

This document provides a summary of the question-and-answer sessions at the Financial Results briefing held on November 12, 2024.

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1. How do you think the business description of the Aviation-Related Business and its future performance?

A. The main business description of the Aviation-Related Business is the provision of a series of services related to the supply of aviation fuel, and the fee income is the main source of revenue. In addition, this series of services does not include the purchase or sale of aviation fuel. Accordingly, crude oil prices, aviation fuel prices, and exchange rate fluctuations have no direct impact on our Aviation-Related Business. We operate facilities and carry out refueling operations at regional airports as well as do at Haneda airport.

In the Aviation-Related Business, the unit price of handling fees rose sharply in the previous fiscal year due to the impact of the special factor of the COVID-19 pandemic. Earnings are expected to decrease year on year due to the return to the unit price of handling fees during normal times before the COVID-19 pandemic in the fiscal year under review. However, the performance of this business is expected to remain firm in the future, supported by robust aviation demand, mainly on international airline. Aviation demand at the regional airports especially those with international flights is also increasing.

In addition, nowadays the shortage of aviation fuel has become a topic, and we are sometimes asked whether the shortage of aviation fuel will affect our business. It will not have a significant impact. There are several reasons for the shortage of aviation fuel. The first is a shortage of logistics capacity. The second is labor shortage. These 2 issues are not limited to our Aviation-Related Business. Labor shortages are also an important issue for us. We are focusing on continuous recruitment and training.

Since it is our duty to provide a stable supply of aviation fuel, we are preparing to increase flights and launch new flights in anticipation of future demand.

At Haneda Airport, supply capacity is required more than in the past due to rising aviation demand. We need to have enough storage capacity to withstand this, which we disclosed on March 26, 2024. We are preparing to construct the second oil storage base at Haneda

Airport.

2. The yen is depreciating, and raw material costs are soaring. Have you been able to pass on price increases?

A. We have been able to secure profit by passing on price increases in a timely manner in the Gas-Related Businesses and Chemical Products-Related Businesses. In the Petroleum-Related Business, adjustments are made while monitoring market prices in the area, but reflecting costs in prices in a timely manner is an important issue in the second half of the fiscal year.

3. Please tell us about development investment in the interim period and your outlook for the future.

A. As a result of the medium-term growth investments, Imari gas Co., Ltd. joined the San-Ai Obbli Group by acquiring the shares of the company, which was also addressed in topics. The Company is engaged in businesses such as the supply of city gas and the sale of LP gas, and we expect synergies with our Group's Gas-Related Businesses.

In the LP-Gas Business, We will continue to invest in expanding the number of retailers and customers. We acquired 2 thousand retail customers in the second quarter, and we currently have more than 120 thousand retail customers. Our medium-term management plan calls for the acquisition of 170 thousand retail customers, and we will continue to aggressively pursue acquisitions.

In the Chemical Products-Related Business, we are considering investments in the supply chain, such as the selection of suppliers, the expansion of facilities at the Group's manufacturing plants, and the diversification of product lineups.

In the Other Businesses, we are considering accelerating equipment investment and expanding the plants in order to anticipate growth in demand in the parts cleaning and surface treatment industries for semiconductor manufacturing equipment.

In the Petroleum-Related Business, in order to maximize the use of our service stations, we will develop new business formats where customers are able to visit our stores in addition to fuel oil.

In the Aviation-Related Business, we are preparing for the construction of the second oil storage base at Haneda Airport.

4. What is the policy of the company for returning profit to shareholders in the future?

A. As for our policy of returning profit to shareholders, we have set out 2 measures in our medium-term management plan for FY2024 through FY2026. The first is to the annual dividend per share to 100 yen or more, and the second is to aim for a total return ratio of 100%. Regarding the expression that we aim for 100%, investors may think that we are not committed. Our policy is to make management decisions on investment and shareholder returns, considering the balance of cash and other factors, with our primary focus on investments for business development.

In addition, for the current fiscal year, we announced that we will acquire an additional 1 million shares of own shares using ToSTNet-3. In the forecast for the current fiscal year, net income is expected to be 9.5 billion yen, so the total return ratio is expected to exceed 100% by acquiring an additional 1 million shares of treasury shares.