

## Consolidated Financial Results for the First half of Fiscal Year Ending March 31, 2022 (Based on IFRS)

November 1, 2021

Company name: Nippon Sanso Holdings Corporation      Stock exchange listing: Tokyo (1<sup>st</sup> section)  
TSE Code: 4091      URL: <https://www.nipponsanso-hd.co.jp/>  
Representative: Toshihiko Hamada, Representative Director, President CEO  
Inquiries: Takayoshi Umehara, General Manager, Investor Relations  
Tel.: +81-3-5788-8512  
Scheduled date to file Quarterly Securities Report: November 10, 2021  
Scheduled date to commence dividend payments: December 1, 2021  
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 the first half of FYE2022 (April 1, 2021– September 30, 2021)

#### (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)	%
First half of FYE2022	447,374	16.4	49,844	35.7	49,799	35.8	35,154	63.0	34,291	63.3	39,383	2.3
First half of FYE2021	384,505	(9.1)	36,727	(19.2)	36,665	(21.6)	21,561	(24.9)	21,001	(24.3)	38,485	—

(Reference) Income before income taxes

First half of FYE2022: ¥45,026 million [46.1%]

First half of FYE2021: ¥30,821 million [(24.5%)]

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)
First half of FYE2022	79.24	—
First half of FYE2021	48.53	—

#### (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 (%)
First half of FYE2022 (September 30, 2021)	1,835,487	576,319	544,900	29.7
FYE2021 (March 31, 2021)	1,836,294	543,900	513,164	27.9

## 2. Dividends

	Annual Dividend				
	End of 1 <sup>st</sup> quarter (Yen)	End of 2 <sup>nd</sup> quarter (Yen)	End of 3 <sup>rd</sup> quarter (Yen)	Term end (Yen)	Total (Yen)
FYE2021	—	14.00	—	16.00	30.00
FYE2022	—	16.00			
FYE2022 (est.)			—	16.00	32.00

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

## 3. Forecasts for business operations for FYE2022 full term (April 1, 2021 – March 31, 2022)

(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	865,000	5.7	96,000	10.0	96,500	8.6	60,000	5.5	58,200	5.4	134.49

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

(Reference) Income before income taxes

FYE2022 full term: ¥ 86,000 million [10.7%]

### \* Notes

(1) Changes in significant subsidiaries during the period: None

(Transfer of specified subsidiaries resulting in changes in the scope of consolidation)

(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 Sep. 30, 2021	433,092,837 shares	As of Mar. 31, 2021	433,092,837 shares
2. Number of treasury stocks at the end of the period	As of Sep. 30, 2021	343,853 shares	As of Mar. 31, 2021	342,332 shares
3. Average number of shares during the period	As of Sep. 30, 2021	432,749,892 shares	As of Sep. 30, 2021	432,753,143 shares

\* Quarterly financial reports are out of the scope of audit by certified public accountants or audit corporations.

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

The forward-looking statements such as the forecasts of financial results stated in this document are based on the information currently available to 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 6, “(3) Explanation concerning predictive information such as forecasts for business operations” in “1. General information relating to the first half results.”

(Obtaining Details of the Quarterly Financial Results Briefing)

NSHD plans to hold the following briefing for investors.

Thursday, November 11, 2021: Business performance briefing for institutional investors and analysts

## Contents

1. General information relating to the first half results.....	4
(1) Explanation concerning business results .....	4
(2) Explanation concerning financial position .....	5
(3) Explanation concerning predictive information such as forecasts for business operations .....	6
2. Condensed consolidated financial statements and main notes.....	7
(1) Condensed Consolidated Statement of Financial Position .....	7
(2) Condensed Consolidated Statement of Profit or Loss and Condensed Consolidated Statement of Comprehensive Income .....	9
(3) Condensed Consolidated Statement of Changes in Equity.....	11
(4) Condensed Consolidated Statement of Cash Flows.....	13
(5) Notes to the Condensed Consolidated Financial Statements .....	14
(Note regarding going concern assumption).....	14
(Segment information) .....	14

## 1. General information relating to the first half results

### (1) Explanation concerning business results

(General overview)

In the business environment surrounding the Nippon Sanso Holdings Group (NSHD Group) in the first half of the fiscal year under review (from April 1, 2021 to September 30, 2021), the COVID-19 pandemic continued from the previous fiscal year, without any indication of when it might end. Nevertheless, the economy appeared to recover, mainly in Europe and the United States, and the shipment volume of air separation gases (oxygen, nitrogen, argon) increased significantly compared to the previous fiscal year. The negative impact of the COVID-19 pandemic on the first quarter revenue and core operating income has been less severe than the previous fiscal year. While there is a continuing impact on some business activities, the Company has maintained its reliable supply structure for air separation gases in its global geographic hubs.

Against this backdrop, the NSHD Group achieved the following results for the first half of the fiscal year under review. Revenue on a consolidated basis increased 16.4% year on year to ¥447,374 million, core operating income increased 35.7% to ¥49,844 million, operating income increased 35.8% to ¥49,799 million, and net income attributable to owners of the parent increased 63.3% to ¥34,291 million.

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

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

Segment income represents core operating income.

From the first quarter of the fiscal year under review, the NSHD Group has changed its reportable segments. Therefore, to facilitate the year-on-year comparisons shown below, the figures for the first half of the previous fiscal year have been reclassified based on the changes to the reportable segments.

#### ① Gas Business in Japan

In the industrial gas-related business, revenue from air separation gases, a core product, increased sharply year on year, mainly due to a general recovery in production activity in relevant industries. Additionally, in LP gas, revenue rose from an increase in unit sales prices due to a large increase in the purchasing price, although shipment volume declined. Meanwhile, in the electronics-related business, revenue from electronic materials gases increased.

In industrial gas-related equipment and installation, medical-related equipment sales performed favorably, and revenue in the electronics-related business also grew year on year.

As a result, in the Gas Business in Japan, revenue increased 9.0% year on year to ¥173,204 million and segment income increased 20.4% to ¥13,991 million.

#### ② Gas Business in the United States

In the industrial gas-related business, revenue from air separation gases, a core product, significantly increased year on year, driven by a recovery in production activity, with growth centered on bulk gases. In addition, sales of carbon dioxide gas were strong.

In equipment and installation, demand for welding and cutting equipment recovered after weakness in the previous fiscal year, with revenue increasing sharply. In the electronics-related business, revenue also increased.

As a result, in the Gas Business in the United States, revenue increased 17.7% year on year to ¥107,373 million and segment income increased 46.9% to ¥14,103 million.

#### ③ Gas Business in Europe

In the previous fiscal year, demand dropped sharply overall in the key region of Iberia, Germany and Italy as the serious impact of COVID-19 caused a general halt in production activity there. However, from the second half of the previous fiscal year, demand in the region continued to recover gradually, leading to an increase in sales.

As a result, in the Gas Business in Europe, revenue increased 26.8% year on year to ¥94,901 million and segment income increased 47.4% to ¥12,715 million.

④ **Gas Business in Asia & Oceania**

In the industrial gas-related business, air separation gases, a core product, saw an increase in revenue driven by a recovery in production activity in related industries. In LPG, which makes up a large portion of sales in the Australia region, sales increased in unit sales prices due to an increase in the purchasing price and steady shipment volume. In the electronics-related business, revenue from electronic materials gases in East Asia was mostly unchanged. In equipment and installation, revenue increased in the industrial gas-related business.

As a result, in the Gas Business in Asia & Oceania, revenue increased 21.8% year on year to ¥58,917 million and segment income increased 25.4% to ¥6,646 million.

⑤ **Thermos Business**

In the Thermos Business, in Japan revenue significantly increased year on year due to a recovery in shipment volumes of portable mugs and sports bottles from the previous fiscal year. Furthermore, sales volumes of frying pans and tumblers also increased, continuing from the previous fiscal year, in connection with the widespread adoption of new lifestyles where consumer spend longer periods of time at home. Overseas, shipping volume increased due to the recovery of business conditions in various regions.

As a result, in the Thermos Business, revenue increased 16.6% year on year to ¥12,869 million, and segment income increased 42.1% to ¥2,981 million.

(2) **Explanation concerning financial position**

Total assets amounted to ¥1,835,487 million as of September 30, 2021, a decrease of ¥807 million from March 31, 2021. Due to the impact of foreign exchange rates, total assets were stated approximately ¥2.8 billion higher than they otherwise would have been reported. This mainly reflected foreign exchange rate changes such as the yen's depreciation of ¥1.21 against the U.S. dollar, and the yen's depreciation of ¥0.06 against the euro as of September 30, 2021, compared with the rates as of March 31, 2021.

[Assets]

Total current assets amounted to ¥374,573 million as of September 30, 2021, an increase of ¥5,672 million from March 31, 2021. The main changes were an increase in trade receivables and a decrease in cash and cash equivalents.

Total non-current assets were ¥1,460,914 million, a decrease of ¥6,479 million from March 31, 2021, mainly reflecting decreases in property, plant and equipment and intangible assets.

[Liabilities]

Total current liabilities were ¥317,409 million, a decrease of ¥8,610 million from March 31, 2021, mainly reflecting decreases in other financial liabilities and bonds and borrowings.

Total non-current liabilities were ¥941,758 million, a decrease of ¥24,615 million from March 31, 2021, mainly reflecting a decrease in bonds and borrowings and an increase in deferred tax liabilities.

[Equity]

Total equity amounted to ¥576,319 million, an increase of ¥32,419 million from March 31, 2021. The main changes were an increase due to the recording of profit attributable to owners of parent and a decrease due to retained earnings paid as dividends.

The equity attributable to owners of the parent ratio stood at 29.7%, up 1.8 percentage points from the previous fiscal year-end.

**(Cash flow analysis)**

(Cash flow from operating activities)

Net cash provided by operating activities amounted to ¥66,637 million. The main components were income before income taxes, depreciation and amortization, and increase/decrease in trade receivables.

(Cash flow from investing activities)

Net cash used in investing activities was ¥29,878 million. The main use of cash was for the purchase of property, plant and equipment.

(Cash flow from financing activities)

Net cash used in financing activities was ¥43,010 million. The main changes were repayments of long-term borrowings, net increase/decrease in short-term borrowings, and dividends paid.

As a result of the Company's operating, investing and financing activities, the balance of cash and cash equivalents as of September 30, 2021, after accounting for the effects of exchange rates, was ¥84,173 million.

**(3) Explanation concerning predictive information such as forecasts for business operations**

The Company has not revised its forecasts for business operations announced on May 10, 2021.

## 2. Condensed consolidated financial statements and main notes

### (1) Condensed Consolidated Statement of Financial Position

(Millions of yen)

	As of Mar. 31, 2021	As of Sep. 30, 2021
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	91,058	84,173
Trade receivables	182,077	189,089
Inventories	69,613	75,739
Other financial assets	6,710	6,107
Other current assets	19,441	19,464
Total current assets	368,901	374,573
Non-current assets:		
Plant, property and equipment:	685,733	681,521
Goodwill	455,036	453,999
Intangible assets	237,751	233,825
Investments accounted for using the equity method	32,295	33,726
Other financial assets	49,739	50,892
Retirement benefit asset	2,467	2,428
Other non-current assets	1,120	1,231
Deferred tax assets	3,249	3,289
Total non-current assets	1,467,393	1,460,914
Total assets	1,836,294	1,835,487

NIPPON SANZO Holdings Corporation ( Ticker : 4091.T )  
Consolidated Financial Performance for the first half of FYE2022

(Millions of yen)

	As of Mar. 31, 2021	As of Sep. 30, 2021
Liabilities and equity		
<b>Liabilities</b>		
Current liabilities:		
Trade payables	96,093	95,796
Bonds and borrowings	131,721	129,818
Income taxes payable	11,022	9,858
Other financial liabilities	58,428	53,896
Allowance	469	243
Other current liabilities	28,284	27,797
Total current liabilities	326,019	317,409
Non-current liabilities:		
Bonds and borrowings	780,895	753,612
Other financial liabilities	29,453	28,799
Retirement benefit liabilities	14,037	14,214
Allowance	3,870	4,119
Other non-current liabilities	19,359	20,323
Deferred tax liabilities	118,757	120,689
Total non-current liabilities	966,374	941,758
Total liabilities	1,292,394	1,259,167
Equity		
Share capital	37,344	37,344
Capital surplus	55,901	55,929
Treasury stock	(273)	(278)
Retained earnings	422,838	452,472
Other components of equity	(2,646)	(567)
Total equity attributable to owners of parent	513,164	544,900
Non-controlling interests	30,736	31,419
Total equity	543,900	576,319
Total liabilities and equity	1,836,294	1,835,487



**(2) Condensed Consolidated Statement of Profit or Loss and  
 Condensed Consolidated Statement of Comprehensive Income**

**(Condensed Consolidated Statement of Profit or Loss)**

(Millions of yen)

	Six-months ended September 30, 2020	Six-months ended September 30, 2021
Revenue	384,505	447,374
Cost of sales	(236,602)	(273,530)
Gross profit	147,902	173,843
Selling, general and administrative expenses	(112,522)	(125,661)
Other operating income	2,120	1,264
Other operating expense	(1,464)	(1,041)
Share of profit of investments accounted for using the equity method	628	1,394
Operating profit	36,665	49,799
Finance income	743	1,060
Finance costs	(6,587)	(5,833)
Income before income taxes	30,821	45,026
Income taxes	(9,259)	(9,872)
Profit	21,561	35,154
Profit attributable to:		
Owners of parent	21,001	34,291
Non-controlling interests	560	862
Net income per share		
Basic earnings per share (Yen)	48.53	79.24

**(Condensed Consolidated Statement of Comprehensive Income)**

(Millions of yen)

	Six-months ended September 30, 2020	Six-months ended September 30, 2021
Profit	21,561	35,154
<b>Other comprehensive income:</b>		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	3,252	4,358
Remeasurements of defined benefit plans	(18)	0
Share of other comprehensive income of investments accounted for using the equity method	(32)	39
Total of items that will not be reclassified to profit or loss	3,201	4,397
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	14,157	(1,010)
Effective portion of net change in fair value of cash flow hedges	(4)	(102)
Share of other comprehensive income of investments accounted for using the equity method	(430)	944
Total of items that may be reclassified subsequently to profit or loss	13,722	(168)
Total other comprehensive income	16,923	4,229
Comprehensive income	38,485	39,383
Comprehensive income attributable to:		
Owners of parent	37,664	38,596
Non-controlling interests	821	786

**(3) Condensed Consolidated Statement of Changes in Equity**

**Six-months ended September 30, 2020 (April 1, 2020 to September 30, 2020)**

	Share capital	Capital surplus	Treasury stock	(Millions of yen) Retained earnings
Balance at April 1, 2020	37,344	56,387	(268)	379,322
Net income	–	–	–	21,001
Other comprehensive income	–	–	–	–
Comprehensive income	–	–	–	21,001
Purchase of treasury stock	–	–	(2)	–
Disposal of treasury stock	–	0	0	–
Dividends	–	–	–	(6,060)
Changes in ownership interest in subsidiaries	–	(339)	–	–
Business combinations or business divestitures	–	–	–	–
Transfer from other components of equity to retained earnings	–	–	–	(18)
Change in scope of consolidation	–	–	–	(110)
Other changes	–	–	–	–
Total transactions with owners	–	(339)	(2)	(6,190)
Balance at September 30, 2020	37,344	56,048	(271)	394,134

	Other components of equity					Total equity attributable to owners of 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	Total			
Balance at April 1, 2020	(71,170)	19	7,709	–	(63,441)	409,344	31,349	440,693
Net income	–	–	–	–	–	21,001	560	21,561
Other comprehensive income	13,516	(7)	3,172	(18)	16,662	16,662	260	16,923
Comprehensive income	13,516	(7)	3,172	(18)	16,662	37,664	821	38,485
Purchase of treasury stock	–	–	–	–	–	(2)	–	(2)
Disposal of treasury stock	–	–	–	–	–	0	–	0
Dividends	–	–	–	–	–	(6,060)	(407)	(6,468)
Changes in ownership interest in subsidiaries	–	–	–	–	–	(339)	(2,517)	(2,856)
Business combinations or business divestitures	–	–	–	–	–	–	54	54
Transfer from other components of equity to retained earnings	–	–	(0)	18	18	–	–	–
Change in scope of consolidation	–	–	–	–	–	(110)	–	(110)
Other changes	–	–	–	–	–	–	177	177
Total transactions with owners	–	–	(0)	18	18	(6,513)	(2,692)	(9,205)
Balance at September 30, 2020	(57,653)	11	10,881	–	(46,760)	440,495	29,477	469,973

**Six-months ended September 30, 2021 (April 1, 2021 to September 30, 2021)**

	(Millions of yen)			
	Share capital	Capital surplus	Treasury stock	Retained earnings
Balance at April 1, 2021	37,344	55,901	(273)	422,838
Net income	-	-	-	34,291
Other comprehensive income	-	-	-	-
Comprehensive income				34,291
Purchase of treasury stock	-	-	(4)	-
Disposal of treasury stock	-	0	0	-
Dividends	-	-	-	(6,926)
Changes in ownership interest in subsidiaries	-	27	-	-
Business combinations or business divestitures	-	-	-	-
Transfer from other components of equity to retained earnings	-	-	-	2,225
Change in scope of consolidation	-	-	-	43
Other changes	-	-	-	-
Total transactions with owners	-	27	(4)	(4,657)
Balance at September 30, 2021	37,344	55,929	(278)	452,472

	Other components of equity					Total equity attributable to owners of 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	Total			
Balance at April 1, 2021	(18,029)	71	15,310	-	(2,646)	513,164	30,736	543,900
Net income	-	-	-	-	-	34,291	862	35,154
Other comprehensive income	22	(101)	4,383	0	4,304	4,304	(75)	4,229
Comprehensive income	22	(101)	4,383	0	4,304	38,596	786	39,383
Purchase of treasury stock	-	-	-	-	-	(4)	-	(4)
Disposal of treasury stock	-	-	-	-	-	0	-	0
Dividends	-	-	-	-	-	(6,926)	(481)	(7,408)
Changes in ownership interest in subsidiaries	-	-	-	-	-	27	240	267
Business combinations or business divestitures	-	-	-	-	-	-	-	-
Transfer from other components of equity to retained earnings	-	-	(2,225)	(0)	(2,225)	-	-	-
Change in scope of consolidation	-	-	-	-	-	43	-	43
Other changes	-	-	-	-	-	-	138	138
Total transactions with owners	-	-	(2,225)	(0)	(2,225)	(6,860)	(103)	(6,963)
Balance at September 30, 2021	(18,007)	(29)	17,469	-	(567)	544,900	31,419	576,319

**(4) Condensed Consolidated Statement of Cash Flows**

(Millions of yen)

	Six-months ended September 30, 2020	Six-months ended September 30, 2021
Cash flow from operating activities		
Income before income taxes	30,821	45,026
Depreciation and amortization	43,022	45,433
Interest and dividends income	(480)	(501)
Interest expenses	6,565	5,826
Share of (profit) loss of investments accounted for using the equity method	(628)	(1,394)
Loss (gain) on sales and retirement of property, plant and equipment, and intangible assets	29	(9)
(Increase) decrease in trade receivables	8,859	(6,348)
(Increase) decrease in inventories	(4,445)	(5,768)
Increase (decrease) in trade payables	(12,050)	(950)
(Increase) decrease in retirement benefit asset	(196)	(287)
Increase (decrease) in retirement benefit liabilities	405	514
Other	(4,549)	(729)
Subtotal	67,353	80,811
Interest receive	93	98
Dividends received	1,023	1,924
Interest paid	(5,705)	(5,472)
Income taxes refund (paid)	(8,836)	(10,725)
Net cash provided by operating activities	53,928	66,637
Cash flow from investing activities		
Purchase of property, plant and equipment	(29,026)	(33,217)
Proceeds from sale of property, plant and equipment	218	568
Purchase of investment	(468)	(759)
Proceeds from sales and redemption of investments	5	4,790
Payments for acquisition of subsidiaries	(119)	(520)
Proceeds from sale of subsidiaries	-	0
Other	(846)	(741)
Net cash used in investing activities	(30,237)	(29,878)
Cash flow from financing activities		
Net increase (decrease) in short-term borrowings	2,010	10,236
Net increase (decrease) in commercial papers	(10,000)	(5,000)
Proceeds from long-term borrowings	51,564	2,362
Repayment of long-term borrowings	(51,320)	(38,831)
Repayments of lease obligations	(4,230)	(4,314)
Purchases of investments in subsidiaries not resulting in change in scope of consolidation	(2,704)	(11)
Dividends paid	(6,060)	(6,926)
Dividends paid to non-controlling interests	(407)	(481)
Other	36	(42)
Net cash used in financing activities	(21,112)	(43,010)
Effect of exchange rate changes on cash and cash equivalents	1,739	(886)
Net increase (decrease) in cash and cash equivalents	4,318	(7,139)
Balance of cash and cash equivalents at beginning of fiscal year	100,005	91,058
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	-	253
Increase in cash and cash equivalents resulting from merger	19	-
Balance of cash and cash equivalents at term-end	104,342	84,173

**(5) Notes to the Condensed Consolidated Financial Statements**

**(Note regarding going concern assumption)**

Not applicable.

**(Segment information)**

**1) Outline of reportable segments**

The NSHD Group's reportable segments are components of the NSHD Group about which separate financial information is available and which are evaluated regularly by the Board of Directors in deciding how to allocate management resources and in assessing performance. No grouping of operating segments has been carried out for reporting purposes.

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

**(Changes to reportable segments)**

In conjunction with its transition to a holding company structure, from the first quarter of the fiscal year under review, the Group has changed the reportable segments and adjustment amounts of the Company and certain consolidated subsidiaries to facilitate more appropriate evaluation of the management results of each segment. Furthermore, to facilitate the year-on-year comparisons, the figures for the first half of the previous fiscal year have been reclassified based on the changes to the reportable segments.

\*The Gas Business in Japan reportable segment has changed its name in Japanese, but the name remains the same in English.

The principal products and services included in the five reportable segments are shown in the table below.

Reportable segment	Main products and services
Gas Business in 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, cutting and welding equipment, welding materials, plants and machinery, liquid petroleum gas (LPG) and related equipment, medical-use gases (oxygen, nitrous oxide, etc.), medical equipment, stable isotopes
Gas Business in the United States	
Gas Business in Europe	
Gas Business in Asia & Oceania	
Thermos Business	Houseware and motion related consumer products

The accounting methods adopted for the reported operating segments are the same as the methods 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

### Six-months ended September 30, 2020 (April 1, 2020 to September 30, 2020)

(Millions of yen)

	Reportable segment					Total	Adjustments (Note 1)	Amounts on the Consolidated Statements of Income
	Gas Business in Japan	Gas Business in the United States	Gas Business in Europe	Gas Business in Asia & Oceania	Thermos Business			
Revenue								
Revenue to external customers	158,915	91,253	74,821	48,367	11,039	384,397	107	384,505
Revenue from inter-segment transactions and transfers	8,977	8,812	6	1,107	17	18,920	(18,920)	—
Total	167,892	100,066	74,828	49,474	11,057	403,318	(18,813)	384,505
Segment income (Note 2)	11,625	9,598	8,624	5,299	2,097	37,245	(518)	36,727

- Notes: 1. The (¥518) million negative adjustment for segment income is comprised of (¥129) million of intersegment eliminations and companywide expenses of (¥388) million that were not allocated to any particular reportable segment. These companywide expenses mainly comprise Group administration expenses at the Company that are not attributable to reportable segments.
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).

### Six-months ended September 30, 2021 (April 1, 2021 to September 30, 2021)

(Millions of yen)

	Reportable segment					Total	Adjustments (Note 1)	Amounts on the Consolidated Statements of Income
	Gas Business in Japan	Gas Business in the United States	Gas Business in Europe	Gas Business in Asia & Oceania	Thermos Business			
Revenue								
Revenue to external customers	173,204	107,373	94,901	58,917	12,869	447,266	107	447,374
Revenue from inter-segment transactions and transfers	4,848	8,377	94	1,562	6	14,890	(14,890)	—
Total	178,052	115,751	94,996	60,480	12,876	462,157	(14,783)	447,374
Segment income (Note 2)	13,991	14,103	12,715	6,646	2,981	50,438	(593)	49,844

- Notes: 1. The (¥593) million negative adjustment for segment income is comprised of ¥2 million of intersegment eliminations and companywide expenses of (¥595) million that were not allocated to any particular reportable segment. These companywide expenses mainly comprise Group administration expenses at the Company that are not attributable to reportable segments.
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).

Reconciliation of segment income with income before income taxes is shown in the table below.

	(¥ million)	
	Six-months ended September 30, 2020	Six- months ended September 30, 2021
Segment income	36,727	49,844
Other	(61)	(44)
Operating income	36,665	49,799
Financial revenue	743	1,060
Financial expenses	(6,587)	(5,833)
Income before income taxes	30,821	45,026