



# Q2 FYE2025

# Consolidated Financial Results

## Earnings Announcement

( Fiscal year ended March, 2025 )

October 31, 2024

Tokyo, Japan



**NIPPON SANZO HOLDINGS** The Gas Professionals

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## ● Certain Non-IFRS Financial Measures

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

## ● Financial information

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

# Notes

## ● 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>

		Average Forex rates									(Reference) Currency sensitivity as rough indication		
		FYE2024				FYE2025				FYE2025	Impact of devaluation by 1 JPY (Full-term basis)		
Unit : JPY Currency	Q1 (Apr.-Jun.)	1st Half (Apr.-Sep.)	9M (Apr.-Dec.)	Full-term (Apr.-Mar.)	Q1 (Apr.-Jun.)	1st Half (Apr.-Sep.)	9M (Apr.-Dec.)	Full-term (Apr.-Mar.)	Full-term Assumption (Apr.-Mar.)	Unit : ¥ bn.	Revenue	Core Operating Income	
USD	139.63	142.61	143.78	145.31	158.24	152.45			145.31	USD	+2.4	+0.35	
EUR	151.89	154.81	156.24	157.72	170.08	165.83			157.72	EUR	+1.9	+0.35	
SGD	103.66	105.79	106.90	108.03	116.65	114.37			108.03				
AUD	91.94	93.44	94.47	95.32	104.66	101.80			95.32				
CNY	19.67	19.87	20.01	20.20	21.76	21.20			20.20				

## ● 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. Notes that from Q3 FYE2023, the reportable segment names simplified, but the scope of segment aggregation didn't change.

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- 1. Strategic overview**
- 2. Integrated Report**
- 3. Q2 FYE2025 Business performance**
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- 4. FYE2025 Full-term Forecast**

## Appendix

# 1. Strategic overview

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# Key Highlights

- ✓ Respond promptly to customer and social trends
- ✓ Continue productivity improvements and price management
- ✓ Seize opportunities to expand business continually
- ✓ Steady progress in non-financial activity
- ✓ Strong commitment to improving corporate value

# NS Vision 2026 | Enabling the Future

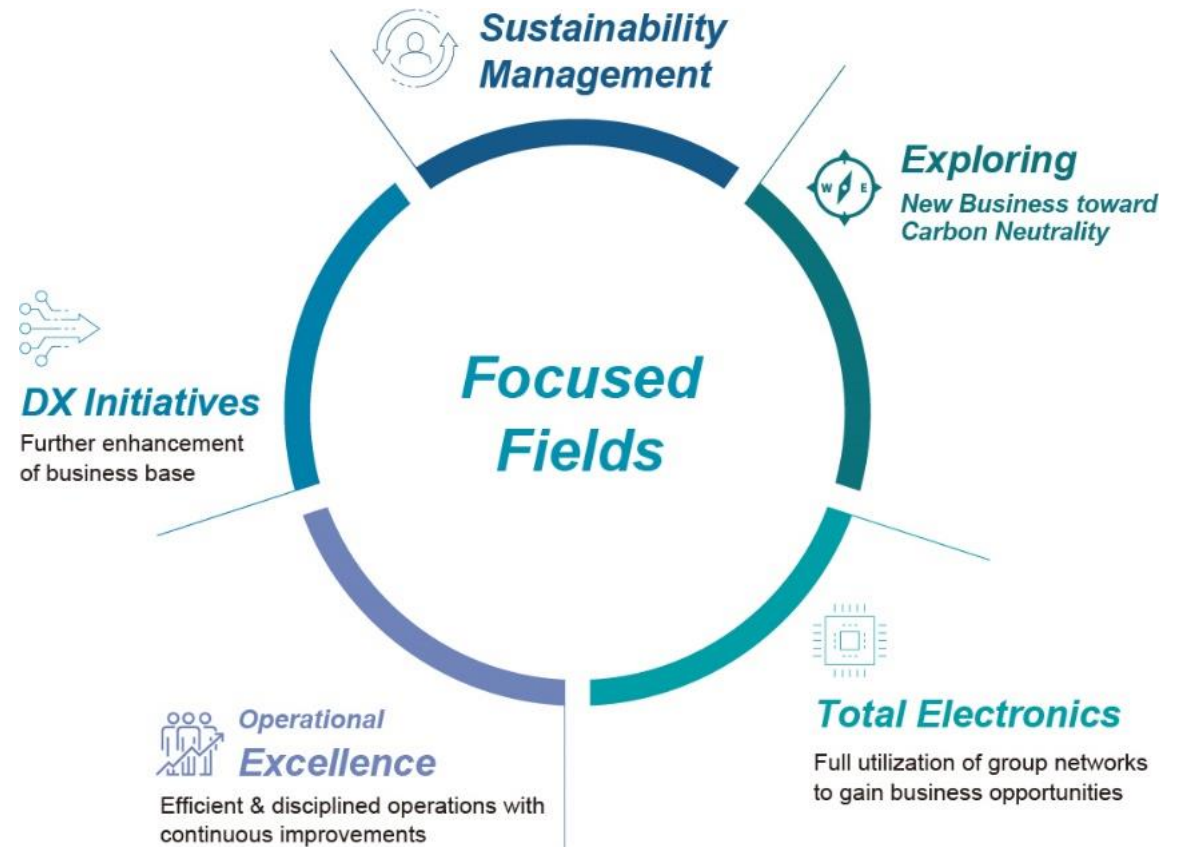
Our Medium-term Management plan (MTP)

Group Philosophy

**Proactive. Innovative. Collaborative.**  
**Making life better through gas technology.**  
**The Gas Professionals**

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.**



# Non-financial KPI target in NS Vision 2026

Environment

## <Environment>

- Reduction rate of GHG emissions (Base year: FYE2019<sup>\*1</sup>)
- GHG emission reduction contribution exceeds GHG emission (Scope 1+2)
  - Breakdown information : Please see the details [here](#). (Unit: Thousands of tonnes CO<sub>2</sub>e)
    - X: Lower customer GHG emissions through environmental product offerings and applications
    - Y: NSHD Group GHG emission (Scope 1 + 2)

Social

## <Safety Management>

- Lost Time Injury Rate

## <HR>

- Rate of female employees
- Rate of female management posts

Governance

## <Compliance>

- Rate of receiving compliance training

FYE2024 Actual	FYE2026 Target
15.3% down	18% down
X > Y	X > Y
7,454	
5,667	
2.09	≤ 1.6
20.2%	≥ 22%
15.4%	≥ 18%
99.4% <sup>*2</sup>	100%

\*1 The figure for the volume of GHG emissions for FYE2019, which is the reference value, calculates the actual GHG emissions in FYE2019 plus the following:  
 1) estimated emissions in the European segment in FYE2019 and 2) estimated emissions of the U.S. HyCO business in FYE2019. and 3) Others

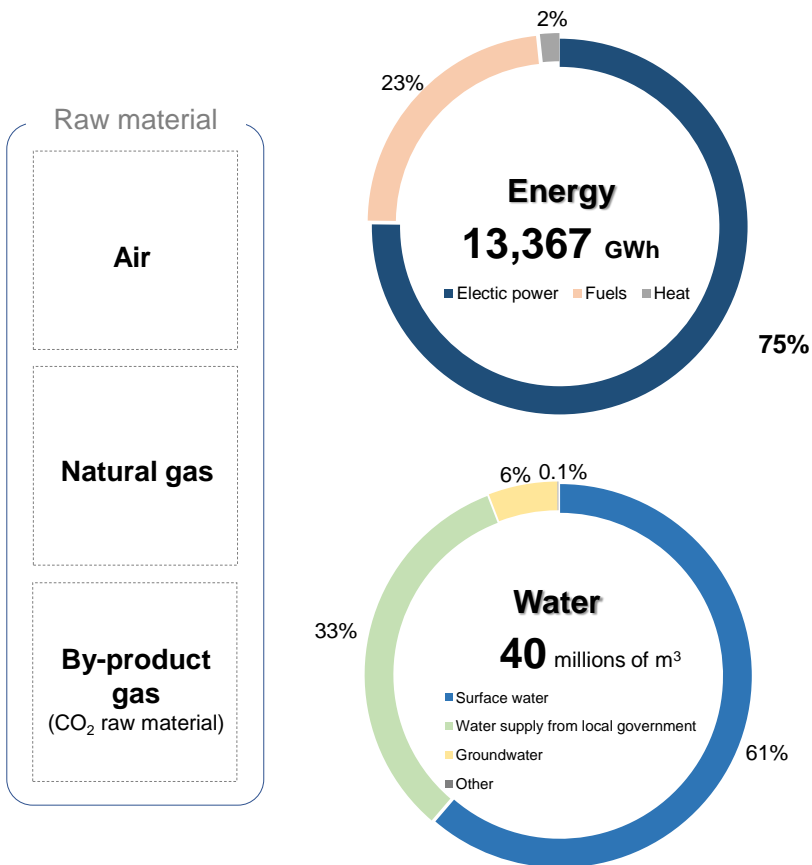
\*2 100% completion rate as of the end of June 2024



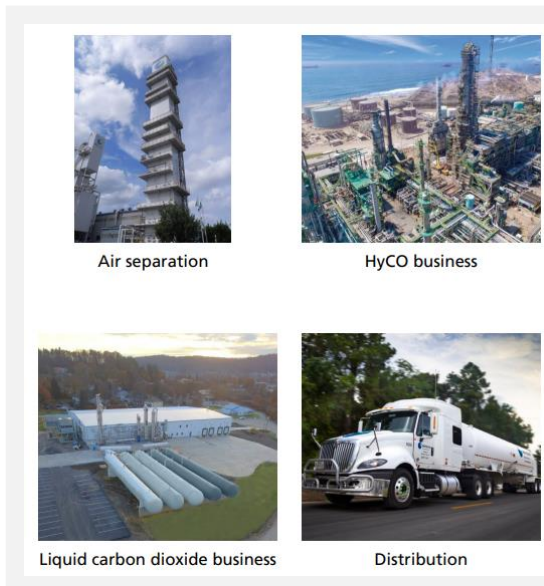
# Material balance & Environmental contribution

## Input

Energy and resource inputs in business activities

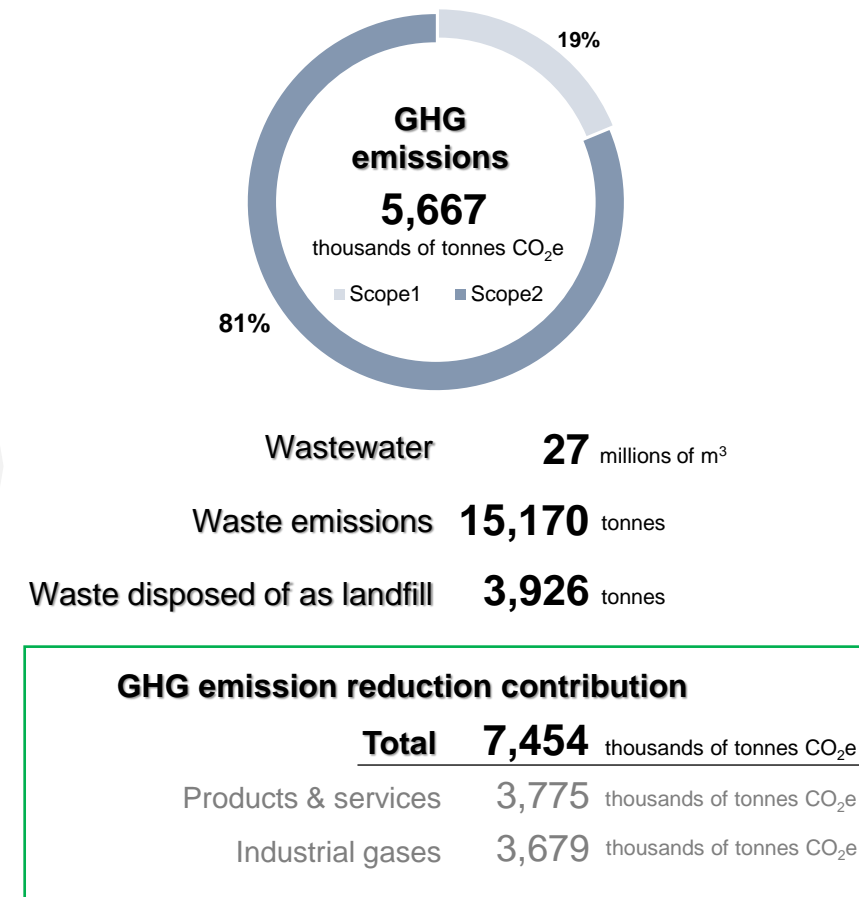


## Business activities



## Output

Environmentally hazardous substances generated by business activities



(Note) For details on the reporting data, please refer to P1, "[Sustainability Data](#)" in our Integrated Report 2024.

# Addressing Biodiversity: Participating in the TNFD Forum



Taskforce on Nature-related  
Financial Disclosures

In August 2024, NSHD participated in the TNFD Forum\*<sup>1</sup> and register as a TNFD Adopter\*<sup>2</sup>.

NSHD supports the TNFD’s aim of shifting to “Nature positive” and will collate and disclose information on each of the recommended disclosure items in accordance with the TNFD framework.



July 2024: OIST Coral Project\*<sup>3</sup>  
Participating as a special partner.



Original bottle by Thermos to support the project\*<sup>4</sup>

## Towards the conservation of biodiversity

- 2021.2 Formulated “Nippon Sanso Group Environmental Policy”
- 2024.1 Participated in “Keidanren Initiative for Biodiversity Conservation”\*<sup>5</sup>

\*1 TNFD Forum: A network in which companies and organizations with expertise in a wide range of fields participate and support the construction of an information disclosure framework based on TNFD.

\*2 TNFD Adopter: A company or organization that has registered its intention, on the TNFD Website, to make public disclose aligned with the TNFD Recommendations issued in September 2023. Registered companies and organizations need to make disclosures in line with the TNFD Recommendations in respect of their fiscal year of 2024 or 2025.

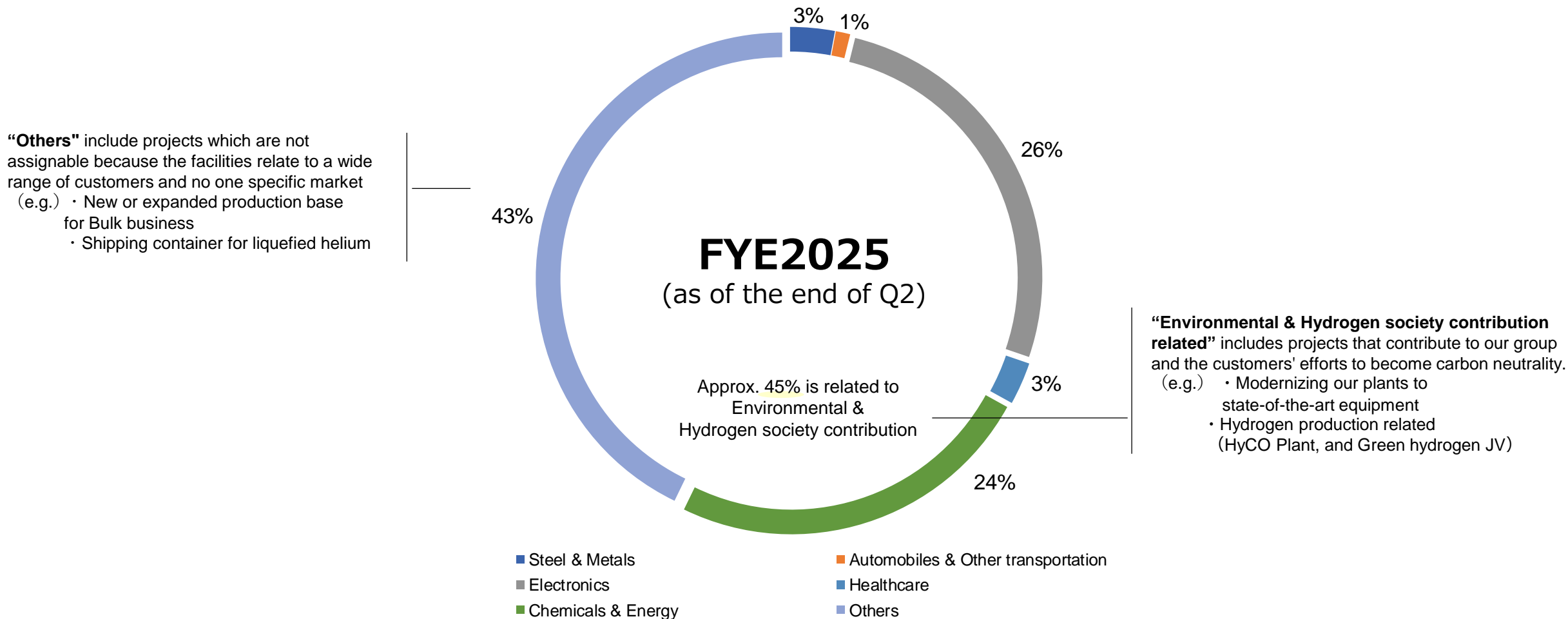
\*3 Coral reef conservation activities lead by OIST (Okinawa Institute of Science and Technology Graduate University), with its scientific knowledge of genome information and detection technology of environmental DNA.

\*4 On sale from September 30, 2024, limited in 2 Thermos shops in Okinawa.

\*5 The initiative includes companies and organizations that have endorsed the “Keidanren Declaration for Biodiversity and Guideline” (guideline shows vision and the role of companies to achieve the target of a nature positive world in 2030), which was established by Keidanren (Japan Business Federation) and the Keidanren Committee on Nature Conservation.

# Key CAPEX for our sustainable growth

Significant investment opportunities; diversified capital portfolio; aligned with our NS Vision 2026.



Note that the above is an aggregation of investments that have been approved by the Board of Directors of each our group company, but have not yet been placed in service. The size of each project is over approx. ¥500mn., \$4mn. or €4mn.

## 2. Integrated Report

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# Integrated Report Disclosure



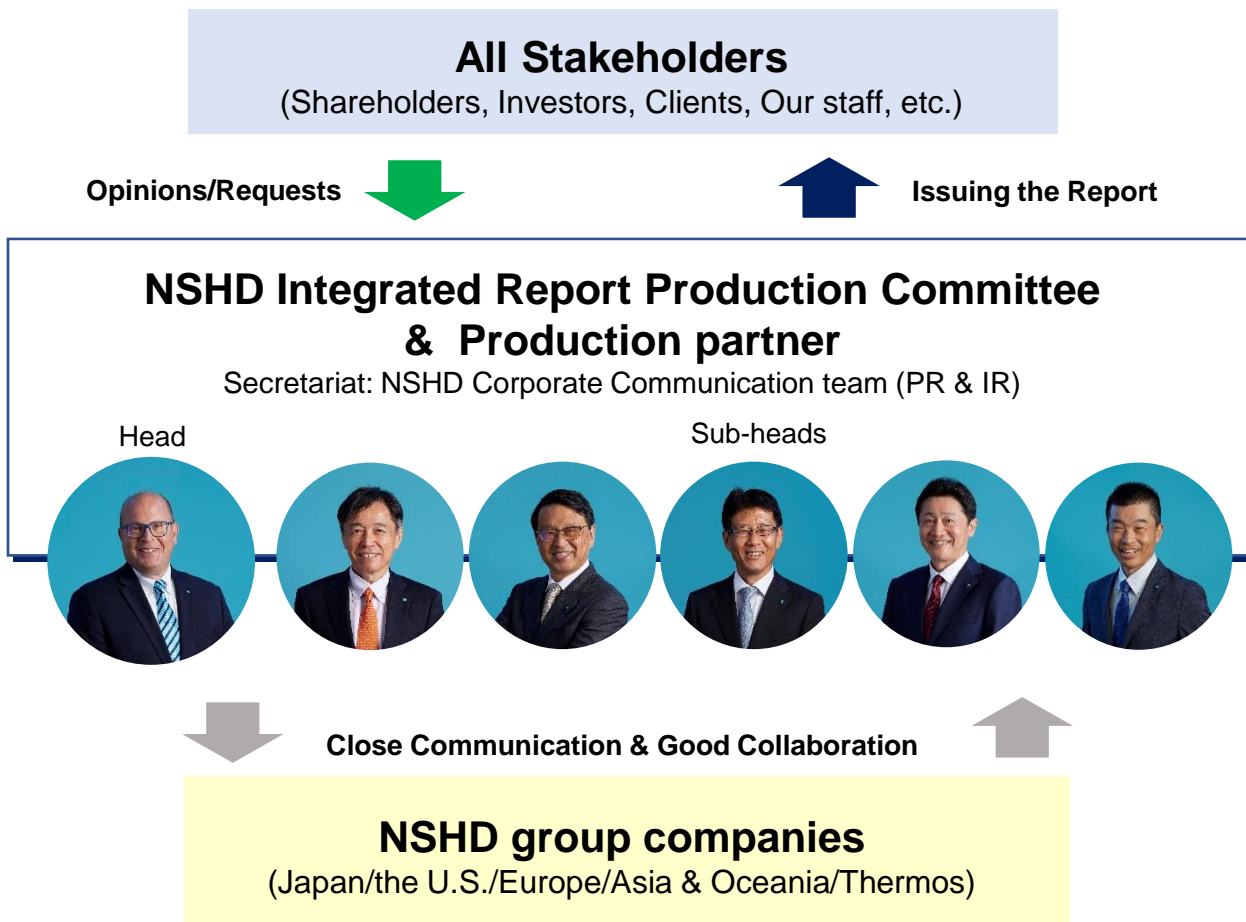
## NSHD Integrated Report 2024

(Released on September 25, 2024.)

Please jump to the access webpage.> [Link.](#)



## Production process for 2024 edition



### All Stakeholders

(Shareholders, Investors, Clients, Our staff, etc.)

Opinions/Requests

Issuing the Report

### NSHD Integrated Report Production Committee & Production partner

Secretariat: NSHD Corporate Communication team (PR & IR)

Head

Sub-heads

Close Communication & Good Collaboration

### NSHD group companies

(Japan/the U.S./Europe/Asia & Oceania/Thermos)

# **3. Q2 FYE2025**

## **Business performance**

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### **-1. Q2 performance**

# Consolidated results

(Unit: ¥ bn.)

	FYE2024	FYE2025	YoY		% Change exc. FX
	Q2 (Jul. - Sep.)	Q2 (Jul. - Sep.)	Difference	% Change	
<b>Revenue</b>	<b>303.6</b>	<b>313.7</b>	<b>+10.1</b>	<b>+3.3%</b>	<b>+2.0%</b>
<b>Core operating income</b>	<b>40.9</b>	<b>45.1</b>	<b>+4.2</b>	<b>+10.4%</b>	<b>+8.7%</b>
Core OI margin	13.5%	14.4%			
Non-recurring profit and loss	-0.0	-10.6	-10.6		
<b>Operating income (IFRS)</b>	<b>40.8</b>	<b>34.5</b>	<b>-6.3</b>	<b>-15.5%</b>	
OI margin	13.5%	11.0%			
EBITDA margin	22.6%	23.4%			
Finance costs	-5.5	-5.6	-0.1		
<b>Income before income taxes</b>	<b>35.3</b>	<b>28.8</b>	<b>-6.5</b>	<b>-18.2%</b>	
Income tax expenses	10.4	7.7	-2.7		
Net income	24.8	21.0	-3.8	-15.3%	
(Attribution of net income)					
<b>Net income attributable to owners of the parent</b>	<b>23.9</b>	<b>20.1</b>	<b>-3.8</b>	<b>-16.2%</b>	
NI margin	7.9%	6.4%			
Net income attributable to non-controlling interests	0.9	0.9	+0.0		

## Revenue Analysis

	YoY % Change
<b>Revenue Growth</b>	<b>+3.3%</b>
FX	+1.2%
Price	+1.8%
Pass-through & Surcharge	+0.6%
Volume / Mix	-1.0%
Divest. / Decons. & Others	+0.8%

- **Price Management status:** Solid
- **Pass-thru & Surcharge:** Flat
- **Volume / Mix:** Soft
- **Decons.:** Factor in Japan  
(Please see the details in Japan segment)

# Japan

(Unit: ¥ bn.)	FYE2024	FYE2025	Difference	YoY	
	Q2 (Jul.- Sep.)	Q2 (Jul.- Sep.)		% Change	% Change <i>exc. FX</i>
<b>Revenue</b>	94.5	<b>93.9</b>	-0.6	-0.6%	-0.6%
<b>Segment income</b>	10.0	<b>10.4</b>	+0.4	+3.4%	+3.4%
Segment OI margin	10.7%	<b>11.1%</b>			
EBITDA margin	15.4%	<b>15.9%</b>			

#### YoY Factors for increase/decrease in this quarterly period and other comment

- Lower shipment volumes of core products such as air separation gases and those of carbon dioxide gas was slightly lower
- Continued effective price management
- Shipment volume in electronic material gases was flat
- In equipment and installation, revenue increased both in Industrial Gases and Electronics-related
- Decrease in revenue due to the deconsolidation of an LPG subsidiary (January 1, 2024 onward)



# United States

(Unit: ¥ bn.)	FYE2024	FYE2025	Difference	YoY	% Change exc. FX
	Q2 (Jul.- Sep.)	Q2 (Jul.- Sep.)		% Change	
<b>Revenue</b>	87.4	<b>86.9</b>	-0.5	-0.6%	-1.4%
<b>Segment income</b>	12.2	<b>13.7</b>	+1.5	+12.4%	+11.4%
Segment OI margin	14.0%	<b>15.8%</b>			
EBITDA margin	26.4%	<b>27.7%</b>			

### YoY Factors for increase/decrease in this quarterly period and other comment

- Higher shipment volumes of core products such as air separation gases
- Continued effective price management, and productivity initiatives
- In equipment and installation, sales conditions both in Industrial Gas and Electronics-relate were soft
- Negative volumes in non-air separation gases (such as electronics, acetylene, package, hardgoods)

# Europe

(Unit: ¥ bn.)	FYE2024	FYE2025	Difference	YoY	
	Q2 (Jul.- Sep.)	Q2 (Jul.- Sep.)		% Change	% Change <i>exc. FX</i>
<b>Revenue</b>	74.2	<b>80.4</b>	+6.2	+8.4%	+5.9%
<b>Segment income</b>	13.2	<b>15.2</b>	+2.0	+15.1%	+12.5%
Segment OI margin	17.8%	<b>18.9%</b>			
EBITDA margin	30.6%	<b>31.2%</b>			

#### YoY Factors for increase/decrease in this quarterly period and other comment

- Slightly lower shipment volumes of core products such as air separation gases
- Continued effective price management, and productivity efforts
- In equipment and installation, revenue was favorable

# Asia & Oceania

(Unit: ¥ bn.)	FYE2024	FYE2025	Difference	YoY	
	Q2 (Jul.- Sep.)	Q2 (Jul.- Sep.)		% Change	% Change <i>exc. FX</i>
<b>Revenue</b>	39.6	<b>44.1</b>	+4.5	11.3%	+7.7%
<b>Segment income</b>	4.4	<b>4.5</b>	+0.1	+1.6%	-1.8%
Segment OI margin	11.2%	<b>10.2%</b>			
EBITDA margin	17.6%	<b>16.7%</b>			

### YoY Factors for increase/decrease in this quarterly period and other comment

- Higher shipment volumes of core products such as air separation gases
- In LP gas, of which a large portion of sales are in the Australia region, unit sales prices and sales volumes increased
- In Electronics-related business, revenue increased for both electronic material gases and equipment

# Thermos

(Unit: ¥ bn.)	FYE2024	FYE2025	Difference	YoY	
	Q2 (Jul.- Sep.)	Q2 (Jul.- Sep.)		% Change	% Change <i>exc. FX</i>
<b>Revenue</b>	7.7	<b>8.1</b>	+0.4	+5.6%	+5.2%
<b>Segment income</b>	1.4	<b>1.4</b>	+0.0	+2.9%	-3.5%
Segment OI margin	18.6%	<b>18.1%</b>			
EBITDA margin	23.6%	<b>23.3%</b>			

#### YoY Factors for increase/decrease in this quarterly period and other comment

- Revenue from portable vacuum-insulated bottles was firm in Japan
- Overseas, revenue from Asian production plants was favorable, but performance of equity-method affiliates was soft

# **3. Q2 FYE2025**

## **Business performance**

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### **-2. 1H performance**

# Consolidated results

	FYE2024	FYE2025	YoY		% Change exc. FX
	1H	1H	Difference	% Change	
(Unit: ¥ bn.)	(Apr. - Sep.)	(Apr. - Sep.)			
<b>Revenue</b>	<b>612.5</b>	<b>643.0</b>	<b>+30.5</b>	<b>+5.0%</b>	<b>+0.4%</b>
<b>Core operating income</b>	<b>81.6</b>	<b>93.4</b>	<b>+11.8</b>	<b>+14.5%</b>	<b>+8.7%</b>
Core OI margin	13.3%	14.5%			
Non-recurring profit and loss	-0.0	-10.9	-10.9		
<b>Operating income (IFRS)</b>	<b>81.5</b>	<b>82.5</b>	<b>+1.0</b>	<b>+1.1%</b>	
OI margin	13.3%	12.8%			
EBITDA margin	22.3%	23.5%			
Finance costs	-10.0	-10.7	-0.7		
<b>Income before income taxes</b>	<b>71.5</b>	<b>71.7</b>	<b>+0.2</b>	<b>+0.3%</b>	
Income tax expenses	21.1	21.0	-0.1		
Net income	50.4	50.7	+0.3	+0.6%	
(Attribution of net income)					
<b>Net income attributable to owners of the parent</b>	<b>48.5</b>	<b>49.1</b>	<b>+0.6</b>	<b>+1.3%</b>	
NI margin	7.9%	7.7%			
Net income attributable to non-controlling interests	1.8	1.5	-0.3		
Forex (Unit: JPY)					
(average rate during the period)					
USD	142.61	152.45			
EUR	154.81	165.83			
AUD	93.44	101.80			

## Revenue Analysis

	YoY % Change
<b>Revenue Growth</b>	<b>+5.0%</b>
FX	+4.6%
Price	+2.2%
Pass-through & Surcharge	+0.0%
Volume / Mix	-1.4%
Divest. / Decons. & Others	-0.4%

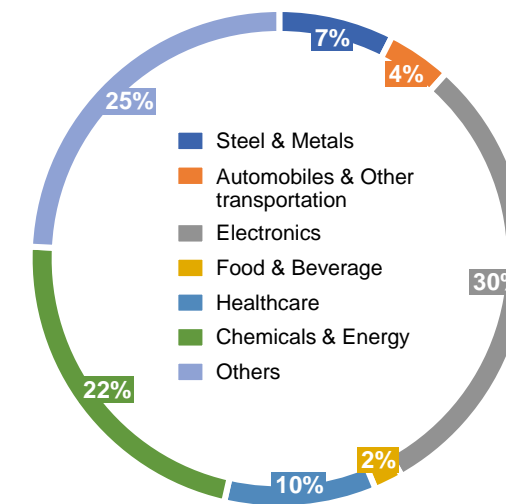
- **Price Management status:** Solid
- **Pass-thru & Surcharge:** Flat
- **Volume / Mix:** Soft
- **Decons.:** Factor in Japan  
(Please see the details in Japan segment)

# Japan

(Unit: ¥ bn.)	FYE2024	FYE2025	Difference	YoY	% Change <i>exc. FX</i>
	1H (Apr. - Sep.)	1H (Apr. - Sep.)		% Change	
<b>Revenue</b>	202.1	<b>194.9</b>	-7.2	-3.6%	-3.7%
<b>Segment income</b>	21.3	<b>21.9</b>	+0.6	+3.1%	+2.9%
Segment OI margin	10.6%	<b>11.3%</b>			
EBITDA margin	15.1%	<b>15.9%</b>			

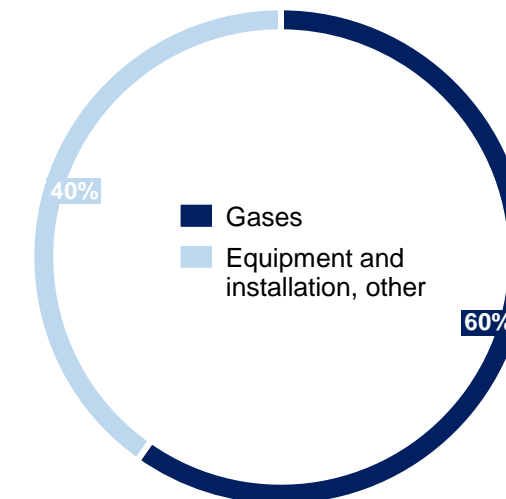
## By Industry

Cumulative period basis



## By Product

Cumulative period basis

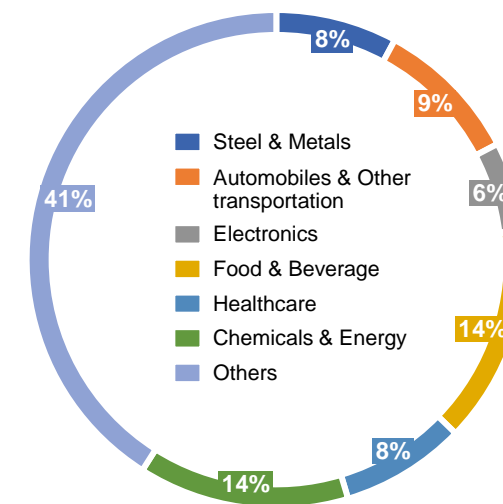


# United States

(Unit: ¥ bn.)	FYE2024	FYE2025	Difference	YoY	% Change <i>exc. FX</i>
	1H (Apr. - Sep.)	1H (Apr. - Sep.)		% Change	
<b>Revenue</b>	169.5	<b>179.5</b>	+10.0	+5.9%	-0.9%
<b>Segment income</b>	23.4	<b>28.5</b>	+5.1	+21.9%	+13.9%
Segment OI margin	13.8%	<b>15.9%</b>			
EBITDA margin	26.4%	<b>28.0%</b>			

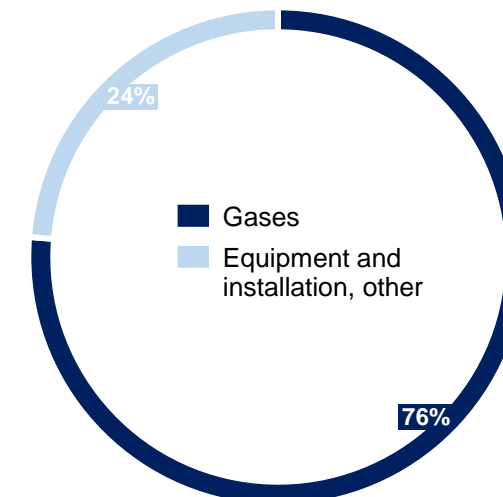
## By Industry

Cumulative period basis



## By Product

Cumulative period basis



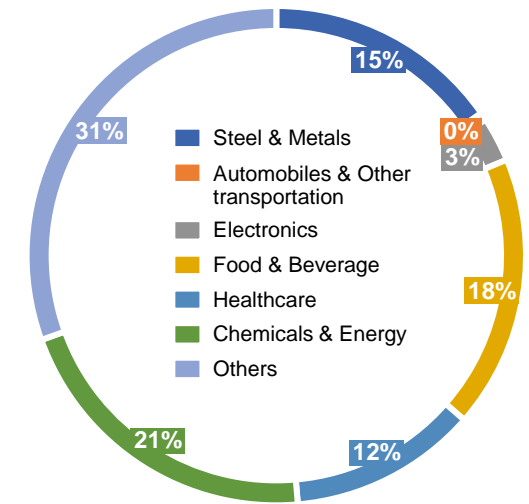


# Europe

(Unit: ¥ bn.)	FYE2024	FYE2025	Difference	YoY	% Change <i>exc. FX</i>
	1H (Apr. - Sep.)	1H (Apr. - Sep.)		% Change	
<b>Revenue</b>	147.3	<b>165.5</b>	+18.2	+12.3%	+4.8%
<b>Segment income</b>	26.3	<b>31.8</b>	+5.5	+20.8%	+12.7%
Segment OI margin	17.9%	<b>19.2%</b>			
EBITDA margin	30.5%	<b>31.5%</b>			

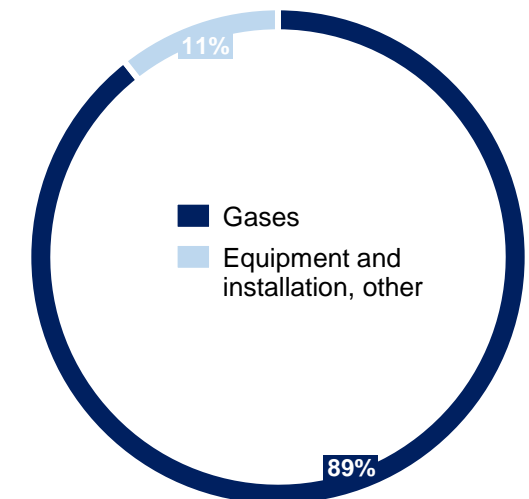
## By Industry

Cumulative period basis



## By Product

Cumulative period basis

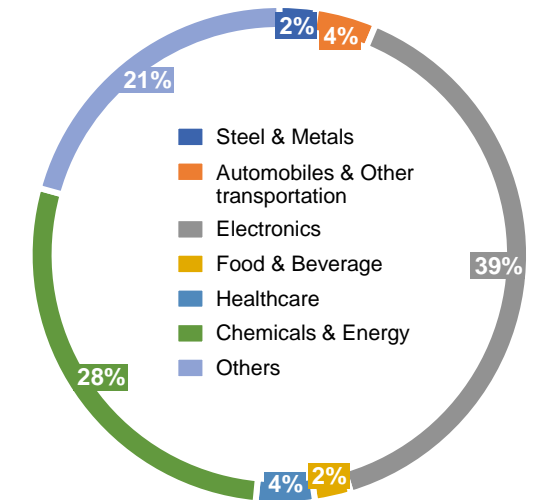


# Asia & Oceania

(Unit: ¥ bn.)	FYE2024	FYE2025	Difference	YoY	
	1H (Apr. - Sep.)	1H (Apr. - Sep.)		% Change	% Change <i>exc. FX</i>
<b>Revenue</b>	78.1	<b>86.5</b>	+8.4	+10.8%	+3.6%
<b>Segment income</b>	8.5	<b>8.8</b>	+0.3	+3.1%	-3.8%
Segment OI margin	11.0%	<b>10.2%</b>			
EBITDA margin	17.3%	<b>16.8%</b>			

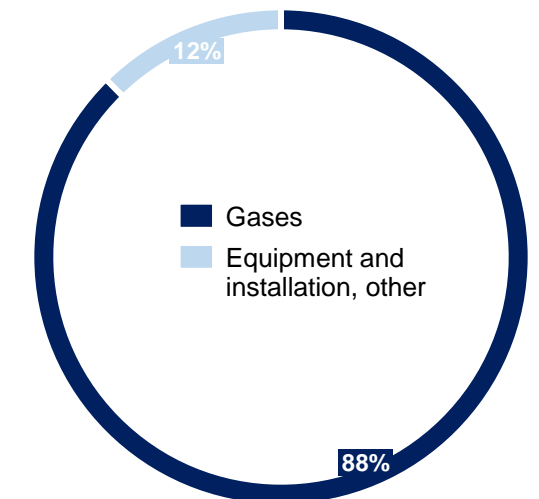
## By Industry

Cumulative period basis



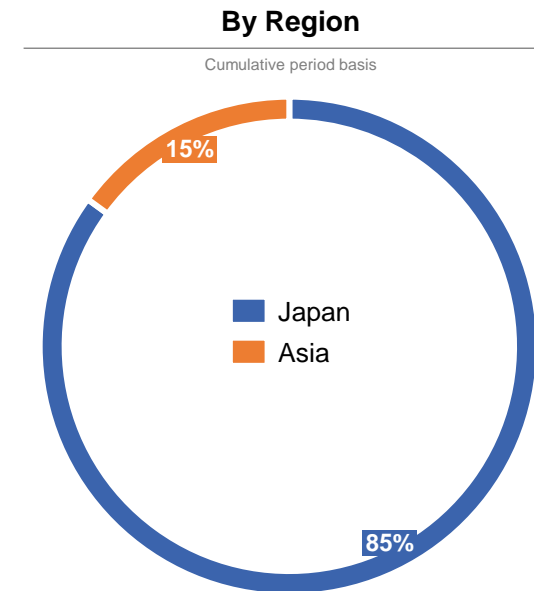
## By Product

Cumulative period basis



# Thermos

(Unit: ¥ bn.)	FYE2024	FYE2025	Difference	YoY	% Change <i>exc. FX</i>
	1H (Apr. - Sep.)	1H (Apr. - Sep.)		% Change	
<b>Revenue</b>	15.3	<b>16.4</b>	+1.1	+7.2%	+6.5%
<b>Segment income</b>	2.8	<b>2.7</b>	-0.1	-5.0%	-9.8%
Segment OI margin	18.7%	<b>16.6%</b>			
EBITDA margin	23.7%	<b>21.7%</b>			



## 4. FYE2025 Full-term forecast

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# Consolidated forecast

	FYE2024	FYE2025	YoY	
	Full-term	Full-term forecast	Difference	% Change
(Unit: ¥ bn.)		(Announced on May 13, 2024)		
<b>Revenue</b>	<b>1,255.0</b>	<b>1,300.0</b>	<b>+45.0</b>	<b>+3.6%</b>
<b>Core operating income</b>	<b>165.9</b>	<b>177.0</b>	<b>+11.1</b>	<b>+6.6%</b>
Core OI margin	13.2%	13.6%		
Non-recurring profit and loss	6.0	0.0	-6.0	
<b>Operating income (IFRS)</b>	<b>172.0</b>	<b>177.0</b>	<b>+5.0</b>	<b>+2.9%</b>
OI margin	13.7%	13.6%		
EBITDA margin	22.2%	22.4%		
Finance costs	-21.3	-23.0	-1.7	
<b>Income before income taxes</b>	<b>150.7</b>	<b>154.0</b>	<b>+3.3</b>	<b>+2.2%</b>
Income tax expenses	41.3	46.0	+4.7	
Net income	109.3	108.0	-1.3	-1.2%
(Attribution of net income)				
<b>Net income attributable to owners of the parent</b>	<b>105.9</b>	<b>105.0</b>	<b>-0.9</b>	<b>-0.9%</b>
NI margin	8.4%	8.1%		
Net income attributable to non-controlling interests	3.4	3.0	-0.4	
Forex (Unit: JPY)				
USD	145.31	145.31		
(average rate during the period)				
EUR	157.72	157.72		
AUD	95.32	95.32		

# The Gas Professionals

# Q&A Session

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President CEO

**Toshihiko Hamada**



Senior Executive Officer  
and CFO

**Alan Draper**



Executive Officer,  
Group Corporate Planning  
Office

**Koichiro Kubo**



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

**Takeshi Miki**



General Manager,  
Investor relations,  
Group Finance &  
Accounting Office

**Keita Kajiyama**



General Manager,  
Accounting,  
Group Finance &  
Accounting Office

**Takashi Yoshida**

# Appendix

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## Corporate Information

(As of March 31, 2024)

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
	President CEO
Representative	Toshihiko Hamada
Common stock	37.3 billion yen

## Stock information

(As of September 30, 2024)

Number of shares	433,092,837
Number of shareholders	14,449
Listed stock exchanges	Tokyo Stock Exchange Prime Market
Ticker	4091.T
Distribution by share holders (%)	

Other Japanese Corporations Foreign Institutions and Individuals

50.6%

5.1%

14.9%

20.5%

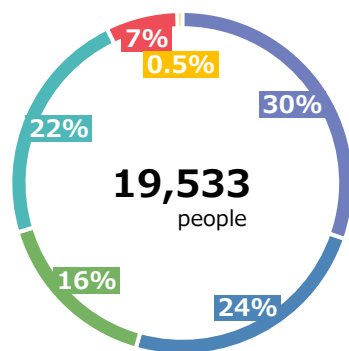
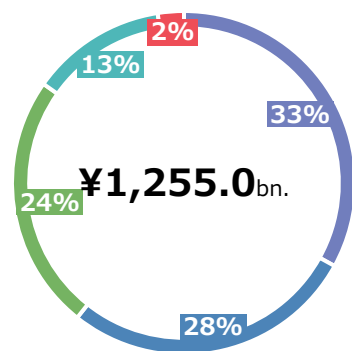
8.9%

Mitsubishi Chemical Group

Japanese Financial Institutions

Japanese Individuals and others

## Revenue / Employee personnel by Segment (As of March 31, 2024)



Japan US Europe Asia & Oceania Thermos Corporate

## Corporate Philosophy

### Group Philosophy

Proactive. Innovative. Collaborative.

Making life better through gas technology.

## The Gas Professionals

### 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



## FYE2025 Financial Forecast (IFRS)

Revenue	¥1,300.0 bn.	Net income attributable to owners of the parent	¥105.0 bn.
Operating income	¥177.0 bn.	EPS	¥242.57

# Our Medium-term management plan Summary

<https://www.nipponsono-hd.co.jp/en/ir/management/plan.html>

## Overview

Plan Name	NS Vision 2026
Slogan	Enabling the Future
Period	4 years from April 2022 to March 2026
Released date	May 11, 2022

## Financial target

(Final fiscal year in the plan: FYE2026)

Revenue	¥975.0-1,000.0 bn.
Core Operating Income	¥125.0-135.0 bn.
EBITDA margin	Group: ≥24 % Japan, the U.S., EU, A&O, Thermos: ≥17-33%
Adjusted net D/E ratio	≤0.7 times
ROCE after Tax	≥6 %

(Note) Forex rate (Assumption) : USD ¥115 EUR ¥125

## Non-Financial target

### <Environment>

Reduction rate of GHG emissions	FYE2026:	18 %
(Base year: FYE2019)	FYE2031:	32 %

GHG reduced emissions through environmental product offer  
 FYE2026: Lower GHG emissions through environmental product offerings and applications  
 > NSHD Group GHG emission

### <Safety Management>

Lost Time Injury Rate	FYE2026:	≤1.6
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### <Compliance>

Rate of receiving compliance training	FYE2026:	100 %
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### <HR>

Rate of female employees	FYE2026:	≥22 %
	FYE2031:	25 %
Rate of female management posts	FYE2026:	≥18 %
	FYE2031:	22 %

## Capital allocation

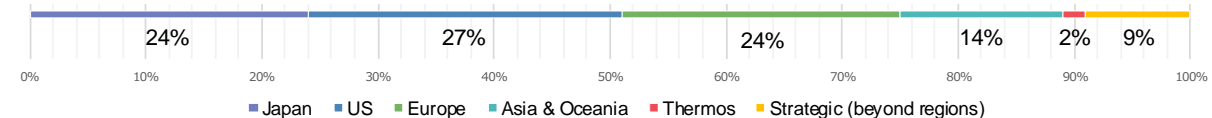
Cash-in (the total for 4 years)

[Operating Cash flow] ¥730.0 bn.

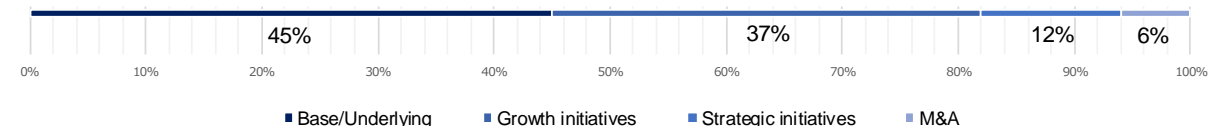
Cash-out ¥433.0 bn.

[Investment as a whole]

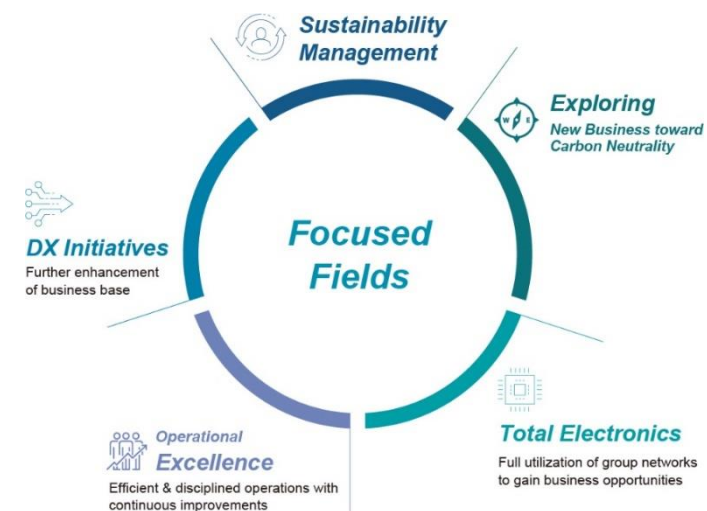
### Composition ratio by Business



### Composition ratio by Initiative



## Focused fields



# 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.

	FYE2024 1H	FYE2025 1H	YoY Difference
(Unit: ¥ bn.)			
<b>Core operating income</b>	<b>81.6</b>	<b>93.4</b>	<b>+11.8</b>
Non-recurring profit and loss	-0.0	-10.9	-10.9
<b>Operating income (IFRS)</b>	<b>81.5</b>	<b>82.5</b>	<b>+1.0</b>

Items (Unit : ¥ bn.)

FYE2024 1H result		FYE2025 1H result	
Item	Amount	Item	Amount
Others	-0.0	Impairment loss related to non-recoverable portion of a hydrogen construction project (US)	-10.7
		Loss associated with liquidation of business (Asia & Oceania)	-0.2
		Others	-0.0
<b>Total</b>	<b>-0.0</b>	<b>Total</b>	<b>-10.9</b>

# Key performance indicators

Item	Unit	FYE2024 1H	FYE2025 1H	FYE2024 Full-term
Basic earnings per share	JPY	112.16	113.65	244.66
Overseas sales ratio	%	65.5	68.2	65.5
ROE	%	—	—	12.9
ROCE	%	—	—	9.4
ROCE after Tax	%	—	—	6.7
Annual dividends per share	JPY	—	—	44
Dividend payout ratio	%	—	—	18.0
CAPEX(fund basis) & Investments and loans	¥bn.	55.0	85.8	120.8
Depreciation and amortization	¥bn.	54.8	57.5	112.4
Free cash flow	¥bn.	32.3	32.2	91.3
Adjusted net D/E ratio	Times	0.72	0.71	0.74
Interest-bearing liabilities	¥bn.	1,045.5	917.6	936.9
Net interest-bearing liabilities	¥bn.	828.4	782.5	810.8

# (Reference) Preconditions, Definition & Calculations of our KPIs

<b>Glossary</b>	<b>Preconditions and Definitions in this Presentation</b>
Core operating income	Core operating income is calculated as operating income excluding certain gains and expenses attributable to non-recurring factors (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).
Interest-bearing debt	Bonds and borrowings as presented in the statement of financial position, plus lease liabilities included in other financial liabilities. *Includes Hybrid finance.
Hybrid finance	A form of debt financing that has features resembling equity, such as voluntary deferral of interest, extremely long-term redemption periods and subordination during liquidation or bankruptcy procedures. This kind of financing does not cause stock dilution, and a certain ratio of the funds procured in this way can be recognized as equity credit by rating agencies provided that certain conditions are met.
Equity-type debt	The amount of debt procured by hybrid finance that has been recognize as equity credit by rating agencies. In this fund procurement, rating agencies have recognized equity credit for 50% of the procured amount.
<b>Indicator</b>	<b>Calculations used in this presentation</b>
EBITDA margin	$(\text{Core operating income} + \text{Depreciation and amortization}) / \text{Revenue}$
ROE	$\text{Profit attributable to owners of parent} / \text{Total equity attributable to owners of parent}^*$
ROCE	$\text{Core operating income} / (\text{Interest-bearing debt} + \text{Total equity attributable to owners of parent}) * [\text{Capital employed}]$
ROCE after Tax	$\text{Core operating income after Tax} (+\text{Dividend received}) [\text{NOPAT}] ((\text{Core operating} - \text{Investment income/loss from Equity in earnings (losses) of affiliated companies included in Core operating income}) \times (1 - \text{effective tax rate}) + \text{Investment income/loss from Equity in earnings (losses) of affiliated companies included in Core operating income} + \text{Dividend received}) / (\text{Interest-bearing debt} + \text{Total equity attributable to owners of parent}) * [\text{Capital employed}]$
Adjusted net D/E ratio	$((\text{Interest-bearing debt} - \text{equity-type debt}) - \text{cash and cash equivalents}) / (\text{equity attributable to owners of the parent} + \text{equity-type debt})^*$

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

# Condensed consolidated statements of Cash flows

(Unit : ¥ bn.)	FYE2024	FYE2025	YoY	
	1H	1H	Difference	% Change
Income before income taxes	71.5	71.7	+0.2	+0.3%
Depreciation and amortization	54.8	57.5	+2.7	
Changes in working capital	-27.4	9.9	+37.3	
Others	-10.9	-19.8	-8.9	
<b>Cash flows from operating activities</b>	<b>87.9</b>	<b>119.4</b>	<b>+31.5</b>	<b>+35.7%</b>
Capital expenditures	-53.1	-85.8	-32.7	
Investments and loans	-1.8	0.0	1.8	
Others (asset sales, etc.)	-0.6	-1.3	-0.7	
<b>Cash flows from investing activities</b>	<b>-55.6</b>	<b>-87.1</b>	<b>-31.5</b>	<b>+56.6%</b>
<b>Free cash flow</b>	<b>32.3</b>	<b>32.2</b>	<b>-0.1</b>	<b>-0.3%</b>
<b>Cash flows from financing activities</b>	<b>44.7</b>	<b>-21.4</b>	<b>-66.1</b>	<b>—</b>
Impact of exchange rate changes	8.4	-1.7	-10.1	
Transfer to assets possessed for a sales purpose	-0.6	—	+0.6	
<b>Balance of cash and cash equivalents at end of quarter</b>	<b>217.0</b>	<b>135.1</b>	<b>-81.9</b>	<b>-37.7%</b>

# Condensed consolidated statements of Financial position

(Unit : ¥ bn.)	FYE2024	FYE2025	YoY		FYE2024	FYE2025	YoY
	Q4	Q2	Difference		Q4	Q2	Difference
Cash and cash equivalents	126.1	135.1	+9.0	Trade payables	136.0	121.6	-14.4
Trade receivables	282.1	250.3	-31.8	Interest-bearing liabilities	936.9	917.6	-19.3
Inventories	100.4	103.1	+2.7	Others	390.0	352.2	-37.8
Others	59.4	52.8	-6.6	<b>Total liabilities</b>	<b>1,462.9</b>	<b>1,391.5</b>	<b>-71.4</b>
<b>Total current assets</b>	<b>568.2</b>	<b>541.4</b>	<b>-26.8</b>	Share capital and capital surplus, etc	703.8	742.7	+38.9
Property, plant and equipment	877.4	866.6	-10.8	Other components of equity	210.6	176.8	-33.8
Goodwill	575.8	559.1	-16.7	<b>Equity attributable to</b>			
Intangible assets	252.3	237.9	-14.4	<b>owners of parent</b>	<b>914.4</b>	<b>919.6</b>	<b>+5.2</b>
Others	135.3	138.1	+2.8	<b>Non-controlling interests</b>	<b>31.6</b>	<b>32.3</b>	<b>+0.7</b>
<b>Total non-current assets</b>	<b>1,840.8</b>	<b>1,801.9</b>	<b>-38.9</b>	<b>Total equity</b>	<b>946.1</b>	<b>951.9</b>	<b>+5.8</b>
<b>Total assets</b>	<b>2,409.0</b>	<b>2,343.4</b>	<b>-65.6</b>	<b>Total liabilities and equity</b>	<b>2,409.0</b>	<b>2,343.4</b>	<b>-65.6</b>

Note that foreign exchange rates resulted in an decrease in both total assets and total liabilities and equity of approximately ¥62.2 billion. This mainly reflected foreign exchange rate changes, such as the JPY appreciation of ¥8.68 against the USD and the JPY appreciation of ¥3.81 against the EUR as of September 30, 2024, compared with the rates as of March 31, 2024.

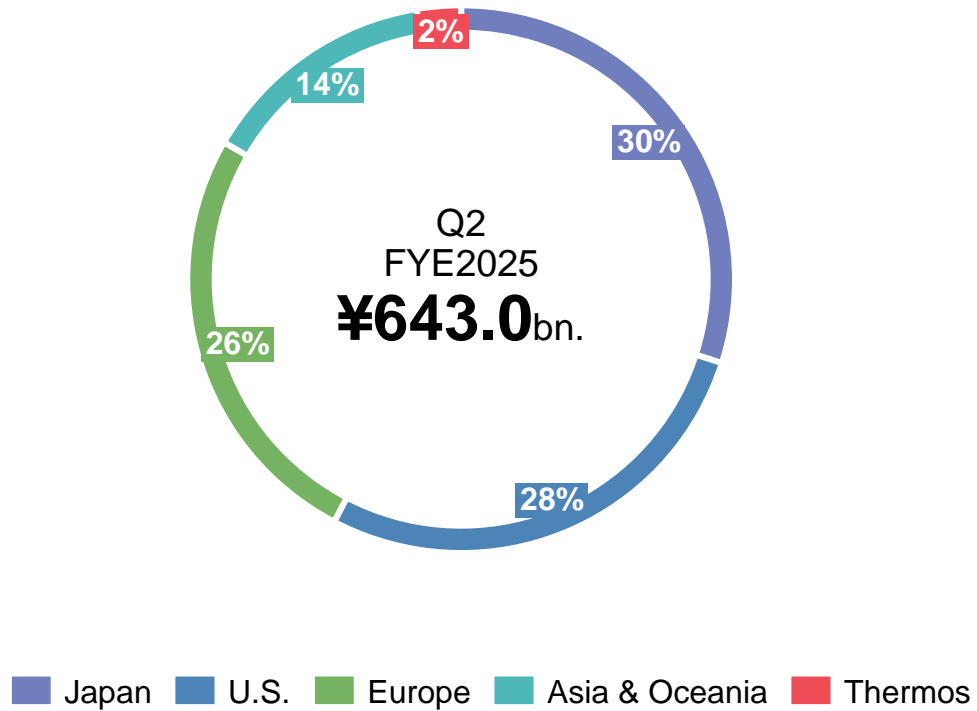
# Results overview by Segment

		FYE2024	FYE2025		YoY		Forex impact	% Change exc. FX
		1H	1H	Composition ratio	Difference	% Change		
(Unit: ¥ bn.)		(Apr.- Sep.)	(Apr.- Sep.)					
<b>Japan</b>	Revenue	202.1	<b>194.9</b>	30.3%	-7.2	-3.6%	+0.2	-3.7%
	Segment OI	21.3	<b>21.9</b>	23.5%	+0.6	+3.1%	+0.0	+2.9%
	Segment OI margin	10.6%	11.3%					
<b>United States</b>	Revenue	169.5	<b>179.5</b>	27.9%	+10.0	+5.9%	+11.6	-0.9%
	Segment OI	23.4	<b>28.5</b>	30.6%	+5.1	+21.9%	+1.6	+13.9%
	Segment OI margin	13.8%	15.9%					
<b>Europe</b>	Revenue	147.3	<b>165.5</b>	25.7%	+18.2	+12.3%	+10.4	+4.8%
	Segment OI	26.3	<b>31.8</b>	34.1%	+5.5	+20.8%	+1.9	+12.7%
	Segment OI margin	17.9%	19.2%					
<b>Asia &amp; Oceania</b>	Revenue	78.1	<b>86.5</b>	13.5%	+8.4	+10.8%	+5.4	+3.6%
	Segment OI	8.5	<b>8.8</b>	9.4%	+0.3	+3.1%	+0.6	-3.8%
	Segment OI margin	11.0%	10.2%					
<b>Thermos</b>	Revenue	15.3	<b>16.4</b>	2.6%	+1.1	+7.2%	+0.1	+6.5%
	Segment OI	2.8	<b>2.7</b>	2.9%	-0.1	-5.0%	+0.1	-9.8%
	Segment OI margin	18.7%	16.6%					
<b>Adjustment</b>	Revenue	0.0	<b>0.0</b>	0.0%	+0.0	—		—
	Segment OI	-0.9	<b>-0.4</b>	-0.5%	+0.5	—		—
<b>Consolidated total</b>	Revenue	612.5	<b>643.0</b>	100.0%	+30.5	+5.0%	+27.9	+0.4%
	Core OI	81.6	<b>93.4</b>	100.0%	+11.8	+14.5%	+4.3	+8.7%
	Core OI margin	13.3%	14.5%					

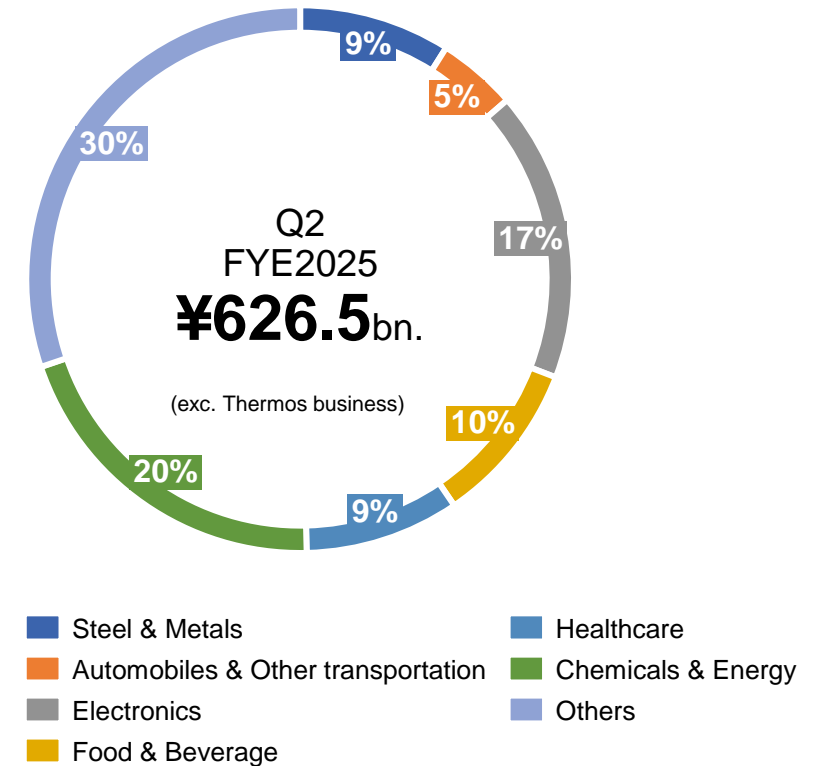


# Revenue composition

## By Segment

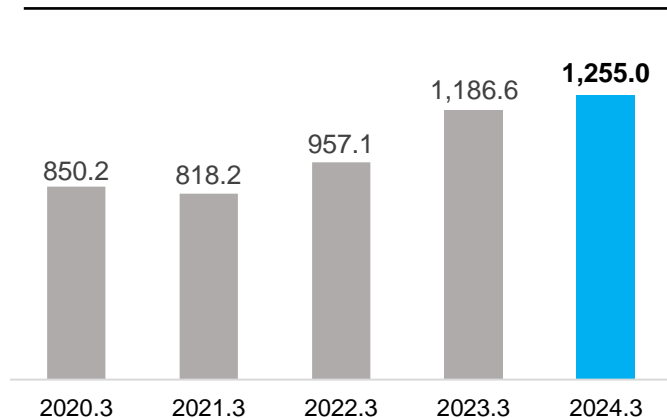


## By Industry

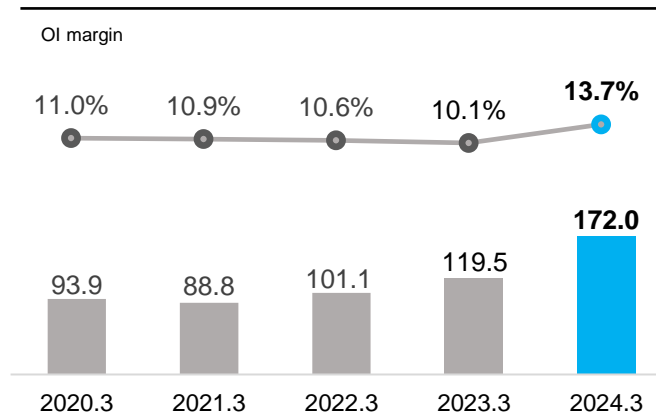


# Business performance over the past five years

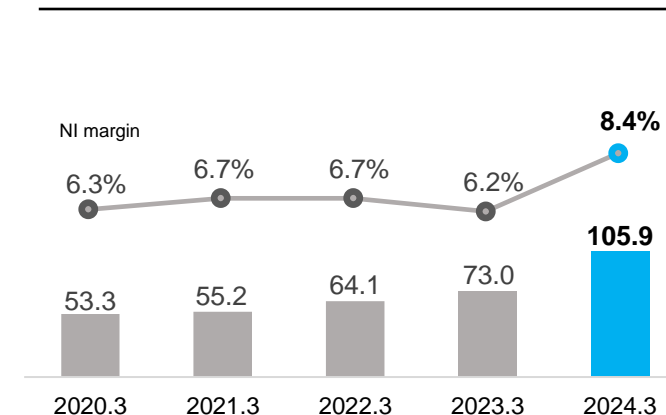
**Revenue** (¥ bn.)



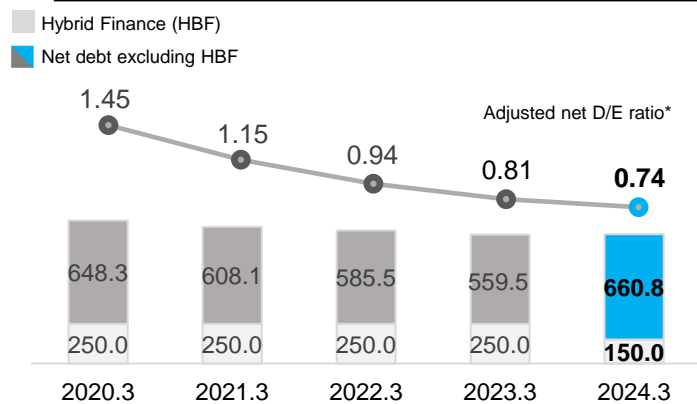
**Operating income (IFRS)** (¥ bn.)



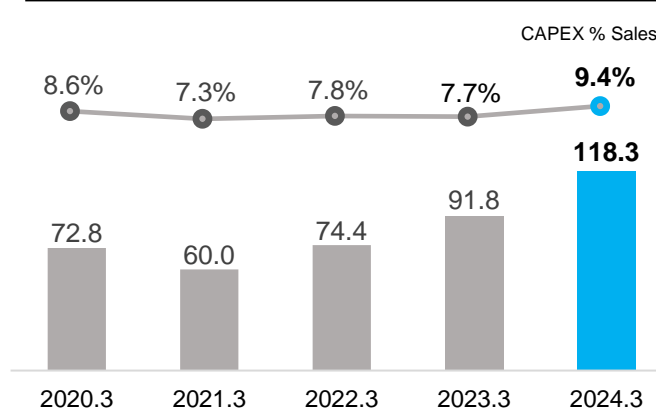
**Profit attributable to owners of the parent** (¥ bn.)



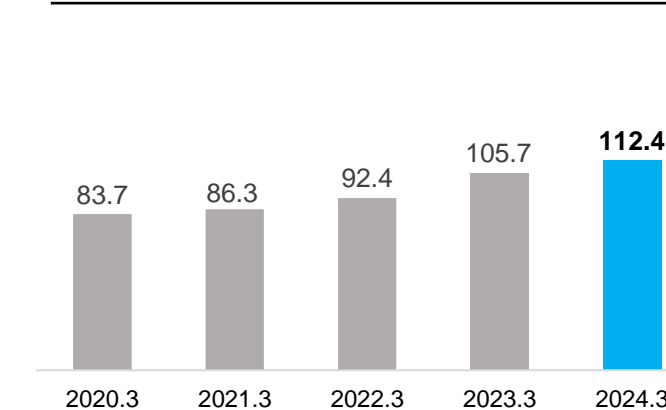
**Net interest-bearing debts** (¥ bn.)



**Capital expenditures** (¥ bn.)



**Depreciation and amortization** (¥ bn.)



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

\*It's recorded on a cash basis.

# Glossary: EBITDA margin/ROCE after Tax

## EBITDA

*(Earnings Before Interest Taxes Depreciation and Amortization)*

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

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

## ROCE after Tax

*(Return On Capital Employed after Tax)*

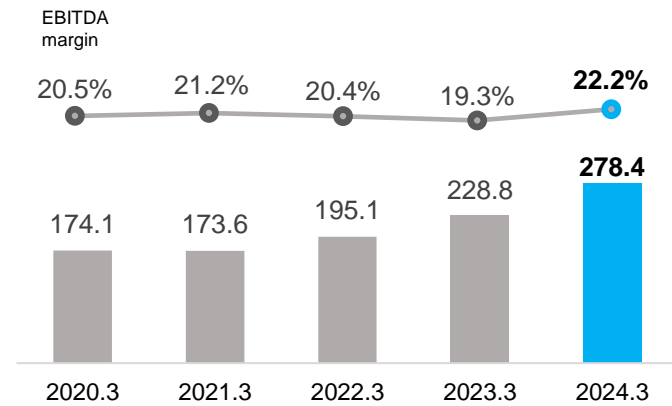
$$= \frac{\text{NOPAT (Net Operating Profit After Tax)}}{(\text{Interest-bearing debt} + \text{Total equity attributable to owners of parent}) *}$$

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

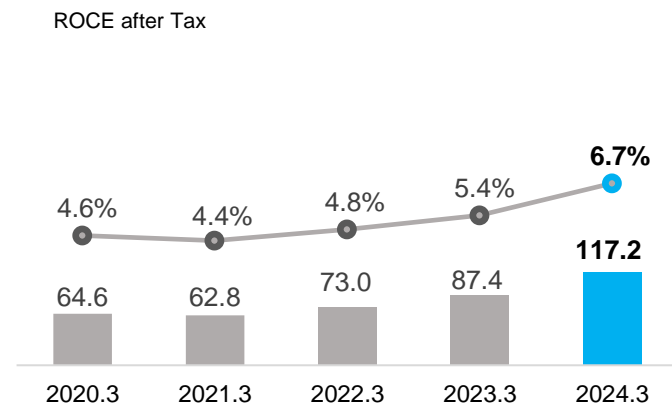
**Indicator based on profitability and investment efficiency**

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

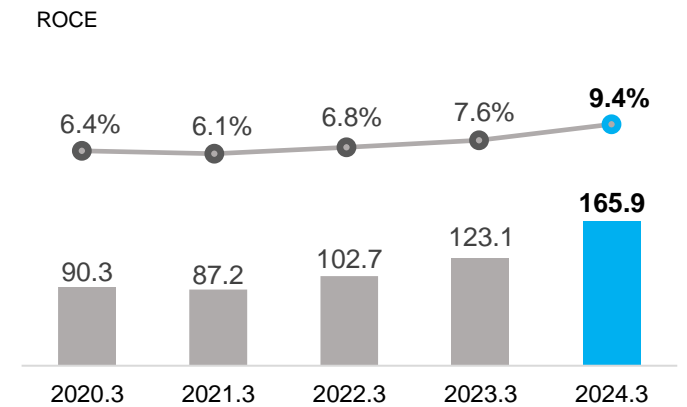
### EBITDA margin and EBITDA (¥ bn.)



### ROCE after Tax and NOPAT (¥ bn.)

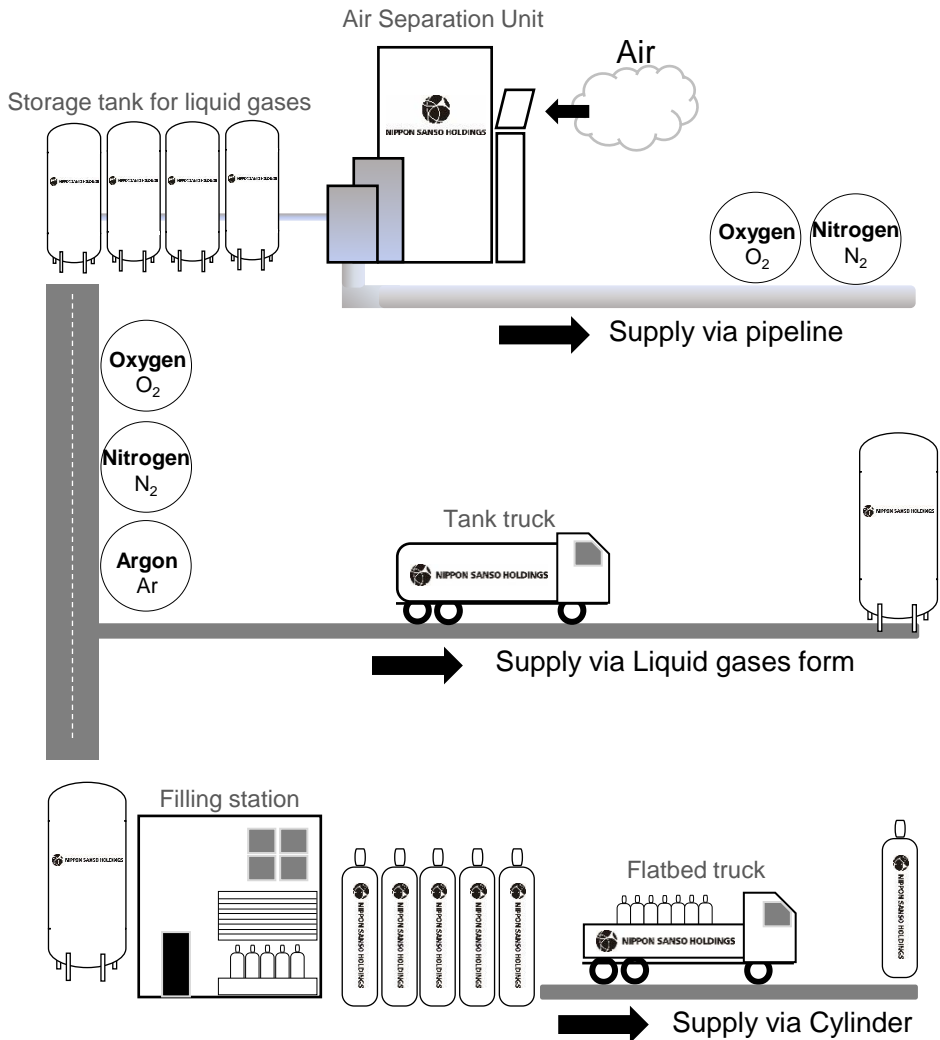


### (Reference) ROCE and Core OI (¥ bn.)



# Industrial gas supply systems

## Air Separation Gases



## On-site

Major supply destination (Sector)

Steel	Petrochemical	Refinery
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We've established production plants in the vicinity of the customer. A form of direct connection and constant supply of pipes. (Large-scale supply)

## Bulk

Major supply destination (Sector)

Automobile	Shipbuilding	Manufacturing
Construction machinery	Pharmaceutical Medical	Glass/Paper
LCP	Photovoltaics	Food/beverage
		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)

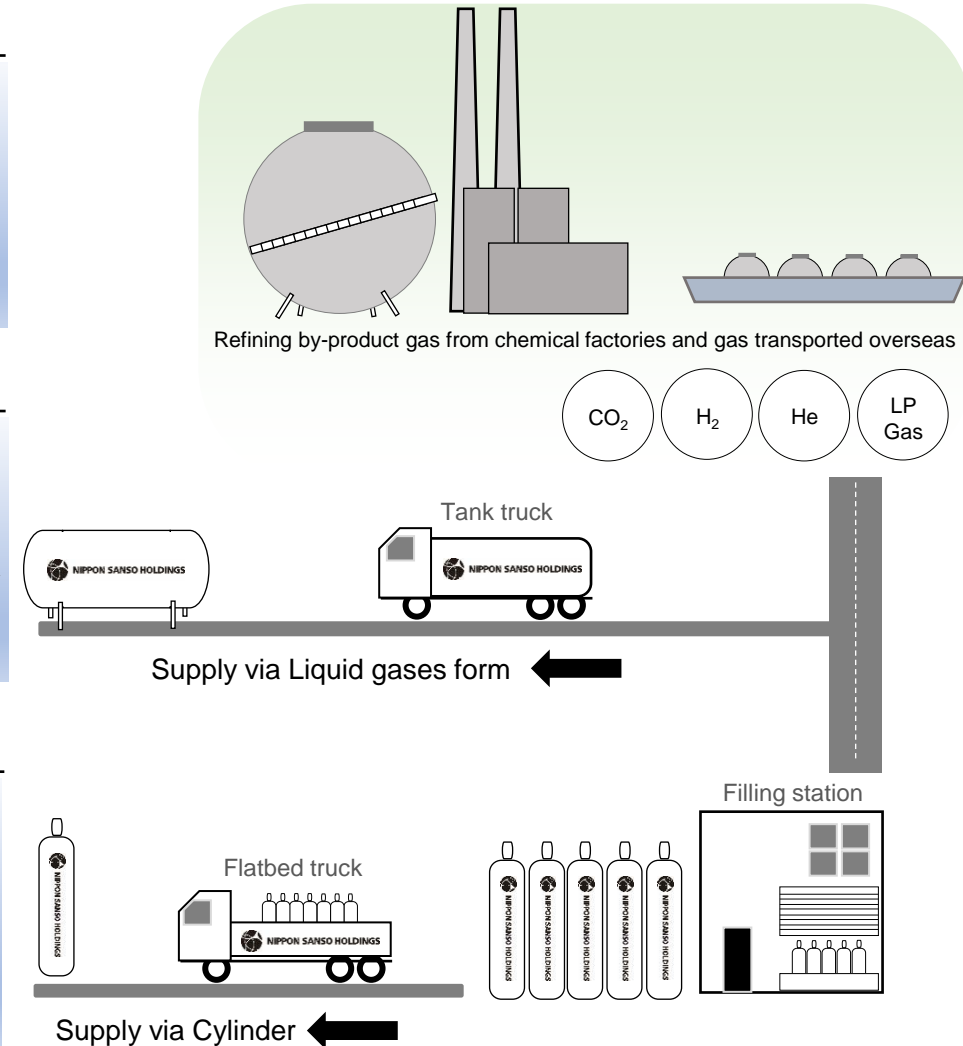
## Packaged

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



# THERMOS



## For further information, please contact:

---

### Public Relations for media

Public Relations

Tel : +81 (0)3-5788-8513

E-mail : [Nshd.info@nipponsanso-hd.co.jp](mailto:Nshd.info@nipponsanso-hd.co.jp)

### Investor Relations for investors

Investor Relations

Tel: +81 (0)3-5788-8512

E-mail : [Nshd.ir@nipponsanso-hd.co.jp](mailto:Nshd.ir@nipponsanso-hd.co.jp)

### Upcoming IR events

Web IR Conference on Sustainability initiatives	December 6, 2024
Q3 FYE2025 Earnings Call	February 5, 2025

[www.nipponsanso-hd.co.jp/en/](http://www.nipponsanso-hd.co.jp/en/)

**NIPPON SANSO Holdings Corporation (Ticker:4091.T)**

Headquarters : 1-3-26 Koyama Shinagawa-ku, Tokyo 142-0062, Japan

# Important Notice

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**NIPPON SANZO HOLDINGS**

**The Gas Professionals**

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