



**NIPPON SANSO HOLDINGS**

# **Q4 FYE2022**

# **Consolidated Financial Results**

## **Earnings Announcement**

(Fiscal year ended March 31, 2022)

May 11, 2022  
Tokyo (Japan)

**The Gas Professionals**

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## ● Financial information

NSHD’s financial statements are prepared in accordance with international Financial Reporting Standards (“IFRS”).

# Notes

## ● Analysis of Operating Results (Reasons for change in Revenue and Segment Operating Income)

In the supplementary materials to the financial statements of NSHD, starting from the fiscal year ending March 31, 2022, NSHD will describe the status of the business results of NSHD group on a quarterly consolidated accounting period basis, as well as its recognition and analysis of the status of the business results of NSHD group from management's perspective. Please note that Segment Operating Income is based on Core Operating Income.

## ● The following table shows Revenue, Operating income, and the effect of Forex rate changes on Revenue and Operating Income.

The impact of Forex rate fluctuation is calculated by applying the average rate for the period under review to the period under review (the current period and the previous period). These disclosures are not in accordance with International Financial Reporting Standards (IFRS). However, we believe that these disclosures are useful analytical information for investors to understand the business conditions of the Group.

<Forex rates>

Unit : JPY Currency	Average Forex rates									Unit : ¥ bn. Currency	(Reference) Currency sensitivity as rough indication	
	FYE2021				FYE2022				FYE2023		Impact of devaluation by 1 JPY (Full-term basis)	
	1Q (Apr.-Jun.)	1st Half (Apr.-Sep.)	9M (Apr.-Dec.)	Full-term (Apr.-Mar.)	1Q (Apr.-Jun.)	1st Half (Apr.-Sep.)	9M (Apr.-Dec.)	Full-term (Apr.-Mar.)	Full-term Assumption (Apr.-Mar.)		Revenue	Core Operating Income
USD	107.38	106.32	105.54	105.94	109.76	110.10	111.45	113.04	115	USD	+2.0	+0.25
EUR	118.74	121.66	122.61	124.07	132.44	131.16	130.96	131.11	125	EUR	+1.6	+0.2
SGD	76.29	76.67	76.92	77.76	82.41	82.01	82.77	83.83	82.7			
AUD	71.69	73.91	74.75	76.71	84.15	82.33	82.69	83.33	82.2			
CNY	15.11	15.20	15.39	15.65	17.06	17.07	17.35	17.65	17			

## ● Presentation of overall business performance and segment performance

The amounts shown are after offsetting and elimination of inter-segment transactions and do not include consumption tax etc.

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# **1. Q4 FYE2022 Business performance**

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## **-1. Quarter (Jan.-Mar.) Period performance**

# Consolidated results

	FYE2021	FYE2022	YoY	
	Q4	Q4	Difference	% Change
(Unit: ¥ bn.)	(Jan.-Mar.)	(Jan.-Mar.)		
<b>Revenue</b>	<b>225.9</b>	<b>265.6</b>	<b>+39.7</b>	<b>+17.5%</b>
<b>Core operating income</b>	<b>26.7</b>	<b>26.3</b>	<b>-0.4</b>	<b>-1.5%</b>
Core OI margin	11.9%	9.9%		
Non-recurring profit and loss	-1.0	-1.4	-0.4	
<b>Operating income (IFRS)</b>	<b>25.6</b>	<b>24.9</b>	<b>-0.7</b>	<b>-3.0%</b>
OI margin	11.4%	9.4%		
Finance costs	-2.7	-2.3	+0.4	
<b>Income before income taxes</b>	<b>22.9</b>	<b>22.6</b>	<b>-0.3</b>	<b>-1.6%</b>
Income tax expenses	-4.3	-7.9	+3.6	
Net income	18.5	14.6	-3.9	-21.3%
(Attribution of net income)				
<b>Net income attributable to owners of the parent</b>	<b>17.8</b>	<b>13.9</b>	<b>-3.9</b>	<b>-22.0%</b>
NI margin	7.9%	5.3%		
Net income attributable to non-controlling interests	0.6	0.6	-0.0	

# Results by Segment [Reclassified\*]

		FYE2021	FYE2022		YoY		
		Q4	Q4	Composition ratio	Difference	% Change	Forex impact
(Unit: ¥ bn.)		(Jan.-Mar.)	(Jan.-Mar.)				
<b>Gas business in Japan</b>	Revenue	97.3	<b>105.2</b>	39.6%	+7.9	+8.1%	+0.0
	Segment OI	10.3	<b>8.4</b>	32.1%	-1.9	-18.2%	+0.0
	Segment OI margin	10.6%	8.0%				
<b>Gas business in the U.S.</b>	Revenue	50.6	<b>60.5</b>	22.8%	+9.9	+19.7%	+5.1
	Segment OI	7.2	<b>6.8</b>	26.0%	-0.4	-4.8%	+0.7
	Segment OI margin	14.3%	11.4%				
<b>Gas business in Europe</b>	Revenue	44.0	<b>60.5</b>	22.8%	+16.5	+37.3%	+1.2
	Segment OI	6.5	<b>6.8</b>	26.0%	+0.3	+4.9%	+0.2
	Segment OI margin	14.9%	11.4%				
<b>Gas business in A&amp;O*</b>	Revenue	27.5	<b>32.7</b>	12.3%	+5.2	+18.9%	+2.1
	Segment OI	1.2	<b>3.1</b>	11.8%	+1.9	+145.2%	+0.2
	Segment OI margin	4.6%	9.5%				
*A&O: Asia and Oceania.							
<b>Thermos business</b>	Revenue	6.3	<b>6.4</b>	2.4%	+0.1	+2.5%	+0.0
	Segment OI	1.6	<b>1.4</b>	5.6%	-0.2	-9.7%	-0.0
	Segment OI margin	26.1%	22.9%				
<b>Adjustment</b>	Revenue	0.0	<b>0.0</b>	0.0%	-0.0	—	
	Segment OI	-0.2	<b>-0.4</b>	-1.6%	-0.2	—	
<b>Consolidated total</b>	Revenue	225.9	<b>265.6</b>	100.0%	+39.7	+17.5%	+8.6
	Core OI	26.7	<b>26.3</b>	100.0%	-0.4	-1.5%	+1.2
	Core OI margin	11.9%	9.9%				

\* Reclassified : As a result of the reclassification of segment classifications in FYE2022, figure for FYE2021 has been restated based on the new segment classifications.

# Gas business in Japan

(Unit: ¥ bn.)		FYE2021		FYE2022		YoY	
		Q4 (Jan.-Mar.)	Composition ratio	Q4 (Jan.-Mar.)	Composition ratio	Difference	% Change
<b>Gases</b>	Packaged	3.8	4.0%	3.8	3.7%	+0.0	+0.5%
	Bulk	29.5	30.4%	32.7	31.1%	+3.2	+10.6%
	On-site	17.8	18.4%	21.0	20.0%	+3.2	+17.6%
	Specialty gases	7.4	7.7%	7.6	7.3%	+0.2	+2.2%
	<b>Subtotal</b>	<b>58.8</b>	<b>60.4%</b>	<b>65.2</b>	<b>62.0%</b>	<b>+6.4</b>	<b>+11.0%</b>
<b>Equipment and installation, other</b>	Industrial Gases-related	29.4	30.3%	29.0	27.6%	-0.4	-1.2%
	Electronics-related	9.0	9.3%	10.9	10.4%	+1.9	+20.1%
	<b>Subtotal</b>	<b>38.5</b>	<b>39.6%</b>	<b>39.9</b>	<b>38.0%</b>	<b>+1.4</b>	<b>+3.8%</b>
<b>Total</b>	Revenue	97.3	100.0%	105.2	100.0%	+7.9	+8.1%
	Segment OI	10.3		8.4		-1.9	-18.2%
	Segment OI margin	10.6%		8.0%			

•Forex translation impact: Positive impacts of ¥0.0bn. on revenue and ¥0.0bn. on segment OI

## YoY Factors for increase/decrease

- Bulk & On-Site (Air separation gases): Demand rebounds in manufacturing sectors, but costs increased due to higher fuel prices.
- Bulk (LP gas): Increase in selling prices linked to purchase prices.
- Specialty gases: Shipments for electronics were on a par with the previous year.
- Equipment and construction, other: Revenue of Gas-related equipment and Welding & Cutting-related increased.  
A significant drop in medical related demand as compared to previous fiscal year as a result of an improved COVID-19 situation.





# Gas business in the U.S.

(Unit: ¥ bn.)		FYE2021		FYE2022		YoY	
		Q4 (Jan.-Mar.)	Composition ratio	Q4 (Jan.-Mar.)	Composition ratio	Difference	% Change
<b>Gases</b>	Packaged	11.0	21.8%	13.0	21.5%	+2.0	+17.7%
	Bulk	22.5	44.5%	25.2	41.6%	+2.7	+12.0%
	On-site	5.5	11.0%	6.5	10.8%	+1.0	+17.4%
	Specialty gases	1.6	3.2%	1.8	3.1%	+0.2	+15.9%
	<b>Subtotal</b>	<b>40.7</b>	<b>80.5%</b>	<b>46.6</b>	<b>77.0%</b>	<b>+5.9</b>	<b>+14.4%</b>
<b>Equipment and installation, other</b>	Industrial Gases-related	8.5	16.9%	11.4	18.9%	+2.9	+34.1%
	Electronics-related	1.3	2.6%	2.4	4.1%	+1.1	+87.0%
	<b>Subtotal</b>	<b>9.8</b>	<b>19.5%</b>	<b>13.9</b>	<b>23.0%</b>	<b>+4.1</b>	<b>+41.3%</b>
<b>Total</b>	Revenue	50.6	100.0%	60.5	100.0%	+9.9	+19.7%
	Segment OI	7.2		6.8		-0.4	-4.8%
	Segment OI margin	14.3%		11.4%			

•Forex translation impact: Positive impacts of ¥5.1bn. on revenue and ¥0.7bn. on segment OI

## YoY Factors for increase/decrease

- Bulk & Packaged: Demand rebounds in manufacturing sectors, but distribution costs increased against a backdrop of driver shortages, etc.
- On-site: Net customer demand up from prior year
- Equipment and construction, other: Demand recovered in welding and cutting related fields.
- PY: Energy optimization +0.8bn., and other small one-time factor +0.4bn.



# Gas business in Europe

(Unit: ¥ bn.)		FYE2021		FYE2022		YoY	
		Q4 (Jan.-Mar.)	Composition ratio	Q4 (Jan.-Mar.)	Composition ratio	Difference	% Change
<b>Gases</b>	Packaged	10.6	24.1%	11.6	19.3%	+1.0	+9.9%
	Bulk	20.8	47.2%	30.1	49.8%	+9.3	+44.8%
	On-site	7.5	17.1%	12.2	20.3%	+4.7	+62.9%
	Specialty gases	1.8	4.3%	2.6	4.4%	+0.8	+40.4%
	<b>Subtotal</b>	<b>40.8</b>	<b>92.7%</b>	<b>56.7</b>	<b>93.8%</b>	<b>+15.9</b>	<b>+38.9%</b>
<b>Equipment and installation, other</b>	Industrial Gases-related	3.2	7.3%	3.7	6.2%	+0.5	+17.0%
	<b>Subtotal</b>	<b>3.2</b>	<b>7.3%</b>	<b>3.7</b>	<b>6.2%</b>	<b>+0.5</b>	<b>+17.0%</b>
<b>Total</b>	Revenue	44.0	100.0%	60.5	100.0%	+16.5	+37.3%
	Segment OI	6.5		6.8		+0.3	+4.9%
	Segment OI margin	14.9%		11.4%			

•Forex translation impact: Positive impacts of ¥1.2bn. on revenue and ¥0.2bn. on segment OI

## YoY Factors for increase/decrease

- Bulk, packaged and on-site: Demand rebounds in manufacturing sectors.
- Appropriate response to rapid changes in the business environment : The sharp rise in record energy costs that began in Q2 accelerated through Q4, but much of the increase in revenue was due to our proactive efforts to pass on prices and to ensure cost recovery success.

# Gas business in Asia & Oceania

(Unit: ¥ bn.)		FYE2021		FYE2022		YoY	
		Q4 (Jan.-Mar.)	Composition ratio	Q4 (Jan.-Mar.)	Composition ratio	Difference	% Change
<b>Gases</b>	Packaged	0.9	3.3%	1.0	3.3%	+0.1	+17.1%
	Bulk	10.2	37.2%	12.1	37.1%	+1.9	+18.5%
	On-site	1.0	3.8%	1.2	3.8%	+0.2	+18.7%
	Specialty gases	8.9	32.5%	11.0	33.8%	+2.1	+23.7%
	<b>Subtotal</b>	<b>21.1</b>	<b>76.8%</b>	<b>25.5</b>	<b>78.0%</b>	<b>+4.4</b>	<b>+20.7%</b>
<b>Equipment and installation, other</b>	Industrial Gases-related	5.2	18.9%	6.1	18.9%	+0.9	+18.8%
	Electronics-related	1.1	4.3%	1.0	3.1%	-0.1	-13.8%
	<b>Subtotal</b>	<b>6.3</b>	<b>23.2%</b>	<b>7.2</b>	<b>22.0%</b>	<b>+0.9</b>	<b>+12.8%</b>
<b>Total</b>	Revenue	27.5	100.0%	32.7	100.0%	+5.2	+18.9%
	Segment OI	1.2		3.1		+1.9	+145.2%
	Segment OI margin	4.6%		9.5%			

•Forex translation impact: Positive impacts of ¥2.1bn. on revenue and ¥0.2bn. on segment OI

## YoY Factors for increase/decrease

- Bulk gas: Demand is recovering.
- Specialty gases: In China, revenue increased due to growth in shipment volume for electronics. Profitability improved in Taiwan and Korea.
- Equipment and construction, other: Industrial gas-related revenue increased in Singapore and Australia.  
Electronics-related revenue decreased in Taiwan.
- PY: Myanmar fixed asset impairment loss (¥ 0.75bn.)



# Thermos business

(Unit: ¥ bn.)

	FYE2021		FYE2022		YoY		
	Q4 (Jan.-Mar.)	Composition ratio	Q4 (Jan.-Mar.)	Composition ratio	Difference	% Change	
<b>Japan</b>	5.3	84.3%	5.3	81.8%	-0.0	-0.5%	
<b>Overseas</b>	0.9	15.7%	1.1	18.2%	+0.2	+19.0%	
<b>Total</b>	Revenue	6.3	100.0%	6.4	100.0%	+0.1	+2.5%
	Segment OI	1.6		1.4		-0.2	-9.7%
	Segment OI margin	26.1%		22.9%			

•Forex translation impact: Positive impacts of ¥0.0bn. on revenue and negative impacts of ¥0.0bn. on segment OI

## YoY Factors for increase/decrease

- Japan: Revenue of main products; vacuum insulated mugs and sports bottles has been still recovering. Revenue of frying pans and tumblers remained strong due to continued demand for homeware.
- Overseas: Revenue in the Korean distributor recovered. Operation of production plants has improved from the previous year. Performance of equity method affiliates improved.

# **1. Q4 FYE2022 Business performance**

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## **-2. Full-term (Apr.-Mar.) Cumulative performance**

# Consolidated results

	FYE2021 Full-term	FYE2022 Full-term	YoY		FYE2022 Full-term forecast
			Difference	% Change	(Announced on Feb. 2, 2022)
(Unit: ¥ bn.)					
<b>Revenue</b>	<b>818.2</b>	<b>957.1</b>	<b>+138.9</b>	<b>+17.0%</b>	<b>932.0</b>
<b>Core operating income</b>	<b>87.2</b>	<b>102.7</b>	<b>+15.5</b>	<b>+17.7%</b>	<b>101.0</b>
Core OI margin	10.7%	10.7%			10.8%
Non-recurring profit and loss	1.5	-1.5	-3.0		0.0
<b>Operating income (IFRS)</b>	<b>88.8</b>	<b>101.1</b>	<b>+12.3</b>	<b>+13.9%</b>	<b>101.0</b>
OI margin	10.9%	10.6%			10.8%
Finance costs	-11.1	-9.5	+1.6		-10.0
<b>Income before income taxes</b>	<b>77.7</b>	<b>91.6</b>	<b>+13.9</b>	<b>+17.9%</b>	<b>91.0</b>
Income tax expenses	-20.8	-24.9	+4.1		-22.0
Net income	56.8	66.6	+9.8	+17.2%	69.0
(Attribution of net income)					
<b>Net income attributable to owners of the parent</b>	<b>55.2</b>	<b>64.1</b>	<b>+8.9</b>	<b>+16.1%</b>	<b>67.0</b>
NI margin	6.7%	6.7%			7.2%
Net income attributable to non-controlling interests	1.6	2.5	+0.9		2.0
Forex (Unit: JPY)					
USD	105.94	113.04			110
(average rate during the period)					
EUR	124.07	131.11			130
AUD	76.71	83.33			82

# Results by Segment [Reclassified\*]

(Unit: ¥ bn.)

		FYE2021	FYE2022		YoY		
		Full-term	Full-term	Composition ratio	Difference	% Change	Forex impact
<b>Gas business in Japan</b>	Revenue	341.9	<b>372.0</b>	38.9%	+30.1	+8.8%	+0.3
	Segment OI	29.8	<b>30.9</b>	30.1%	+1.1	+3.5%	+0.0
	Segment OI margin	8.7%	8.3%				
<b>Gas business in the U.S.</b>	Revenue	189.9	<b>224.8</b>	23.5%	+34.9	+18.3%	+12.7
	Segment OI	23.1	<b>27.3</b>	26.6%	+4.2	+18.1%	+1.5
	Segment OI margin	12.2%	12.2%				
<b>Gas business in Europe</b>	Revenue	160.0	<b>209.7</b>	21.9%	+49.7	+31.1%	+9.0
	Segment OI	21.0	<b>26.3</b>	25.6%	+5.3	+25.2%	+1.2
	Segment OI margin	13.1%	12.5%				
<b>Gas business in A&amp;O*</b>	Revenue	102.0	<b>123.5</b>	12.9%	+21.5	+21.1%	+8.4
	Segment OI	8.9	<b>12.8</b>	12.5%	+3.9	+43.9%	+1.0
	Segment OI margin	8.7%	10.4%				
<b>Thermos business</b>	Revenue	23.9	<b>26.8</b>	2.8%	+2.9	+12.0%	+0.2
	Segment OI	5.1	<b>6.4</b>	6.3%	+1.3	+24.6%	+0.0
	Segment OI margin	21.6%	24.0%				
<b>Adjustment</b>	Revenue	0.2	<b>0.1</b>	0.0%	-0.1	—	
	Segment OI	-0.8	<b>-1.1</b>	-1.1%	-0.3	—	
<b>Consolidated total</b>	Revenue	818.2	<b>957.1</b>	100.0%	+138.9	+17.0%	+30.8
	Core OI	87.2	<b>102.7</b>	100.0%	+15.5	+17.7%	+3.9
	Core OI margin	10.7%	10.7%				

\* Reclassified : As a result of the reclassification of segment classifications in FYE2022, figure for FYE2021 has been restated based on the new segment classifications.

# Gas business in Japan

(Unit: ¥ bn.)

		FYE2021		FYE2022		YoY	
		Full-term	Composition ratio	Full-term	Composition ratio	Difference	% Change
<b>Gases</b>	Packaged	14.1	4.1%	14.4	3.9%	+0.3	+2.5%
	Bulk	108.1	31.6%	122.4	32.9%	+14.3	+13.2%
	On-site	70.9	20.8%	78.0	21.0%	+7.1	+10.0%
	Specialty gases	27.6	8.1%	30.1	8.1%	+2.5	+8.8%
	<b>Subtotal</b>	<b>220.9</b>	<b>64.6%</b>	<b>245.1</b>	<b>65.9%</b>	<b>+24.2</b>	<b>+10.9%</b>
<b>Equipment and installation, other</b>	Industrial Gases-related	97.5	28.5%	100.1	26.9%	+2.6	+2.6%
	Electronics-related	23.4	6.9%	26.8	7.2%	+3.4	+14.3%
	<b>Subtotal</b>	<b>121.0</b>	<b>35.4%</b>	<b>126.9</b>	<b>34.1%</b>	<b>+5.9</b>	<b>+4.9%</b>
<b>Total</b>	Revenue	341.9	100.0%	372.0	100.0%	+30.1	+8.8%
	Segment OI	29.8		30.9		+1.1	+3.5%
	Segment OI margin	8.7%		8.3%			

•Forex translation impact: Positive impacts of ¥0.3bn. on revenue and ¥0.0bn. on segment OI



# Gas business in the U.S.

(Unit: ¥ bn.)

	FYE2021		FYE2022		YoY		
	Full-term	Composition ratio	Full-term	Composition ratio	Difference	% Change	
<b>Gases</b>	Packaged	41.5	21.9%	47.9	21.3%	+6.4	+15.3%
	Bulk	82.6	43.5%	96.5	42.9%	+13.9	+16.8%
	On-site	21.0	11.1%	23.9	10.7%	+2.9	+13.9%
	Specialty gases	6.5	3.4%	8.1	3.6%	+1.6	+25.3%
	<b>Subtotal</b>	<b>151.7</b>	<b>79.9%</b>	<b>176.5</b>	<b>78.5%</b>	<b>+24.8</b>	<b>+16.3%</b>
<b>Equipment and installation, other</b>	Industrial Gases-related	32.2	17.0%	40.6	18.1%	+8.4	+25.8%
	Electronics-related	5.9	3.1%	7.6	3.4%	+1.7	+28.2%
	<b>Subtotal</b>	<b>38.2</b>	<b>20.1%</b>	<b>48.2</b>	<b>21.5%</b>	<b>+10.0</b>	<b>+26.2%</b>
<b>Total</b>	Revenue	189.9	100.0%	224.8	100.0%	+34.9	+18.3%
	Segment OI	23.1		27.3		+4.2	+18.1%
	Segment OI margin	12.2%		12.2%			

•Forex translation impact: Positive impacts of ¥ 12.7bn. on revenue and ¥ 1.5bn. on segment OI

# Gas business in Europe

(Unit: ¥ bn.)

	FYE2021		FYE2022		YoY		
	Full-term	Composition ratio	Full-term	Composition ratio	Difference	% Change	
<b>Gases</b>	Packaged	38.1	23.8%	42.7	20.4%	+4.6	+12.3%
	Bulk	76.4	47.8%	102.4	48.8%	+26.0	+34.0%
	On-site	25.3	15.9%	39.7	19.0%	+14.4	+56.8%
	Specialty gases	6.7	4.2%	9.7	4.7%	+3.0	+44.1%
	<b>Subtotal</b>	<b>146.6</b>	<b>91.7%</b>	<b>194.8</b>	<b>92.9%</b>	<b>+48.2</b>	<b>+32.8%</b>
<b>Equipment and installation, other</b>	Industrial Gases-related	13.3	8.3%	14.9	7.1%	+1.6	+12.2%
	<b>Subtotal</b>	<b>13.3</b>	<b>8.3%</b>	<b>14.9</b>	<b>7.1%</b>	<b>+1.6</b>	<b>+12.2%</b>
<b>Total</b>	Revenue	160.0	100.0%	209.7	100.0%	+49.7	+31.1%
	Segment OI	21.0		26.3		+5.3	+25.2%
	Segment OI margin	13.1%		12.5%			

•Forex translation impact: Positive impacts of ¥9.0bn. on revenue and ¥1.2bn. on segment OI

# Gas business in Asia & Oceania

(Unit: ¥ bn.)

	FYE2021		FYE2022		YoY		
	Full-term	Composition ratio	Full-term	Composition ratio	Difference	% Change	
<b>Gases</b>	Packaged	3.4	3.4%	4.2	3.4%	+0.8	+20.7%
	Bulk	38.9	38.2%	49.0	39.7%	+10.1	+25.8%
	On-site	3.7	3.6%	4.9	4.0%	+1.2	+33.4%
	Specialty gases	32.7	32.1%	37.8	30.6%	+5.1	+15.5%
	<b>Subtotal</b>	<b>78.9</b>	<b>77.4%</b>	<b>96.0</b>	<b>77.7%</b>	<b>+17.1</b>	<b>+21.7%</b>
<b>Equipment and installation, other</b>	Industrial Gases-related	18.5	18.2%	22.9	18.6%	+4.4	+23.4%
	Electronics-related	4.5	4.4%	4.5	3.7%	+0.0	+0.8%
	<b>Subtotal</b>	<b>23.1</b>	<b>22.6%</b>	<b>27.4</b>	<b>22.3%</b>	<b>+4.3</b>	<b>+19.0%</b>
<b>Total</b>	Revenue	102.0	100.0%	123.5	100.0%	+21.5	+21.1%
	Segment OI	8.9		12.8		+3.9	+43.9%
	Segment OI margin	8.7%		10.4%			

•Forex translation impact: Positive impacts of ¥ 8.4bn. on revenue and ¥ 1.0bn. on segment OI

# Thermos business

(Unit: ¥ bn.)

		FYE2021		FYE2022		YoY	
		Full-term	Composition ratio	Full-term	Composition ratio	Difference	% Change
<b>Japan</b>		20.4	85.3%	22.3	83.1%	+1.9	+9.1%
<b>Overseas</b>		3.5	14.7%	4.5	16.9%	+1.0	+29.1%
<b>Total</b>	Revenue	23.9	100.0%	26.8	100.0%	+2.9	+12.0%
	Segment OI	5.1		6.4		+1.3	+24.6%
	Segment OI margin	21.6%		24.0%			

•Forex translation impact: Positive impacts of ¥0.2bn. on revenue and ¥0.0bn. on segment OI

## 2. FYE2023 Full-term forecast

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# Consolidated forecast

	FYE2022 Full-term	FYE2023 Full-term forecast	YoY	
			Difference	% Change
(Unit: ¥ bn.)				
<b>Revenue</b>	<b>957.1</b>	<b>950.0</b>	<b>-7.1</b>	<b>-0.7%</b>
<b>Core operating income</b>	<b>102.7</b>	<b>107.0</b>	<b>+4.3</b>	<b>+4.2%</b>
Core OI margin	10.7%	11.3%		
Non-recurring profit and loss	-1.5	0.5	+2.0	
<b>Operating income (IFRS)</b>	<b>101.1</b>	<b>107.5</b>	<b>+6.4</b>	<b>+6.2%</b>
OI margin	10.6%	11.3%		
Finance costs	-9.5	-10.5	-1.0	
<b>Income before income taxes</b>	<b>91.6</b>	<b>97.0</b>	<b>+5.4</b>	<b>+5.9%</b>
Income tax expenses	-24.9	-28.0	+3.1	
Net income	66.6	69.0	+2.4	+3.5%
(Attribution of net income)				
<b>Net income attributable to owners of the parent</b>	<b>64.1</b>	<b>67.0</b>	<b>+2.9</b>	<b>+4.5%</b>
NI margin	6.7%	7.1%		
Net income attributable to non-controlling interests	2.5	2.0	-0.5	
Forex (Unit: JPY)				
USD	113.04	115		
(average rate during the period)				
EUR	131.11	125		
AUD	83.33	82.2		

• Total Forex impact for FYE2023 Full-term forecast : Negative impacts of ¥5.8 bn. on revenue and ¥0.7 bn. on core operating income.



# Appendix

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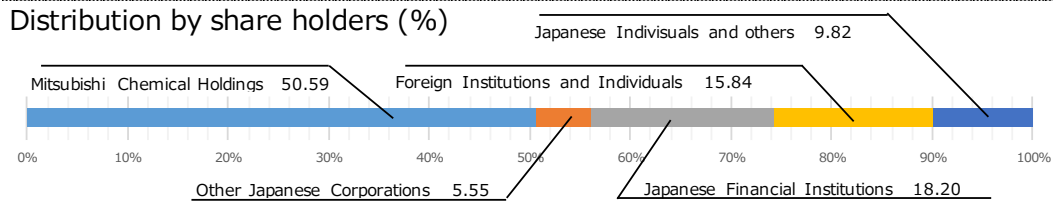
**[ Full-term (Apr.-Mar.) Cumulative performance basis ]**

**Corporate Information** (As of March 31, 2022)

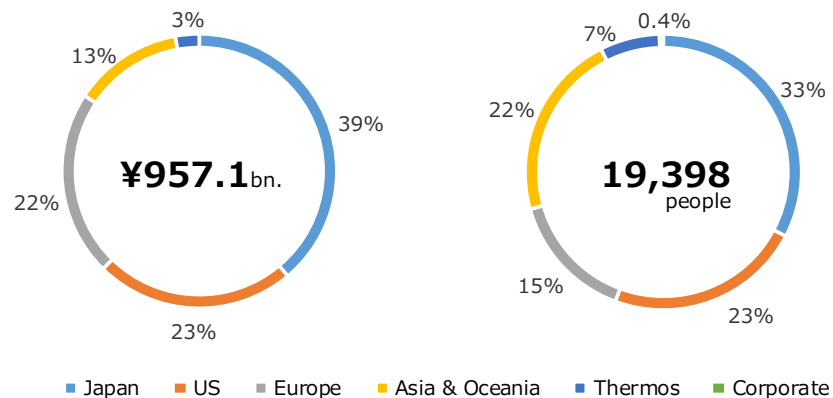
Company Name	Nippon Sanso Holdings Corporation
Founded	October 30, 1910
Headquarters	1-3-26 Koyama Shinagawa-ku, Tokyo 142-0062, Japan
TEL	81-3-5788-8500
	Representative Director, President CEO
Representative	Toshihiko Hamada
Common stock	37.3 billion yen

**Stock information** (As of March 31, 2022)

Number of shares	433,092,837
Number of shareholders	14,709
Listed stock exchanges	Tokyo Stock Exchange Prime Market
Ticker	4091.T



**Revenue / Employee personnel by Segment** (As of March 31, 2022)



**Corporate Philosophy**

# The Gas Professionals

**Group Philosophy**

Proactive. Innovative. Collaborative.  
Making life better through gas technology.

**Group Vision**

We aim to create social value through innovative gas solutions that increase industrial productivity, enhance human well-being and contribute to a more sustainable future.

**Main Core business**

**Industrial Gas business**



**Electronics business**



**Thermos business**



**FYE2023 Financial Forecast (IFRS)**

Revenue	¥950.0 bn.	Net income attributable to owners of the parent	¥67.0 bn.
Operating income	¥107.5 bn.	EPS	¥154.82



# Changes in disclosure details

The following disclosure items have been changed from FYE2022.

1. Change in the period for reporting year-on-year changes

The period for reporting changes from the previous fiscal year was previously based on the cumulative consolidated accounting period, but will now be based on the quarterly consolidated accounting period.

2. Change in the classification of product segment disclosure

In order to provide our investors and shareholders with a concise and easy-to-understand understanding of the Company's operations, the Company will change to the following segments.

Revenue disclosure category	Breakdown
Gases	Industrial gases such as oxygen, nitrogen, argon, carbon dioxide and helium, LP gases, specialty gases
Packaged	Gas filling containers (cylinders) are delivered to the customer, and the gas is supplied according to method of use
Bulk	A storage tank for liquified gas is installed within the customer's facility, and the gas is supplied according to method of use
On-site	A gas production facility is established in an area adjacent to the customer, and the gas is constantly supplied using a directly connected pipe
Specialty gases	Mainly, gases for electronic materials that are used in the manufacture of semiconductors or LCD panels, standard gas, high-purity gas
Equipment and installation, other	Ancillary equipment for gas usage, refining equipment to raise gas purity level, construction for equipment installation, and welding and cutting-related goods
Industrial Gases-related	Supply facilities and other gas-using equipments, air separation units, and hardgoods (welding and cutting-related)
Electronics-related	Construction for equipment and pipe installation toward electronics, refining equipment for removing impurities, and other equipment

# Non-recurring items

Non-recurring items are costs of structural reform (cost for withdrawal or downsizing business operations and special retirement allowances), losses caused by disasters or serious accidents, and other gains and expenses (such as disposal of idling assets). Core operating income is calculated as operating income excluding certain gains and expenses attributable to non-recurring items in the Company.

	FYE2021 Full-term	FYE2022 Full-term	YoY Difference
(Unit: ¥ bn.)			
<b>Core operating income</b>	<b>87.2</b>	<b>102.7</b>	<b>+15.5</b>
Non-recurring profit and loss	1.5	-1.5	-3.0
<b>Operating income (IFRS)</b>	<b>88.8</b>	<b>101.1</b>	<b>+12.3</b>

## Items (Unit : ¥ bn.)

FYE2021 Full-term result		FYE2022 Full-term result	
Item	Amount	Item	Amount
Settlement of legal claim	2.7	Impairment loss associated with capital investment, etc.	-1.5
Impairment loss associated with capital investment	-1.1		—
Others	-0.1		—
<b>Total</b>	<b>1.5</b>	<b>Total</b>	<b>-1.5</b>

# Key performance indicators

Item	Unit	FYE2021 Full-term	FYE2022 Full-term
Basic earnings per share	JPY	127.59	148.13
Overseas sales ratio	%	56.1	59.2
EBITDA margin	%	21.2	20.4
ROE	%	12.0	11.2
ROCE	%	6.1	6.8
ROCE after Tax	%	4.4	4.8
Annual dividends per share	JPY	30	34
Dividend payout ratio	%	23.5	23.0
CAPEX <sub>(fund basis)</sub> & Investments and loans	¥bn.	61.4	76.5
Depreciation and amortization	¥bn.	86.3	92.4
Free cash flow	¥bn.	89.5	77.9
Adjusted net D/E ratio	Times	1.15	0.94
Interest-bearing liabilities	¥bn.	949.2	929.2
Net interest-bearing liabilities	¥bn.	858.1	835.5

# (Reference) Preconditions, Definition & Calculations of our KPIs

Glossary	Preconditions and Definitions in this Presentation
Core operating income	Core operating income is calculated as operating income excluding certain gains and expenses attributable to non-recurring factors (non-recurring items*). *Non-recurring items are costs of structural reform (cost for withdrawal or downsizing business operations and special retirement allowances), losses caused by disasters or serious accidents, and other gains and expenses (such as disposal of idling assets).
Interest-bearing debt	Bonds and borrowings as presented in the statement of financial position, plus lease liabilities included in other financial liabilities. *Includes Hybrid finance.
Hybrid finance	A form of debt financing that has features resembling equity, such as voluntary deferral of interest, extremely long-term redemption periods and subordination during liquidation or bankruptcy procedures. This kind of financing does not cause stock dilution, and a certain ratio of the funds procured in this way can be recognized as equity credit by rating agencies provided that certain conditions are met.
Equity-type debt	The amount of debt procured by hybrid finance that has been recognize as equity credit by rating agencies. In this fund procurement, rating agencies have recognized equity credit for 50% of the procured amount.
Indicator	Calculations used in this presentation
EBITDA margin	$(\text{Core operating income} + \text{Depreciation and amortization}) / \text{Revenue}$
ROE	$\text{Profit attributable to owners of parent} / \text{Total equity attributable to owners of parent}^*$
ROCE	$\text{Core operating income} / (\text{Interest-bearing debt} + \text{Total equity attributable to owners of parent}) * [\text{Capital employed}]$
ROCE after Tax	$\text{Core operating income after Tax} (+\text{Dividend received}) [\text{NOPAT}] ((\text{Core operating} - \text{Investment income/loss from Equity in earnings (losses) of affiliated companies included in Core operating income}) \times (1 - \text{effective tax rate}) + \text{Investment income/loss from Equity in earnings (losses) of affiliated companies included in Core operating income} + \text{Dividend received}) / (\text{Interest-bearing debt} + \text{Total equity attributable to owners of parent}) * [\text{Capital employed}]$
Adjusted net D/E ratio	$((\text{Interest-bearing debt} - \text{equity-type debt}) - \text{cash and cash equivalents}) / (\text{equity attributable to owners of the parent} + \text{equity-type debt})^*$

\* The average of the amounts at the end of the comparative fiscal years of the previous and current fiscal years is used.

# Condensed consolidated statements of Cash flows

(Unit : ¥ bn.)	FYE2021	FYE2022	YoY	
	Full-term	Full-term	Difference	% Change
Income before income taxes	77.7	91.6	+13.9	+17.9%
Depreciation and amortization	86.3	92.4	+6.1	
Changes in working capital	0.5	-20.6	-21.1	
Others	-15.3	-14.6	+0.7	
<b>Cash flows from operating activities</b>	<b>149.2</b>	<b>148.7</b>	<b>-0.5</b>	<b>-0.3%</b>
Capital expenditures	-60.0	-74.4	-14.4	
Investments and loans	-0.7	-2.0	-1.3	
Others (asset sales, etc.)	1.1	5.6	+4.5	
<b>Cash flows from investing activities</b>	<b>-59.6</b>	<b>-70.8</b>	<b>-11.2</b>	<b>-18.7%</b>
<b>Free cash flow</b>	<b>89.5</b>	<b>77.9</b>	<b>-11.6</b>	<b>-13.0%</b>
<b>Cash flows from financing activities</b>	<b>-103.1</b>	<b>-77.9</b>	<b>+25.2</b>	<b>+24.4%</b>

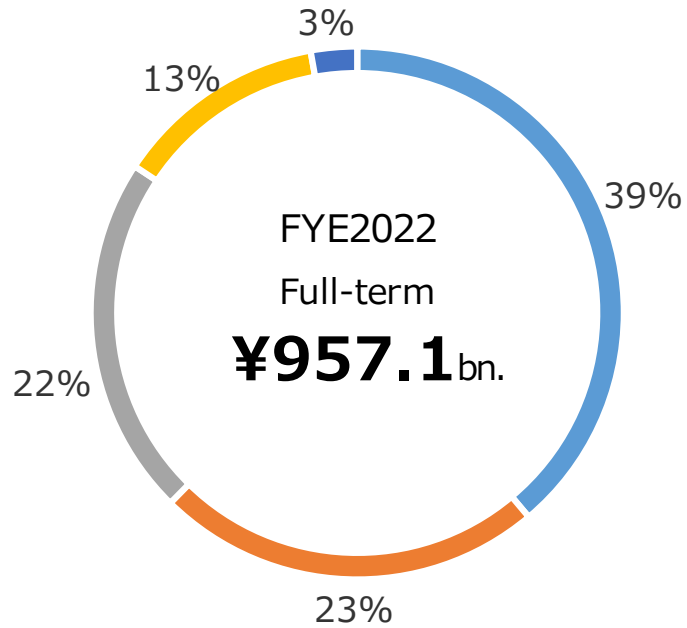
# Condensed consolidated statements of Financial position

(Unit : ¥bn.)	FYE2021 Q4	FYE2022 Q4	YoY Difference
Cash and cash equivalents	91.0	93.6	+2.6
Trade receivables	182.0	218.4	+36.4
Inventories	69.6	80.0	+10.4
Others	26.1	30.2	+4.1
<b>Total current assets</b>	<b>368.9</b>	<b>422.4</b>	<b>+53.5</b>
Property, plant and equipment	685.7	729.6	+43.9
Goodwill	455.0	485.1	+30.1
Intangible assets	237.7	241.3	+3.6
Others	88.8	98.3	+9.5
<b>Total non-current assets</b>	<b>1,467.3</b>	<b>1,554.5</b>	<b>+87.2</b>
<b>Total assets</b>	<b>1,836.2</b>	<b>1,977.0</b>	<b>+140.8</b>

	FYE2021 Q4	FYE2022 Q4	YoY Difference
Trade payables	96.0	115.1	+19.1
Interest-bearing liabilities	949.2	929.2	-20.0
Others	247.0	271.5	+24.5
<b>Total liabilities</b>	<b>1,292.3</b>	<b>1,315.8</b>	<b>+23.5</b>
Share capital and capital surplus, etc	515.8	569.5	+53.7
Other components of equity	-2.6	59.1	+61.7
<b>Equity attributable to owners of parent</b>	<b>513.1</b>	<b>628.7</b>	<b>+115.6</b>
<b>Non-controlling interests</b>	<b>30.7</b>	<b>32.4</b>	<b>+1.7</b>
<b>Total equity</b>	<b>543.9</b>	<b>661.1</b>	<b>+117.2</b>
<b>Total liabilities and equity</b>	<b>1,836.2</b>	<b>1,977.0</b>	<b>+140.8</b>

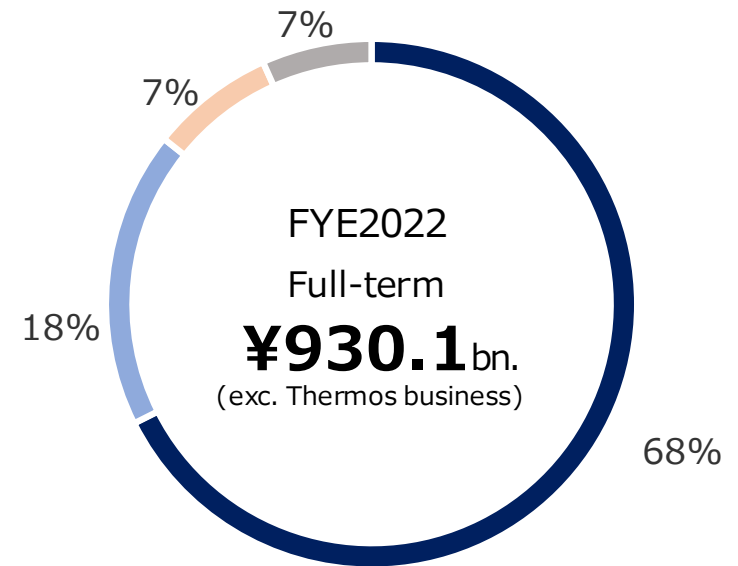
# Revenue composition

## By Segment



■ Japan ■ U.S. ■ Europe ■ Asia & Oceania ■ Thermos

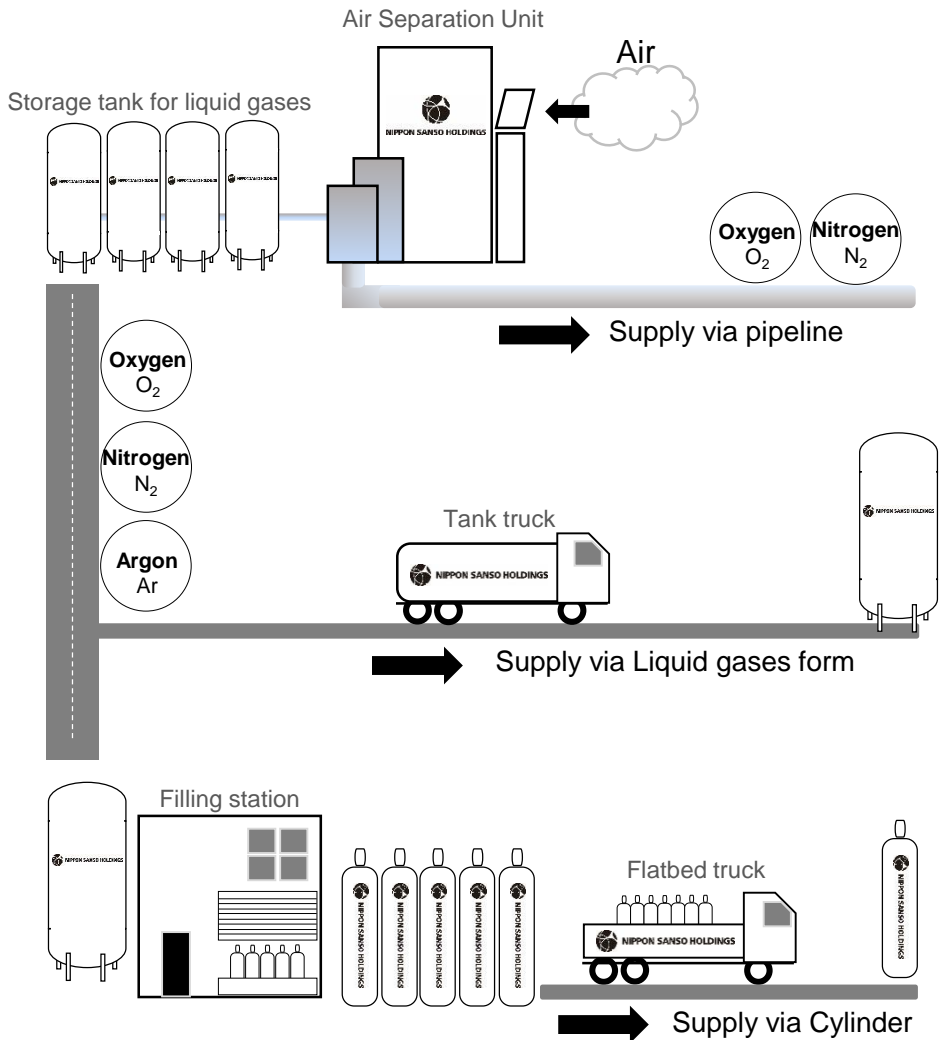
## By Business



■ Industrial Gas ■ Electronics ■ Medical ■ Energy

# Industrial gas supply systems

## Air Separation Gases



## On-site

Major supply destination (Sector)

**Steel      Petrochemical      Refinery**

We've established production plants in the vicinity of the customer. A form of direct connection and constant supply of pipes. (Large-scale supply)

## Bulk

Major supply destination (Sector)

**Automobile      Shipbuilding      Manufacturing  
Construction      Pharmaceutical      Glass/Paper  
machinery      Medical      Food/  
LCP      Photovoltaics      Semiconductor  
beverage**

We've installed a storage tank for liquefied gas in the customer's premises. A form of supply according to the method of use of gas. (Medium-scale supply)

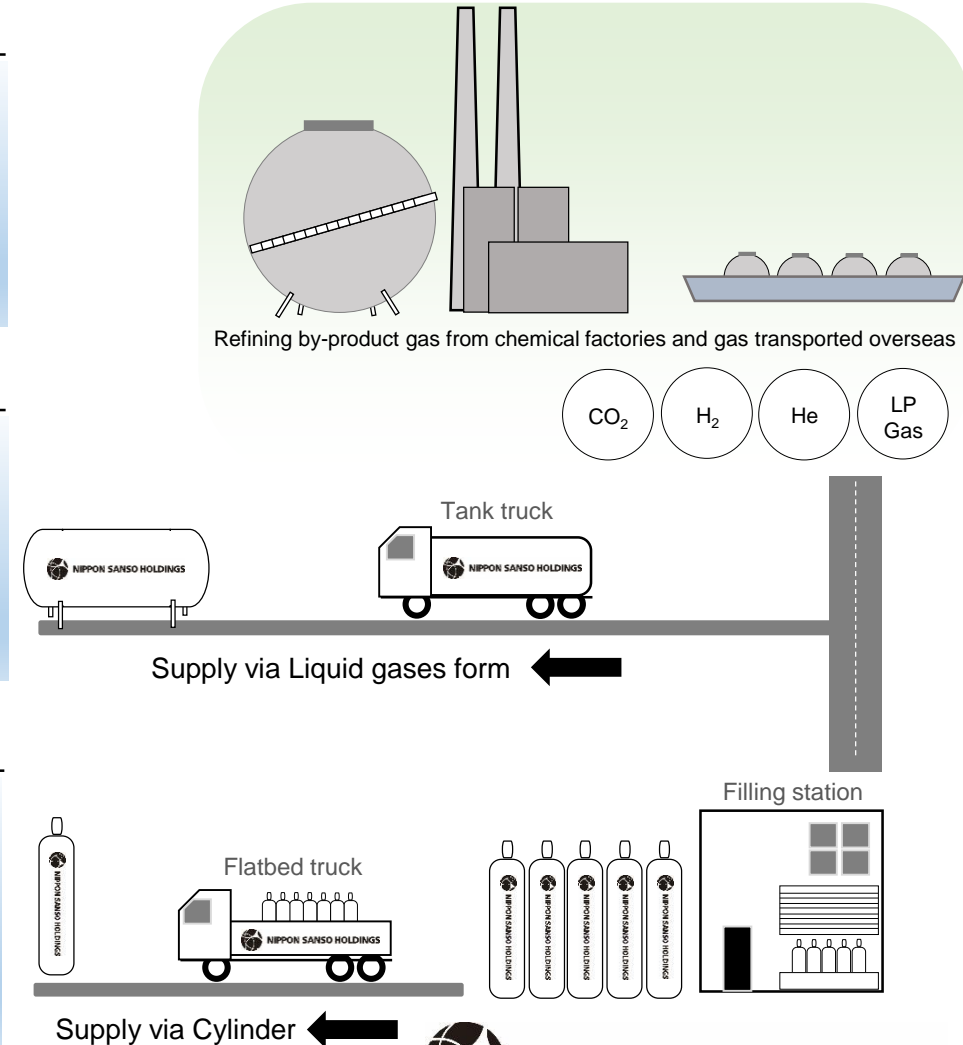
## Packaged

Major supply destination (Sector)

**Homecare      Advanced      Sanitation  
Engineering      medicine      Construction/  
development      R&D      Installation**

We deliver filling containers (cylinders) to customers. A form of supply according to the method of use of gas. (Small-scale supply)

## Other Gases





## For further information, please contact:

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### Public Relations for media

Public Relations,  
Group Human Resources & Corporate Secretariat Office  
Tel : +81 (0)3-5788-8513  
E-mail : [Nshd.info@nipponsanso-hd.co.jp](mailto:Nshd.info@nipponsanso-hd.co.jp)

### Upcoming IR events

FYE2022 Full-term Earnings Presentation, and  
Mid-term Management Plan IR presentation (Held on the same day)

May 20, 2022

Annual Shareholder meeting June 17, 2022

Q1 FYE2023 Earnings Call July 29, 2022

[www.nipponsanso-hd.co.jp/en/](http://www.nipponsanso-hd.co.jp/en/)

### Investor Relations for investors

Investor Relations,  
Group Finance & Accounting Office  
Tel: +81 (0)3-5788-8512  
E-mail : [Nshd.ir@nipponsanso-hd.co.jp](mailto:Nshd.ir@nipponsanso-hd.co.jp)

**NIPPON SANSO Holdings Corporation (Ticker:4091.T)**

Headquarters : 1-3-26 Koyama Shinagawa-ku, Tokyo 142-0062, Japan





**NIPPON SANZO HOLDINGS**

# **The Gas Professionals**

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