the amortization of intangible assets at newly consolidated subsidiaries in China held down operating profit in FY3/24.

3 Profit attributable to owners of parent: Small increase due to higher taxes and other reasons

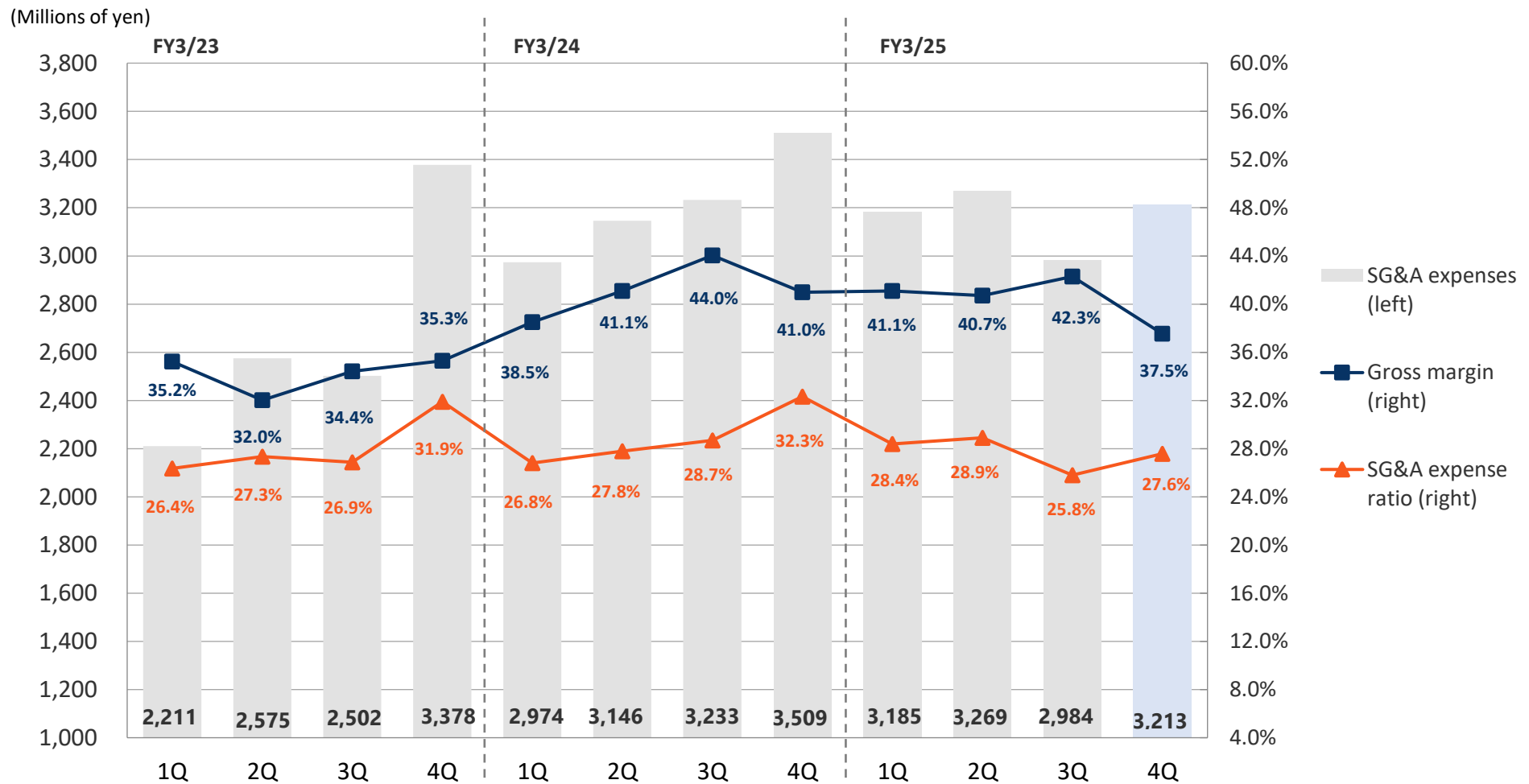
- The small increase was caused by a decline in equity method income and higher income taxes because the inventory valuation loss is not tax deductible.

FY3/25 Factors Affecting Profitability



Gross Margin and SG&A Expense Ratio (Quarterly)

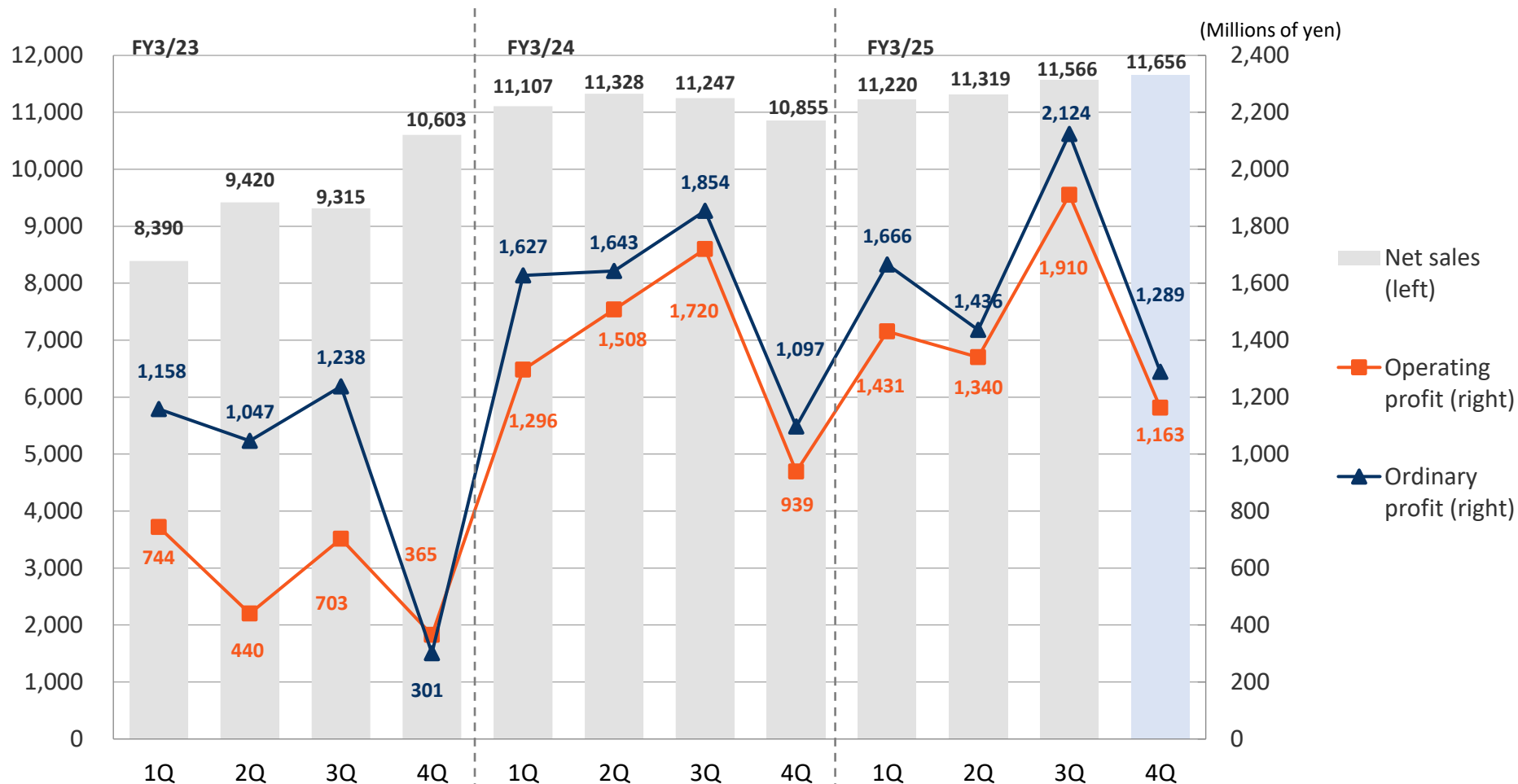
Due to the inventory valuation loss, the gross profit and gross profit margin decreased in the 4Q from the 3Q. SG&A expenses increased in the 4Q from the 3Q because of a provision for bonuses and other reasons.









Net Sales and Operating Profit (Quarterly)

Sales increased in the 4Q from the 3Q because of strong U.S. and Europe sales.

Operating profit in the 4Q was down from the 3Q due to an increase in SG&A expenses caused by a bonus provision and other reasons.

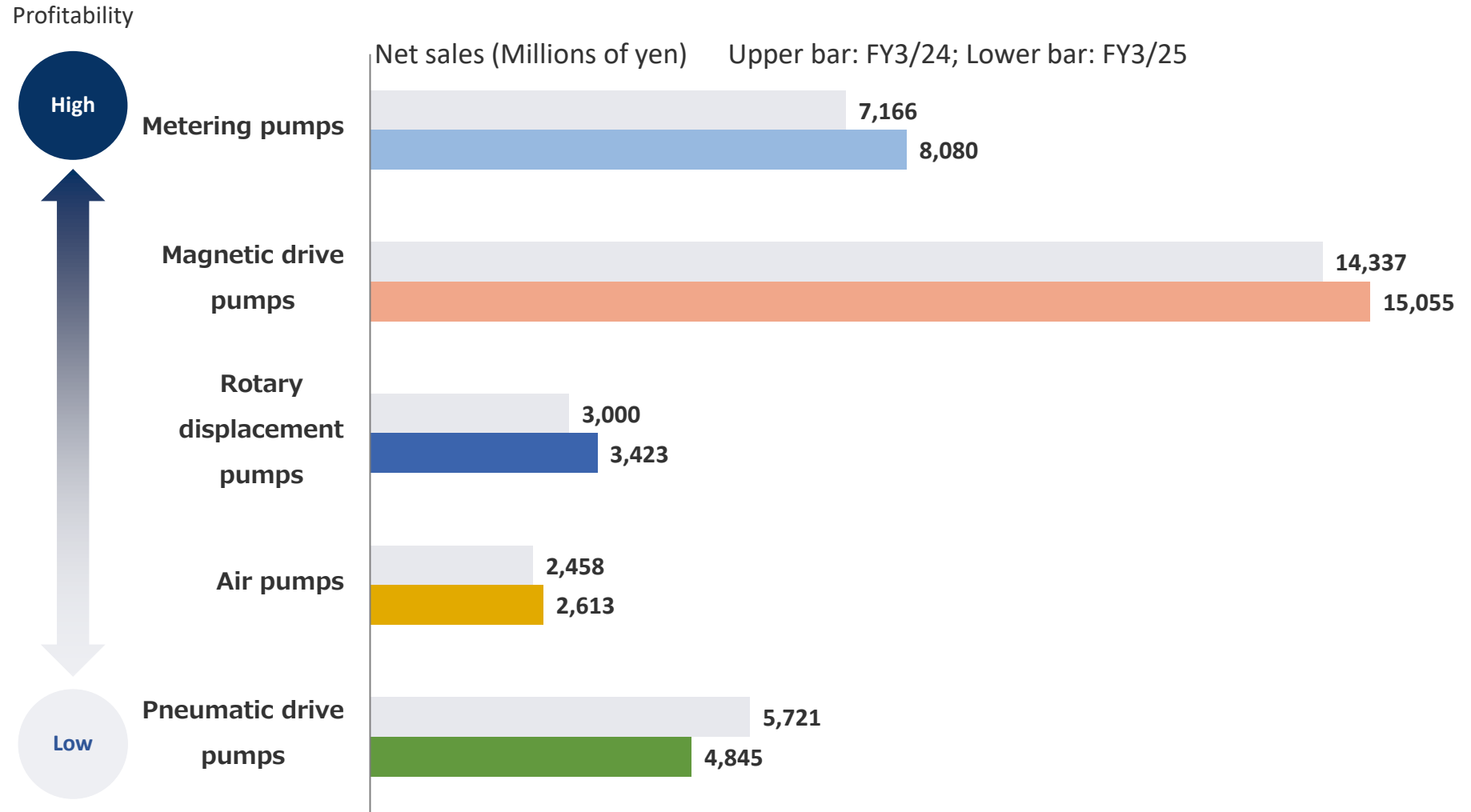


Market Overview for Product Categories

Sold in many markets	Major pump applications	Magnetic drive pumps 	Metering pumps 	Pneumatic drive pumps 	Rotary displacement pumps 	Air pumps 	Systems products 
Semiconductor/liquid crystal	Semiconductor production equipment, etc.	●	○	●			○
Medical equipment	Dialysis equipment and clinical trial equipment, etc.	○	○		●	●	○
Surface treatment equipment	Printed circuit board manufacturing equipment, electronic component manufacturing, etc.	●	○				○
Chemicals	Liquid chemical manufacturing, etc.	●	○		○		○
Water treatment	Water purification plant, wastewater treatment, cooling towers, etc.	○	●		○	○	○
New energy	Renewable energy, rechargeable battery production, etc.	○	○		●		○
Others (Food, paper, others)	Food cleansing, cooling applications, etc.	○	○		●	○	○

* A filled circle means major pumps in each market.

Profitability of Products

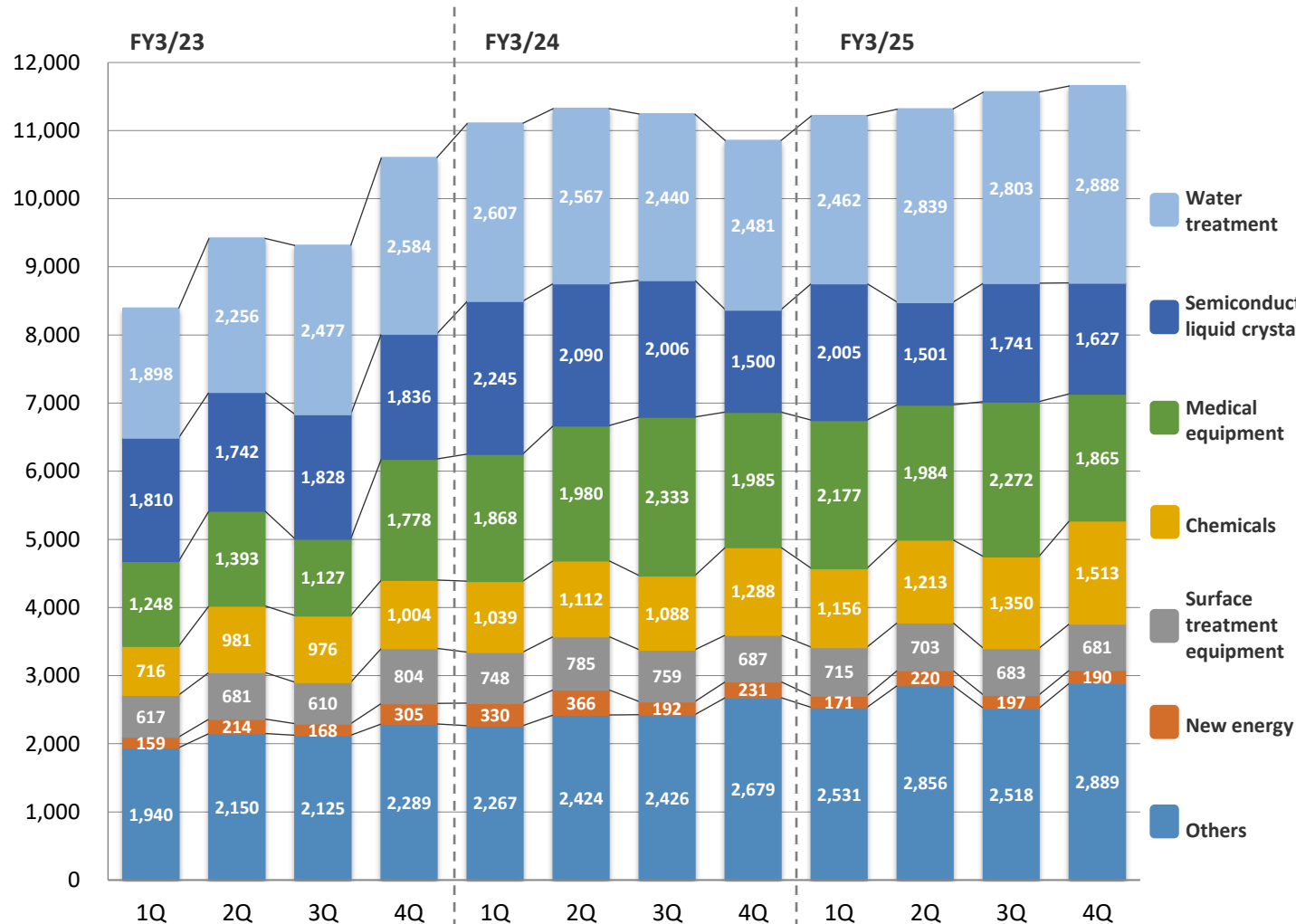


*Excluding systems products, purchased products and other

Market Category Sales

4Q In the chemicals category, sales were strong in the United States.

Full year Strong sales in the medical equipment category, mainly in the U.S., but sales are still slow in China.
Declining sales in the semiconductor/liquid crystal category because of the delay in the recovery of this market in China and South Korea.



FY3/25 sales (Millions of yen)	YoY change (Millions of yen)	YoY change (%)
10,994	895	+8.9%
6,875	-968	-12.3%
8,300	131	+1.6%
5,234	705	+15.6%
2,783	-197	-6.6%
779	-342	-30.5%
10,795	998	+10.2%

Product Category Sales

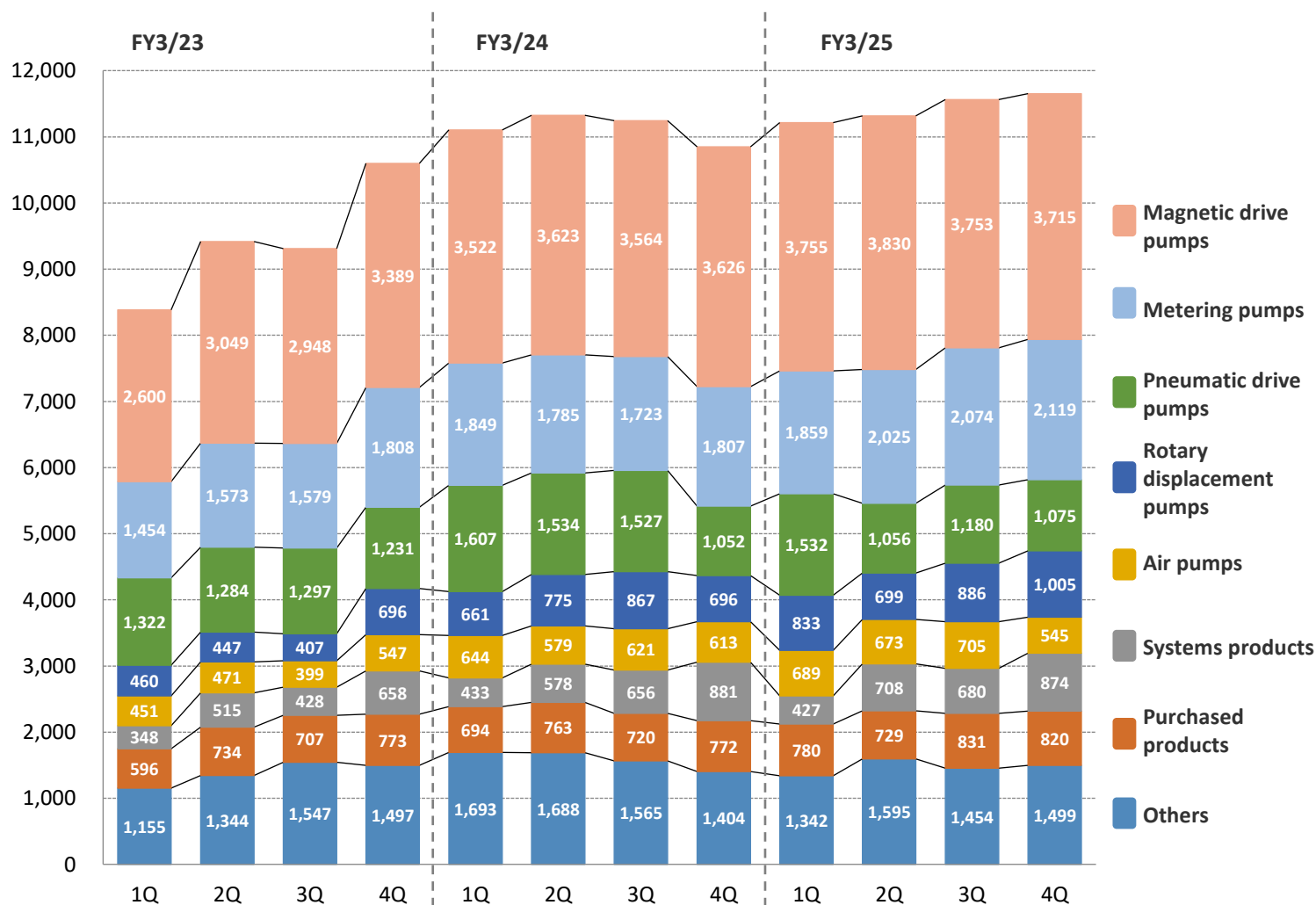
4Q

Reflecting sales growth in the water treatment and medical equipment categories, sales of metering pumps and rotary displacement pumps, which are used mainly in these categories, were higher.

Full year

Sales of all products increased except pneumatic drive pumps and others.

Weak demand in the semiconductor/liquid crystal category was responsible for lower sales of pneumatic drive pumps.



FY3/25 sales (Millions of yen)	YoY change (Millions of yen)	YoY change (%)
15,055	718	+5.0%
8,080	913	+12.7%
4,845	-875	-15.3%
3,423	423	+14.1%
2,613	154	+6.3%
2,691	141	+5.6%
3,161	209	+7.1%
5,891	-462	-7.3%

Regional Sales

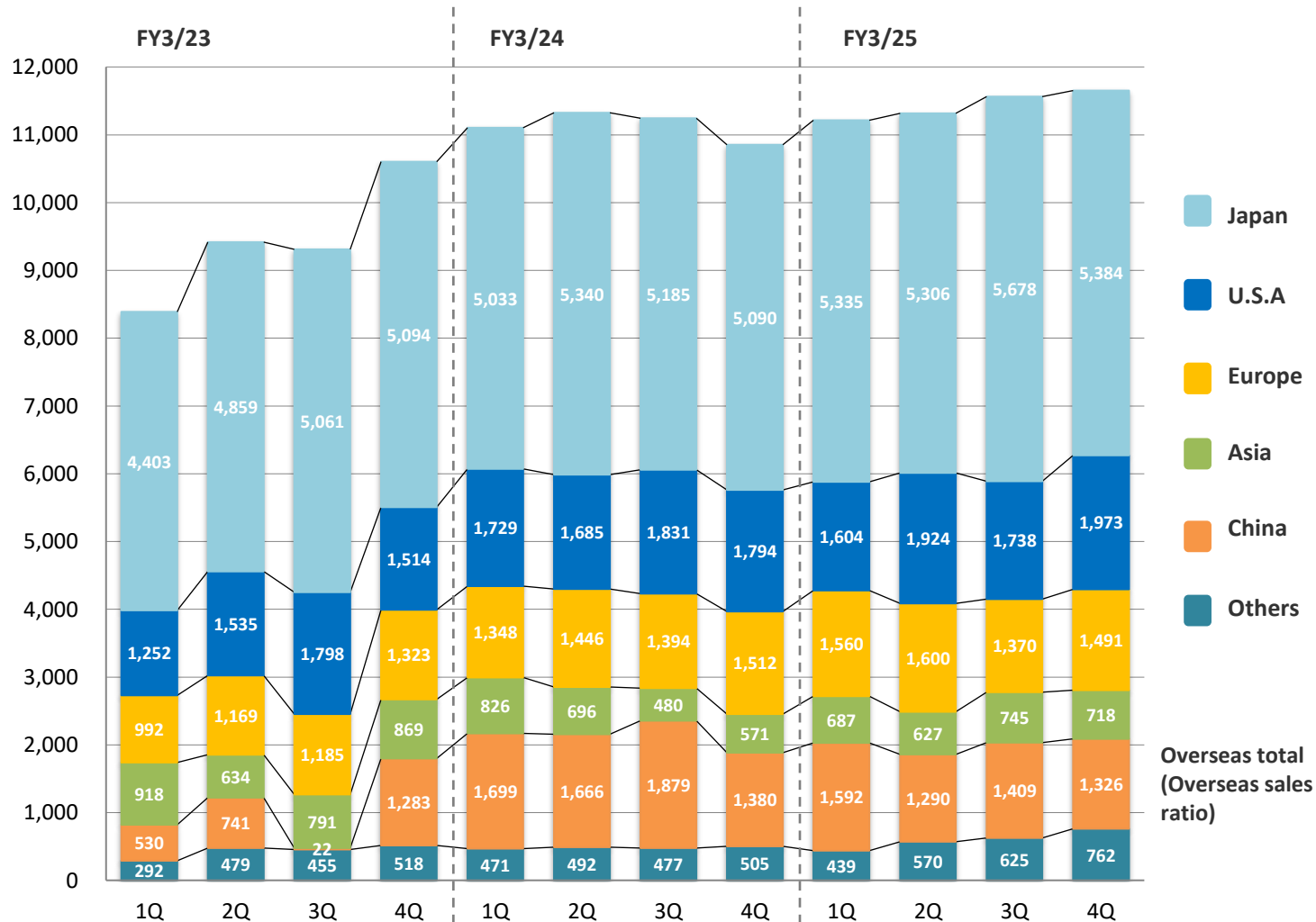
4Q

U.S. sales increased mainly in the chemicals and water treatment categories, resulting in record-high quarterly and fiscal year sales.

Full year

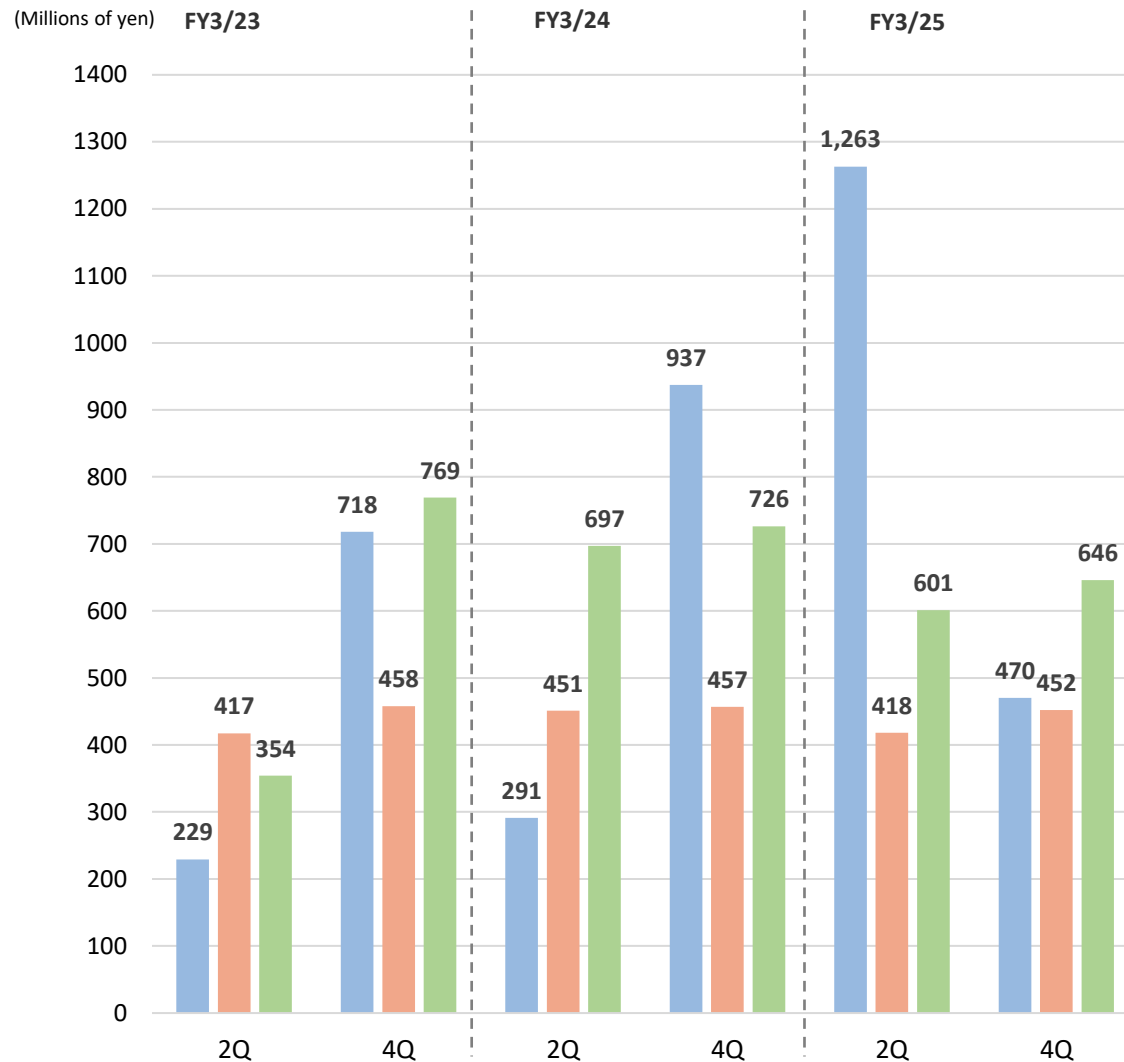
Sales in Japan were as expected but sales were down in China primarily in the semiconductor/liquid crystal and medical equipment categories.

In Asia, sales in Taiwan are beginning to recover.



	FY3/25 sales (Millions of yen)	YoY change (Millions of yen)	YoY change (%)
Japan	21,704	1,054	+5.1%
U.S.A	7,241	199	+2.8%
Europe	6,022	321	+5.6%
Asia	2,778	203	+7.9%
China	5,619	-1,006	-15.2%
Others	2,397	450	+23.2%
Overseas total (Overseas sales ratio)	24,059 (52.6%)	169	+0.7%

Capital Expenditures, R&D Expenses and Depreciation (Semi-annual)



	FY3/25 (Millions of yen)	YoY change
Capital expenditures	1,733	+505
R&D expenses	870	-38
Depreciation	1,247	-175

*A building lease extension at Iwaki America is the primary reason for the big increase in capital expenditures in the 2Q of FY3/25.

II. Outlook for FY3/26

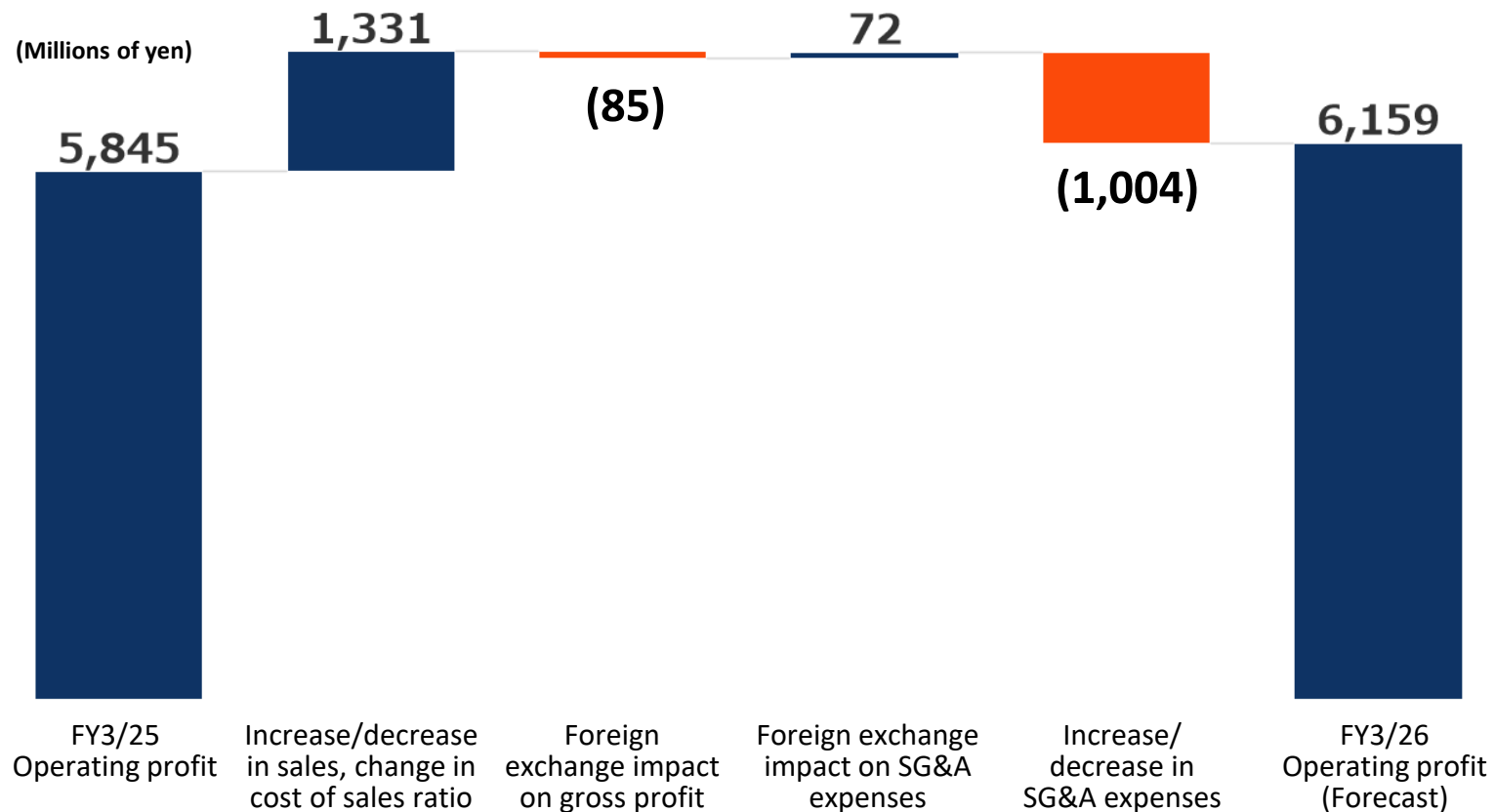
Forecast sales growth based on the outlook for growth to continue in the water treatment and medical equipment categories and for a recovery of the semiconductor/liquid crystal category.

Although SG&A expenses are expected to increase due to higher R&D expenses and other reasons, higher earnings are forecast at all levels as the income tax rate remains average.

		FY3/25	FY3/26 (Forecast)		
		Amount (Millions of yen)	Amount (Millions of yen)	Differences	YoY change
Net sales		45,763	48,439	2,675	+5.8%
Gross profit (Gross margin)		18,498 (40.4%)	19,745 (40.8%)	1,246	+6.7%
Operating profit (Operating margin)		5,845 (12.8%)	6,159 (12.7%)	314	+5.4%
Ordinary profit		6,517	6,601	84	+1.3%
Profit attributable to owners of parent		4,468	4,788	320	+7.2%
Net income per share (Yen)		202.15	215.82	13.68	+6.8%
Return on equity (ROE)		12.6%	12.2%	-	(-0.4pt)
Exchange rate (average)	USD/JPY (Yen)	151.69	148.00		
	EUR/JPY (Yen)	164.04	162.00		
	CNY/JPY (Yen)	21.03	21.30		

FY3/26 Forecast – Factors Affecting Profitability

Effect of ¥1 exchange rate change	USD	EUR	CNY
Net sales	71 million yen	38 million yen	298 million yen
Operating profit	5 million yen	12 million yen	125 million yen



FY3/26 Market Environment Assumptions








Priority markets targeted for growth

	Japan	Overseas
Water treatment market	<ul style="list-style-type: none"> • Slowdown in new public-sector orders and repair orders. In the private sector, the volume of industrial effluent treatment projects remains high. • Higher growth of the disinfection and ionized water markets due to higher demand created by inbound tourism booms • Disinfection and pH control markets are growing for food safety, disaster resilience and other purposes 	<ul style="list-style-type: none"> • Large volume of water and sewer system expenditures for resilience to natural disasters • Steady capital investment in general industry • Concerns about negative effects of changes in U.S. tariffs, which are unpredictable
Medical equipment market	<ul style="list-style-type: none"> • Medical equipment manufacturers are continuing to reduce excessive inventories of parts and materials following early purchases to secure sufficient supplies, but the market is slowly returning to normal • Many manufacturers are holding down orders because of the uncertain outlook for the global economy, particularly concerning U.S.-China relations • Slow sales involving endoscope cleaning equipment because of the large inventory of materials • The market for dialysis equipment is recovering slowly 	<ul style="list-style-type: none"> • A slow recovery is expected as medical equipment manufacturers make progress with inventory reductions • Logistics disruptions are slowly ending, but there are concerns about negative effects of changes in U.S. tariffs, which are unpredictable
New energy market	<ul style="list-style-type: none"> • Large investments by battery cell manufacturers and companies in the recycling industry • Growth of the market for Carbon Capture • Increasing development and investment activities involving hydrogen • Although production of household fuel cells is recovering with the support of government subsidies, the outlook is not positive due to ongoing inventory reductions 	<ul style="list-style-type: none"> • Demand is decreasing as companies postpone rechargeable battery capital expenditures in response to slow electric vehicle sales in Europe and the U.S. • Expenditures for hydrogen/Carbon Capture are increasing in Europe and China
Semiconductor/liquid crystal market	<ul style="list-style-type: none"> • The expected semiconductor market recovery is now likely to start later than anticipated and semiconductor manufacturing equipment companies will probably continue to reduce inventories 	<ul style="list-style-type: none"> • The delay of the expected semiconductor market recovery is impacting the business climate but there are signs of the beginning of a recovery in some regions
Chemicals market	<ul style="list-style-type: none"> • Strong demand in the agricultural chemicals, fats and oils, pharmaceuticals, cosmetics and many other market sectors • Weakness in the market for active pharmaceutical ingredients • Reorganization of the petrochemical business is continuing 	<ul style="list-style-type: none"> • Big downturn in the rechargeable battery material market caused by excessive investments by companies in Europe and China • Negative sentiment about capital expenditures is continuing at companies in Europe due to the energy shortage • Concerns about negative effects of changes in U.S. tariffs, which are unpredictable
Surface treatment equipment market	<ul style="list-style-type: none"> • Uncertainty about this market as capital expenditures decline 	<ul style="list-style-type: none"> • Slow recovery in Asia • Concerns about negative effects of changes in U.S. tariffs, which are unpredictable

*Red indicates negative outlooks









FY3/26 Market Category Sales Forecast

Sales are expected to remain strong in the water treatment and medical equipment categories. Forecast a recovery in the semiconductor/liquid crystal market.

	FY3/25 Results (Millions of yen)	FY3/26 Forecast (Millions of yen)	Differences	YoY change
 Water treatment	10,994	11,817	823	+7.5%
 Semiconductor/ liquid crystal	6,875	7,315	440	+6.4%
 Medical equipment	8,300	8,858	557	+6.7%
 Chemicals	5,234	5,282	47	+0.9%
 Surface treatment equipment	2,783	3,158	375	+13.5%
 New energy	779	949	170	+21.8%
 Others	10,795	11,057	261	+2.4%
Total	45,763	48,439	2,675	+5.8%

FY3/26 Product Category Sales Forecast

Forecast higher sales of pneumatic drive pumps in accordance with the market category forecasts

	FY3/25 Results (Millions of yen)	FY3/26 Forecast (Millions of yen)	Differences	YoY change
 Magnetic drive pumps	15,055	15,868	812	+5.4%
 Metering pumps	8,080	8,412	332	+4.1%
 Pneumatic drive pumps	4,845	5,413	568	+11.7%
 Rotary displacement pumps	3,423	3,593	170	+5.0%
 Air pumps	2,613	2,714	100	+3.8%
 Systems products	2,691	2,654	-37	-1.4%
 Purchased products	3,161	3,214	52	+1.7%
 Others	5,891	6,568	677	+11.5%
Total	45,763	48,439	2,675	+5.8%

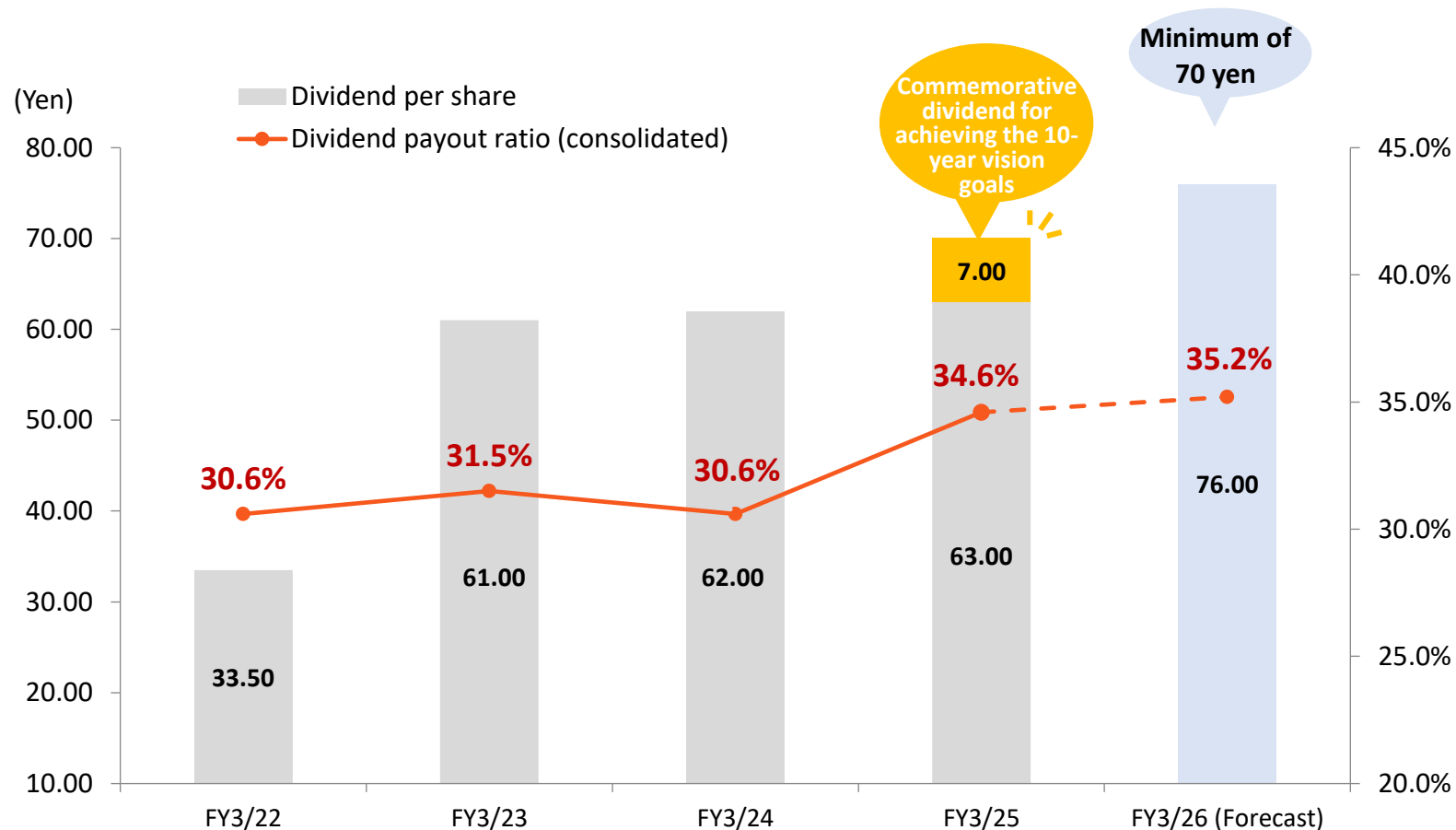
Return to Shareholders (Change in Dividend Policy)

Before change: Dividend payout ratio of over 30% / Steady distribution of dividends



After change: Dividend payout ratio of 35% or more / Minimum dividend of 70 yen (FY3/26 to FY3/28)


Note: If a one-time event occurs that has a significant impact on profit attributable to owners of parent, Iwaki may determine the dividend after excluding the effect of the event on earnings.





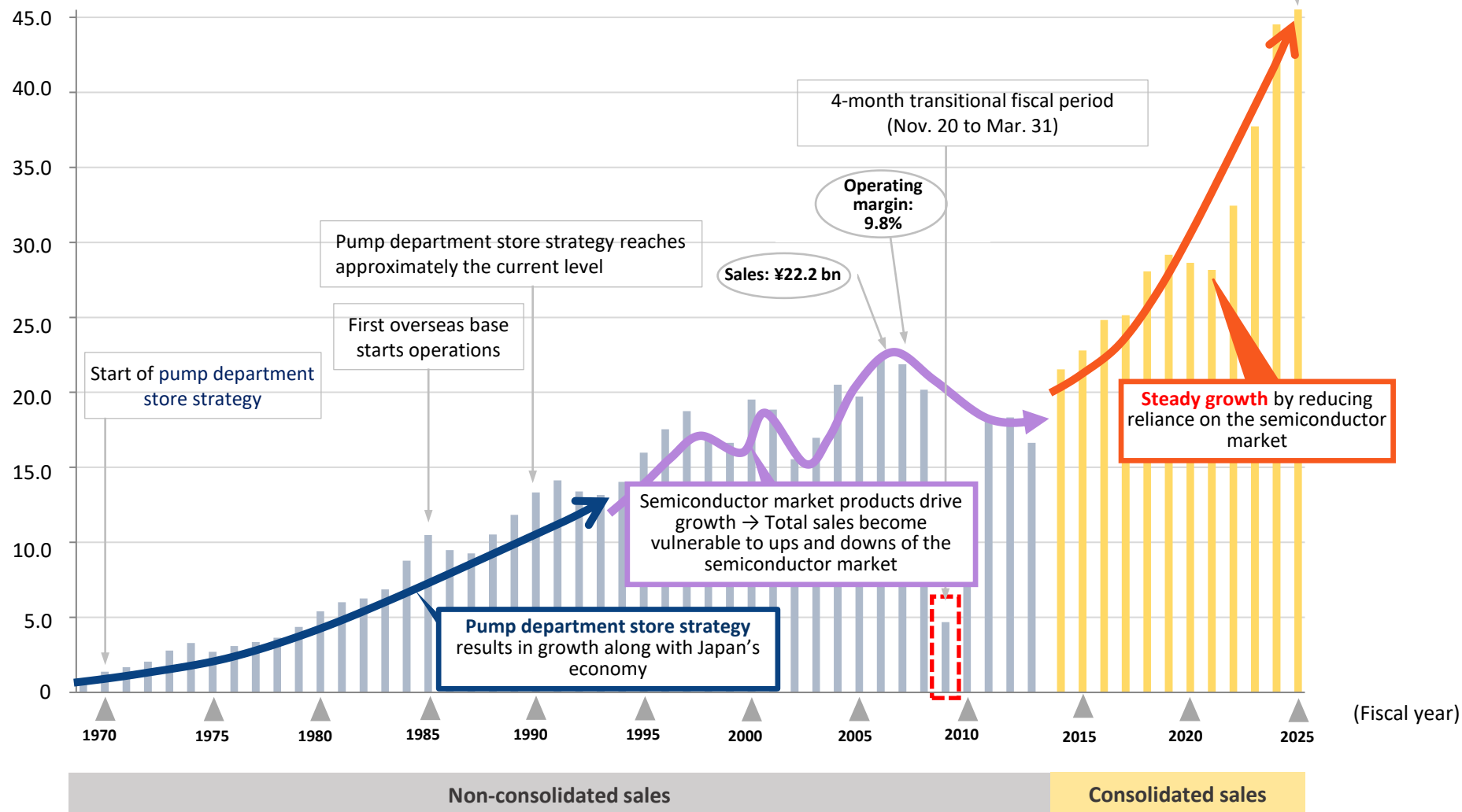
III. Appendix



Name	IWAKI CO.,LTD.
	 A manufacturer of a broad line of chemical pumps
Establishment	April 10, 1956
Representative	Shigeru Fujinaka
Head office	2-6-6, Kanda Suda-cho, Chiyoda-ku, Tokyo
Capital	1,044.69 million yen
Number of Employees	Consolidated: 1,121/Non-consolidated: 788 (as of the end of March 2025)
Business	Development, manufacture, purchase, sale and other activities for chemical pumps and pump controllers and other pump peripherals
Listing	Prime Market of the Tokyo Stock Exchange
	Trade name: Iwaki Pump /Stock code: 6237

Sales

(Billions of yen)





Chemical pumps are used for the transmission of chemicals and other substances



Unlike water pumps, chemical pumps are used for the transmission of many types of liquids, including sulfuric acid and other hazardous chemicals.



Chemical pumps must meet very high safety standards
(No leaks)

1

**A diverse lineup of products
to meet our customers' requirements**

2

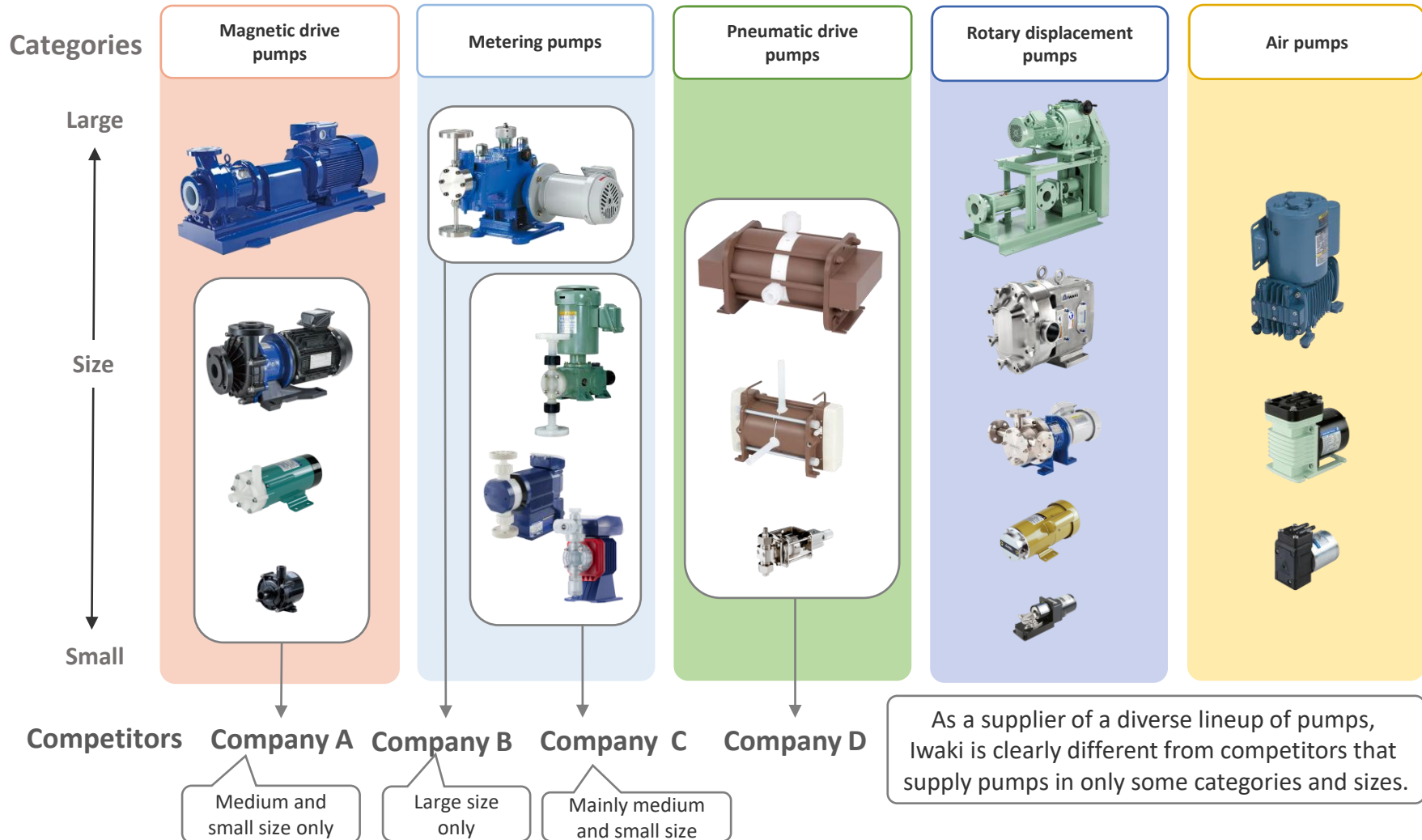
**Strong customer support backed by a
global production, sales and support infrastructure**

3

**Able to create solutions using fluid control functions
centered on pumps**

A Large and Diverse Product Lineup

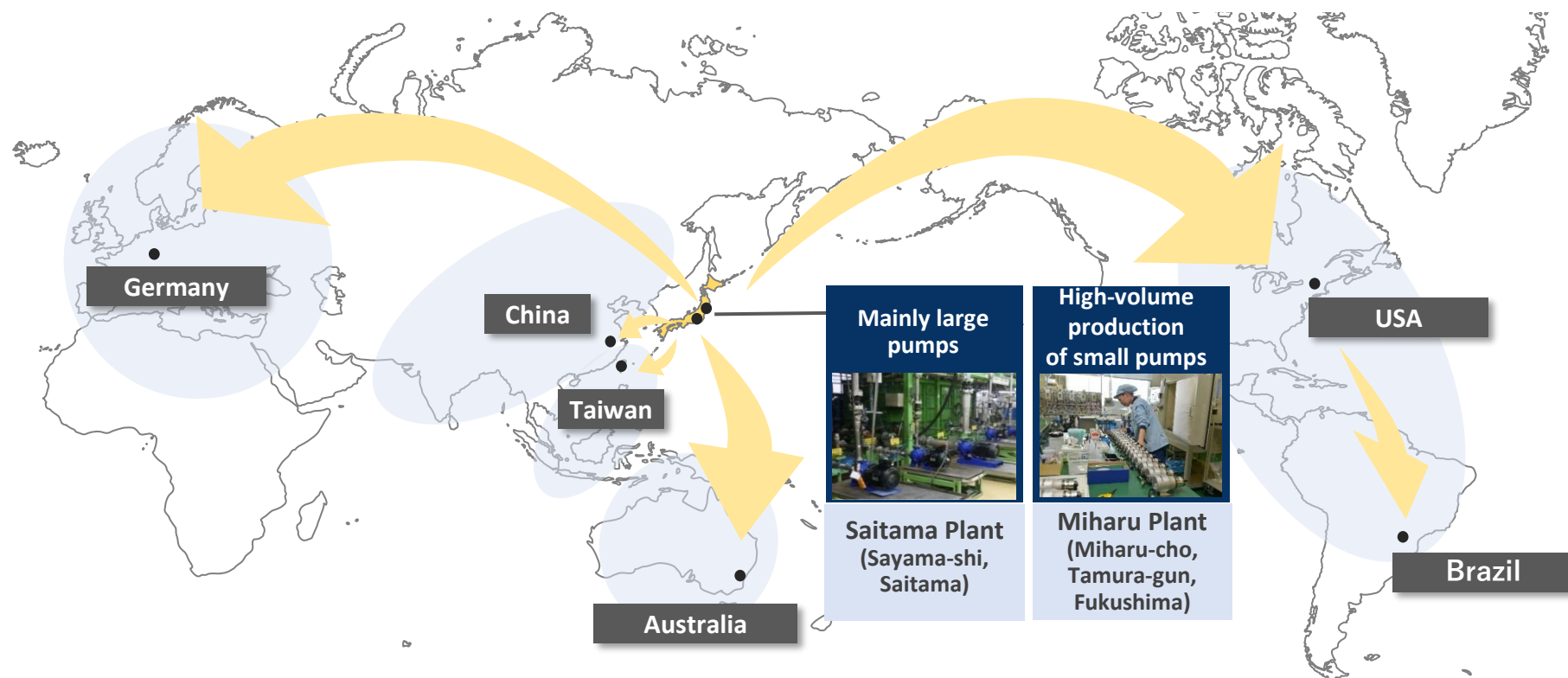
More than 60 series of pump models and **tens of thousands of models**
A **one-stop source** of comprehensive solutions for a broad array of pumps



Annual capacity of around 800,000 units with the ability to make many models in small quantities

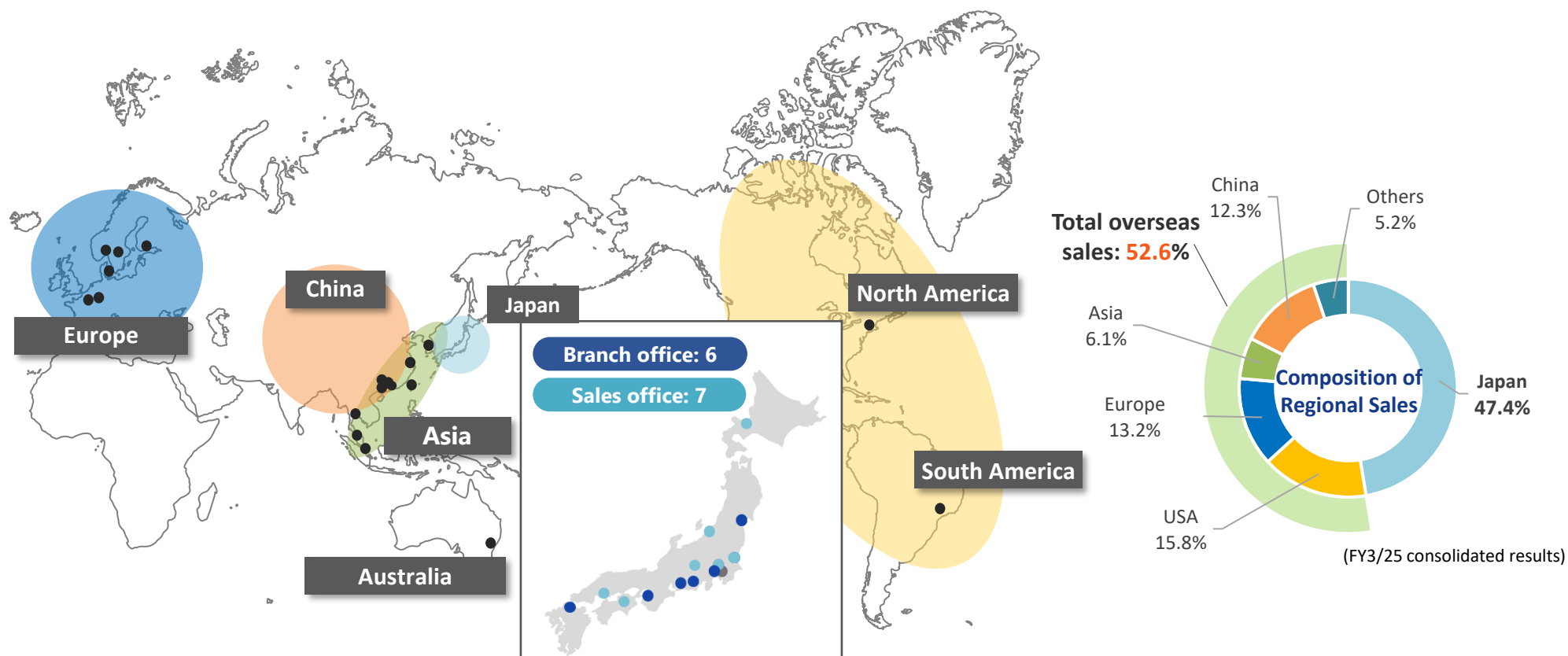
Japan: Small-lot production of many models and highly reliable quality assurance systems

Overseas: Six locations manufacture pumps using main parts (knock-down manufacturing), resulting in efficiency for deliveries and inventories

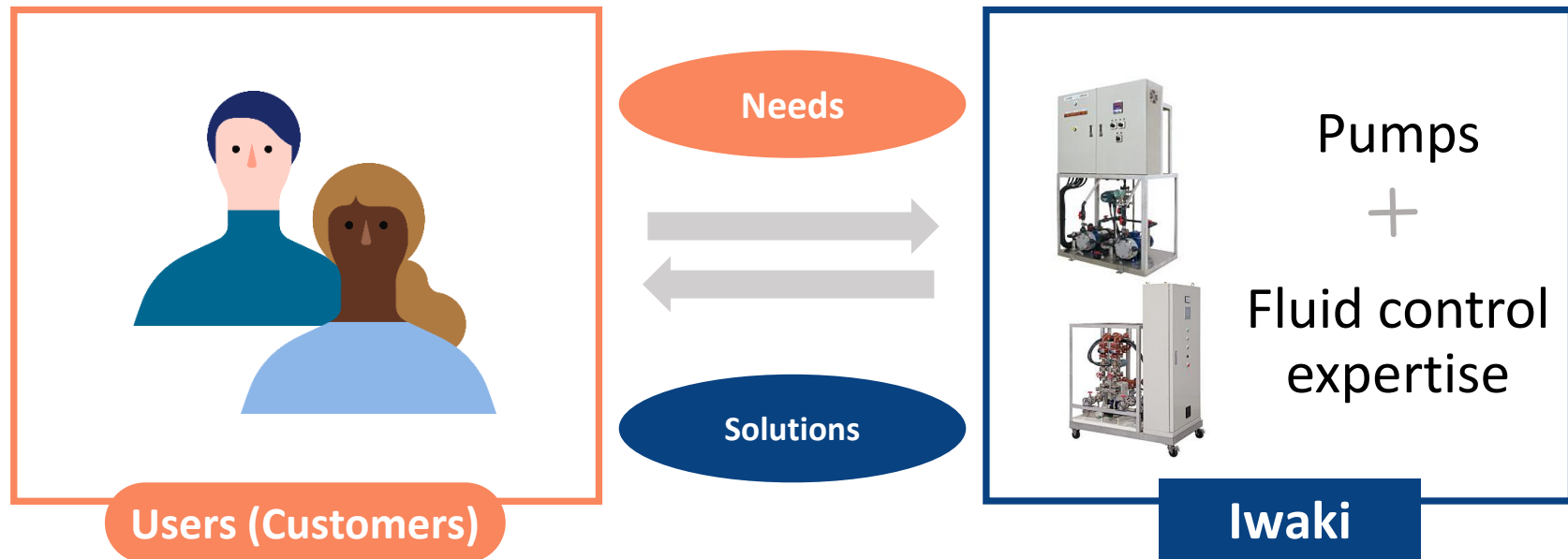


Branch offices and sales offices in 13 major cities in Japan in addition to the head office

A worldwide sales and service network with 20 group companies in 15 countries



Iwaki uses pumps and fluid control expertise to create **solutions** that match the **needs** of every customer





The Heart of Industry

We will continue to support industries at the forefront to contribute to the development of society and the happiness of people

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