

**FY 2024**

**Financial Results for the Fiscal Year**



May 13, 2025

SAN-AI OBBLI CO., LTD. (Stock code: 8097)

## CAUTIONARY STATEMENT

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This document was prepared using our machine translation. This document is to be used solely as a reference and in cases where any differences occur between English version and the original Japanese version, the Japanese version shall prevail.

This document contains forward-looking statements, including statements regarding our management plans and future performance. These statements are based on our judgment at the present time. Actual results may differ materially from these statements because of various risks and uncertainties.

We assume no responsibility for any investment activities conducted based on the material contained in this document. You will be asked to make decisions regarding investment in your own judgment.

### **[About the notation in this material]**

- **In principle, the figures in these materials are stated in millions of yen.**
- **Fiscal years beginning in April and ending in March 2025 (from April 2024 to March 2025) are indicated as "Fiscal 2024" or "FY2024."**

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## **1. Financial Results for FY2024**

# Financial Results and Key Points

## Financial Results for FY2024

(Millions of yen)

	FY2023	FY2024	Year on year changes	(Reference) FY2024 forecast	Achievement rate
Net sales	659,588	654,404	-0.8%	650,000	100.7%
Operating profit	16,873	11,808	-30.0%	12,500	94.5%
Ordinary profit	17,741	12,860	-27.5%	13,000	98.9%
Profit attributable to owners of parent	11,217	8,656	-22.8%	9,500	91.1%

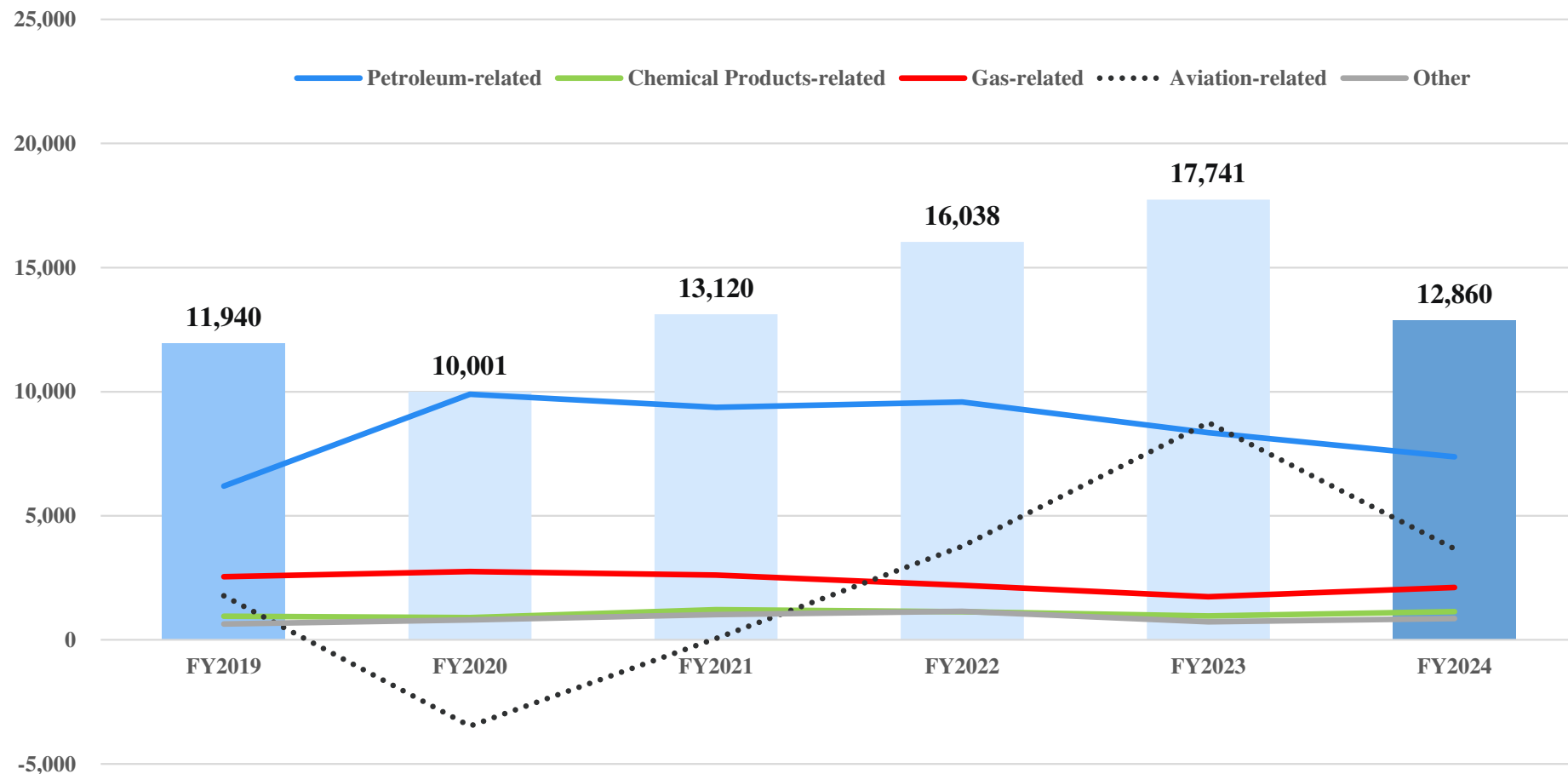
- In the Aviation-related business, profits declined due to the revision of the unit price of fuel handling fees at Haneda Airport.
- In the Petroleum and Gas business, gross profit increased, while selling, general and administrative expenses increased.
- Our group recorded a gain on sale of 2,920 million yen as an extraordinary gain in connection with the sale of investment securities.
- Our group recorded 1,283 million yen as extraordinary losses (impairment losses on fixed assets, including goodwill) because SAN-AI OBBLI GAS-BANSHU, the LPG sales company which is in Takasago City, Hyogo Prefecture, was expected to deteriorate its profitability due to the decrease of customers in apartment complexes.

## Change in segment separates ordinary profit

Revisions to the unit price of fuel handling fees at Haneda Airport led to a decline in profits in the Aviation-related business, which had a significant impact on our consolidated results.

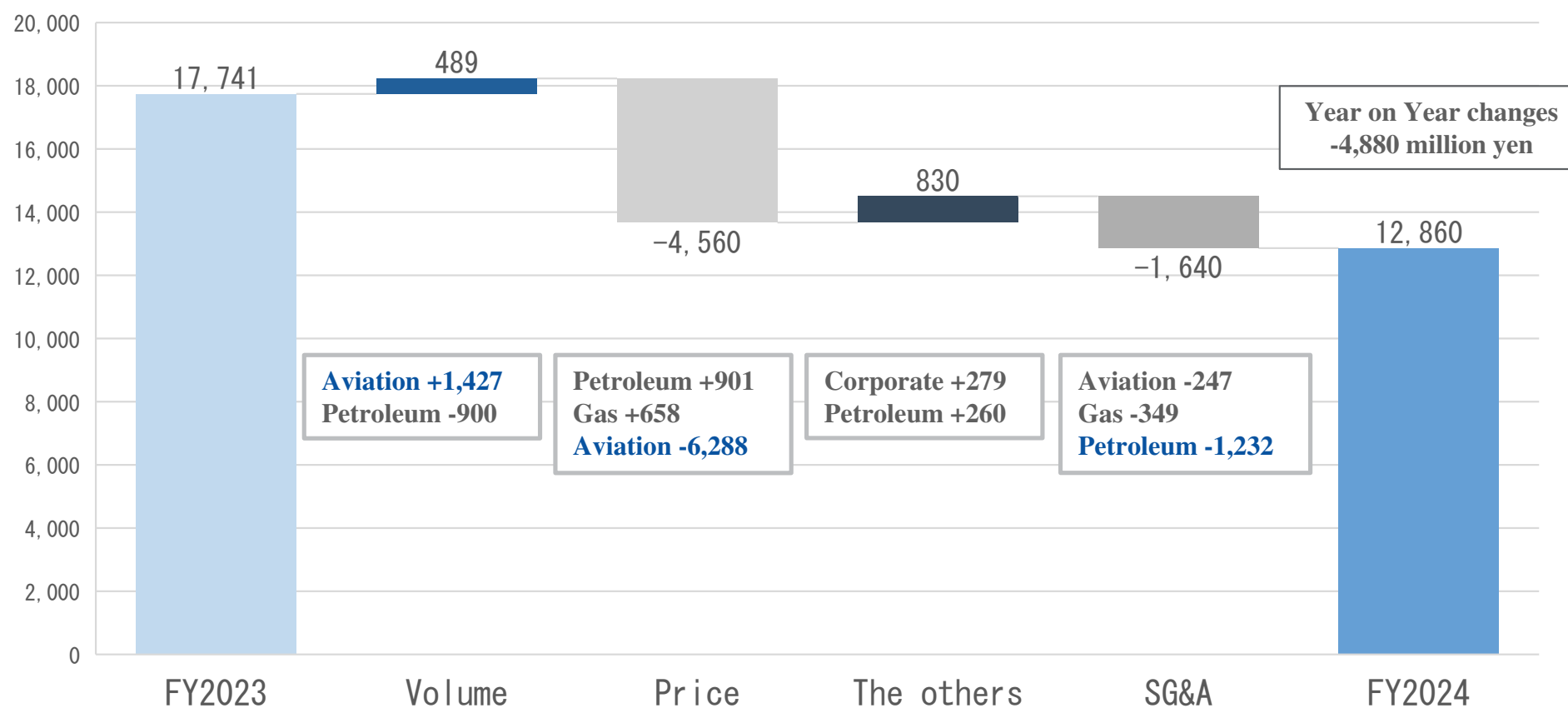
Despite a significant year-on-year decline in FY 2024 results, the Company has maintained a profit level that exceeds the level before the COVID-19 pandemic.

(Millions of yen)



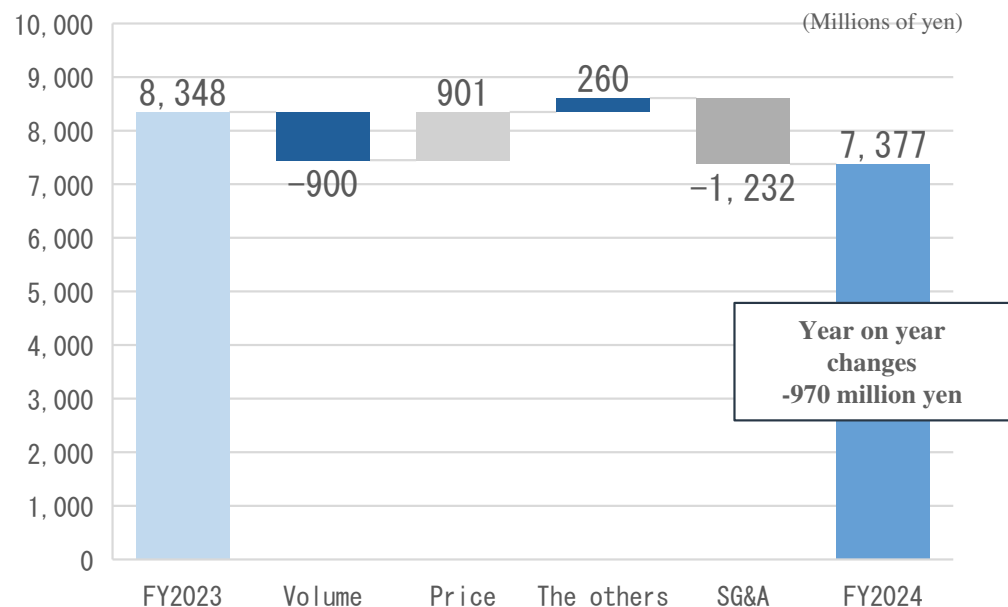
## Details of Year on Year Changes in Ordinary Profit

(Millions of yen)



- The profit/loss impact from inventory is included in the unit price factor.
- Other factors include increases and decreases in commission income, excluding commissions on aviation fuel, net sales of completed construction contracts, and non-operating income and expenses.

## Petroleum-related Business



Petroleum-related Business supplies petroleum products across the country through wholesale to dealers, sales of industrial fuels and lubricants for factories, and retail sales at SS (service stations).

Affiliated SS 981 locations as of March 31, 2025



### Retail Division

1,843 million yen

#### Volume

Sales of directly managed SS declined. (-)

#### Price

Margins improved. (+)

### Wholesale Division

5,338 million yen

#### Price

Profit margin recovered due to inventory valuation. (+)

### Industrial Fuel Sales Division

164 million yen

#### Volume

Declined due to intensifying price competition. (-)

### Industrial Lubricants Sales Division

30 million yen

#### Other

Maintenance revenue increased. (+)

#### SG&A

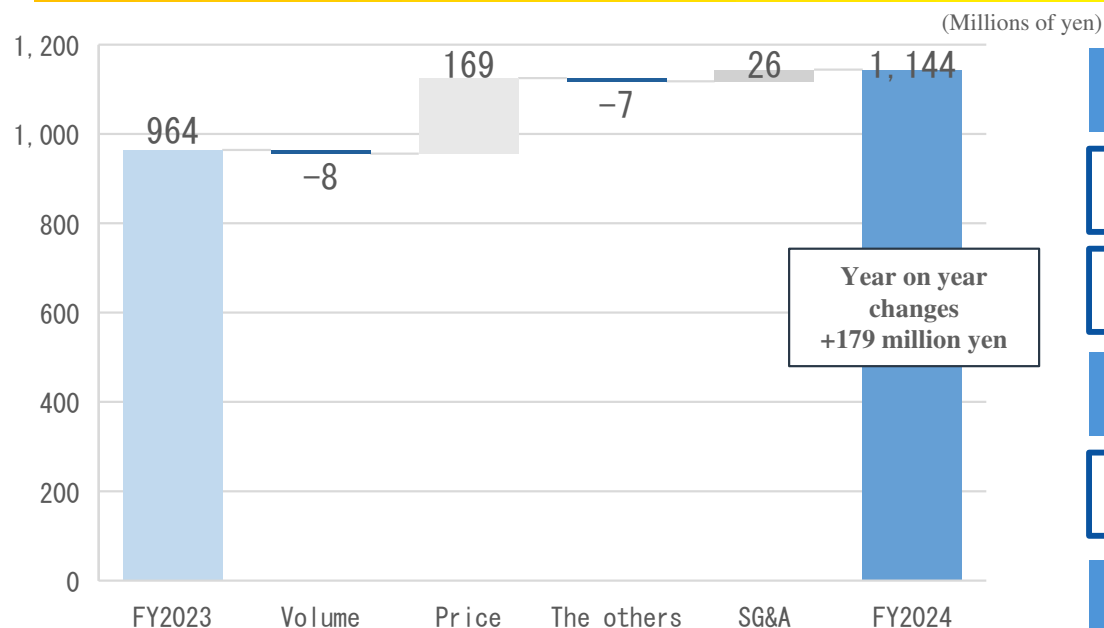
The company recorded a provision for doubtful accounts due to the interruption of a wind power plant development survey. (-)

### Selling, general and administrative expenses

Personnel, packing and transportation expenses, etc. increased. (-)



# Chemical Products-related Business



**Chemical Products-related Business manufactures and sells biocide products and commercial car wash products. In addition, it sells petroleum-based solvents and tackifiers wholesale.**



## Commercial wash products

16.0%

### Volume

Sales Volume of car wash agents decreased. (-)

### Price

Profit margins recovered. (+)

## Biocide products

32.9%

### Volume

Sales Volume was flat year on year.

## Solvent & Industrial Chemicals

29.8%

### Price

Profit margins recovered. (+)

## Tackifier

13.7%

### Volume

Sales volume increased. (+)

## Others (Performance chemicals, etc.)

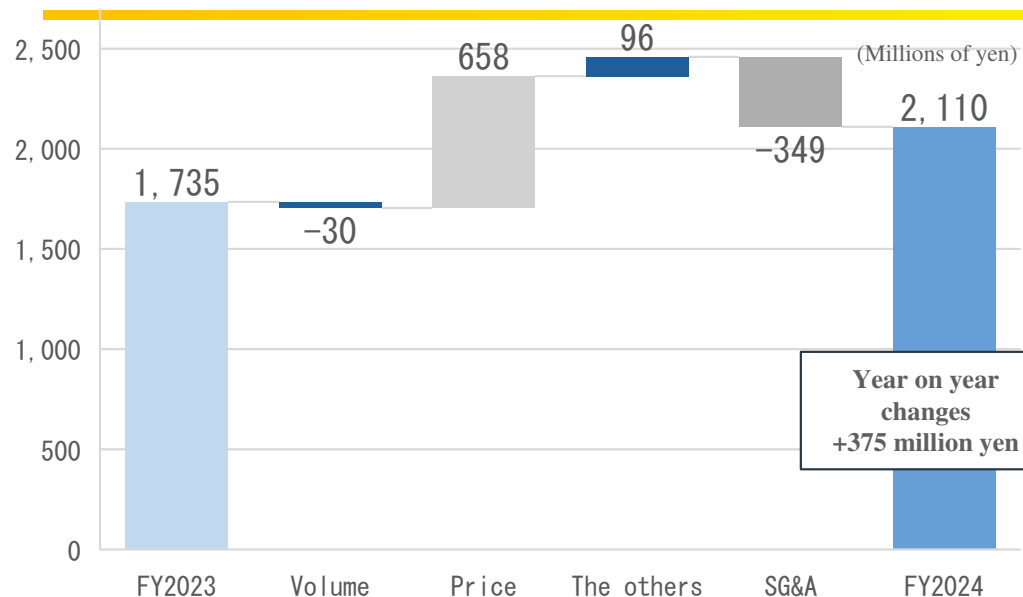
7.6%

### Volume

Sales of higher alcohol increased. (+)

※ Since only the chemical-related business is explained by product, the percentage of gross profit is shown in the product category.

## Gas-related Business



### <LPG Sales Business>

LPG Sales Business sells residential and commercial LP gas and sells renovations and gas appliances mainly in the Kanto and Tokai areas, Chugoku and Kinki areas, and Kyushu areas. 122 thousand retail customers as of March 31, 2025

### <Natural Gas Sales Business>

Natural Gas Sales Business supplies to factories and the others using the Saga Natural Gas Pipeline, etc., and also supplies city gas to general consumers in Saga Prefecture.



### <LP Gas Sales Business>

1,612 million yen

#### Retail Division

##### Volume

Unit consumption decreased due to the rise in temperature. (-)

##### Price

Profit margins improved due to thorough rate management. (+)

#### Wholesale Division

##### Volume

Unit consumption decreased due to the rise in temperature. (-)

##### Price

Profit recovered due to inventory valuation. (+)

### <Natural Gas Sales>

498 million yen

#### Household use

##### Volume

Unit consumption decreased due to the increase in temperature. (-)

#### Commercial and industrial

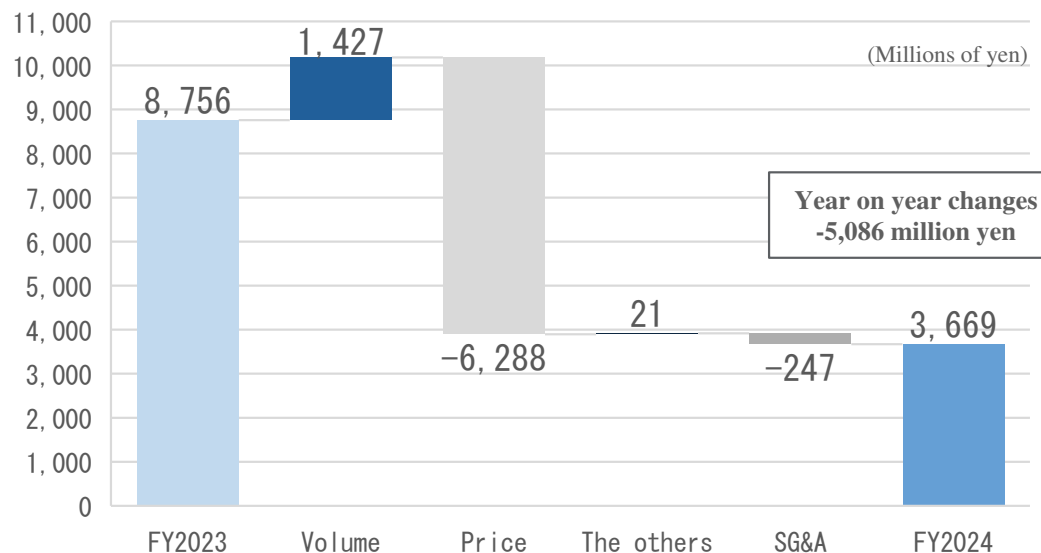
##### Volume

Demand at factories has declined slightly. (-)

### < Selling, general and administrative expenses >

Personnel expenses increased. (-)

# Aviation-related Business



Aviation-related Business operates aviation fuel facilities and refuel aircraft at Haneda Airport. Additionally, the business operates aviation fuel facilities and refueling operations at 27 locations across Japan, from Hokkaido to Okinawa.



## Haneda Airport

### Volume

Demand on domestic airline recovered from October. (+)  
International airline was robust due to new flights and increased flights due to an increase in the number of foreign visitors to Japan. (+)

### Price

Profit fell due to revisions to air fuel commissions. (-)

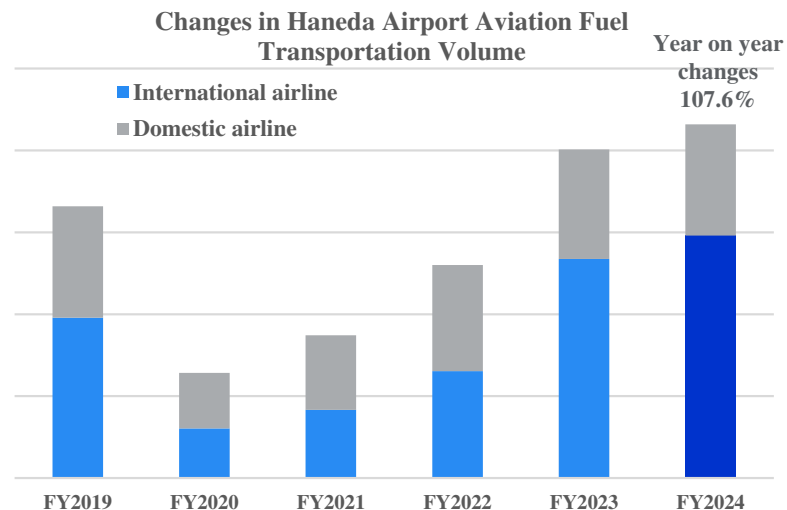
## Other airports (25 airports, 1 heliport)

### Volume

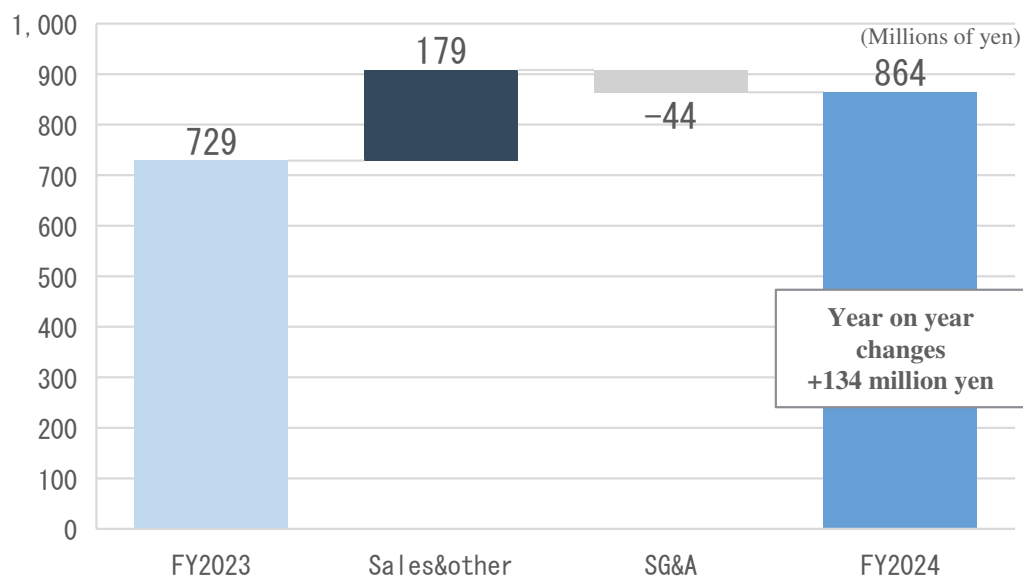
The volume of refueling remained strong. (+)

## Selling, general and administrative expenses

Personnel expenses increased. (-)



## The Other Businesses



The Other Business include cleaning and surface treatment for metal products, construction work and so on.

In recent years, the revenue ratio of component cleaning of semiconductor manufacturing equipment has increased.



**Cleaning and surface treatment of metal products Business**

542million yen

**Sales and others**

There are signs of recovery in the production of semiconductor production equipment. (+)

**Construction Business**

277 million yen

**Sales and others**

Profits declined due to a decrease in orders received. (-)

**Real Estate Leasing and Solar Business**

45 million yen

Cleaning and surface treatment technologies for metal products of SAN-AI OBBLITECH CO., LTD. are active in a wide range of fields, from space development technology to semiconductor manufacturing. The company's technology was used for Hayabusa 2, an asteroid exploration machine launched in 2014.



# Balance sheet

End of FY2023

	Interest-bearing debt, 4,473
Cash and deposits, 53,671	
Other current assets, 54,948	Other liabilities, 90,305
Non-current assets, 59,609	
Investments and other assets, 50,377	Net assets, 123,829 (Equity ratio 53.9%)

End of FY2024

(Millions of yen)

	Interest-bearing debt, 4,138
Cash and deposits, 40,599 (Year-on-year changes -13,071)	
Other current assets, 55,790	Other liabilities, 82,948 (Notes and accounts payable-trade -3,810)
Non-current assets, 59,774	
Investments and other assets, 50,945	Net assets, 120,023 (Equity ratio 54.8%)  (Profit +8,656) (Year-end and interim dividends-6,381) (Treasury shares -3,949)

[Major Variance Factors]

- Cash and deposits : Payment of accounts payable at the end of the previous fiscal year, return to shareholders (including dividends, share buyback)
- Net Income and Shareholder Returns : Aiming for a Total Return Ratio of 100% under the Medium-Term Management Plan, the Company acquired 1,996,000 shares of treasury shares by resolution of the Board of Directors.

## Cash allocation status

**FY 2024**

(Millions of yen)

Fund procurement		Composition ratio
Cash generated from operation (excluding working capital)	18,640	50.5%
Asset sales, etc.	5,182	14.0%
Utilization of cash on hand	13,092	35.5%

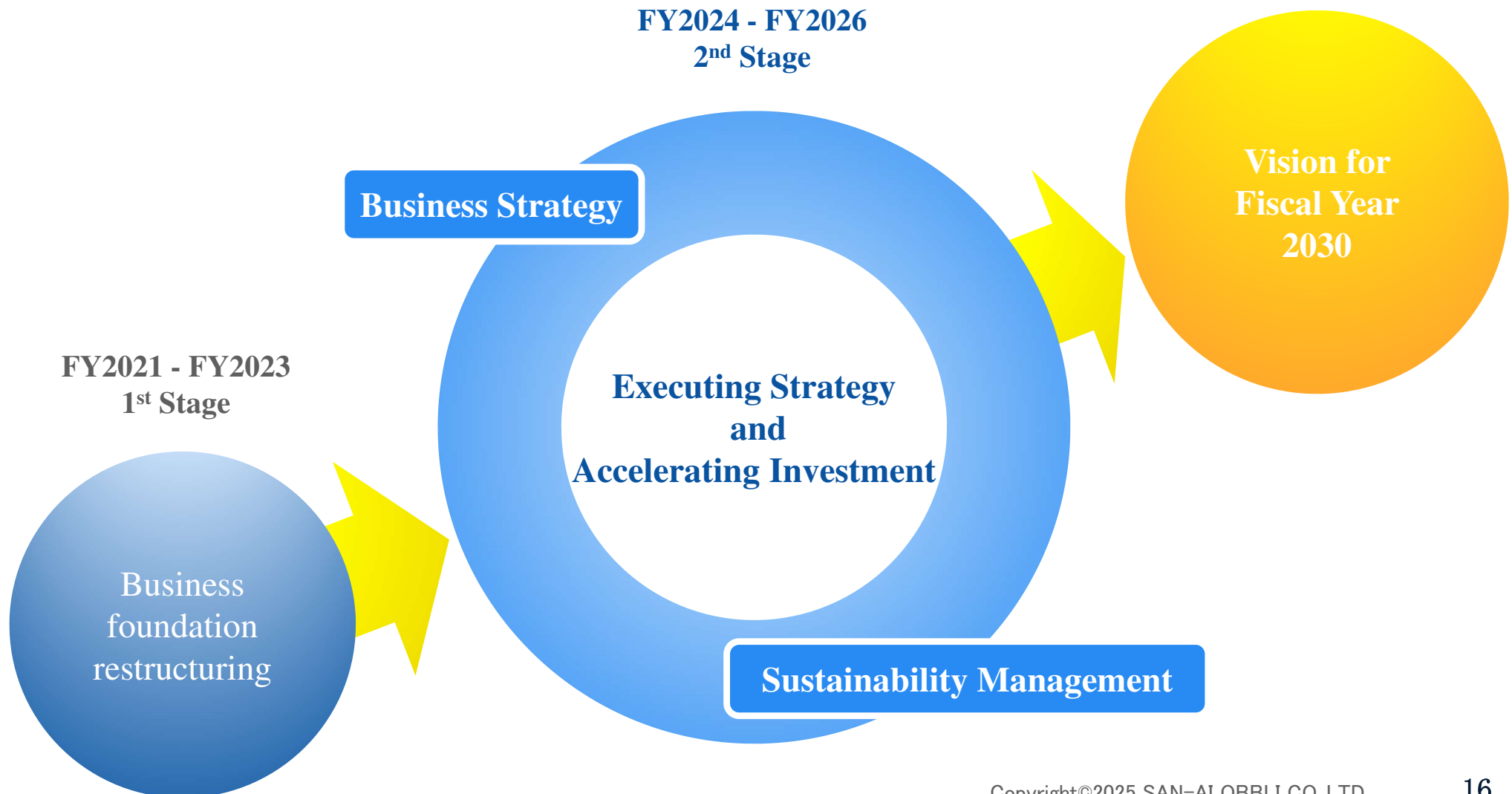
Fund utilization			Composition ratio
Capital and business investment	7,606		20.6%
Cash dividends paid	6,381	Shareholder Returns 10,342	28.0%
Repurchase of treasury shares	3,961		
Decrease in working capital	6,736		18.2%
Operating Security Deposits	6,220		16.9%
Income tax paid	4,744		12.9%
Other funds utilization	1,266		3.4%

- In terms of shareholder returns, the Company paid a year-end dividend and an interim dividends of 6,381 million yen for the previous fiscal year and 3,961 million yen for share buybacks resolved at the Board of Directors meetings in May and November 2024.
- The Company added operating security deposits to suppliers in line with the increase in trade value.
- Asset sales, etc. mainly include sales of investment securities.

## **2. Progress of the Medium-Term Management Plan (FY2024-2026)**

## Mid-term management plan basic policy

Become a Business Portfolio that responds to a Low-carbon, Recycling-oriented Society





## Mid-term management plan basic policy

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### Business Strategy

- ◆ **Investments in growth businesses**  
Aviation, Chemical Products, Gas, Clean Tech Business
- ◆ **Maintain earnings in the Petroleum-related business and reform the business model**
- ◆ **Entry into green energy and eco-friendly businesses**  
Development of renewable energy and new businesses

### Sustainability Management

- ◆ **Strengthening the management infrastructure**  
Human-capital management, DX promotion, and GHG reduction
- ◆ **Strengthening the Investment Management System**
- ◆ **Expand Shareholders return**

# Medium-Term Management Plan Targets and Results

## FY2024-2026 Targets

Ordinary profit  
**13 to 15 billion yen**

ROE (Return on equity)  
**8% or more**

Annual dividend per share  
**Lower Limit 100 yen**

Total return ratio  
**Aim at 100%**

PBR (Price Book-value Ratio)  
Maintain at more than  
**1.0 times**

## FY2024 Results

Ordinary profit  
**12.9 billion yen**

ROE  
**7.5%**

Annual dividend per share  
**100 yen (※)**

Total return ratio  
**118.3%**

PBR (As of March 31, 2025)  
**0.95times**

## Results and Main Factors

### ■ Ordinary profit

- On a gross profit basis for each segment were in line with expectations.
- Although selling, general and administrative expenses had a negative impact, results were roughly in line with targets.

### ■ ROE

- The Company did not achieve the target due to recording of impairment loss, etc.

### ■ Shareholder Returns

- The Company also achieved an annual dividend and a total return ratio.

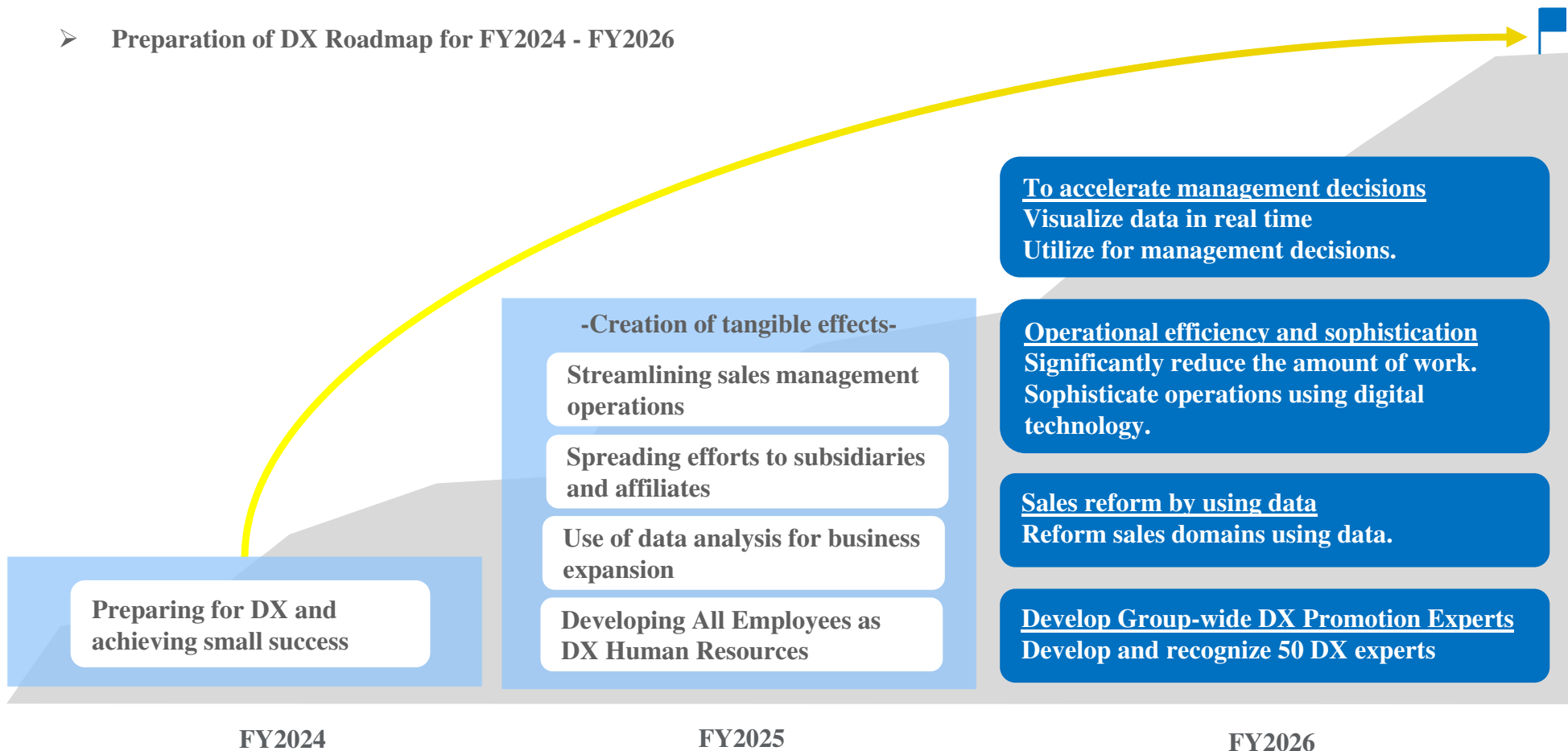
### ■ PBR

- Despite enhanced shareholder returns, it is presumed that the decline in profits from the fiscal year was affected.

# Mid-term Management Plan Progress

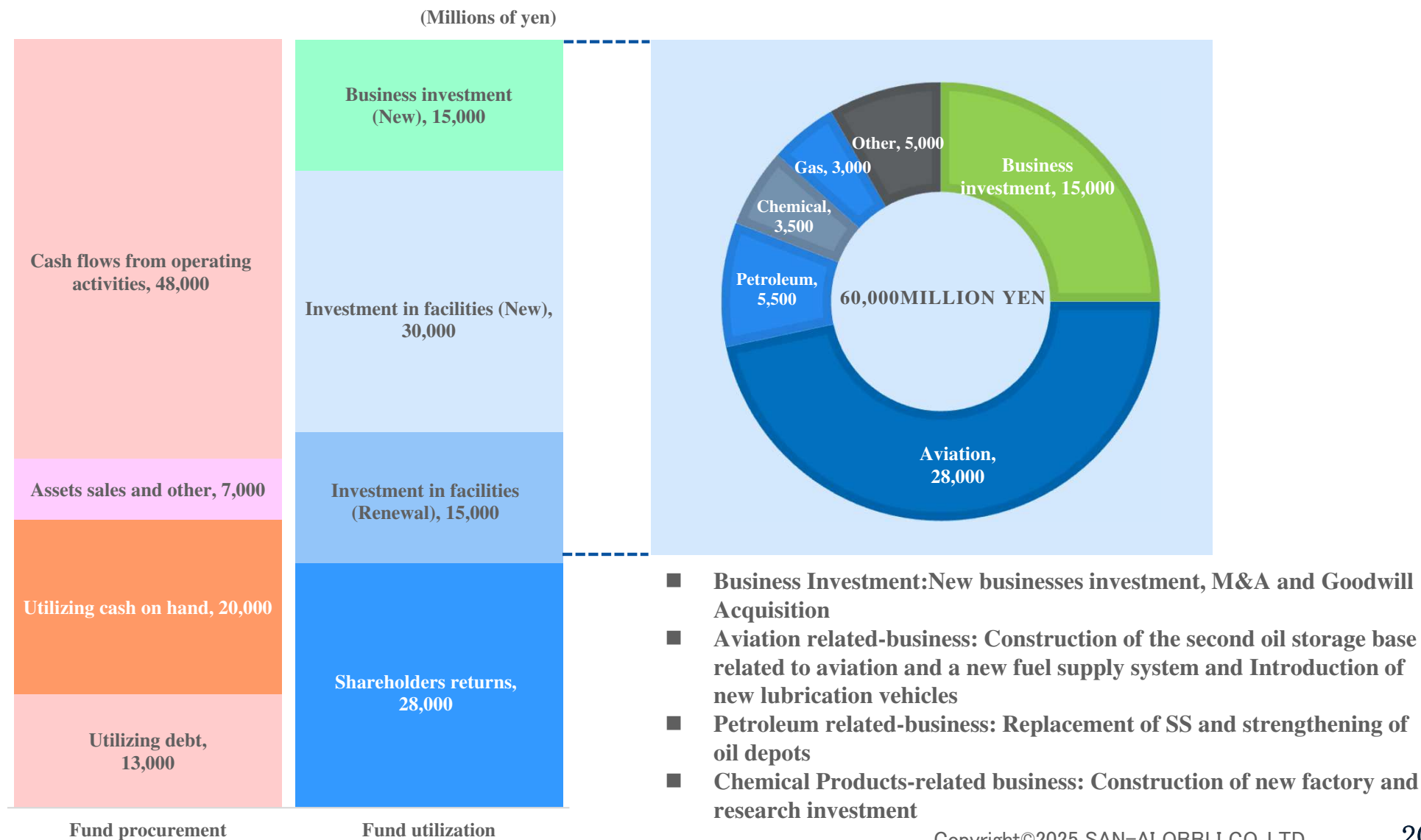
## Promotion of DX management

- DX Committee established in July 2024
- Launched Management DX and Corporate DX Subcommittee, Business DX Subcommittee, and DX Human Resources Subcommittee to promote measures for business transformation
- Preparation of DX Roadmap for FY2024 - FY2026



## Cash Allocation (FY2024-2026)

- Investments in high-risk new businesses are financed by cash and deposits on hand and asset sales
- Utilize debt to invest in facilities at Haneda Airport and to upgrade existing facilities, which can be expected to generate returns



# Progress of Investment (FY2024 Results and FY2025 Plan)

(Millions of yen)

		3-year Target	FY2024 Results	FY2025 Plan
Business investment (new)		15,000	1,600 Investment to Avatarin Acquisition of Imari Gas LPG goodwill acquisition	9,000 M&A LPG goodwill acquisition
Capital expenditures (New)	Petroleum	30,000	-	600 Construction of new SS SS new business lines
	Chemical		100 Construction of new factory at SAN-AI RIKEN	300 Construction of new factory at SAN-AI RIKEN
	Gas		-	300 Natural Gas facilities
	Aviation		10 Construction of the second oil storage base	6,000 Construction of the second oil storage base
	Other		30 Expansion of new plant in SAN-AI OBBLI TECH	2,400 Expansion of new plant in SAN-AI OBBLI TECH
Capital expenditures (Updated)	Petroleum	15,000	2,280 Renewal of SS and oil depot facilities	2,500 Renewal of SS and oil depot facilities
	Chemical		60 Renewal of research and manufacturing facilities	100 Renewal of research and manufacturing facilities
	Gas		1,400 Renewal of pipelines and supply facilities	1,500 Renewal of pipelines and supply facilities
	Aviation		2,000 Renewal of new refueling system	1,600 Renewal of refueling facilities
	Other		400 Renewal of production equipment for SAN-AI OBBLI TECH and others	1,700 Renovation of training centers and others
Group Total		60,000	7,880	26,000

※ Calculated on an acquisition basis

### **3. Outlook for FY2025 and Business Policy**

# Outlook for FY2025

## Ordinary profit(Results and Forecasts)



Fiscal 2024

Fiscal Year 2025 (Forecast)

### Petroleum-related businesses

- Maintain sales volume and profit margins through a flexible area strategy.
- Maximize profits through group synergies.

### Chemical Products-related business

- Expand sales of functional chemicals, etc.
- Improve profit margin by optimizing inventory.

### Gas-related business

- Increase the number of retails of LPG and thoroughly manage profitability.
- Acquire customers along the Saga natural gas pipeline.

### Aviation-related business

- Aviation demand is expected to remain firm.
- Sales of fuel handling fees are expected to increase.

### Other (Clean Tech Business)

- To acquire demand for semiconductor manufacturing equipment.

## Outlook for FY2025

	FY2024	FY2025 forecast	Year on year changes
Ordinary profit	12,860 million yen	14,000 million yen	+8.9%
Profit attributable to owners of parent	8,654 million yen	9,100 million yen	+5.1%
ROE (Return on Equity)	7.5%	8.0%	+0.5%
Dividend per share	100.00Yen	100.00Yen	-
Dividend payout ratio	73.0%	68.5%	-
PBR (Price Book-value Ratio)	0.95times	1.0 times or more	-



# Business Policies for Achieving the Medium-Term Management Plan

Strengthen the competitiveness of existing businesses and invest in new businesses to transform the business portfolio.

## Petroleum-related businesses

- Reinvest in good SS and strengthen competitiveness.
- Build a new SS using the newest technology.

## Chemical Products-related business

- Construct a new plant. (Scheduled start of operations in September 2027)
- Strengthen R&D of in-house products.

## Gas-related business

- Promote the acquisition and M&A of LPG goodwill.
- Proactively propose new LNG satellites, etc.

## Aviation-related business

- Capital invest in Haneda Airport's second oil storage base and other facilities.
- Streamline operations by introducing a new refueling system.

## The Other business (Clean Tech Business)

- To capture the increasing demand for cleaning parts in semiconductor manufacturing equipment due to expansion of plant buildings.

## Corporate division

- Streamline operations by promoting DX and develop new businesses.
- Invest in human capital.