

Consolidated Financial Results for the First Quarter of Fiscal Year Ending March 31, 2025 (Based on IFRS)

July 30, 2024

Stock exchange listing: Tokyo (Prime)

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Scheduled date to commence dividend payments: —
Supplementary materials on quarterly financial results: Yes
Quarterly results explanatory meeting: Yes (For institutional investors and analysts)

(Amounts less than ¥1 million are omitted)

1. Financial results for Q1 FYE2025 (April 1, 2024 – June 30, 2024)

(1) Operating results

(Percentages indicate year-on-year change)

	Revenue		Core operating income		Operating income		Net income		Net income attributable to owners of the parent		Total comprehensive income	
	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%
Q1 FYE2025	329,274	6.6	48,355	18.7	47,979	17.8	29,658	16.1	29,085	18.4	96,131	(3.0)
Q1 FYE2024	308,903	11.9	40,748	34.6	40,715	48.2	25,542	42.2	24,558	42.1	99,069	58.1

(Reference) Income before income taxes

Q1 FYE2025: ¥42,903 million [18.4%]

Q1 FYE2024: ¥36,226 million [41.8%]

Core operating income is calculated as operating income excluding certain gains and expenses attributable to non-recurring factors (non-recurring items).

	Basic earnings per share (Yen)	Diluted net income per share (Yen)
Q1 FYE2025	67.19	—
Q1 FYE2024	56.74	—

(2) Financial position

	Total assets (¥ million)	Total equity (¥ million)	Equity attributable to owners of the parent (¥ million)	Equity attributable to owners of the parent ratio (%)
FYE2025 (June 30, 2024)	2,532,316	1,031,254	999,013	39.5
FYE2024 (March 31, 2024)	2,409,083	946,112	914,481	38.0

2. Dividends

	Annual Dividend				
	End of 1 st quarter (Yen)	End of 2 nd quarter (Yen)	End of 3 rd quarter (Yen)	Term end (Yen)	Total (Yen)
FYE2024	—	20.00	—	24.00	44.00
FYE2025	—				
FYE2025 (est.)		24.00	—	24.00	48.00

Note: No revisions have been made to recently announced forecasts.

3. Forecasts for business operations for FYE2025 full term (April 1, 2024 – March 31, 2025)

(Percentages indicate year-on-year change)

	Revenue		Core operating income		Operating income		Net income		Net income attributable to owners of the parent		Basic earnings per share
	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%	(Yen)
Full term	1,300,000	3.6	177,000	6.6	177,000	2.9	108,000	(1.2)	105,000	(0.9)	242.57

Note: No revisions have been made to recently announced forecasts.

(Reference) Income before income taxes

FYE2025 full term: ¥154,000 million [2.2%]

* Notes

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies, changes in financial forecasts

1. Changes in accounting policies required by IFRS: None

2. Changes in accounting policies other than 1.: None

3. Changes in accounting estimates: None

(3) Number of outstanding shares (common shares)

1. Number of outstanding shares at the end of the period (including treasury stock)	As of Jun. 30, 2024	433,092,837 shares	As of Mar. 31, 2024	433,092,837 shares
2. Number of treasury stocks at the end of the period	As of Jun. 30, 2024	235,652 shares	As of Mar. 31, 2024	235,014 shares
3. Average number of shares during the period	Jun. 30, 2024	432,857,508 shares	Jun. 30, 2023	432,860,141 shares

* Explanation on the appropriate use of the forecasts of financial results and other comments

- The forward-looking statements such as the forecasts of financial result stated in this document are based on the information currently available on the Company and certain assumptions that the Company judges as rational. The Company is under no obligation to guarantee their achievement. Actual financial results may vary significantly due to various reasons. For details on the assumptions of the forecasts and related matters, please see page 7, “(3) Explanation Concerning Predictive Information such as Consolidated Business Forecasts” in “1. Qualitative Information on Quarterly Financial Results.”

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (Voluntary)

* The English-language quarterly financial statements have not been reviewed by certified public accountants or an audit firm.

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NSHD has not and does not participate in, support, encourage, or otherwise consent to the creation of any un-sponsored ADR programs or the issuance or trading of any ADRs issued thereunder in respect of its common stock. NSHD does not represent to any ADR holder, bank or depository institution, nor should any such person or entity form the belief, that (i) NSHD has any reporting obligations within the meaning of the U.S. Securities Exchange Act of 1934 ("Exchange Act") or (ii) NSHD's website will contain on an ongoing basis all information necessary for NSHD to maintain an exemption from registering its common stock under the Exchange Act pursuant to Rule 12g3-2(b) thereunder.

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1 . Qualitative Information on Quarterly Financial Results

(1) Explanation Concerning Quarterly Business Results

(General Overview)

Nippon Sanso Holdings Group (NSHD Group) delivered positive profit growth for the first quarter of the fiscal year under review (from April 1, 2024 to June 30, 2024) despite challenging geopolitical issues, rising trade tensions, global inflation, JPY depreciation, and a soft semiconductor market.

Under these circumstances, overall shipment volumes were negative despite the fact that that of air separation gases (oxygen, nitrogen, and argon) were positive year-on-year. In addition, there has been a moderation of energy costs in most regions as compared to prior year. Furthermore, price management has been successful in passing costs through to our customers and our robust productivity projects continue to yield positive financial results. These factors enabled the NSHD Group to achieve the following results for the first quarter under review.

Revenue on a consolidated basis increased by 6.6% year-on-year to ¥329,274 million, core operating income increased by 18.7% to ¥48,355 million, operating income increased by 17.8% to ¥47,979 million, and net income attributable to owners of the parent increased by 18.4% to ¥29,085 million.

As for the impact of foreign exchange rates year-on-year, JPY depreciated against the USD from ¥139.63 to ¥158.24 (+¥18.61, or +13.3%), against the EUR from ¥151.89 to ¥170.08 (+¥18.19, or +12.0%). As a result, overall revenue and core operating income were favorably impacted by approximately ¥24.1 billion and ¥3.6 billion respectively.

Core operating income is calculated by excluding from operating income certain gains and losses attributable to non-recurring factors such as losses incurred due to business withdrawal or downsizing.

(Overview of business performance by reportable segment)

A breakdown of business performance by reportable segment is as follows.

Segment income represents core operating income.

(i) Japan

In the industrial gas-related business, shipment volumes of air separation gases slightly decreased and those of carbon dioxide gas were flat year-on-year. In addition, shipment volumes of electronic material gases were soft. In equipment and installation, both industrial gas-related and electronics-related businesses posted higher revenues, mainly due to medium and large sized projects which are accounted for on a percentage-of-completion basis. Meanwhile, there was a decrease in revenue due to two transactions which occurred last fiscal year: the conversion of a consolidated on-site subsidiary to a joint operation entity and the deconsolidation of a subsidiary responsible for resident-use LP gas.

As a result, in the Japan segment, revenue decreased by 6.2% year-on-year to ¥ 100,916 million and segment income increased by 2.9% to ¥ 11,567 million.

(ii) United States

Revenue increased in the industrial gas-related business year-on-year mainly due to positive volumes related to air separation gases and price management. In equipment and installation, sales conditions of industrial gas-related and electronics-related equipment were soft.

As a result, in the United States segment, revenue increased by 12.9% year-on-year to ¥ 92,601 million and segment income increased by 32.3% to ¥ 14,808 million.

(iii) Europe

Revenue increased in the industrial gas-related business year-on-year mainly due to firm shipment volumes of air separation gases and price management. Equipment and installation, revenue increased with positive performance in both industrial gas-related and medical-related equipment.

As a result, in the Europe segment, revenue increased by 16.3% year-on-year to ¥ 85,039 million, and segment income increased by 26.6% to ¥ 16,644 million.

(iv) Asia & Oceania

In the industrial gas-related business, air separation gases shipment volumes were positive. In LP gas, of which a large portion of sales is in the Australia region, sales volumes were solid, thereby increasing revenue. In the electronics-related business, in East Asia, shipment volumes of electronic material gases remained soft.

As a result, in the Asia & Oceania segment, revenue increased by 10.3% year-on-year to ¥42,428 million and segment income increased by 4.8% to ¥4,325 million.

(v) Thermos

In Japan, sales from portable vacuum-insulated mugs were firm, and revenue increased due in part to the launch of new products with functional and stylish designs. Overseas, sales conditions were soft. Segment income decreased mainly due to higher marketing costs and production costs caused by the weak JPY.

As a result, the Thermos segment revenue increased by 9.0% year-on-year to ¥8,264 million, the segment income decreased by 13.0% to ¥1,241 million.

(2) Overview of Quarterly Financial Position

As of the end of the Q1 consolidated accounting period, total assets amounted to ¥2,532,316 million, an increase of ¥123,233 million from March 31, 2024. Foreign exchange rates resulted in an increase in total assets of approximately ¥113.0 billion. This mainly reflected foreign exchange rate changes, such as the JPY depreciation of ¥9.66 against the USD and the JPY depreciation of ¥9.09 against the EUR as of the end of June 30, 2024, compared with the rates as of March 31, 2024.

[Assets]

Total current assets were ¥578,079 million, an increase of ¥9,877 million from March 31, 2024. The main factors were decreases in cash and cash equivalents and trade receivables, and the impact from the JPY depreciation against major currencies such as the USD and the EUR.

Total non-current assets were ¥1,954,236 million, an increase of ¥113,355 million from March 31, 2024, mainly reflecting increases in plant, property and equipment and other financial assets, and the impact from JPY depreciation against major currencies.

[Liabilities]

Total current liabilities were ¥485,250 million, a decrease of ¥12,769 million from March 31, 2024. The main factors were decreases in other financial liabilities and trade payables, and the impact from JPY depreciation against major currencies.

Total current liabilities were ¥1,015,811 million, an increase of ¥50,860 million from March 31, 2024. The main factors were increases in bonds and borrowings and other financial liabilities, and the impact from JPY depreciation against major currencies.

[Equity]

Total equity amounted to ¥1,031,254 million, an increase of ¥85,141 million from March 31, 2024. The main factors were increases due to the recording of exchange differences on translation of foreign operations and net income attributable to owners of the parent.

The ratio of equity attributable to owners of the parent stood at 39.5%, up 1.5 percentage points from the previous fiscal year-end.

(Cash flow analysis)

[Cash flow from operating activities]

Net cash provided by operating activities increased 1.6% year on year to ¥34,140 million. The main components were income before income taxes, depreciation and amortization expenses, and variations in trade receivables.

[Cash flow from investing activities]

Net cash used in investing activities increased 85.0% year-on-year to ¥46,201 million. The main use of cash was for the purchase of property, plant and equipment.

[Cash flow from financing activities]

Net cash provided by financing activities increased to ¥1,517 million from net cash used of ¥24,922 million year-on-year. The main factors were the proceeds from long-term borrowings and net variation in commercial papers, and repayment of long-term borrowings.

As a result of the Company's operating, investing, and financing activities, the balance of cash and cash equivalents as of the end of Q1, after accounting for the effects of exchange differences, came to ¥121,537 million.

(3) Explanation Concerning Predictive Information such as Consolidated Business Forecasts

No revisions have been made to the consolidated business forecasts released on May 13, 2024.

2. Quarterly Condensed Consolidated Financial Statements and Main Notes

(1) Quarterly Condensed Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Assets		
Current assets		
Cash and cash equivalents	126,100	121,537
Trade receivables	282,199	283,633
Inventories	100,460	104,848
Other financial assets	27,216	29,249
Other current assets	27,847	34,298
Subtotal	563,825	573,566
Assets possessed for a sales purpose	4,376	4,512
Total current assets	568,201	578,079
Non-current assets		
Property, plant and equipment	877,400	936,405
Goodwill	575,809	609,861
Intangible assets	252,348	262,983
Investments accounted for using the equity method	54,673	57,284
Other financial assets	63,436	69,873
Retirement benefit asset	4,712	4,653
Other non-current assets	9,133	9,504
Deferred tax assets	3,367	3,670
Total non-current assets	1,840,881	1,954,236
Total assets	2,409,083	2,532,316

(Millions of yen)

	As of March 31, 2024	As of June 30, 2024
Liabilities and equity		
Liabilities		
Current liabilities		
Trade payables	136,027	132,538
Bonds and borrowings	166,219	172,908
Corporate income taxes payable	14,169	16,836
Other financial liabilities	121,402	104,687
Allowance	1,095	769
Other current liabilities	59,105	57,509
Total current liabilities	498,019	485,250
Non-current liabilities		
Bonds and borrowings	724,039	757,906
Other financial liabilities	39,488	44,284
Retirement benefit liabilities	15,352	16,153
Allowance	5,019	5,356
Other non-current liabilities	20,656	21,316
Deferred tax liabilities	160,395	170,794
Total non-current liabilities	964,951	1,015,811
Total liabilities	1,462,970	1,501,062
Equity		
Share capital	37,344	37,344
Capital surplus	39,233	39,030
Treasury stock	(242)	(245)
Retained earnings	627,544	646,254
Other components of equity	210,601	276,629
Total equity attributable to owners of the parent	914,481	999,013
Non-controlling interests	31,630	32,240
Total equity	946,112	1,031,254
Total liabilities and equity	2,409,083	2,532,316

(2) Quarterly Condensed Consolidated Statement of Profit or Loss and Quarterly Condensed Consolidated Statement of Comprehensive Income
Condensed Consolidated Statement of Profit or Loss
(Consolidated cumulative first quarter)

(Millions of yen)

	Three-months ended June 30, 2023	Three-months ended June 30, 2024
Revenue	308,903	329,274
Cost of sales	(187,077)	(191,649)
Gross operating profit	121,825	137,625
Selling, general and administrative expenses	(81,766)	(89,690)
Other operating income	812	1,066
Other operating expense	(443)	(2,063)
Share of profit of investments accounted for using the equity method	286	1,041
Operating income	40,715	47,979
Finance income	1,605	1,529
Finance costs	(6,093)	(6,605)
Income before income taxes	36,226	42,903
Corporate income taxes	(10,683)	(13,244)
Net income	25,542	29,658
Net income attributable to:		
Owners of the parent	24,558	29,085
Non-controlling interests	984	572
Net income per share		
Basic earnings per share (yen)	56.74	67.19

Condensed Consolidated Statement of Comprehensive Income
(Consolidated cumulative first quarter)

(Millions of yen)

	Three-months ended June 30, 2023	Three-months ended June 30, 2024
Net income	25,542	29,658
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	4,995	957
Remeasurements of defined benefit plans	9	13
Share of other comprehensive income of investments accounted for using the equity method	11	96
Total of items that will not be reclassified to profit or loss	5,016	1,067
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	68,547	64,514
Effective portion of net change in fair value of cash flow hedges	(499)	(30)
Share of other comprehensive income of investments accounted for using the equity method	461	921
Total of items that may be reclassified subsequently to profit or loss	68,509	65,405
Total other comprehensive income, net of tax	73,526	66,472
Comprehensive income	99,069	96,131
Comprehensive income attributable to:		
Owners of the parent	97,624	95,127
Non-controlling interests	1,445	1,003

(3) Quarterly Condensed Consolidated Statement of Changes in Equity

Three-months ended June 30, 2023 (April 1, 2023 to June 30, 2023)

(Millions of yen)

	Share capital	Capital surplus	Treasury stock	Retained earnings
Balance at April 1, 2023	37,344	51,610	(233)	537,867
Net income	—	—	—	24,558
Other comprehensive income	—	—	—	—
Comprehensive income	—	—	—	24,558
Purchase of treasury stock	—	—	(1)	—
Dividends	—	—	—	(8,658)
Changes in ownership interest in subsidiaries	—	(199)	—	—
Transfer from other components of equity to retained earnings	—	—	—	28
Change in scope of consolidation	—	—	—	(16)
Other changes	—	—	—	—
Total transactions with owners	—	(199)	(1)	(8,646)
Balance at June 30, 2023	37,344	51,411	(234)	553,779

	Other components of equity				Total	Total equity attributable to owners of the parent	Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Effective portion of net change in fair value of cash flow hedges	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans				
Balance at April 1, 2023	81,172	(284)	16,836	—	97,724	724,314	33,682	757,996
Net income	—	—	—	—	—	24,558	984	25,542
Other comprehensive income	68,560	(494)	4,990	9	73,065	73,065	460	73,526
Comprehensive income	68,560	(494)	4,990	9	73,065	97,624	1,445	99,069
Purchase of treasury stock	—	—	—	—	—	(1)	—	(1)
Dividends	—	—	—	—	—	(8,658)	(553)	(9,212)
Changes in ownership interest in subsidiaries	—	—	—	—	—	(199)	(88)	(287)
Transfer from other components of equity to retained earnings	—	—	(18)	(9)	(28)	—	—	—
Change in scope of consolidation	—	—	—	—	—	(16)	—	(16)
Other changes	—	—	—	—	—	—	(17)	(17)
Total transactions with owners	—	—	(18)	(9)	(28)	(8,875)	(660)	(9,535)
Balance at June 30, 2023	149,732	(779)	21,808	—	170,761	813,063	34,467	847,530

Three-months ended June 30, 2024 (April 1, 2024 to June 30, 2024)

(Millions of yen)

	Share capital	Capital surplus	Treasury stock	Retained earnings
Balance at April 1, 2024	37,344	39,233	(242)	627,544
Net income	—	—	—	29,085
Other comprehensive income	—	—	—	—
Comprehensive income	—	—	—	29,085
Purchase of treasury stock	—	—	(2)	—
Dividends	—	—	—	(10,389)
Changes in ownership interest in subsidiaries	—	(203)	—	—
Transfer from other components of equity to retained earnings	—	—	—	13
Change in scope of consolidation	—	—	—	—
Other changes	—	—	—	—
Total transactions with owners	—	(203)	(2)	(10,375)
Balance at June 30, 2024	37,344	39,030	(245)	646,254

	Other components of equity				Total	Total equity attributable to owners of the parent	Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Effective portion of net change in fair value of cash flow hedges	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans				
Balance at April 1, 2024	188,017	291	22,292	—	210,601	914,481	31,630	946,112
Net income	—	—	—	—	—	29,085	572	29,658
Other comprehensive income	65,011	(30)	1,046	13	66,041	66,041	430	66,472
Comprehensive income	65,011	(30)	1,046	13	66,041	95,127	1,003	96,131
Purchase of treasury stock	—	—	—	—	—	(2)	—	(2)
Dividends	—	—	—	—	—	(10,389)	(351)	(10,741)
Changes in ownership interest in subsidiaries	—	—	—	—	—	(203)	(295)	(498)
Transfer from other components of equity to retained earnings	—	—	—	(13)	(13)	—	—	—
Change in scope of consolidation	—	—	—	—	—	—	—	—
Other changes	—	—	—	—	—	—	253	253
Total transactions with owners	—	—	—	(13)	(13)	(10,595)	(393)	(10,989)
Balance at June 30, 2024	253,029	260	23,339	—	276,629	999,013	32,240	1,031,254

(4) Quarterly Condensed Consolidated Statement of Cash Flows

(Millions of yen)

	Three-months ended June 30, 2023	Three-months ended June 30, 2024
Cash flow from operating activities		
Income before income taxes	36,226	42,903
Depreciation and amortization	27,126	29,451
Interest and dividends income	(1,011)	(1,339)
Interest expenses	6,083	6,554
Share of (profit) loss of investments accounted for using the equity method	(286)	(1,041)
Loss (gain) on sale and retirement of property, plant and equipment, and intangible assets	1	100
(Increase) decrease in trade receivables	(1,599)	7,368
(Increase) decrease in inventories	(3,399)	(1,125)
Increase (decrease) in trade payables	(3,439)	(8,537)
(Increase) decrease in retirement benefit asset	(82)	(109)
Increase (decrease) in retirement benefit liabilities	228	370
Other	(11,502)	(22,706)
Subtotal	48,346	51,889
Interest received	490	742
Dividends received	1,355	625
Interest paid	(6,922)	(9,650)
Corporate income tax refund (paid)	(9,660)	(9,466)
Cash flow from operating activities	33,610	34,140
Cash flow from investing activities		
Payments for purchase of property, plant and equipment	(25,093)	(46,771)
Proceeds from sale of property, plant and equipment	367	365
Payments for purchase of investment	(24)	(28)
Proceeds from sale and redemption of investments	77	84
Proceeds from sale of subsidiaries	154	—
Other	(457)	147
Cash flow from investing activities	(24,975)	(46,201)
Cash flow from financing activities		
Net increase (decrease) in short-term borrowings	14,281	1,635
Net increase (decrease) in commercial papers	(5,000)	12,000
Proceeds from long-term borrowings	12,914	43,758
Payments for repayment of long-term borrowings	(34,853)	(41,654)
Payments for repayment of lease obligations	(3,165)	(3,447)
Payments for purchase of shares in subsidiaries not resulting in change in scope of consolidation	(33)	(141)
Dividends paid	(8,658)	(10,389)
Dividends paid to non-controlling interests	(553)	(351)
Other	145	108
Cash flow from financing activities	(24,922)	1,517
Impact of exchange rate changes on cash and cash equivalents	7,407	5,980
Net increase (decrease) in cash and cash equivalents	(8,881)	(4,563)
Balance of cash and cash equivalents at beginning of fiscal year	132,217	126,100
Increase (decrease) in cash and cash equivalents resulting from transfer to assets possessed for a sales purpose	(912)	—
Balance of cash and cash equivalents at end of quarter	122,423	121,537

(5) Notes to the Quarterly Condensed Consolidated Financial Statements

(Applicable financial reporting framework)

Quarterly Condensed Consolidated Financial Statements of the Group (Quarterly Condensed Consolidated Statement of Financial Position, Quarterly Condensed Consolidated Statement of Profit or Loss, Quarterly Condensed Consolidated Statement of Comprehensive Income, Quarterly Condensed Consolidated Statement of Changes in Equity, Quarterly Condensed Consolidated Statement of Cash Flows and Notes to the Quarterly Condensed Consolidated Financial Statements) are prepared in accordance with Article 5, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements of the Tokyo Stock Exchange Inc. (however, the omission set forth in Article 5, Paragraph 5 of the same standards is applied), and parts of the disclosure items and notes required by IAS 34 “Interim Financial Reporting” are omitted.

(Notes regarding going concern assumption)

Not applicable.

(Segment information)

(1) Outline of reportable segments

The NSHD Group’s reportable segments are those of the components of the NSHD Group on which separate financial information is available, and which are evaluated regularly by the Board of Directors to determine the allocation of management resources and assess business performance. No grouping of operating segments has been carried out for reporting purposes.

The NSHD Group conducts gas businesses in Japan and overseas, mainly for customers in the steel, chemical, and electronics industries, and has production and sales bases for its main products in Japan, the United States, Europe, and Asia & Oceania. In addition, the NSHD Group engages in the manufacture and sale of housewares such as stainless steel vacuum bottles. Accordingly, the Group has established the following five reportable segments: Japan, the United States, Europe, Asia & Oceania, and Thermos.

The principal products and services for each of the reportable segments are as shown below.

Reportable segment	Main products and services
Japan	Oxygen, nitrogen, argon, carbon dioxide, helium, hydrogen, acetylene, gas-related equipment, specialty gases (electronic materials gases, pure gases, etc.), electronics-related equipment and installation, semiconductor manufacturing equipment, welding and cutting equipment, welding materials, plants and machinery, liquid petroleum gas (LPG) and related equipment, medical-use gases (oxygen, nitrous oxide, etc.), medical equipment, stable isotopes
United States	
Europe	
Asia & Oceania	
Thermos	Housewares and consumer goods

The accounting methods adopted for the reported operating segments are the same as those adopted to prepare the consolidated financial statements. Revenue from inter-segment transactions and transfers is based primarily on prevailing market prices.

(2) Figures of revenue and income (loss) by reportable segment

Three-months ended June 30, 2023 (April 1, 2023 to June 30, 2023)

(Millions of yen)

	Reportable segment						Adjustments (Note 1)	Amounts on the Consolidate d Statement of Income
	Japan	United States	Europe	Asia & Oceania	Thermos	Total		
Revenue								
Revenue from external customers	107,629	82,051	73,146	38,469	7,584	308,880	22	308,903
Revenue from inter-segment transactions and transfers	3,333	6,002	75	722	3	10,137	(10,137)	—
Total	110,963	88,054	73,221	39,192	7,587	319,018	(10,115)	308,903
Segment income (Note 2)	11,245	11,191	13,150	4,128	1,427	41,142	(394)	40,748

Note: 1. The negative adjustment of (¥394) million for segment income is comprised of (¥30) million of intersegment eliminations and companywide expenses of (¥364) million that were not allocated to any particular reportable segment. These companywide expenses consist mainly of Group administration expenses at the Company that are not attributable to reportable segments.

2. Segment income represents core operating income, which is calculated by excluding from operating income certain gains or losses attributable to non-recurring factors such as losses arising from business withdrawal or downsizing.

Three-months ended June 30, 2024 (April 1, 2024 to June 30, 2024)

(Millions of yen)

	Reportable segment						Adjustments (Note 1)	Amounts on the Consolidate d Statement of Income
	Japan	United States	Europe	Asia & Oceania	Thermos	Total		
Revenue								
Revenue from external customers	100,916	92,601	85,039	42,428	8,264	329,251	23	329,274
Revenue from inter-segment transactions and transfers	4,790	7,088	83	983	3	12,950	(12,950)	—
Total	105,706	99,690	85,123	43,412	8,268	342,201	(12,927)	329,274
Segment income (Note 2)	11,567	14,808	16,644	4,325	1,241	48,586	(231)	48,355

Notes: 1. The negative adjustment of (¥231) million for segment income is comprised of ¥112 million of intersegment eliminations and companywide expenses of (¥344) million that were not allocated to any particular reportable segment. These companywide expenses consist mainly of Group administration expenses at the Company that are not attributable to reportable segments.

2. Segment income represents core operating income, which is calculated by excluding from operating income certain gains or losses attributable to non-recurring factors such as losses arising from business withdrawal or downsizing.

Reconciliation of segment income with income before income taxes is shown below.

(Millions of yen)

	Three-months ended June 30, 2023 (April 1, 2023 to June 30, 2023)	Three-months ended June 30, 2024 (April 1, 2024 to June 30, 2024)
Segment income	40,748	48,355
Loss on liquidation of subsidiaries and associates	—	(375)
Other	(33)	—
Operating income	40,715	47,979
Finance income	1,605	1,529
Finance costs	(6,093)	(6,605)
Income before income taxes	36,226	42,903