



**NIPPON SAN SO HOLDINGS**

# FYE2022 Full-term Earnings Presentation

(Fiscal year ended March 31, 2022)

May 20, 2022  
Tokyo (Japan)

**The Gas Professionals**

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This presentation and materials distributed in connection with this presentation include certain financial measures not presented in accordance with International Financial Reporting Standards (“IFRS”), such as Core Operating Income, EPS (Earnings per share), Debt, Net Debt, Adjusted net D/E ratio and Free Cash Flow. NSHD’s management and executive officers evaluates results and makes operating and investment decisions using both IFRS and non-IFRS measures included in this presentation. These non-IFRS measures exclude certain income, cost and cash flow items which are included in, or are calculated differently from, the most closely comparable measures presented in accordance with IFRS. By including these non-IFRS measures, management and executive officers intends to provide investors with additional information to further analyze NSHD’s performance, core results and underlying trends. NSHD’s non-IFRS measures are not prepared in accordance with IFRS and such non-IFRS measures should be considered a supplement to, and not a substitute for, measures prepared in accordance with IFRS. Investors are encouraged to review the reconciliation of non-IFRS financial measures to their most directly comparable IFRS measure, which are on the part of our slide deck.

## ● Financial information

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

# Notes

- 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>

Average Forex rates										(Reference) Currency sensitivity as rough indication			
FYE2021					FYE2022					FYE2023	Impact of devaluation by 1 JPY (Full-term basis)		
Unit : JPY Currency	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.)	Unit : ¥ bn. Currency	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.

# Agenda

1. FYE2022 Overview
2. FYE2023 Business Plan
3. Financial Profile
4. Q&A Session



Representative Director,  
President CEO  
Toshihiko Hamada



Executive Officer,  
Group Finance &  
Accounting Office, and CFO  
Alan Draper

1. FYE2022  
Overview

2. FYE2023  
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3. Financial Profile

4. Q&A Session

# 1. FYE2022 Overview



Representative Director,  
President CEO

Toshihiko Hamada



# Summary: Progress toward Financial targets

## Steady & Sustainable Growth



Supported by solid economic recovery, all business segments increased Revenues and OI.

- In the FYE2022, Revenue growth; +17.0%, and OI growth; +13.9% (Y/Y basis)



Initiated sales price revisions, surcharges, cost recovery and cost reduction activities in response to upward pressure on energy and electricity costs.

## Promote financial soundness



Invested in solid economically driven projects, systematical reduction of debt, and continued stable and reliable dividend payments to shareholder.

- Adjusted net D/E ratio improved by 0.21 basis points from the previous year, and the annual dividend per share increased by JPY 4 or 13% from the previous full year.



The financial soundness target of net adjusted D/E ratio below <1.0 set in Feb. 2019 achieved one year ahead of schedule.

## Explore business opportunities



Established customer communication platforms and focal points to quickly support and react to customer demands.



Global Carbon Neutrality (CN) team established to focus on CN opportunities and to prepare groundwork to demonstrate our Group's cohesive and technical strengths.

# Summary of Consolidated financial results (FYE2022 Full-term)

	FYE2021	FYE2022	YoY		FYE2022
	Full-term	Full-term	Difference	% Change	Full-term forecast
(Unit: ¥ bn.)					(Announced on Feb. 2, 2022)
<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%
Income before income taxes	77.7	91.6	+13.9	+17.9%	91.0
<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%
EPS (Unit: ¥)	127.59	148.13	+20.54		154.82
Forex (Unit: ¥)					
USD	105.94	113.04			110
(average rate during the period) EUR	124.07	131.11			130

·Total Forex impact for FYE2021 : Positive impacts of ¥30.8bn. on revenue and Positive impacts of ¥3.9 bn. on core operating income.

# Segment Revenue (FYE2022 Full-term)

	FYE2021	FYE2022		YoY		
	Full-term <sup>*1</sup>	Full-term	Composition ratio	Difference	% Change	Forex impact
( Unit: ¥ bn. )						
<b>Gas business in Japan</b>	341.9	<b>372.0</b>	<b>38.9%</b>	+30.1	+8.8%	+0.3
<b>Gas business in the U.S.</b>	189.9	<b>224.8</b>	<b>23.5%</b>	+34.9	+18.3%	+12.7
<b>Gas business in Europe</b>	160.0	<b>209.7</b>	<b>21.9%</b>	+49.7	+31.1%	+9.0
<b>Gas business in A&amp;O<sup>*</sup></b>	102.0	<b>123.5</b>	<b>12.9%</b>	+21.5	+21.1%	+8.4
<small>*A&amp;O: Asia and Oceania.</small>						
<b>Thermos business</b>	23.9	<b>26.8</b>	<b>2.8%</b>	+2.9	+12.0%	+0.2
<b>Adjustment</b>	0.2	<b>0.1</b>	<b>0.0%</b>	-0.1	—	
<b>Consolidated total</b>	818.2	<b>957.1</b>	<b>100.0%</b>	+138.9	+17.0%	+30.8

\*1 Reclassified : As a result of the reclassification of segment classifications in FYE2022, figure for FYE2021 has been restated based on the new segment classifications.



# Segment Income\*2 (FYE2022 Full-term)

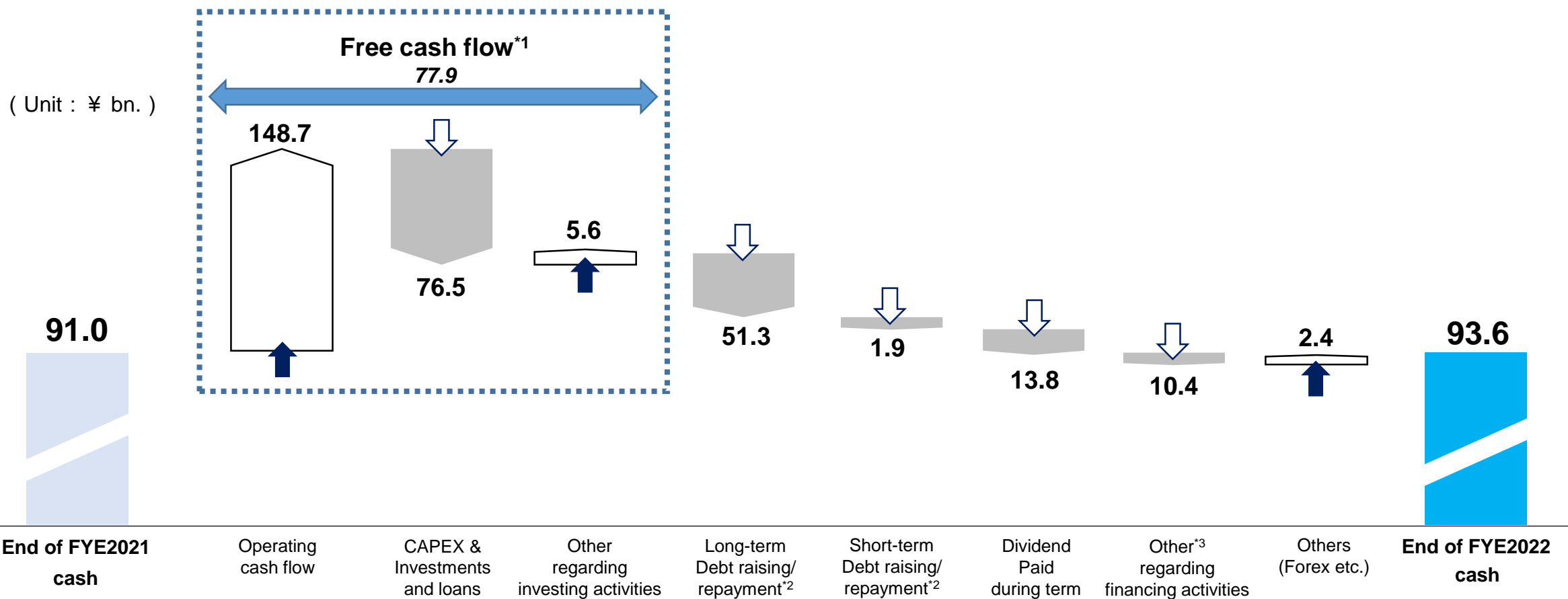
	FYE2021	FYE2022		YoY		
	Full-term *1	Full-term	Composition ratio	Difference	% Change	Forex impact
( Unit: ¥ bn. )						
<b>Gas business in Japan</b>	29.8	<b>30.9</b>	30.1%	+1.1	+3.5%	+0.0
Segment OI margin	8.7%	8.3%				
<b>Gas business in the U.S.</b>	23.1	<b>27.3</b>	26.6%	+4.2	+18.1%	+1.5
Segment OI margin	12.2%	12.2%				
<b>Gas business in Europe</b>	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>	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>	5.1	<b>6.4</b>	6.3%	+1.3	+24.6%	+0.0
Segment OI margin	21.6%	24.0%				
<b>Adjustment</b>	-0.8	<b>-1.1</b>	-1.1%	-0.3	—	
<b>Consolidated total</b>	87.2	<b>102.7</b>	100.0%	+15.5	+17.7%	+3.9
Core OI margin	10.7%	10.7%				

\*1 Reclassified : As a result of the reclassification of segment classifications in FYE2022, figure for FYE2021 has been restated based on the new segment classifications.

\*2 Segment Income : Represents core operating income, which is calculated as operating income excluding certain gains or losses attributable to non-recurring factors (non-recurring items).

# Cash flow (FYE2022 Full-term)

Significant operating cash flows enabled sizable capital investment, shareholder dividends, and debt reduction



\*1 Free cash flow : Items reconstructed from consolidated statements of cash flows prepared in accordance with IFRS. Please refer to Appendix\_P.29.

\*2 Long-term Debt and Short-term Debt raising/repayment : Represents cash income/paid.

\*3 Other : Indicates items such as cash lease obligations, acquisition of investments.

1. FYE2022  
Overview

2. **FYE2023  
Business Plan**

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4. Q&A Session

# 2. FYE2023 Business Plan



Representative Director,  
President CEO

Toshihiko Hamada

# Summary: Business environment awareness (Assumptions for forecast)

We will continue to work, develop, and refine our business strategies to ensure achievement of performance targets identified in the final year of the NS Vision 2026.

## Uncertain business environment continues



Uncertain economic environment: sharp fluctuations in exchange rates; significant price fluctuations in crude oil, liquefied natural gas, and electricity; supply chain disruptions; and decades high inflation levels, etc.



Business confidence in each region is expected to improve moderately in general compared to the FYE2022.

- In the FYE2023, underlying revenue growth excluding currency effect, pass through, and surcharge up 2.5%, and OI growth to be 4.9% excluding currency effect (Y/Y basis).

## Commitment to appropriate price revisions



Proactive and quick price management to ensure increases in electricity / energy costs, which is a major industrial gas cost driver, are passed through to the customer.



Promote service, reliability, scale, and availability of our products to existing customers, new customers, and potential customers.



Constant pursuit of cost reduction, productivity improvement, and providing additional applications or technologies that foster close and sticky customer relationships.

## Ongoing search for business opportunities



Seize business carbon neutral-related opportunities (including HyCO\* projects) around the world.



Focus our management resources to continue to build and grow business relationships with existing and potential customers.

- From the FYE2023 onward, we will increase the production and manufacturing capacity of electronic material gases as well as implement the Total Electronics strategy across the Group.

\* HyCO Business: A business that supplies Hydrogen(H<sub>2</sub>) and Carbon monoxide(CO) on-site to petroleum refining and petrochemical manufacturers.

# Summary of Consolidated financial 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%		
Income before income taxes	91.6	97.0	+5.4	+5.9%
<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%		
EPS ( Unit: ¥ )	148.13	154.82	+6.69	
EBITDA margin	20.4%	21.0%		
ROCE after Tax	4.8%	5.0%		
Adjusted net D/E ratio	0.94	0.86		
Forex ( Unit: ¥ )	USD	113.04	115	
(average rate during the period)	EUR	131.11	125	

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

# Segment Business Initiatives by segment

Although there are different priorities and initiatives to be addressed, we will seek to achieve sustainable Operating Income growth through prompt and appropriate decision-making and quick actions by the heads of each business.

## Business Initiatives (Summary)

### Gas business in Japan

- Focus on electronics market
- Improve quality of earnings

### Gas business in the U.S.

- Focus on Liquid CO<sub>2</sub> and Dry Ice products
- On-site project expansion (persistent sales activities)

### Gas business in Europe

- Explore business opportunities in resilient markets such as home care, healthcare, and food products
- Leads Group in Carbon neutrality progress

### Gas business in A&O

- Focus on electronics market
- Aggressive capital investment to improve density

### Thermos business

- Re-focus on main products; vacuum insulated mugs & sports bottles
- Further advertise and expand homeware offerings

## Common Initiatives

- Carbon Neutrality Initiatives
- Energy cost recovery
- Seek and compete for global HyCO projects
- Response to Inflation globally
- Appointment & Promotion of People excellence across regions



# Industrial Gas business: Business characteristic

Our team has decades of technical experience which enables us to provide proven gas solutions to a wide range of customers and to address customer problems, inefficiencies, and / or environmental concerns.



## Materials

Steelmaking, non-ferrous refining, glass, ceramics, cement, paper, and other materials



## Chemicals

Petrochemical & chemical, rubber, plastics, and other organic materials



## Fabrication

Automobiles, construction machinery, bridge building, construction, and shipbuilding



## Life Sciences

Medical, pharmaceutical, and biotechnology



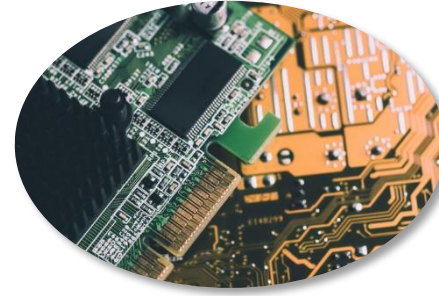
## Food

Food manufacturing and processing



## Agriculture

Agriculture, fisheries, and forestry



## Electronics-related

Semiconductors, LCDs, and photovoltaics



## Energy

Rechargeable batteries, reusable energy, photovoltaics, and new types of energy

# Industrial Gas business: Growth Trajectory

- Step 1** | **Sell only gas:**  
Provide reliable industrial gases to our customers.  
→ Unless customers increase production volume, the industrial gas demand will not grow.
- Step 2** | **Sell gas, plus equipment/services together:**  
Provide customers with services and solutions to make the customer more efficient and productive  
→ Linking equipment offerings and industrial gas product provides a more comprehensive customer relationship
- Step 3** | **Sell products with “intangible assets” that are not easy for competitors to replicate:**  
Proactively look to identify and propose cost effective solutions for our customers in areas in which they were not familiar with our technical capabilities



**Communication is the key to our growth.**

# Industrial Gas business: Contribute toward Carbon Neutrality

## Our stance

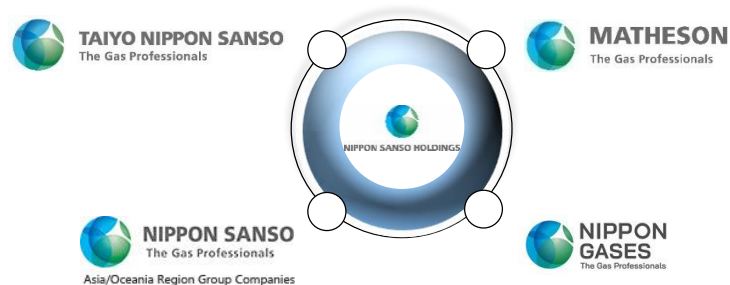
Carbon neutrality is an important global issue and currently many companies are in search of environmental footprint reduction. We will work aggressively and diligently with our customers to develop solutions over the Medium-term management plan which reduces our combined carbon footprint.

The development process is on the same track as the one we have followed so far, and we will expedite the Carbon neutral movement.

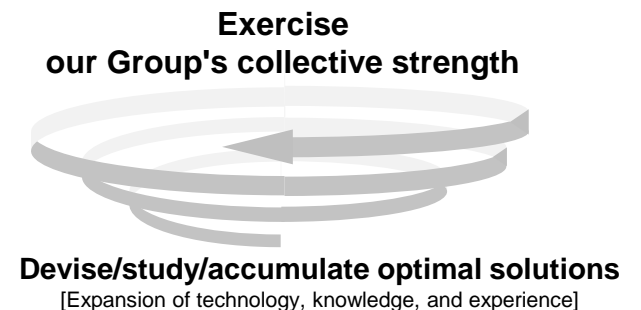
**1** Brush up contact points with customers and partners to gain recognition and interest



**2** Maintain a network that connects relevant information\* under a unified operation.



**3** Resolve customer issues by leveraging our collective strength



\* Relevant information: Here, we refer to (1) Issues that customers want to solve and (2) optimal solutions that our products and services can be expected to contribute to solving (1).

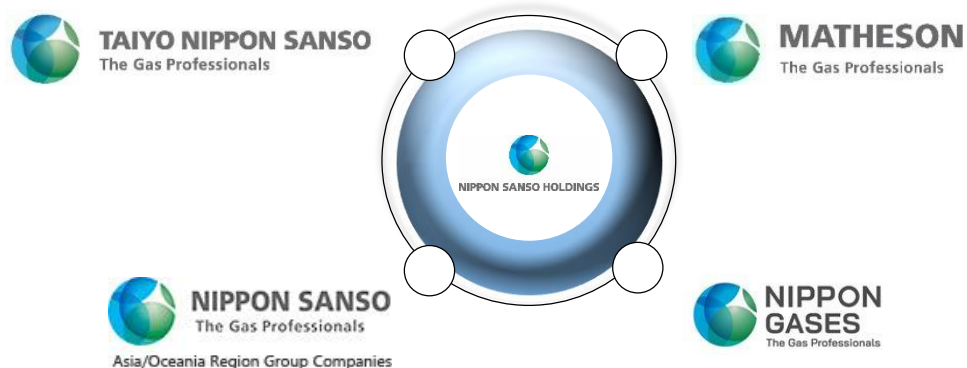
# Industrial Gas business: Focus on CN-related efforts

We will work together to support and contribute to the reduction of GHG emissions for customers.

Slogan for promoting Carbon neutral activities

**“We enable a carbon neutral world”**

Five focus areas for the Group



- 1 Greener combustion
- 2 Hydrogen solutions
- 3 CO<sub>2</sub> Capture
- 4 Circular economy
- 5 Digitalization



# Electronics business: Seize an opportunity

## Business Environment

- **Demand trends:** Demand for semiconductors for next-generation communications, IoT, data centers, and mobility is strong, and demand for electronic material gases is expected to remain firm.
- **The impact of the COVID-19 infection:** Fortunately, the impact on production activities remained limited.
- **Competitors:** Competitors are focusing on carrier gases and new materials, and introducing homogeneous and inexpensive commercial products.

## Commercial Opportunities

- **DX:** Sharing customer quality requirements across the group and responding to increasingly sophisticated customer demands
- **Gas:** Aggressively expand sales by increasing production capacity for products in which we have strengths while broadening our product lineup.
- **Engineering, facilities, and on-site:** Developing our operations; Total Gas Center

# Thermos business: Adapting to the Change of Market

## Corporate Philosophy

**We contribute and introduce new life style products that are agreeable to people and society and also environmentally friendly.**

In striving for rich, comfortable living, humanity has at points in time sacrificed environmental concerns to attain such pursuits. We at Thermos believe it is our mission to uphold both usability and environmental friendliness when it comes to our business, For that reason, as we work to contribute to energy-saving measures through our manufacturing capabilities -including our insulating technologies- we hope to provide the world with the king of value that will help bring about even more comfortable lifestyles.

## Brand concept

### Thermos Magic

We create a comfortable human life with deliciousness, convenience by using our unique vacuum insulation technology. We continue to stick to develop the Only-one product that consumers realize the differences in deliciousness, convenience, and ideas.

As a company that contributes to the healthy lives, we aim to be loved for a long time by people while being sincerely involved with the environment and society.



**We create product concepts and designs by listening to consumers' voices and considering the needs they are seeking, and with broad product lineup, we propose new lifestyles toward affluent living under new normal after/with COVID-19.**



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# 3. Financial Profile

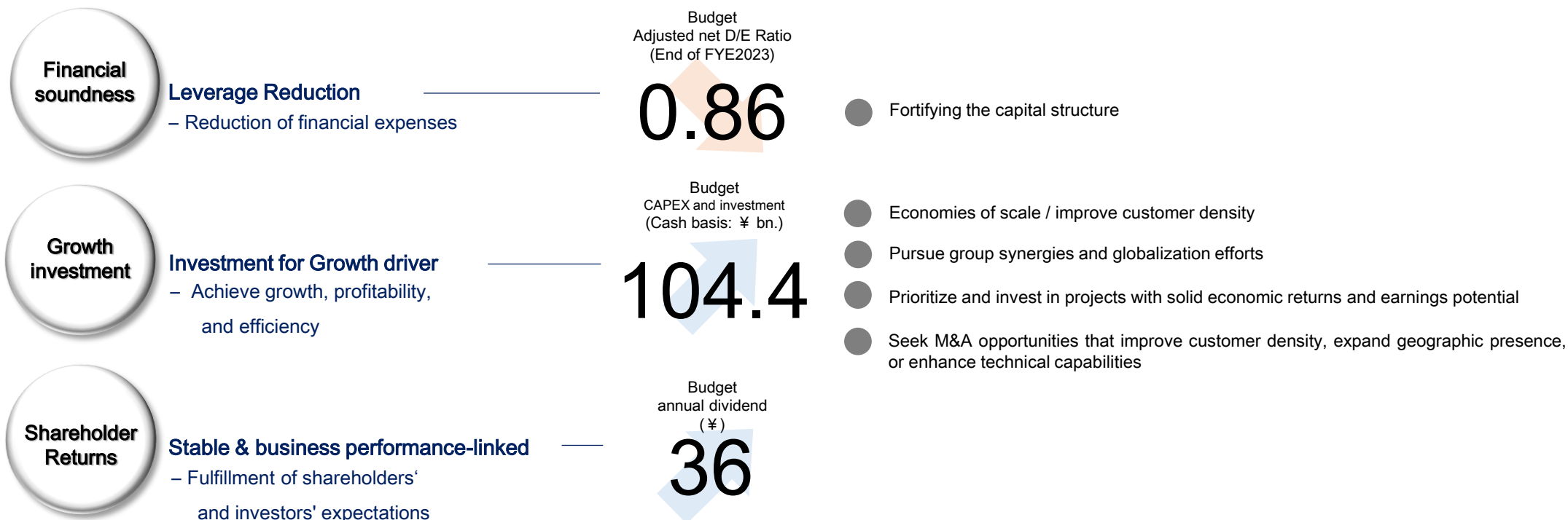


Executive Officer,  
Group Finance &  
Accounting Office, and CFO  
**Alan Draper**

# Financial management | Optimal Fund allocation

## Basic Concept

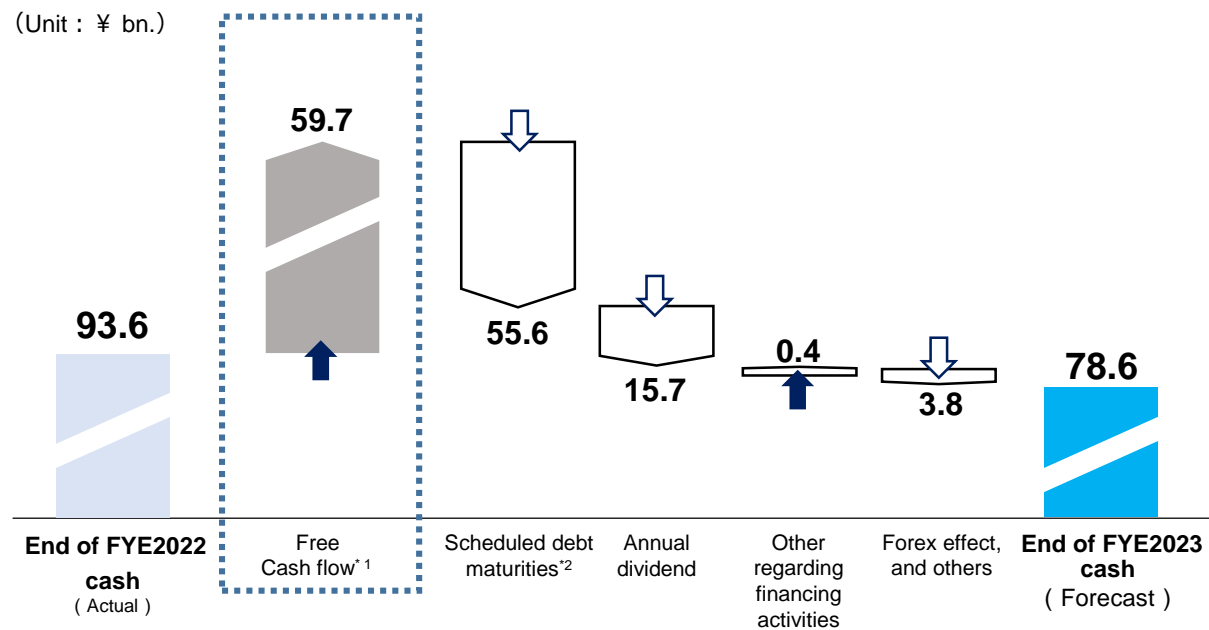
- Allocate capital in accordance with the strategies and goals of the Medium-term management plan; NS Vision 2026.
- Prioritize capital projects based on economic / financial returns, risk profile, customer / end market outlook.
- Fast, nimble, and proactive response to business opportunities and customer inquiries.



# Cash flow forecast / Dividend

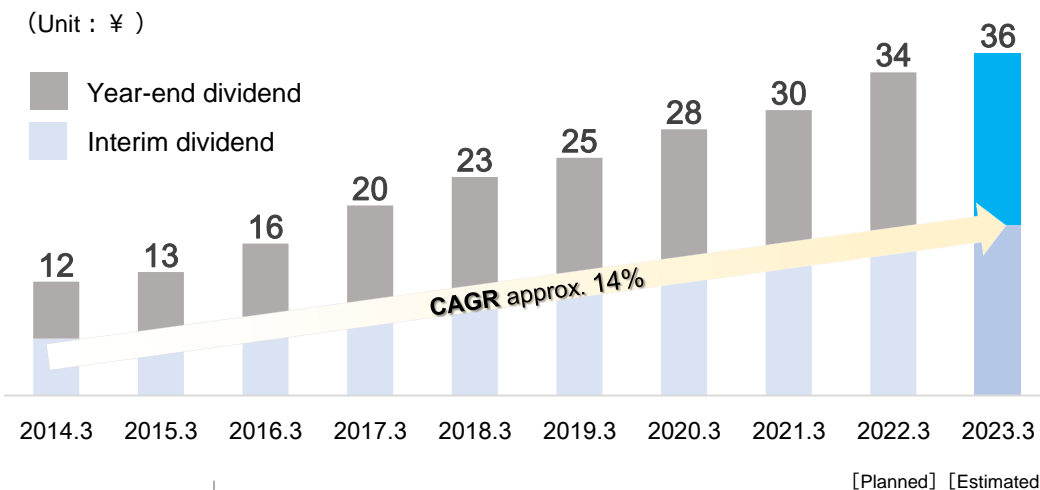
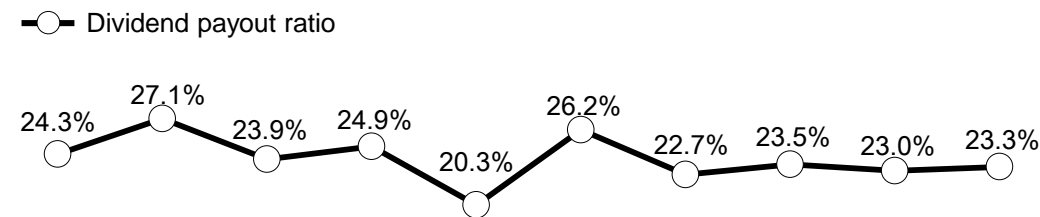
## Cash flow forecast

**Leveraging our strong cash generation to reduce debt and invest in the future while also returning profits to shareholders**



## Dividend Trend

### Stable and reliable dividend



J-GAAP ← → IFRS

\*1 Free cash flow : Cash flows from operating activities + (Announced) Divestiture Proceeds – CAPEX. Please refer to Appendix\_P.29.

\*2 Scheduled debt maturities : Indicates cash paid (including Repayments of lease obligations)

# Closing remarks

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Representative Director,  
President CEO

Toshihiko Hamada

# Q&A Session

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Representative Director,  
President CEO

**Toshihiko Hamada**



Member of the Board,  
Representative Director  
and President of Taiyo  
Nippon Sanso Corporation

**Kenji Nagata**



Representative Director  
and President of Thermos  
K.K.

**Yuji Kataoka**



Senior Executive Officer,  
Group Corporate Planning  
Office

**Tsutomu Moroishi**



Senior Executive Officer,  
Group Sustainability  
Management Office,  
and CSO  
( Chief Sustainability Officer )

**Takeshi Miki**



Executive Officer,  
Group Finance &  
Accounting Office,  
and CFO  
( Chief Financial Officer )

**Alan Draper**



Senior General Manager,  
Corporate & Business  
Planning,  
Group Corporate Planning  
Office,

**Koichiro Kubo**

# The Gas Professionals



# Appendix

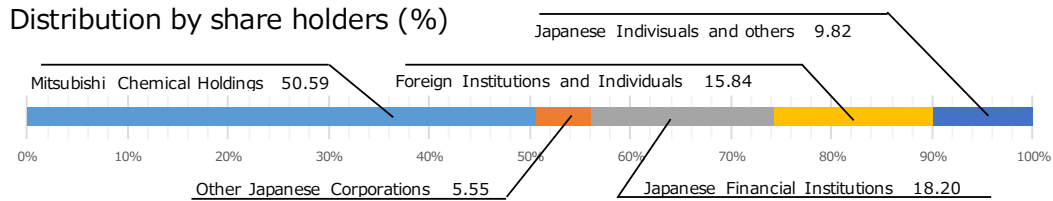
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**Corporate Information** (As of March 31, 2022)

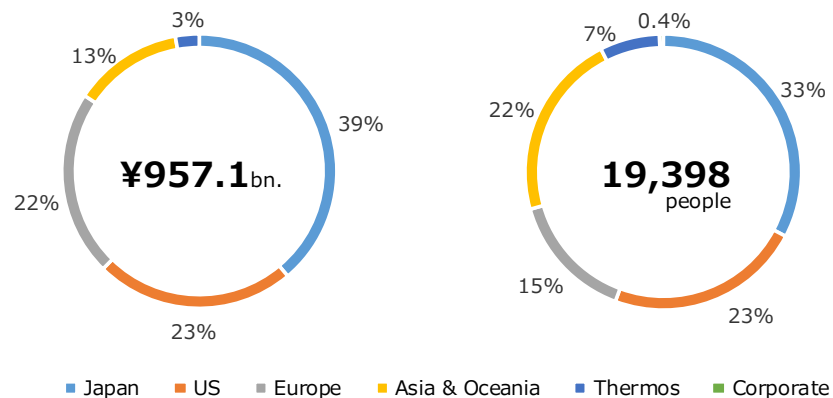
Company Name	Nippon Sanso Holdings Corporation
Founded	October 30, 1910
Headquarters	1-3-26 Koyama Shinagawa-ku, Tokyo 142-0062, Japan
TEL	81-3-5788-8500
	Representative Director, President CEO
Representative	Toshihiko Hamada
Common stock	37.3 billion yen

**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

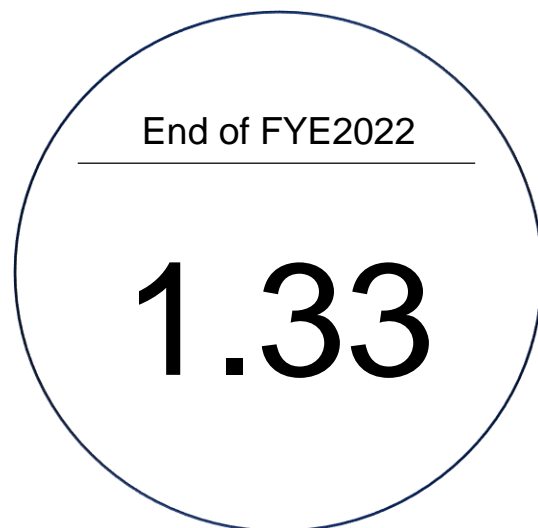
# Free cash flow and Debt situation

( Unit : ¥ bn. )	FYE2021	FYE2022	YoY		FYE2023	Budget's YoY	
	Full-term	Full-term	Difference	% change	Full-term budget	Difference	% change
Income before income taxes	77.7	91.6	+13.9	+17.9%	97.0	+5.4	+5.9%
Depreciation and amortization	86.3	92.4	+6.1		92.6	+0.2	
Changes in working capital	0.5	-20.6	-21.1		0.0	+20.6	
Others	-15.3	-14.6	+0.7		-20.3	-5.7	
<b>Cash flows from operating activities</b>	<b>149.2</b>	<b>148.7</b>	<b>-0.5</b>	<b>-0.3%</b>	<b>169.3</b>	<b>+20.6</b>	<b>+13.8%</b>
Capital expenditures	-60.0	-74.4	-14.4		-104.4	-30.0	
Investments and loans	-0.7	-2.0	-1.3		—	+2.0	
Others (asset sales, etc.)	1.1	5.6	+4.5		-5.2	-10.8	
<b>Cash flows from investing activities</b>	<b>-59.6</b>	<b>-70.8</b>	<b>-11.2</b>	<b>-18.7%</b>	<b>-109.6</b>	<b>-38.8</b>	<b>-54.7%</b>
<b>Free cash flow</b>	<b>89.5</b>	<b>77.9</b>	<b>-11.6</b>	<b>-13.0%</b>	<b>59.7</b>	<b>-18.2</b>	<b>-23.4%</b>
<b>(Debt situation )</b>							
Net interest-bearing liabilities	858.1	835.5	-22.6		765.5	-70.0 *	
( Of which, hybrid financing amount )	250.0	250.0	—		250.0	—	
Adjusted net D/E ratio	1.15	0.94	-0.21		0.86	-0.08	

\* This amount includes a decrease of ¥31.0 bn. due to the effect of foreign currency translation.

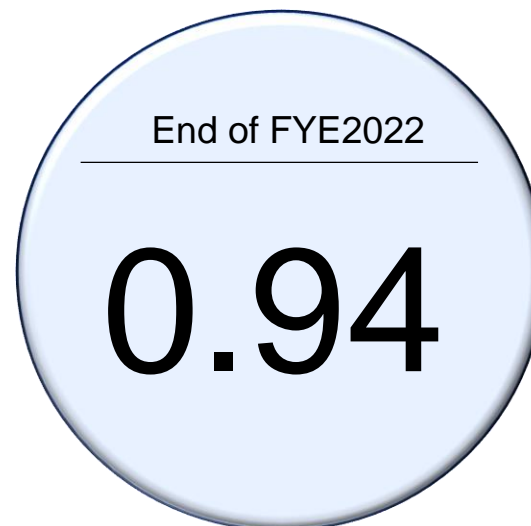
# Debt/Equity Performance

**Net D/E ratio**  
( General net D/E ratio )



$$\left( \frac{\text{Net interest-bearing debt}}{\text{Total equity attributable to owners of parent}} \right)$$

**Adjusted net D/E ratio**  
( Our indicators that have been disclosed )

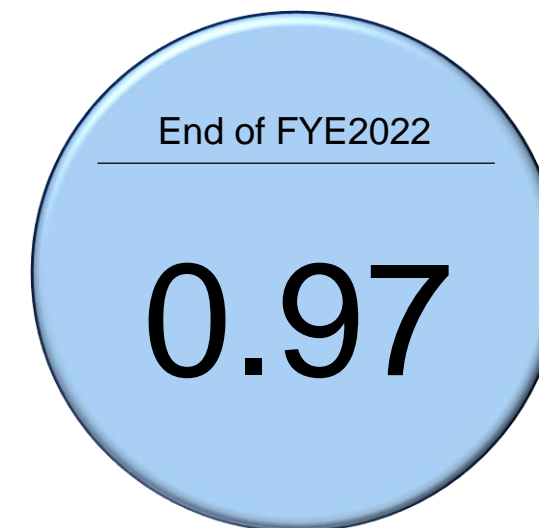


**Budget at the End of FYE2023**  
(March 31, 2023)

**0.86**

$$\left( \frac{\text{Net interest-bearing debt} - \text{Equity-type debt}^*}{\text{Total equity attributable to owners of parent} + \text{Equity-type debt}^*} \right)$$

**Financial management net D/E ratio**  
( Our internal financial discipline indicator )

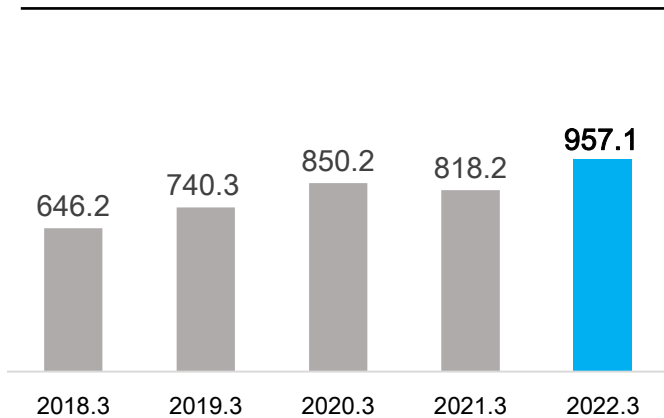


$$\left( \frac{\text{Net interest-bearing debt} - \text{Lease obligations} - \text{Equity-type debt}^*}{\text{Total equity attributable to owners of parent} - \text{Other components of equity} + \text{Equity-type debt}^*} \right)$$

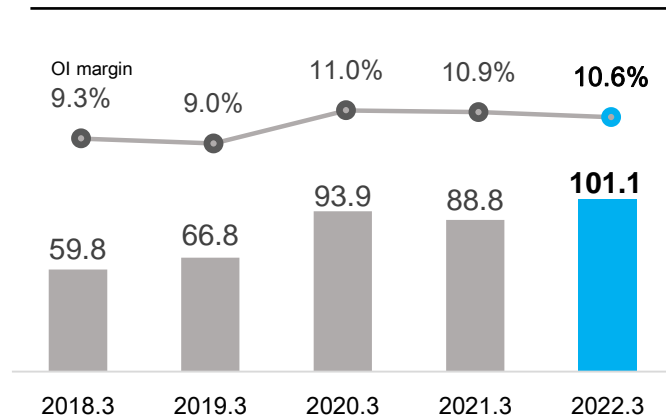
\* Equity-type debt : Our internal name of amount which is 50% of the amount raised through hybrid financing (¥250 bn.) is accepted as "capital" by rating agencies.

# Business performance over the past five years

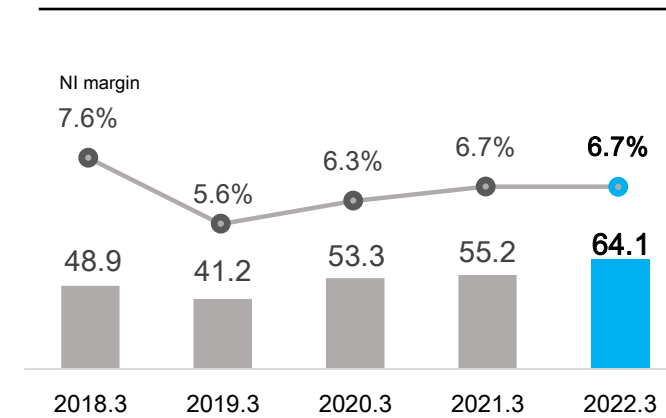
## Revenue (¥ bn.)



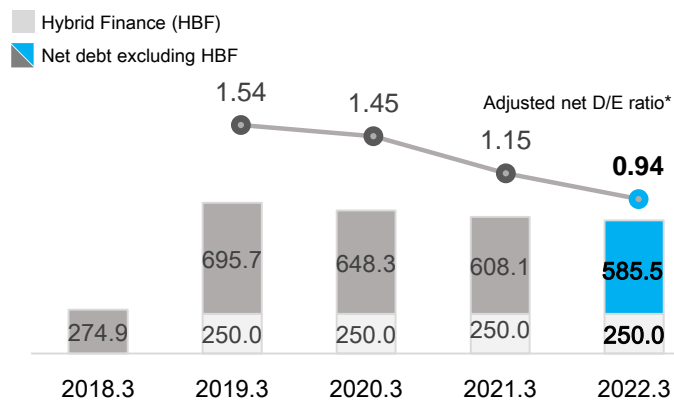
## Operating income (IFRS) (¥ bn.)



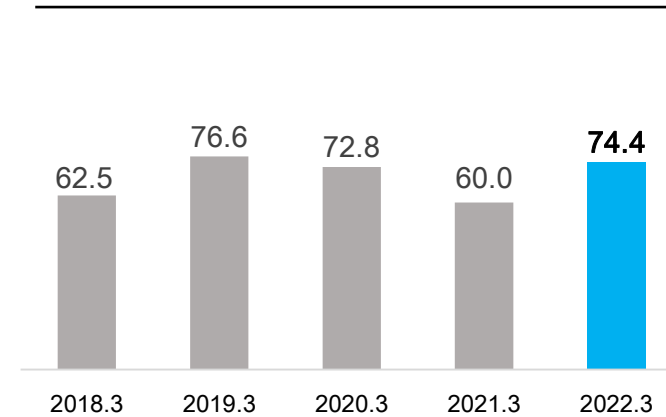
## Profit attributable to owners of the parent (¥ bn.)



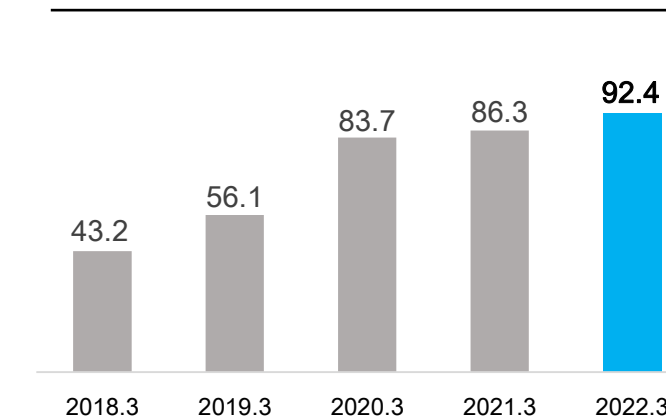
## Net interest-bearing debts (¥ bn.)



## Capital expenditures (¥ bn.)



## Depreciation and amortization (¥ bn.)



\*Adjusted Net D/E Ratio: an indicator of safety (financial soundness) calculated in consideration of this part due to 50% of the amount raised by HBF is permitted as "Equity" by rating agencies.

\*It's recorded on a construction basis until FYE2019 and on a cash basis from FYE2020 onwards.

# Glossary: EBITDA Margin / ROCE after Tax

## EBITDA

(Earnings Before Interest Taxes Depreciation and Amortization)

Indicator that shows profitability based on Cash Flow, excluding the impact of M&A and CAPEX.

This indicator should not be considered in isolation from performance indicators such as operating income and net income, which are indicators based on IFRS, and should not be viewed as substitutes for these indicators. This indicator should be given due consideration when comparing them with similarly named financial indicators presented by other companies.

## ROCE after Tax

(Return On Capital Employed after Tax)

$$= \frac{\text{NOPAT (Net Operating Profit After Tax)}}{(\text{Interest-bearing debt} + \text{Total equity attributable to owners of parent})^*}$$

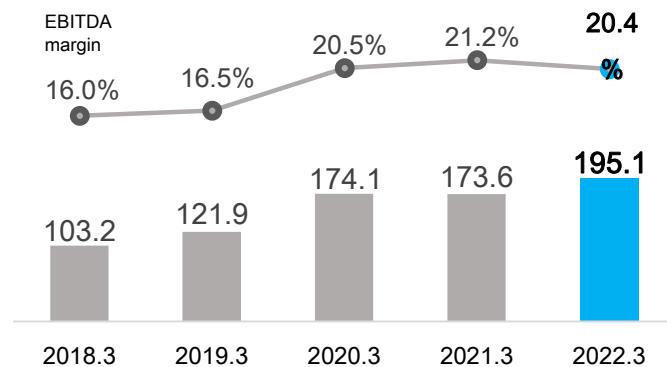
\* The average of the amounts at the end of the comparative fiscal year s of the previous and current fiscal years is used.

## Indicator based on profitability and investment efficiency

This indicator should not be considered in isolation from performance indicators such as operating income and net income, which are indicators based on IFRS, and should not be viewed as substitutes for these indicators. This indicator should be given due consideration when comparing them with similarly named financial indicators presented by other companies.

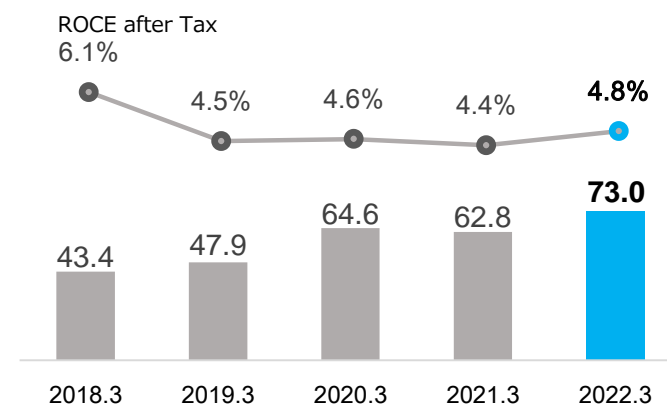
### EBITDA margin and EBITDA

(¥ bn.)



### ROCE after Tax and NOPAT

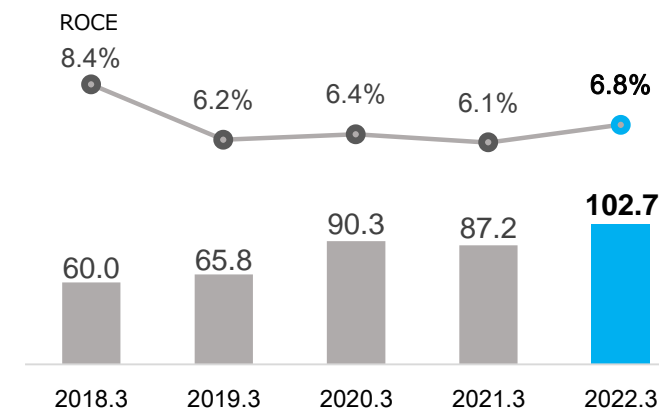
(¥ bn.)



### ( Reference )

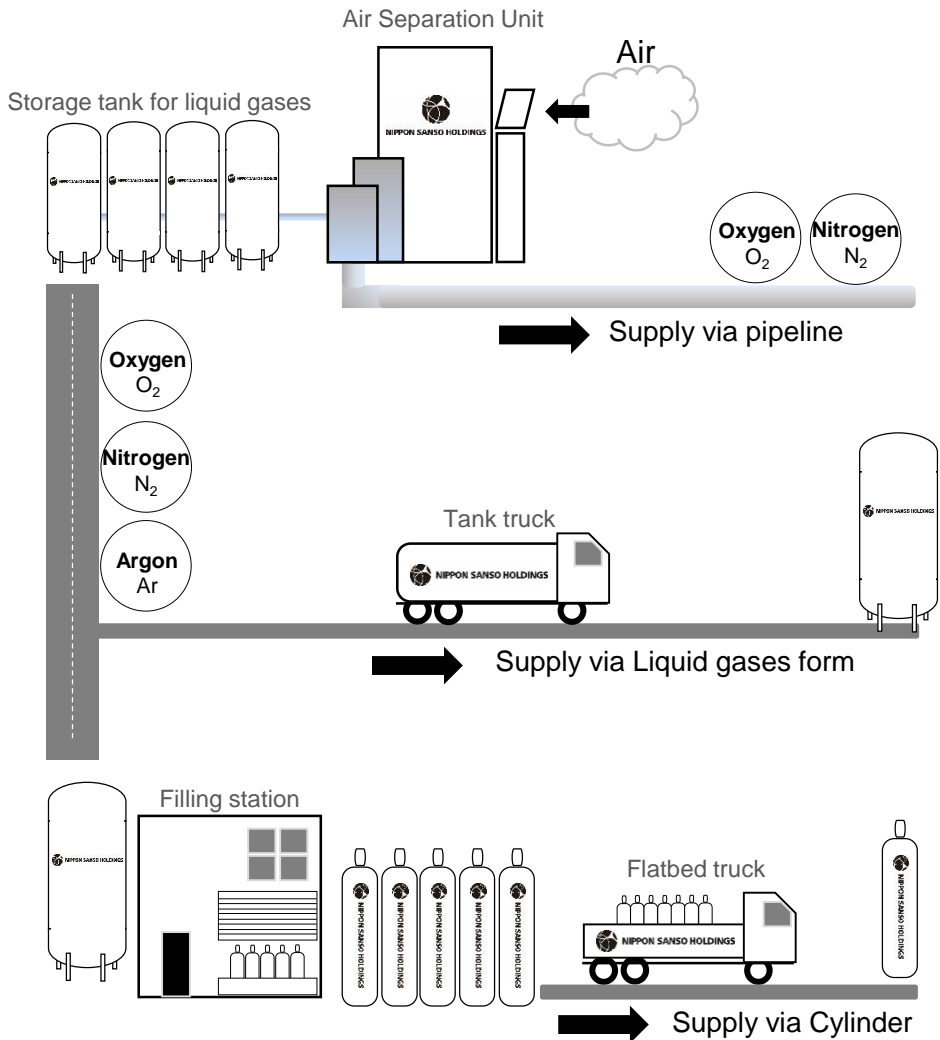
ROCE and Core OI

(¥ bn.)



# Industrial gas supply system

## Air Separation Gases



## On-site

Major supply destination ( Sector )

<b>Steel</b>	<b>Petrochemical</b>	<b>Refinery</b>
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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 )

<b>Automobile</b>	<b>Shipbuilding</b>	<b>Manufacturing</b>
<b>Construction machinery</b>	<b>Pharmaceutical Medical</b>	<b>Glass/Paper</b>
<b>LCP</b>	<b>Photovoltaics</b>	<b>Food/beverage</b>
		<b>Semiconductor</b>

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 )

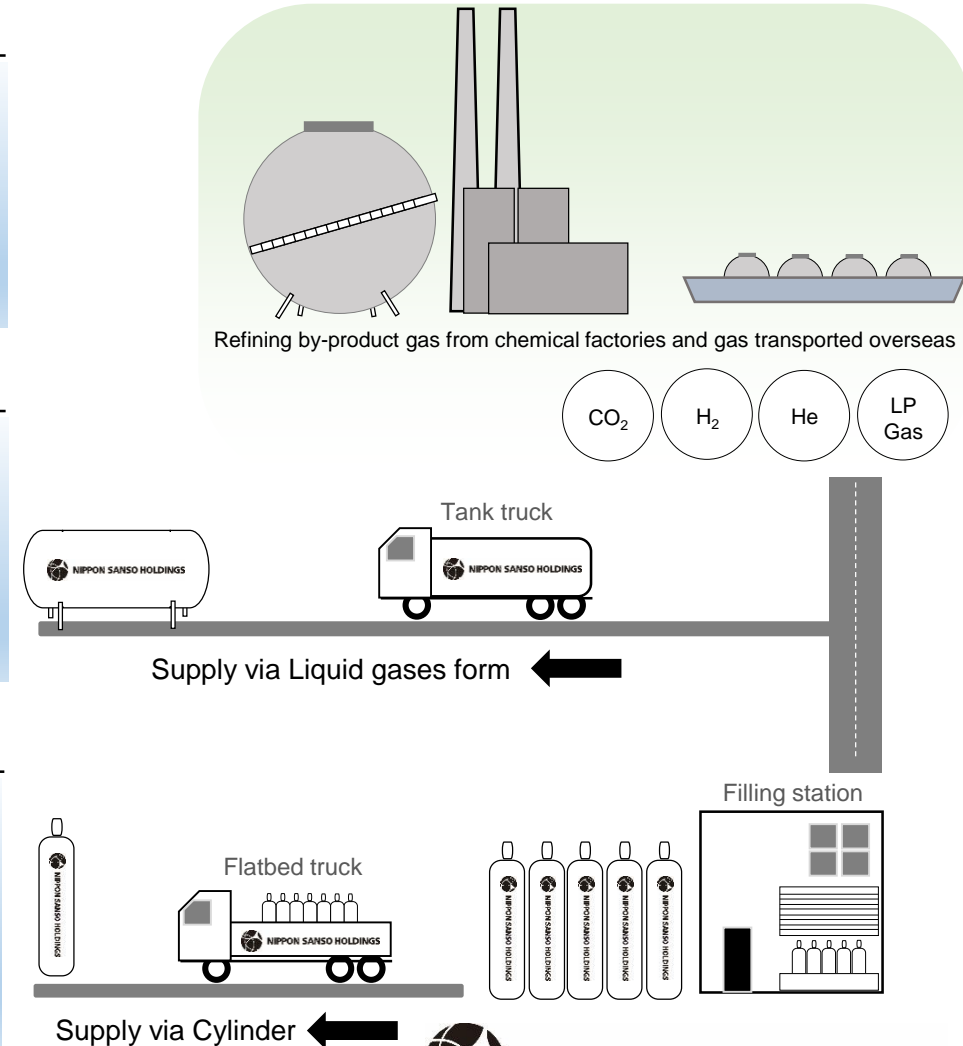
## Packaged

Major supply destination ( Sector )

<b>Homecare</b>	<b>Advanced medicine</b>	<b>Sanitation</b>
<b>Engineering development</b>	<b>R&amp;D</b>	<b>Construction/Installation</b>

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

## Other Gases







# THERMOS

**Thermos products deliver what matters every time.**

As the leading manufacturer of convenient insulated product for over 100 years, Thermos is trusted by consumers to provide innovative portable containers that promote a safe and healthy lifestyle.

Thermos delivers when it matters.

At Thermos, We carefully choose the best available materials, and produce products with consistent quality and reliable performance. We ensure the excellence of our products by testing for quality.



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### Upcoming IR events

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/)*

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**NIPPON SANSO HOLDINGS**

**The Gas Professionals**

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