



NIPPON SANZO HOLDINGS

Q3 FYE2022 Consolidated Financial Results Earnings Announcement

(Nine months ended December, 2021)

February 2, 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							
	FYE2021			FYE2022				
	1Q (Apr.-Jun.)	1st Half (Apr.-Sep.)	9M (Apr.-Dec.)	1Q (Apr.-Jun.)	1st Half (Apr.-Sep.)	9M (Apr.-Dec.)	Full-term Assumption (Changed) (Apr.-Mar.) (Announced on Feb.2, 2022)	Full-term Assumption(Previous) (Apr.-Mar.) (Announced on May 10, 2021)
USD	107.38	106.32	105.54	109.76	110.10	111.45	110	105
EUR	118.74	121.66	122.61	132.44	131.16	130.96	130	125
SGD	76.29	76.67	76.92	82.41	82.01	82.77	82	77
AUD	71.69	73.91	74.75	84.15	82.33	82.69	82	74
CNY	15.11	15.20	15.39	17.06	17.07	17.35	17	16

● 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. Q3 FYE2022 Business performance

-1. Quarter (Oct.-Dec.) Period performance

Consolidated results

	FYE2021	FYE2022	YoY	
	Q3	Q3	Difference	% Change
(Unit: ¥ bn.)	(Oct.-Dec.)	(Oct.-Dec.)		
Revenue	207.7	244.1	+36.4	+17.5%
Core operating income	23.7	26.4	+2.7	+11.5%
Core OI margin	11.4%	10.8%		
Non-recurring profit and loss	2.7	-0.0	-2.7	
Operating income (IFRS)	26.4	26.4	-0.0	-0.1%
OI margin	12.8%	10.8%		
Finance costs	-2.5	-2.4	+0.1	
Income before income taxes	23.8	23.9	+0.1	+0.3%
Income tax expenses	-7.1	-7.1	+0.0	
Net income	16.7	16.8	+0.1	+0.8%
(Attribution of net income)				
Net income attributable to owners of the parent	16.3	15.8	-0.5	-2.9%
NI margin	7.9%	6.5%		
Net income attributable to non-controlling interests	0.3	1.0	+0.7	

Results by Segment [Reclassified*]

		FYE2021	FYE2022		YoY		
		Q3 (Oct.-Dec.)	Q3 (Oct.-Dec.)	Composition ratio	Difference	% Change	Forex impact
(Unit: ¥ bn.)							
Gas business in Japan	Revenue	85.7	93.5	38.3%	+7.8	+9.2%	+0.0
	Segment OI	7.9	8.4	32.0%	+0.5	+7.1%	+0.0
	OI margin	9.2%	9.1%				
Gas business in the U.S.	Revenue	48.1	56.8	23.3%	+8.7	+18.1%	+4.7
	Segment OI	6.3	6.3	23.9%	+0.0	+0.4%	+0.6
	OI margin	13.1%	11.1%				
Gas business in Europe	Revenue	41.1	54.3	22.3%	+13.2	+32.2%	+2.0
	Segment OI	5.8	6.7	25.4%	+0.9	+15.0%	+0.3
	OI margin	14.2%	12.4%				
Gas business in A&O*	Revenue	26.1	31.8	13.1%	+5.7	+22.0%	+2.4
	Segment OI	2.3	3.0	11.7%	+0.7	+31.1%	+0.2
	OI margin	9.0%	9.7%				
*A&O: Asia and Oceania.							
Thermos business	Revenue	6.5	7.4	3.1%	+0.9	+13.6%	+0.0
	Segment OI	1.4	1.9	7.4%	+0.5	+38.7%	+0.0
	OI margin	21.6%	26.3%				
Adjustment	Revenue	0.0	0.0	0.0%	-0.0	—	
	Segment OI	-0.1	-0.1	-0.5%	-0.0	—	
Consolidated total	Revenue	207.7	244.1	100.0%	+36.4	+17.5%	+9.3
	Segment OI	23.7	26.4	100.0%	+2.7	+11.5%	+1.1
	OI margin	11.4%	10.8%				

* 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	
		Q3	Composition ratio	Q3	Composition ratio	Difference	% Change
		(Oct.-Dec.)		(Oct.-Dec.)			
Gases	Packaged	3.7	4.3%	3.6	3.9%	-0.1	-0.9%
	Bulk	27.8	32.5%	32.3	34.5%	+4.5	+15.9%
	On-site	17.7	20.7%	19.6	21.0%	+1.9	+10.5%
	Specialty gases	7.2	8.5%	7.5	8.1%	+0.3	+4.5%
	Subtotal	56.6	66.0%	63.1	67.6%	+6.5	+11.6%
Equipment and installation, other	Industrial Gases-related	24.5	28.6%	24.6	26.3%	+0.1	+0.4%
	Electronics-related	4.5	5.4%	5.7	6.1%	+1.2	+25.2%
	Subtotal	29.1	34.0%	30.3	32.4%	+1.2	+4.3%
Total	Revenue	85.7	100.0%	93.5	100.0%	+7.8	+9.2%
	Segment OI	7.9		8.4		+0.5	+7.1%
	Segment OI margin	9.2%		9.1%			

•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 markets, but costs increased due to higher fuel prices.
- Bulk (LP gas): Increase in selling prices linked to purchase prices.
- Specialty gases: Increased shipment volume for Electronics market.
- Equipment and installation, other: Steady demand for medical-related, but lower sales in cutting and welding-related applications.



Gas business in the U.S.

(Unit: ¥ bn.)

	FYE2021		FYE2022		YoY		
	Q3 (Oct.-Dec.)	Composition ratio	Q3 (Oct.-Dec.)	Composition ratio	Difference	% Change	
Gases	Packaged	10.3	21.4%	12.0	21.2%	+1.7	+16.6%
	Bulk	20.9	43.6%	24.8	43.8%	+3.9	+18.5%
	On-site	5.0	10.6%	6.0	10.6%	+1.0	+18.1%
	Specialty gases	1.6	3.4%	1.9	3.4%	+0.3	+18.5%
	Subtotal	38.0	79.1%	44.8	79.0%	+6.8	+17.9%
Equipment and installation, other	Industrial Gases-related	8.4	17.7%	10.1	17.9%	+1.7	+19.8%
	Electronics-related	1.5	3.3%	1.7	3.1%	+0.2	+13.8%
	Subtotal	10.0	20.9%	11.9	21.0%	+1.9	+18.9%
Total	Revenue	48.1	100.0%	56.8	100.0%	+8.7	+18.1%
	Segment OI	6.3		6.3		+0.0	+0.4%
	Segment OI margin	13.1%		11.1%			

•Forex translation impact: Positive impacts of ¥4.7bn. on revenue and ¥0.6bn. on segment OI

YoY Factors for increase/decrease

- Bulk & Packaged: Strong demand in manufacturing markets; high energy pass through and distribution cost recovery
- On-site: Net customer demand up from prior year
- Equipment and installation, other: Demand recovered in welding and cutting related fields.

Gas business in Europe

(Unit: ¥ bn.)		FYE2021		FYE2022		YoY	
		Q3 (Oct.-Dec.)	Composition ratio	Q3 (Oct.-Dec.)	Composition ratio	Difference	% Change
Gases	Packaged	9.5	23.1%	10.4	19.2%	+0.9	+9.8%
	Bulk	19.8	48.3%	26.9	49.6%	+7.1	+35.5%
	On-site	6.5	16.0%	10.6	19.6%	+4.1	+61.6%
	Specialty gases	1.7	4.2%	2.5	4.6%	+0.8	+46.2%
	Subtotal	37.6	91.6%	50.5	93.0%	+12.9	+34.1%
Equipment and installation, other	Industrial Gases-related	3.4	8.4%	3.8	7.0%	+0.4	+11.3%
	Subtotal	3.4	8.4%	3.8	7.0%	+0.4	+11.3%
Total	Revenue	41.1	100.0%	54.3	100.0%	+13.2	+32.2%
	Segment OI	5.8		6.7		+0.9	+15.0%
	Segment OI margin	14.2%		12.4%			

•Forex translation impact: Positive impacts of ¥2.0bn. on revenue and ¥0.3bn. on segment OI

YoY Factors for increase/decrease

- Bulk & Packaged: Strong demand in manufacturing markets; high energy pass through and distribution cost recovery
- On-site: Net customer demand up from prior year

Gas business in Asia & Oceania

(Unit: ¥ bn.)

	FYE2021		FYE2022		YoY		
	Q3 (Oct.-Dec.)	Composition ratio	Q3 (Oct.-Dec.)	Composition ratio	Difference	% Change	
Gases	Packaged	0.9	3.5%	1.0	3.4%	+0.1	+16.1%
	Bulk	9.8	37.6%	12.3	38.8%	+2.5	+25.7%
	On-site	0.9	3.7%	1.3	4.1%	+0.4	+35.5%
	Specialty gases	8.3	32.0%	9.9	31.1%	+1.6	+18.6%
	Subtotal	20.0	76.9%	24.6	77.4%	+4.6	+22.8%
Equipment and installation, other	Industrial Gases-related	4.8	18.7%	5.9	18.6%	+1.1	+21.1%
	Electronics-related	1.1	4.4%	1.2	4.1%	+0.1	+12.8%
	Subtotal	6.0	23.1%	7.2	22.6%	+1.2	+19.5%
Total	Revenue	26.1	100.0%	31.8	100.0%	+5.7	+22.0%
	Segment OI	2.3		3.0		+0.7	+31.1%
	Segment OI margin	9.0%		9.7%			

•Forex translation impact: Positive impacts of ¥2.4bn. on revenue and ¥0.2bn. on segment OI

YoY Factors for increase/decrease

- Bulk gas: Demand is recovering.
- Specialty gases: Shipment volume for electronics market was favorable compared to the previous fiscal year.
- Equipment and installation, other: Industrial gas-related revenue increased in Singapore and Australia.
Electronics-related revenue were flat year on year.



Thermos business

(Unit: ¥ bn.)

	FYE2021		FYE2022		YoY		
	Q3 (Oct.-Dec.)	Composition ratio	Q3 (Oct.-Dec.)	Composition ratio	Difference	% Change	
Japan	5.5	83.5%	5.8	78.0%	+0.3	+6.1%	
Overseas	1.0	16.5%	1.6	22.0%	+0.6	+51.2%	
Total	Revenue	6.5	100.0%	7.4	100.0%	+0.9	+13.6%
	Segment OI	1.4		1.9		+0.5	+38.7%
	Segment OI margin	21.6%		26.3%			

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

YoY Factors for increase/decrease

- Japan: Revenue of vacuum insulated mugs and sports bottles recovered.
Revenue of frying pans and tumblers were steady due to continued demand for stay at home products.
- Overseas: Revenue recovering, and profit at equity method affiliates increased.

1. Q3 FYE2022 Business performance

-2. 9 Months (Apr.-Dec.) Cumulative performance

Consolidated results

	FYE2021	FYE2022	YoY	
	9M	9M	Difference	% Change
(Unit: ¥ bn.)	(Apr.-Dec.)	(Apr.-Dec.)		
Revenue	592.2	691.5	+99.3	+16.8%
Core operating income	60.4	76.3	+15.9	+26.2%
Core OI margin	10.2%	11.0%		
Non-recurring profit and loss	2.6	-0.0	-2.6	
Operating income (IFRS)	63.1	76.2	+13.1	+20.7%
OI margin	10.7%	11.0%		
Finance costs	-8.4	-7.2	+1.2	
Income before income taxes	54.7	68.9	+14.2	+26.1%
Income tax expenses	-16.4	-16.9	+0.5	
Net income	38.2	52.0	+13.8	+35.9%
(Attribution of net income)				
Net income attributable to owners of the parent	37.3	50.1	+12.8	+34.3%
NI margin	6.3%	7.2%		
Net income attributable to non-controlling interests	0.9	1.8	+0.9	
Forex (Unit: JPY)				
USD	105.54	111.45		
(average rate during the period)				
EUR	122.61	130.96		
AUD	74.75	82.69		



Results by Segment [Reclassified*]

		FYE2021	FYE2022		YoY		
		9M (Apr.-Dec.)	9M (Apr.-Dec.)	Composition ratio	Difference	% Change	Forex impact
(Unit: ¥ bn.)							
Gas business in Japan	Revenue	244.6	266.7	38.6%	+22.1	+9.0%	+0.2
	Segment OI	19.5	22.4	29.4%	+2.9	+15.0%	+0.0
	OI margin	8.0%	8.4%				
Gas business in the U.S.	Revenue	139.3	164.2	23.7%	+24.9	+17.8%	+7.8
	Segment OI	15.9	20.4	26.8%	+4.5	+28.5%	+0.9
	OI margin	11.4%	12.4%				
Gas business in Europe	Revenue	115.9	149.2	21.6%	+33.3	+28.7%	+7.8
	Segment OI	14.4	19.4	25.5%	+5.0	+34.4%	+1.0
	OI margin	12.5%	13.0%				
Gas business in A&O*	Revenue	74.4	90.7	13.1%	+16.3	+21.9%	+6.4
	Segment OI	7.6	9.7	12.8%	+2.1	+27.2%	+0.7
	OI margin	10.3%	10.7%				
*A&O: Asia and Oceania.							
Thermos business	Revenue	17.6	20.3	2.9%	+2.7	+15.5%	+0.1
	Segment OI	3.5	4.9	6.5%	+1.4	+40.7%	+0.0
	OI margin	20.0%	24.3%				
Adjustment	Revenue	0.1	0.1	0.0%	-0.0	—	
	Segment OI	-0.6	-0.7	-0.9%	-0.1	—	
Consolidated total	Revenue	592.2	691.5	100.0%	+99.3	+16.8%	+22.5
	Segment OI	60.4	76.3	100.0%	+15.9	+26.2%	+2.7
	OI margin	10.2%	11.0%				

* 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	
		9M (Apr.-Dec.)	Composition ratio	9M (Apr.-Dec.)	Composition ratio	Difference	% Change
Gases	Packaged	10.2	4.2%	10.5	4.0%	+0.3	+3.2%
	Bulk	78.5	32.1%	89.7	33.6%	+11.2	+14.2%
	On-site	53.1	21.7%	57.0	21.4%	+3.9	+7.5%
	Specialty gases	20.1	8.2%	22.4	8.4%	+2.3	+11.3%
	Subtotal	162.1	66.3%	179.8	67.4%	+17.7	+10.9%
Equipment and installation, other	Industrial Gases-related	68.1	27.9%	71.0	26.6%	+2.9	+4.2%
	Electronics-related	14.3	5.9%	15.9	6.0%	+1.6	+10.6%
	Subtotal	82.5	33.7%	86.9	32.6%	+4.4	+5.4%
Total	Revenue	244.6	100.0%	266.7	100.0%	+22.1	+9.0%
	Segment OI	19.5		22.4		+2.9	+15.0%
	Segment OI margin	8.0%		8.4%			

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

Gas business in the U.S.

(Unit: ¥ bn.)

	FYE2021		FYE2022		YoY		
	9M (Apr.-Dec.)	Composition ratio	9M (Apr.-Dec.)	Composition ratio	Difference	% Change	
Gases	Packaged	30.4	21.9%	34.8	21.2%	+4.4	+14.5%
	Bulk	60.1	43.1%	71.2	43.4%	+11.1	+18.5%
	On-site	15.4	11.1%	17.4	10.6%	+2.0	+12.6%
	Specialty gases	4.9	3.5%	6.3	3.9%	+1.4	+28.4%
	Subtotal	111.0	79.7%	129.9	79.1%	+18.9	+17.0%
Equipment and installation, other	Industrial Gases-related	23.7	17.0%	29.1	17.8%	+5.4	+22.9%
	Electronics-related	4.5	3.3%	5.1	3.1%	+0.6	+11.1%
	Subtotal	28.3	20.3%	34.3	20.9%	+6.0	+21.0%
Total	Revenue	139.3	100.0%	164.2	100.0%	+24.9	+17.8%
	Segment OI	15.9		20.4		+4.5	+28.5%
	Segment OI margin	11.4%		12.4%			

•Forex translation impact: Positive impacts of ¥7.8bn. on revenue and ¥0.9bn. on segment OI

Gas business in Europe

(Unit: ¥ bn.)

	FYE2021		FYE2022		YoY	
	9M (Apr.-Dec.)	Composition ratio	9M (Apr.-Dec.)	Composition ratio	Difference	% Change
Gases						
Packaged	27.4	23.7%	31.1	20.9%	+3.7	+13.3%
Bulk	55.5	48.0%	72.2	48.4%	+16.7	+30.0%
On-site	17.8	15.4%	27.4	18.4%	+9.6	+54.1%
Specialty gases	4.9	4.2%	7.1	4.8%	+2.2	+45.5%
Subtotal	105.8	91.3%	138.0	92.5%	+32.2	+30.5%
Equipment and installation, other						
Industrial Gases-related	10.1	8.7%	11.2	7.5%	+1.1	+10.7%
Subtotal	10.1	8.7%	11.2	7.5%	+1.1	+10.7%
Total						
Revenue	115.9	100.0%	149.2	100.0%	+33.3	+28.7%
Segment OI	14.4		19.4		+5.0	+34.4%
Segment OI margin	12.5%		13.0%			

•Forex translation impact: Positive impacts of ¥7.8bn. on revenue and ¥1.0bn. on segment OI

Gas business in Asia & Oceania

(Unit: ¥ bn.)

	FYE2021		FYE2022		YoY		
	9M (Apr.-Dec.)	Composition ratio	9M (Apr.-Dec.)	Composition ratio	Difference	% Change	
Gases	Packaged	2.5	3.5%	3.1	3.5%	+0.6	+22.0%
	Bulk	28.7	38.6%	36.9	40.7%	+8.2	+28.4%
	On-site	2.6	3.6%	3.6	4.1%	+1.0	+39.2%
	Specialty gases	23.8	32.0%	26.7	29.5%	+2.9	+12.4%
	Subtotal	57.7	77.6%	70.4	77.7%	+12.7	+22.0%
Equipment and installation, other	Industrial Gases-related	13.3	18.0%	16.7	18.5%	+3.4	+25.2%
	Electronics-related	3.3	4.5%	3.5	3.9%	+0.2	+5.9%
	Subtotal	16.7	22.4%	20.2	22.3%	+3.5	+21.4%
Total	Revenue	74.4	100.0%	90.7	100.0%	+16.3	+21.9%
	Segment OI	7.6		9.7		+2.1	+27.2%
	Segment OI margin	10.3%		10.7%			

•Forex translation impact: Positive impacts of ¥6.4bn. on revenue and ¥0.7bn. on segment OI

Thermos business

(Unit: ¥ bn.)

	FYE2021		FYE2022		YoY		
	9M (Apr.-Dec.)	Composition ratio	9M (Apr.-Dec.)	Composition ratio	Difference	% Change	
Japan	15.1	85.7%	16.9	83.5%	+1.8	+12.5%	
Overseas	2.5	14.3%	3.3	16.5%	+0.8	+33.0%	
Total	Revenue	17.6	100.0%	20.3	100.0%	+2.7	+15.5%
	Segment OI	3.5		4.9		+1.4	+40.7%
	Segment OI margin	20.0%		24.3%			

•Forex translation impact: Positive impacts of ¥0.1bn. on revenue and ¥0.0bn. on segment OI

2. FYE2022 full-term Forecast

Consolidated forecast

	FYE2021 Full-term	FYE2022 Full-term fcst (Changed) (Announced on Feb. 2, 2022)	YoY		FYE2022 Full-term budget (Announced on May 10, 2021)
			Difference	% Change	
(単位：億円)					
Revenue	818.2	932.0	+113.8	+13.9%	865.0
Core operating income	87.2	101.0	+13.8	+15.8%	96.0
Core OI margin	10.7%	10.8%			11.1%
Non-recurring profit and loss	1.5	0.0	-1.5		0.5
Operating income (IFRS)	88.8	101.0	+12.2	+13.7%	96.5
OI margin	10.9%	10.8%			11.2%
Finance costs	-11.1	-10.0	+1.1		-10.5
Income before income taxes	77.7	91.0	+13.3	+17.1%	86.0
Income tax expenses	-20.8	-22.0	+1.2		-26.0
Net income	56.8	69.0	+12.2	+21.3%	60.0
(Attribution of net income)					
Net income attributable to owners of the parent	55.2	67.0	+11.8	+21.3%	58.2
NI margin	6.7%	7.2%			6.7%
Net income attributable to non-controlling interests	1.6	2.0	+0.4		1.8
Forex (Unit: JPY)					
USD	105.94	110			105
(average rate during the period)					
EUR	124.07	130			125
AUD	76.71	82			74

Appendix

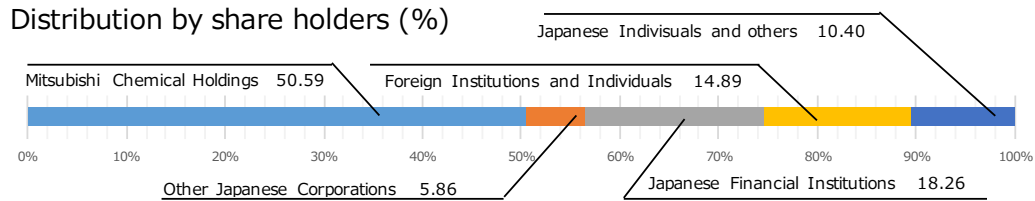
[9 Months (Apr.-Dec.) Cumulative performance basis]

Corporate Information (As of June 18, 2021)

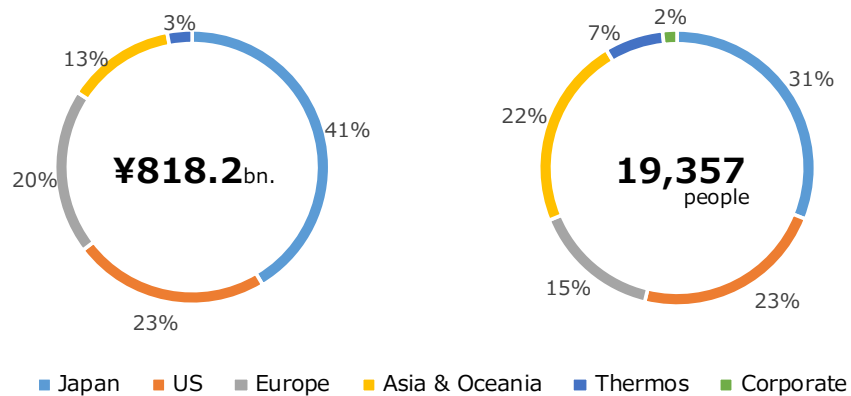
Company Name	Nippon Sanso Holdings Corporation
Founded	October 30, 1910
Headquarters	1-3-26 Koyama Shinagawa-ku, Tokyo 142-0062, Japan
TEL	81-3-5788-8500
	Representative Director, President CEO
Representative	Toshihiko Hamada
Common stock	37.3 billion yen

Stock information (As of March 31, 2021)

Number of shares	433,092,837
Number of shareholders	16,205
Listed stock exchanges	Tokyo Stock Exchange First section
Ticker	4091.T



Revenue / Employee personnel by Segment (As of March 31, 2021)



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



FYE2022 Financial Forecast (IFRS)

Revenue	¥932.0 bn.	Net income attributable to owners of the parent	¥67.0 bn.
Operating income	¥101.0 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 9M	FYE2022 9M	YoY Difference
(Unit: ¥ bn.)	(Apr.-Dec.)	(Apr.-Dec.)	
Core operating income	60.4	76.3	+15.9
Non-recurring profit and loss	2.6	-0.0	-2.6
Operating income (IFRS)	63.1	76.2	+13.1

Items (Unit : ¥bn.)

FYE2021 9M result		FYE2022 9M result	
Item	Amount	Item	Amount
Settlement of legal claim	2.7	Others	-0.0
Others	-0.1		-
Total	2.6	Total	-0.0

Key performance indicators

Item	Unit	FYE2021 9M	FYE2022 9M	FYE2021 full-term
Basic earnings per share	JPY	86.24	115.85	127.59
Overseas sales ratio	%	56.5	59.4	56.1
ROE	%	—	—	12.0
ROCE	%	—	—	6.1
Annual dividends per share	JPY	—	—	30
Dividend payout ratio	%	—	—	23.5
CAPEX _(fund basis) & Investments and loans	¥bn.	44.5	51.8	61.4
Depreciation and amortization	¥bn.	64.1	68.3	86.3
Free cash flow	¥bn.	44.4	50.1	89.5
Adjusted net D/E ratio	Times	1.29	1.03	1.15
Interest-bearing liabilities	¥bn.	979.0	917.1	949.2
Net interest-bearing liabilities	¥bn.	883.3	838.4	858.1



Condensed consolidated statements of Cash flows

(Unit : ¥ bn.)	FYE2021	FYE2022	YoY	
	9M	9M	Difference	% Change
Income before income taxes	54.7	68.9	+14.2	+26.1%
Depreciation and amortization	64.1	68.3	+4.2	
Changes in working capital	-10.4	-24.8	-14.4	
Others	-19.7	-15.0	+4.7	
Cash flows from operating activities	88.5	97.3	+8.8	+9.9%
Capital expenditures	-43.8	-50.3	-6.5	
Investments and loans	-0.6	-1.4	-0.8	
Others (asset sales, etc.)	0.3	4.6	+4.3	
Cash flows from investing activities	-44.1	-47.2	-3.1	-6.9%
Free cash flow	44.4	50.1	+5.7	+12.9%
Cash flows from financing activities	-52.0	-62.1	-10.1	-19.5%

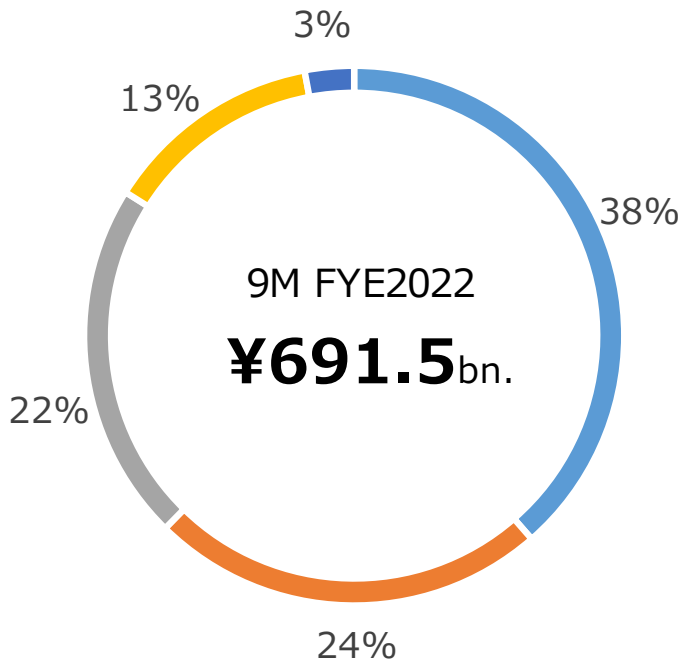
Condensed consolidated statements of Financial position

(Unit : ¥bn.)	FYE2021	FYE2022	YoY		FYE2021	FYE2022	YoY
	Q4	Q3	Difference		Q4	Q3	Difference
Cash and cash equivalents	91.0	78.6	-12.4	Trade payables	96.0	107.4	+11.4
Trade receivables	182.0	208.2	+26.2	Interest-bearing liabilities	949.2	917.1	-32.1
Inventories	69.6	81.9	+12.3	Others	247.0	253.3	+6.3
Others	26.1	29.4	+3.3	Total liabilities	1,292.3	1,277.9	-14.4
Total current assets	368.9	398.2	+29.3	Share capital and capital surplus, etc	515.8	554.6	+38.8
Property, plant and equipment	685.7	692.3	+6.6	Other components of equity	-2.6	15.8	+18.4
Goodwill	455.0	459.9	+4.9	Equity attributable to owners of parent	513.1	570.4	+57.3
Intangible assets	237.7	232.7	-5.0	Non-controlling interests	30.7	32.0	+1.3
Others	88.8	97.0	+8.2	Total equity	543.9	602.4	+58.5
Total non-current assets	1,467.3	1,482.1	+14.8	Total liabilities and equity	1,836.2	1,880.3	+44.1
Total assets	1,836.2	1,880.3	+44.1				



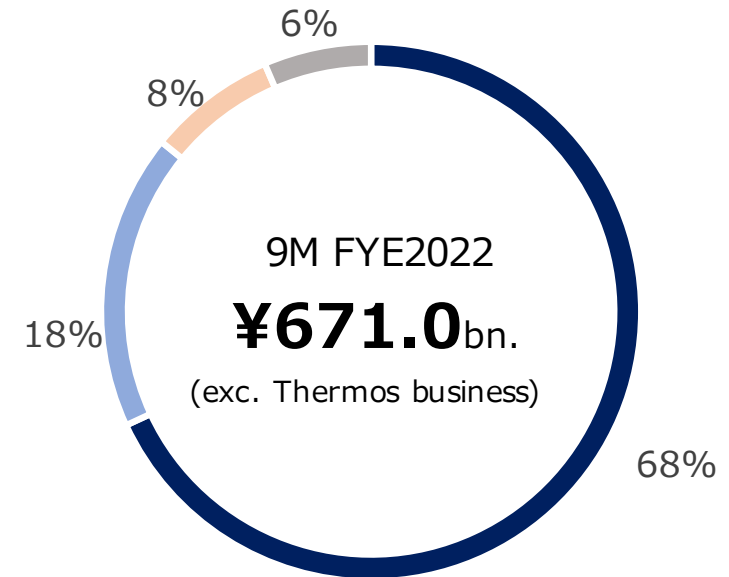
Revenue composition

By Segment



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

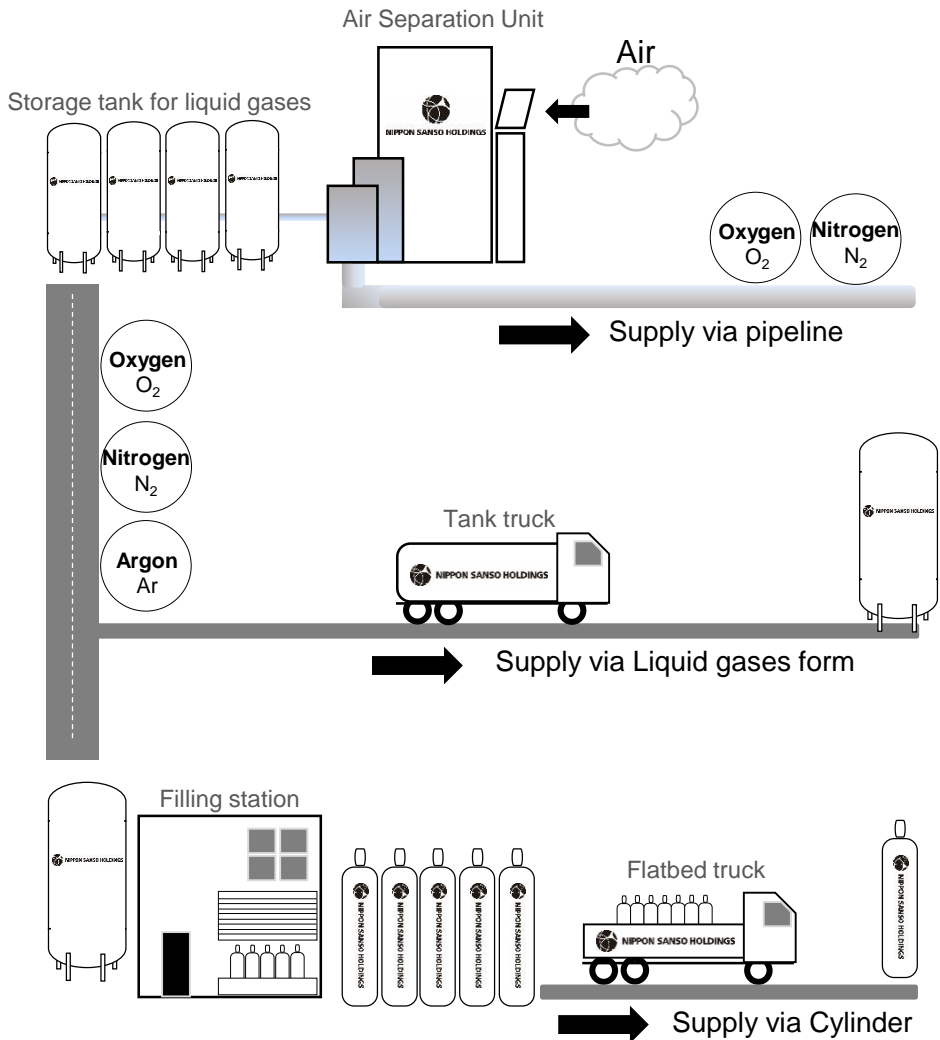
By Business



■ 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 Glass/Paper
Construction machinery Pharmaceutical Medical Food/beverage
LCP Solar cell Semiconductor

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)

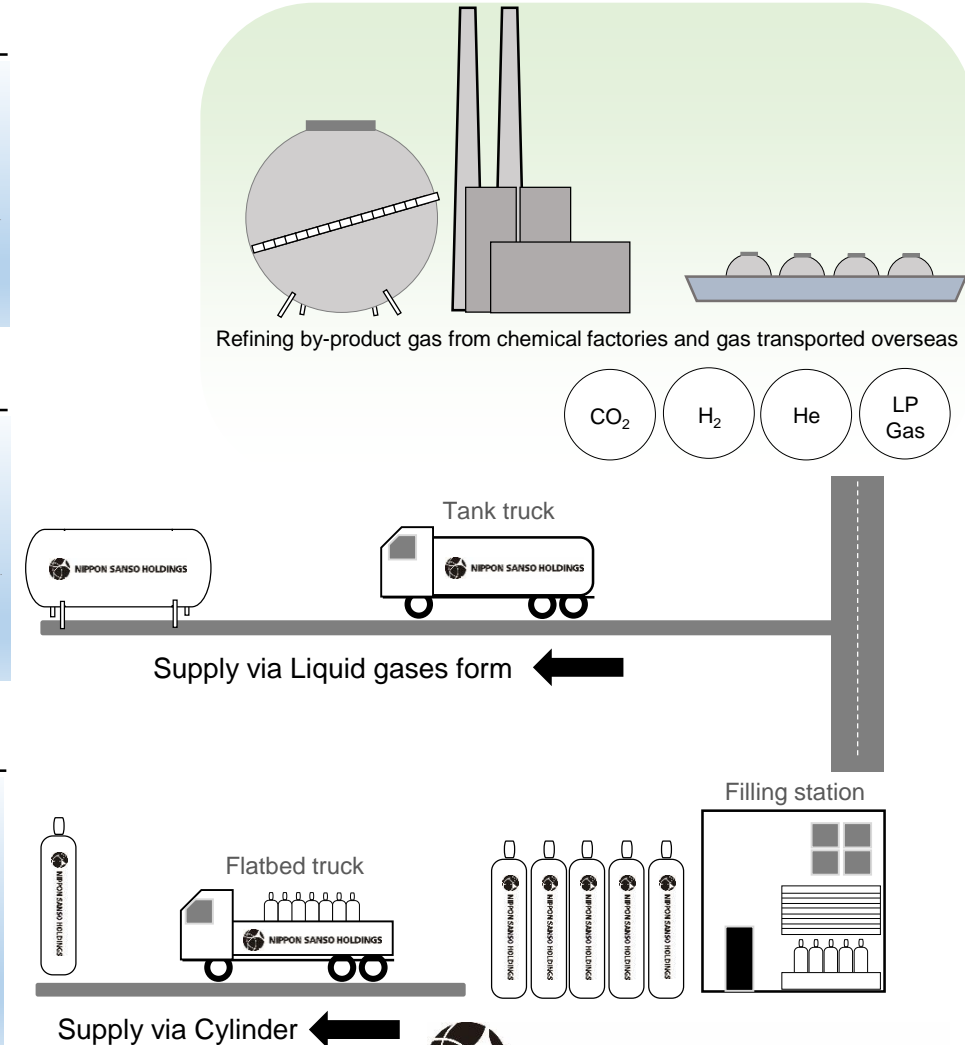
Packaged

Major supply destination (Sector)

Homecare Advanced medicine Sanitation
Engineering development R&D Construction/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





NIPPON SANZO HOLDINGS

The Gas Professionals

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