

## Consolidated Financial Results for the First Quarter of Fiscal Year Ending March 31, 2023 (Based on IFRS)

July 29, 2022  
Stock exchange listing: Tokyo (Prime)

Company name: Nippon Sanso Holdings Corporation  
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Scheduled date to file Securities Report: August 8, 2022  
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 FYE2023 (April 1, 2022 – June 30, 2022)

#### (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 FYE2023	276,006	26.4	30,274	23.2	27,472	11.8	17,959	9.5	17,285	7.6	62,653	207.3
Q1 FYE2022	218,303	18.3	24,572	74.6	24,572	74.6	16,403	115.0	16,062	116.0	20,387	14.3

(Reference) Income before income taxes

Q1 FYE2023: ¥25,540 million [15.0%]

Q1 FYE2022: ¥22,202million [93.1%]

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

	Basic earnings per share (Yen)	Diluted net income per share (Yen)
Q1 FYE2023	39.95	—
Q1 FYE2022	37.12	—

#### (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 (%)
FYE2023 (June 30, 2022)	2,082,539	715,123	681,748	32.7
FYE2022 (March 31, 2022)	1,977,026	661,137	628,714	31.8

## 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)
FYE2022	—	16.00	—	18.00	34.00
FYE2023	—				
FYE2023 (est.)		18.00	—	18.00	36.00

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

## 3. Forecasts for business operations for FYE2023 full term (April 1, 2022 – March 31, 2023)

(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	950,000	(0.7)	107,000	4.2	105,000	3.8	67,000	0.5	65,000	1.4	150.18

Note: Revisions have been made to recently announced forecasts: Yes

(Reference) Income before income taxes

FYE2023 full term: ¥94,500 million [3.2%]

### \* 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 Jun.30, 2022	433,092,837 shares	As of Mar. 31, 2022	433,092,837 shares
2. Number of treasury stocks at the end of the period	As of Jun.30, 2022	230,555 shares	As of Mar. 31, 2022	344,870 shares
3. Average number of shares during the period	Jun.30, 2022	432,702,592 shares	Jun.30, 2021	432,750,371 shares

\* 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 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 5, “(3) Explanation Concerning Predictive Information Such as Forecasts for Business Operations” in “1. General Information Relating to Q1 Results.”

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## 1. General Information Relating to Q1 Results

### (1) Explanation Concerning Business Results

(General overview)

In the business environment surrounding the Nippon Sanso Holdings Group (NSHD Group) in the first quarter of the fiscal year under review (from April 1, 2022 to June 30, 2022), although there were differences in market conditions within each region, overall market conditions remained stable. As a result, shipment volumes of air separation gases (oxygen, nitrogen, and argon) were on par with those a year earlier. Higher prices such as for electricity, crude oil, and liquefied natural gas as well as supply chain disruptions continued to drive up costs. However, we responded in each segment by revising selling prices and making efforts to reduce costs and overhead expenses.

Against this backdrop, the NSHD Group achieved the following results for the first quarter of the fiscal year under review. Revenue on a consolidated basis increased 26.4% year-on-year to ¥276,006 million, core operating income increased 23.2% to ¥30,274 million, operating income increased 11.8% to ¥27,472 million, and net income attributable to owners of the parent increased 7.6% to ¥17,285 million.

As for the impact of foreign exchange rates year-on-year, the Yen depreciated against the USD from ¥109.76 to ¥131.25 (+¥21.49, or +19.6%), against the Euro from ¥132.44 to ¥138.75 (+¥6.31, or +4.8%), and against the AUD from ¥84.15 to ¥92.52 (+¥8.37, or +9.9%). As a result, overall revenue and core operating income were favorably impacted by approximately ¥16.3 billion and ¥2.1 billion respectively.

Core operating income is calculated by excluding from operating income certain gains and losses attributable to non-recurring factors such as losses arising from 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.

#### 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 the effect of price pass-through and price revision based on existing contracts, despite a decrease in shipment volume. In addition, LP gas revenue increased, despite a decline in shipment volume, as unit sales prices rose in conjunction with a significant increase in purchase prices. In equipment and installation, industrial gas-related revenue was on par with that of a year earlier. In the electronics-related business, the revenue from electronic material gases and related equipment and installation increased.

As a result, in the Gas Business in Japan, revenue increased 14.5% year-on-year to ¥95,150 million, and segment income decreased 7.6% to ¥6,011 million.

#### ② Gas Business in the United States

In the industrial gas-related business, revenue from air separation gases, a core product, increased. In addition, revenue from carbon dioxide gases was strong. In equipment and installation, revenue from welding and cutting equipment increased sharply. Furthermore, revenue from sales in the electronics sector increased in both gas and equipment and installation. The increase in revenues was due to the progress of price pass-through against the backdrop of rising costs.

As a result, in the Gas Business in the United States, revenue increased 33.4% year-on-year to ¥68,891 million, and segment income increased 32.4% to ¥9,325 million. Moreover, revenue and segment income were favorably impacted by the depreciation of the Yen.

#### ③ Gas Business in Europe

In the industrial gas-related business, revenue from air separation gases, a core product, increased sharply year-on-year due to the effect of price revision, and a slight increase in shipment volume. In equipment and installation, the revenue from gas-related equipment increased substantially, but welding and cutting equipment revenue decreased. Another factor contributing to the increase in revenues was the progress made in price pass-through and cost recovery in response to the steep rise in energy costs that began in the second quarter of the previous fiscal year.

As a result, in the Gas Business in Europe, revenue increased 36.8% year-on-year to ¥64,976 million, and segment income increased 32.8% to ¥8,816 million. Moreover, revenue and segment income were favorably impacted by the depreciation of the Yen.

#### ④ Gas Business in Asia & Oceania

In the industrial gas-related business, air separation gas revenue, a core product, increased due to a steady increase in production activity in related industries. In LP gas, a large portion of whose sales are in the Australia region, revenue increased due to steady volume as well as pass through from purchase prices to selling prices. Revenue from equipment and installation increased mainly in Singapore and Australia. In the electronics-related business, revenue from electronic material gases increased significantly in East Asia, while equipment and construction increased in Taiwan.

As a result, in the Gas Business in Asia & Oceania, revenue increased 34.2% year-on-year to ¥39,286 million, and segment income increased 52.0% to ¥4,615 million. Moreover, revenue and segment income were favorably impacted by the depreciation of the Yen.

#### ⑤ Thermos Business

In Japan, strong sales during the new school season without COVID-19 related restrictions on activities as well as a short rainy season and rising temperatures led to a recovery in shipment volumes of portable mugs and sports bottles from the previous fiscal year, resulting in a significant increase in revenue year-on-year. Furthermore, the revenue from frying pans continued to be strong from the previous year, in connection with the widespread adoption of new lifestyles where consumers spend longer periods at home. Overseas, shipping volume increased due to the recovery of business conditions in various regions.

As a result, the Thermos Business revenue increased 13.9% year-on-year to ¥7,679 million, and segment income increased 30.7% to ¥1,961 million.

### (2) Explanation Concerning Financial Position

Total assets amounted to ¥2,082,539 million as of June 30, 2022, an increase of ¥105,513 million from March 31, 2022. The impact of foreign exchange rates resulted in an increase in total assets of approximately ¥105.0 billion. This mainly reflected foreign exchange rate changes, such as the Yen depreciation of ¥14.29 against the USD and that of ¥5.97 against EUR as of June 30, 2022, compared with the rates as of March 31, 2022.

#### [Assets]

Total current assets amounted to ¥447,552 million as of June 30, 2022, an increase of ¥25,058 million from March 31, 2022, mainly reflecting increases in inventories and trade receivables.

Total non-current assets were ¥1,634,987 million, an increase of ¥80,454 million from March 31, 2022, mainly reflecting increases in property, plant and equipment and goodwill.

#### [Liabilities]

Total current liabilities were ¥370,682 million, an increase of ¥39,086 million from March 31, 2022, mainly due to increases in bonds and borrowings and other financial liabilities.

Total non-current liabilities were ¥996,734 million, an increase of ¥12,441 million from March 31, 2022, mainly due to an increase in deferred tax liabilities and other financial liabilities.

#### [Equity]

Total equity amounted to ¥715,123 million, an increase of ¥53,985 million from March 31, 2022. The main factors were an increase in exchange differences on translation of foreign operations and quarterly income attributable to owners of the parent.

The equity attributable to owners of the parent ratio stood at 32.7%, up 0.9 percentage points from the previous fiscal year-end.

#### (Cash flow analysis)

##### [Cash flow from operating activities]

Net cash provided by operating activities increased 28.0% year-on-year to ¥31,801 million. The main components were profit before income taxes, depreciation and amortization, and income taxes paid (refund).

##### [Cash flow from investing activities]

Net cash used in investing activities increased 18.9% year-on-year to ¥19,897 million. The primary use of cash was for purchasing of property, plant and equipment.

##### [Cash flow from financing activities]

Net cash used in financing activities increased 11.4% year-on-year to ¥16,876 million. The main components were repayment of long-term borrowings, a 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 June 30, 2022, after considering the effects of exchange rate changes, was ¥90,537 million.

### (3) Explanation Concerning Predictive Information Such as Forecasts for Business Operations

The Company has revised its forecasts for business operations for the full term of the fiscal year ending March 31, 2023. For details, please refer to the "Notice Regarding Earnings Forecast Revisions" released today (July 29, 2022).

## 2. Condensed Consolidated Financial Statements and Main Notes

(1) Condensed Consolidated Statement of Financial Position

(Millions of yen)

	FYE2022 As of Mar. 31, 2022	FYE2023 As of Jun 30, 2022
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	93,697	90,537
Trade receivables	218,480	225,300
Inventories	80,064	91,713
Other financial assets	7,310	10,276
Other current assets	22,940	29,724
Total current assets	422,493	447,552
Non-current assets:		
Property, plant and equipment	729,658	777,224
Goodwill	485,190	512,782
Intangible assets	241,320	251,579
Investments accounted for using the equity method	35,700	36,885
Other financial assets	55,410	48,971
Retirement benefit asset	2,468	2,654
Other non-current assets	1,163	1,179
Deferred tax assets	3,619	3,709
Total non-current assets	1,554,532	1,634,987
Total assets	1,977,026	2,082,539

(Millions of yen)

	FYE2022 As of Mar. 31, 2022	FYE2023 As of Jun 30, 2022
Liabilities and equity		
Liabilities		
Current liabilities:		
Trade payables	115,123	114,395
Bonds and borrowings	110,595	136,577
Income taxes payable	9,746	10,348
Other financial liabilities	65,228	74,948
Allowance	1,068	441
Other current liabilities	29,832	33,970
Total current liabilities	331,595	370,682
Non-current liabilities:		
Bonds and borrowings	779,749	776,776
Other financial liabilities	31,231	35,713
Retirement benefit liabilities	14,165	14,648
Allowance	5,107	5,396
Other non-current liabilities	20,918	23,876
Deferred tax liabilities	133,120	140,322
Total non-current liabilities	984,292	996,734
Total liabilities	1,315,888	1,367,416
Equity		
Share capital	37,344	37,344
Capital surplus	55,945	55,259
Treasury stock	(281)	(228)
Retained earnings	476,589	486,308
Other components of equity	59,115	103,064
Total equity attributable to owners of parent	628,714	681,748
Non-controlling interests	32,423	33,374
Total equity	661,137	715,123
Total liabilities and equity	1,977,026	2,082,539

(2) Condensed Consolidated Statement of Profit or Loss and Condensed Consolidated Statement of Comprehensive Income  
Condensed Consolidated Statement of Profit or Loss  
(Q1 Consolidated Cumulative Period)

(Millions of yen)

	Q1 FYE2022 (April 1, 2021 - June 30, 2021)	Q1 FYE2023 (April 1, 2022 - June 30, 2022)
Revenue	218,303	276,006
Cost of sales	(131,548)	(173,531)
Gross profit	86,754	102,475
Selling, general and administrative expenses	(62,796)	(72,659)
Other operating income	509	1,454
Other operating expense	(567)	(4,245)
Share of profit of investments accounted for using the equity method	672	446
Operating profit	24,572	27,472
Finance income	639	1,058
Finance costs	(3,009)	(2,990)
Profit before income taxes	22,202	25,540
Income taxes	(5,798)	(7,580)
Profit	16,403	17,959
Profit attributable to:		
Owners of parent	16,062	17,285
Non-controlling interests	340	674
Earnings per share		
Basic earnings per share (Yen)	37.12	39.95

Condensed Consolidated Statement of Comprehensive Income  
(Q1 Consolidated Cumulative Period)

(Millions of yen)

	Q1 FYE2022 (April 1, 2021 - June 30, 2021)	Q1 FYE2023 (April 1, 2022 - June 30, 2022)
Profit	16,403	17,959
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(301)	(4,769)
Remeasurements of defined benefit plans	0	14
Share of other comprehensive income of investments accounted for using the equity method	38	(27)
Total of items that will not be reclassified to profit or loss	(261)	(4,782)
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	3,455	48,851
Effective portion of net change in fair value of cash flow hedges	20	(267)
Share of other comprehensive income of investments accounted for using the equity method	770	891
Total of items that may be reclassified subsequently to profit or loss	4,246	49,475
Total other comprehensive income, net of tax	3,984	44,693
Comprehensive income	20,387	62,653
Comprehensive income attributable to:		
Owners of parent	20,029	61,455
Non-controlling interests	358	1,197

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

Q1 FYE2022 (April 1, 2021 to June 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
Profit	—	—	—	16,062
Other comprehensive income	—	—	—	—
Comprehensive income	—	—	—	16,062
Purchase of treasury stock	—	—	(1)	—
Disposal of treasury stock	—	—	—	—
Dividends	—	—	—	(6,926)
Changes in ownership interest in subsidiaries	—	17	—	—
Business combinations or business divestitures	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	2
Change in scope of consolidation	—	—	—	43
Other changes	—	—	—	—
Total transactions with owners	—	17	(1)	(6,881)
Balance at June 30, 2021	37,344	55,919	(275)	432,019

	Other components of equity				Total	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				
Balance at April 1, 2021	(18,029)	71	15,310	—	(2,646)	513,164	30,736	543,900
Profit	—	—	—	—	—	16,062	340	16,403
Other comprehensive income	4,200	20	(254)	0	3,967	3,967	17	3,984
Comprehensive income	4,200	20	(254)	0	3,967	20,029	358	20,387
Purchase of treasury stock	—	—	—	—	—	(1)	—	(1)
Disposal of treasury stock	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	(6,926)	(425)	(7,352)
Changes in ownership interest in subsidiaries	—	—	—	—	—	17	242	259
Business combinations or business divestitures	—	—	—	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	(1)	(0)	(2)	—	—	—
Change in scope of consolidation	—	—	—	—	—	43	—	43
Other changes	—	—	—	—	—	—	78	78
Total transactions with owners	—	—	(1)	(0)	(2)	(6,867)	(104)	(6,971)
Balance at June 30, 2021	(13,828)	92	15,054	—	1,318	526,326	30,990	557,316

Q1 FYE2023 (April 1, 2022 to June 30, 2022)

	(Millions of yen)			
	Share capital	Capital surplus	Treasury stock	Retained earnings
Balance at April 1, 2022	37,344	55,945	(281)	476,589
Profit	—	—	—	17,285
Other comprehensive income	—	—	—	—
Comprehensive income	—	—	—	17,285
Purchase of treasury stock	—	—	(1)	—
Disposal of treasury stock	—	—	53	—
Dividends	—	—	—	(7,787)
Changes in ownership interest in subsidiaries	—	(686)	—	—
Business combinations or business divestitures	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	221
Change in scope of consolidation	—	—	—	—
Other changes	—	—	—	—
Total transactions with owners	—	(686)	52	(7,565)
Balance at June 30, 2022	37,344	55,259	(228)	486,308

	Other components of equity				Total	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				
Balance at April 1, 2022	39,428	368	19,319	—	59,115	628,714	32,423	661,137
Profit	—	—	—	—	—	17,285	674	17,959
Other comprehensive income	49,222	(265)	(4,801)	14	44,170	44,170	522	44,693
Comprehensive income	49,222	(265)	(4,801)	14	44,170	61,455	1,197	62,653
Purchase of treasury stock	—	—	—	—	—	(1)	—	(1)
Disposal of treasury stock	—	—	—	—	—	53	—	53
Dividends	—	—	—	—	—	(7,787)	(442)	(8,230)
Changes in ownership interest in subsidiaries	—	—	—	—	—	(686)	(604)	(1,290)
Business combinations or business divestitures	—	—	—	—	—	—	513	513
Transfer from other components of equity to retained earnings	—	—	(207)	(14)	(221)	—	—	—
Change in scope of consolidation	—	—	—	—	—	—	—	—
Other changes	—	—	—	—	—	—	287	287
Total transactions with owners	—	—	(207)	(14)	(221)	(8,421)	(246)	(8,667)
Balance at June 30, 2022	88,650	103	14,309	—	103,064	681,748	33,374	715,123

## (4) Condensed Consolidated Statement of Cash Flows

(Millions of yen)

	Q1 FYE2022 (April 1, 2021 - June 30, 2021)	Q1 FYE2023 (April 1, 2022 - June 30, 2022)
Cash flow from operating activities		
Profit before income taxes	22,202	25,540
Depreciation and amortization	23,204	25,586
Interest and dividends income	(406)	(555)
Interest expenses	3,009	2,983
Share of (profit) loss of investments accounted for using the equity method	(672)	(446)
Loss (gain) on sale and retirement of property, plant and equipment, and intangible assets	(28)	150
(Increase) decrease in trade receivables	(3,255)	2,070
(Increase) decrease in inventories	(3,624)	(7,792)
Increase (decrease) in trade payables	(3,376)	(4,701)
(Increase) decrease in retirement benefit asset	(144)	(331)
Increase (decrease) in retirement benefit liabilities	215	203
Other	(717)	(989)
Subtotal	36,406	41,717
Interest received	52	51
Dividends received	1,758	876
Interest paid	(2,895)	(2,834)
Income taxes refund (paid)	(10,479)	(8,009)
Cash flow from operating activities	24,843	31,801
Cash flow from investing activities		
Purchase of property, plant and equipment	(15,875)	(19,849)
Proceeds from sale of property, plant and equipment	513	321
Purchase of investment	(714)	(116)
Proceeds from sale and redemption of investments	11	527
Payments for acquisition of subsidiaries	(520)	(107)
Other	(154)	(673)
Cash flow from investing activities	(16,739)	(19,897)
Net cash used in financing activities		
Net increase (decrease) in short-term borrowings	13,800	17,473
Net increase (decrease) in commercial papers	11,000	3,000
Proceeds from long-term borrowings	1,762	52
Repayment of long-term borrowings	(32,167)	(26,971)
Repayment of lease obligations	(2,193)	(2,751)
Purchases of investments in subsidiaries not resulting in change in scope of consolidation	(2)	(71)
Dividends paid	(6,926)	(7,787)
Dividends paid to non-controlling interests	(425)	(442)
Other	(0)	622
Net cash used in financing activities	(15,153)	(16,876)
Effect of exchange rate changes on cash and cash equivalents	990	1,812
Net increase (decrease) in cash and cash equivalents	(6,059)	(3,159)
Balance of cash and cash equivalents at beginning of fiscal year	91,058	93,697
Increase (decrease) in cash and cash equivalents resulting from change of scope of consolidation	253	—
Balance of cash and cash equivalents at end of period	85,252	90,537

## (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 of houseware 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.

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, 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
Gas Business in the United States	
Gas Business in Europe	
Gas Business in Asia & Oceania	
Thermos Business	Houseware

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

Q1 FYE2022 (April 1, 2021 to June 30, 2021)

(Millions of yen)

	Reportable segment						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	Total		
Revenue								
Revenue from external customers	83,085	51,659	47,489	29,271	6,744	218,249	53	218,303
Revenue from inter-segment transactions and transfers	2,324	4,823	47	714	3	7,913	(7,913)	—
Total	85,410	56,482	47,536	29,986	6,747	226,163	(7,859)	218,303
Segment income (Note 2)	6,503	7,043	6,641	3,035	1,501	24,726	(153)	24,572

Note: 1. The (¥153) million negative adjustment for segment income is comprised of ¥157 million of intersegment eliminations and companywide expenses of (¥311) 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.

## Q1 FYE2023 (April 1, 2022 to June 30, 2022)

(Millions of yen)

	Reportable segment						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	Total		
Revenue								
Revenue from external customers	95,150	68,891	64,976	39,286	7,679	275,984	22	276,006
Revenue from inter- segment transactions and transfers	3,867	6,037	55	755	2	10,718	(10,718)	—
Total	99,018	74,928	65,032	40,041	7,681	286,702	(10,696)	276,006
Segment income (Note 2)	6,011	9,325	8,816	4,615	1,961	30,731	(457)	30,274

- Note: 1. The (¥457) million negative adjustment for segment income is comprised of (¥132) million of intersegment eliminations and companywide expenses of (¥324) 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 profit before income taxes is shown in the table below.

(Millions of yen)

	Q1 FYE2022 (April 1, 2021 - June 30, 2021)	Q1 FYE2023 (April 1, 2022 - June 30, 2022)
Segment income	24,572	30,274
Loss on arbitration award	—	(3,397)
Other	—	595
Operating profit	24,572	27,472
Finance income	639	1,058
Finance costs	(3,009)	(2,990)
Profit before income taxes	22,202	25,540