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**Fiscal year 2021 Third Quarter**

**Financial Results**

**Explanatory Materials**

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Meeting society's needs with nature's blessings.



February 10, 2022

## Main points of financial results for the Third quarter of fiscal year 2021.....3

### Financial results for the Third quarter of fiscal year 2021

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## Notes

- The numerical targets and forecasts presented in this document reflect the judgment of our company based on information currently available and involve potential risks and uncertainties. Therefore, the reader should note that actual business performance may differ significantly from the projections made herein due to changes in various factors.
- Air Water Inc.'s financial statements are prepared in accordance with "IFRS"(International Financial Reporting Standards).

## Main points of financial results for the Third quarter of fiscal year 2021

Revenue 647.0 billion yen (110.3% year-on-year)  
 Operating profit 49.6 billion yen (136.8% year-on-year)  
 Owners of parent 32.1 billion yen (151.5% year on year)  
 Operating profit margin 7.7% (up 1.5 pt year on year)



**Revenue base strengthened further and a new record high performance**

- ✓ **Operating profit margin surged following business structural reform and a focus on growth markets**

[Main reasons for improvement]

|                   |  |
|-------------------|--|
| Industrial gas    | Enlargement of business for electronics  |
| Medical           | Recovery of business for hospitals and revenue growth in the everyday medical care sector including dental materials |
| Agriculture& Food | Revenue growth in the whole business, including the sweets sector  |
| Seawater·Others   | New woody biomass power plants inaugurated (i.e. the Ako No. 2 plant and the Onahama plant)                          |

- ✓ **For the fourth quarter, although there are uncertainties such as rising resources prices, we will continue revenue improvement and deeply cultivate growth markets in order to accomplish the full-year financial targets.\***

\* Revenue 890 billion yen (110.3% year on year)  
 Operating profit 65 billion yen (126.9% year on year)  
 Operating profit margin 7.3% (up 0.9 pt year on year)

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# **Third Quarter Financial Results for Fiscal Year 2021**

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# Consolidated income statement

|  | FY 2020<br>1-3Q | FY 2021<br>1-3Q  | Increase/decrease |        |
|--|-----------------|------------------|-------------------|--------|
|  |                 |                  | Amount            | YoY    |
| <b>Revenue</b>   | 586.4           | <b>647.0</b>     | +60.6             | 110.3% |
| Cost of sales  | ▲453.3          | ▲498.2           | ▲44.9             |        |
| <b>Gross profit</b>  | 133.1           | <b>148.8</b>     | +15.7             | 111.8% |
| Selling, general and administrative expenses                         | ▲100.8          | ▲104.2           | ▲3.4              |        |
| Other operating income and expenses                                  | 2.4             | <b>3.5</b>       | +1.1              |        |
| Share of profit of investments accounted for using the equity method | 1.5             | <b>1.5</b>       | ▲0.0              |        |
| <b>Operating profit</b>  | 36.3            | <b>49.6</b>      | +13.3             | 136.8% |
| Finance income and costs   | ▲1.0            | ▲0.6             | ▲0.5              |        |
| <b>Quarterly profit before income taxes</b>                          | 35.2            | <b>49.0</b>      | +13.8             | 139.1% |
| Income taxes   | ▲12.0           | ▲14.7            | ▲2.7              |        |
| Quarterly loss from discontinued operations                          | ▲0.0            | ▲0.1             | ▲0.1              |        |
| <b>Quarterly profit</b>  | 23.2            | <b>34.2</b>      | +11.0             | 147.3% |
| <b>Owners of parent</b>  | 21.2            | <b>32.1</b>      | +10.9             | 151.5% |
| Non-controlling interests  | 2.0             | <b>2.0</b>       | +0.0              |        |
| Operating profit margin  | <b>6.2%</b>     | <b>7.7%</b>      |                   |        |
| ROE <sup>*1</sup>  | <b>6.3%</b>     | <b>8.7%</b>      |                   |        |
| Basic net earnings per share for the quarter <sup>*2</sup>           | <b>93.54yen</b> | <b>142.18yen</b> |                   |        |

\*1 "Profit for the period attributable to owners of the parent" ÷ "Equity attributable to owners of the parent"  
 (The average between the beginning and the end of the quarter)

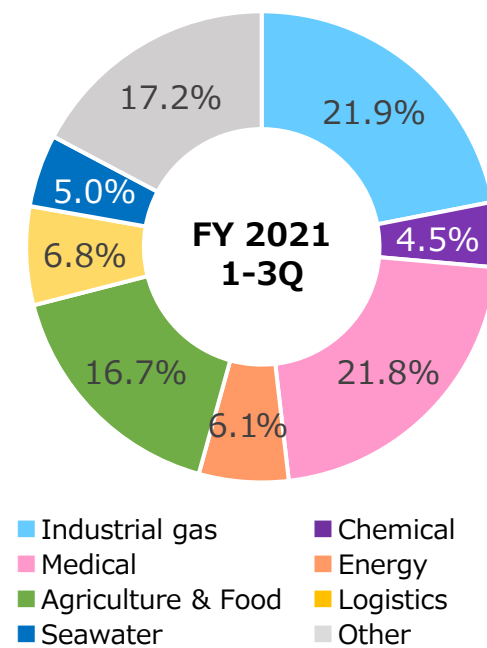
\*2 Basic earnings per share for the period are calculated based on the average number of issued shares during the period.

# Revenue by segment

(Unit: Billion yen)

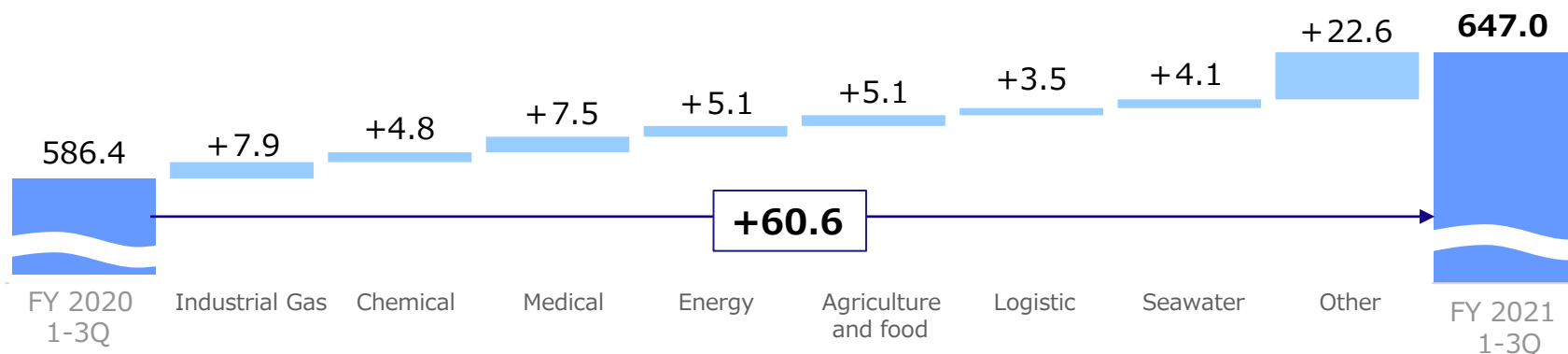
|                    | FY 2020<br>1-3Q | FY 2021<br>1-3Q | Increase/decrease |               |
|--------------------|-----------------|-----------------|-------------------|---------------|
|                    |                 |                 | Amount            | YoY           |
| Industrial gas     | 134.1           | <b>141.9</b>    | +7.9              | 105.9%        |
| Chemical           | 24.1            | <b>28.9</b>     | +4.8              | 119.9%        |
| Medical            | 133.3           | <b>140.8</b>    | +7.5              | 105.6%        |
| Energy             | 34.7            | <b>39.8</b>     | +5.1              | 114.6%        |
| Agriculture & Food | 102.9           | <b>108.1</b>    | +5.1              | 105.0%        |
| Logistics          | 40.3            | <b>43.8</b>     | +3.5              | 108.7%        |
| Seawater           | 28.1            | <b>32.2</b>     | +4.1              | 114.7%        |
| Other              | 89.0            | <b>111.6</b>    | +22.6             | 125.4%        |
| <b>Total</b>       | <b>586.4</b>    | <b>647.0</b>    | <b>+60.6</b>      | <b>110.3%</b> |

## Revenue composition ratio by segment



## Revenue increase/decrease by segment

(Unit: Billion yen)

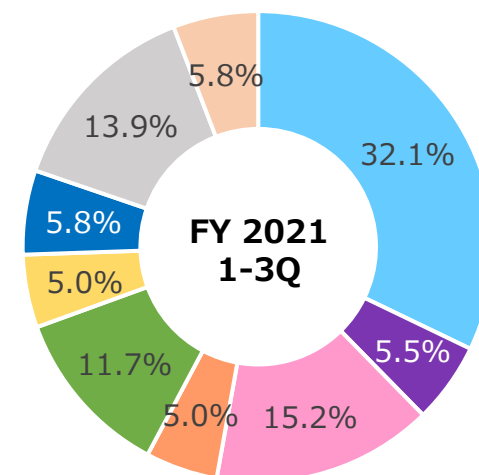


# Operating profit by segment

(Unit: Billion yen)

|                    | FY 2020<br>1-3Q | FY 2021<br>1-3Q | Increase/decrease |               |
|--------------------|-----------------|-----------------|-------------------|---------------|
|                    |                 |                 | Amount            | YoY           |
| Industrial gas     | 13.7            | <b>15.9</b>     | +2.2              | 116.4%        |
| Chemical           | 1.6             | <b>2.7</b>      | +1.1              | 170.8%        |
| Medical            | 5.8             | <b>7.5</b>      | +1.7              | 128.7%        |
| Energy             | 2.6             | <b>2.5</b>      | ▲0.1              | 96.2%         |
| Agriculture & Food | 3.9             | <b>5.8</b>      | +1.9              | 148.8%        |
| Logistics          | 2.2             | <b>2.5</b>      | +0.3              | 111.6%        |
| Seawater           | 1.6             | <b>2.9</b>      | +1.2              | 177.3%        |
| Other              | 3.3             | <b>6.9</b>      | +3.6              | 207.6%        |
| Adjustment*        | 1.5             | <b>2.9</b>      | +1.4              | 191.4%        |
| <b>Total</b>       | <b>36.3</b>     | <b>49.6</b>     | <b>+13.3</b>      | <b>136.8%</b> |

## Operating profit composition ratio by segment

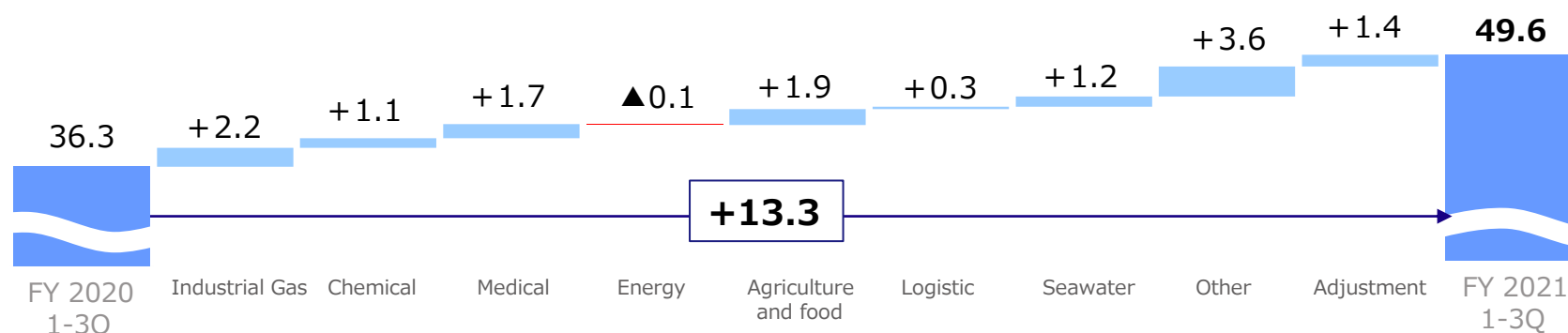


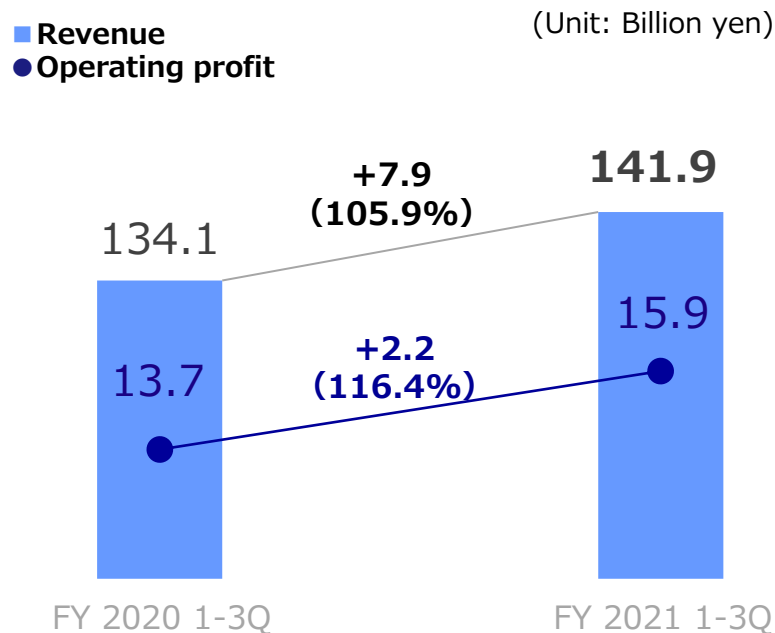
- Industrial gas
- Medical
- Agriculture & Food
- Logistics
- Seawater
- Adjustment
- Chemical
- Energy
- Other

\* Adjustment: Elimination of intersegment transactions and profit or loss of the company's Head Office divisions that are not allocated to each reporting segment.

## Operating profit increase/decrease by segment

(Unit: Billion yen)





## Main increase/decrease factors

### ■ Revenue +7.9 billion yen

- [+] · Increase in gas sales after rallying demand from manufacturers in Japan
- Rise in sales of equipment and materials for electronics
- Increase in sales of dry ice
- [-] · Reactionary decrease resulting from a large engineering project

### ■ Operating profit +2.2 billion yen

- [+] · Increase in sales of equipment and materials for electronics
- Rise in gas sales following recovery of demand from manufacturers in Japan
- Increase in sales of dry ice
- Rise in gas supply in India

## ■ Revenue by sub-segment

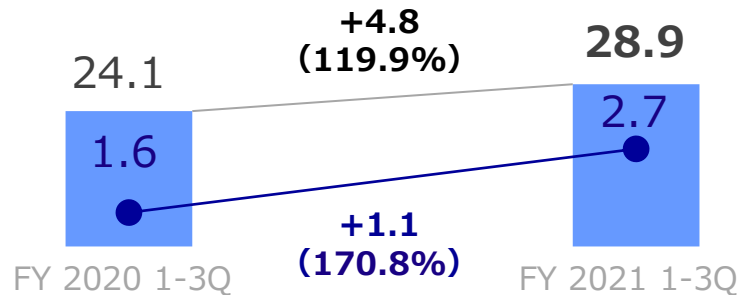
(Unit: Billion yen)

|                                       | FY 2020<br>1-3Q | FY 2021<br>1-3Q | Increase/<br>decrease | YoY    |
|---------------------------------------|-----------------|-----------------|-----------------------|--------|
| Gas                                   | 79.7            | <b>90.1</b>     | +10.3                 | 112.9% |
| Equipment, construction<br>and others | 42.7            | <b>39.3</b>     | ▲3.4                  | 92.1%  |
| Overseas                              | 11.6            | <b>12.5</b>     | + 0.9                 | 107.7% |
| Total                                 | 134.1           | <b>141.9</b>    | + 7.9                 | 105.9% |



■ Revenue  
● Operating profit

(Unit: Billion yen)



## Main increase/decrease factors

### ■ Revenue +4.8 billion yen

- [+] · Increase in sales of functional chemicals for electronic materials
- Upturn in domestic organic acid market
  - Increase in sales of naphthoquinone for agricultural chemicals

### ■ Operating profit +1.1 billion yen

- [+] · Increase in sales of naphthoquinone for agricultural chemicals
- Increase in sales of functional chemicals for electronic materials
  - Increase in sales of sodium acetate for foods
  - Increase in sales of precision polishing pads

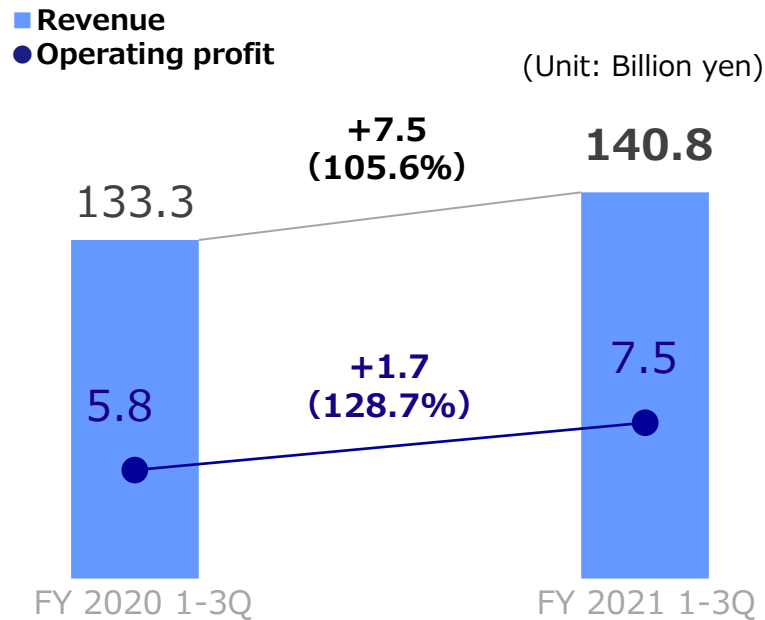
## ■ Revenue by sub-segment

(Unit: Billion yen)

|                      | FY 2020 1-3Q | FY 2021 1-3Q | Increase/decrease | YoY           |
|----------------------|--------------|--------------|-------------------|---------------|
| AWPC <sup>*1</sup>   | 19.6         | <b>23.5</b>  | +3.9              | 119.8%        |
| Others <sup>*2</sup> | 4.5          | <b>5.4</b>   | +0.9              | 120.2%        |
| <b>Total</b>         | <b>24.1</b>  | <b>28.9</b>  | <b>+4.8</b>       | <b>119.9%</b> |

\*1 Represents revenue of Air Water Performance Chemical Inc. (AWPC). AWPC was established on October 1, 2021. On the same date, it integrate Air Water Inc.'s Electronic Material Development Division, Kawasaki Kasei Chemicals Ltd. and Daito Chemical Co., Ltd. For the fiscal year ended March 31,

\*2 The value totaling the revenue of FILWEL Co., Ltd. and that of Printec Corporation is presented.



## Main increase/decrease factors

### ■ Revenue + 7.5 billion yen

- [+] · Rebound in demand for hospital facility construction, maintenance and inspections
- Increase in rentals of equipment for domiciliary oxygen therapy
  - Rise in sales of syringes for vaccination and dental materials

### ■ Operating profit + 1.7 billion yen

- [+] · Rebound in demand for hospital facility construction, maintenance and inspections
- Increase in rentals of equipment for domiciliary oxygen therapy
  - Progress in revenue improvement in medical services
  - Recovery of medical gas supply
- [-] · Reactionary decrease after extraordinary demand for hygiene products in the previous year

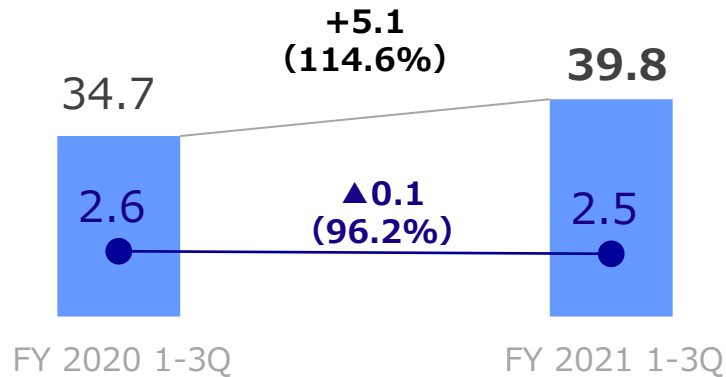
## ■ Revenue by sub-segment

(Unit: Billion yen)

|                            | FY 2020<br>1-3Q | FY 2021<br>1-3Q | Increase/<br>decrease | YoY           |
|----------------------------|-----------------|-----------------|-----------------------|---------------|
| Hospital facilities        | 17.0            | <b>19.3</b>     | +2.3                  | 113.6%        |
| Medical treatment services | 57.2            | <b>57.8</b>     | +0.6                  | 101.1%        |
| Medical gas                | 6.2             | <b>6.7</b>      | +0.5                  | 108.3%        |
| Medical equipment          | 7.0             | <b>6.8</b>      | ▲0.2                  | 97.6%         |
| Home medical care          | 7.4             | <b>8.7</b>      | +1.3                  | 117.3%        |
| Hygiene products           | 23.3            | <b>22.2</b>     | ▲1.1                  | 95.2%         |
| Other                      | 15.3            | <b>19.3</b>     | +4.0                  | 126.5%        |
| <b>Total</b>               | <b>133.3</b>    | <b>140.8</b>    | <b>+7.5</b>           | <b>105.6%</b> |

■ Revenue  
● Operating profit

(Unit: Billion yen)



## Main increase/decrease factors

### ■ Revenue +5.1 billion yen

- [+] · Rise in LPG and kerosene sales prices due to market conditions
- Rebound in demand for LPG for industrial and commercial use

### ■ Operating profit ▲0.1 billion yen

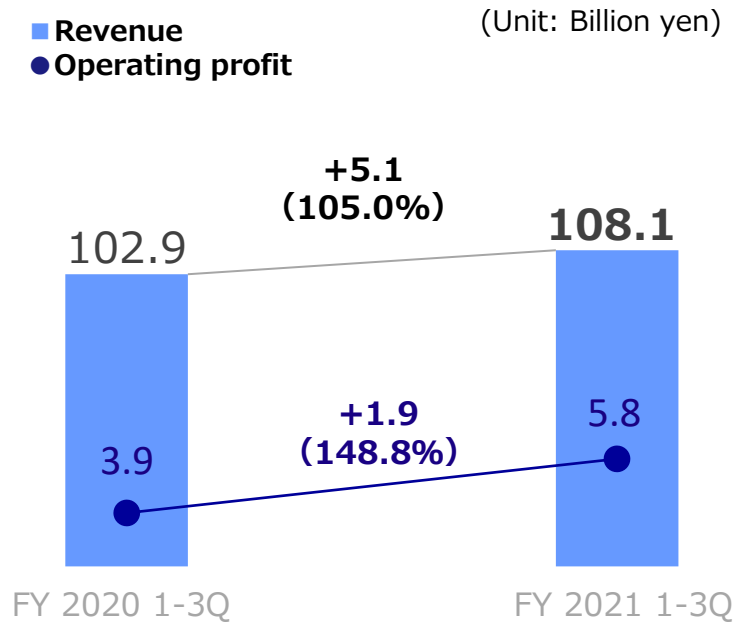
- [-] · Shrinkage of stay-at-home demands for LP gas for household use
- [+] · Increase in sales and constructions of energy-related equipment

## ■ Revenue by sub-segment

(Unit: Billion yen)

|                     | FY 2020<br>1-3Q | FY 2021<br>1-3Q | Increase/<br>decrease | YoY    |
|---------------------|-----------------|-----------------|-----------------------|--------|
| LP gas              | 34.1            | <b>39.0</b>     | +4.9                  | 114.3% |
| Natural gas-related | 0.6             | <b>0.8</b>      | +0.2                  | 127.9% |
| Total               | 34.7            | <b>39.8</b>     | +5.1                  | 114.6% |

# Agriculture & Food Products Business: Revenue and operating profit



## Main increase/decrease factors

### ■ Revenue +5.1 billion yen

- [+] · Rise in contract manufacturing quantity in the beverage business
- Increase in sales of cooked and processed foods for mass merchants in ham and deli areas
  - Sales rise in the sweets sector
  - Effect of new consolidation of Plus Co., Ltd.

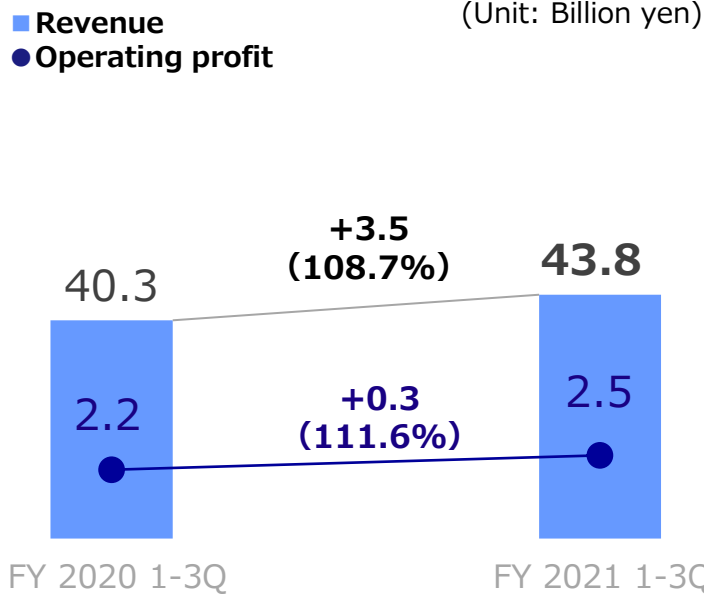
### ■ Operating profit +1.9 billion yen

- [+] · Increase in sales of cooked and processed foods for mass merchants in ham and deli areas
- Rise in contract manufacturing quantity in the beverage business
  - Productivity improvement in the sweets sector
  - Effect of new consolidation of Plus Co., Ltd.
  - Operating gain on sale of land of a subsidiary recorded

## ■ Revenue by sub-segment

(Unit: Billion yen)

|                                   | FY 2020 1-3Q | FY 2021 1-3Q | Increase/decrease | YoY           |
|-----------------------------------|--------------|--------------|-------------------|---------------|
| Farm products and food processing | 44.7         | <b>47.3</b>  | +2.5              | 105.6%        |
| Beverage                          | 36.5         | <b>38.9</b>  | +2.5              | 106.7%        |
| Other                             | 21.7         | <b>21.9</b>  | +0.2              | 100.7%        |
| <b>Total</b>                      | <b>102.9</b> | <b>108.1</b> | <b>+5.1</b>       | <b>105.0%</b> |



## Main increase/decrease factors

### ■ Revenue +3.5 billion yen

- [+] · Rise in trunk line transport volume for B2B logistics and online sales
- Increase in volume of shipments of low-temperature logistics for supermarkets

### ■ Operating profit +0.3 billion yen

- [+] · Rise in trunk line transport volume for B2B logistics and online sales
- Effect of new consolidation of Reprowork Holdings Co., Ltd.
- [-] · Increase of diesel oil prices

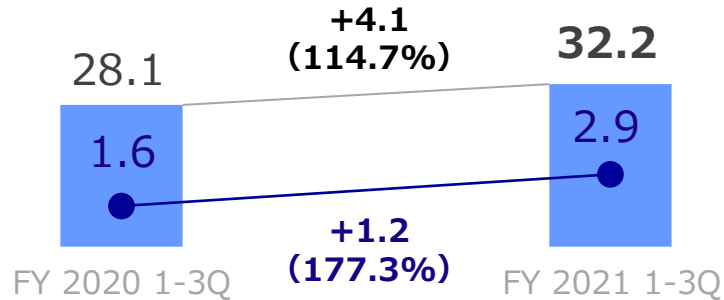
## ■ Revenue by sub-segment

(Unit: Billion yen)

|                               | FY 2020<br>1-3Q | FY 2021<br>1-3Q | Increase/<br>decrease | YoY    |
|-------------------------------|-----------------|-----------------|-----------------------|--------|
| Transport                     | 18.2            | 21.3            | +3.1                  | 116.9% |
| 3PL                           | 17.8            | 18.2            | +0.5                  | 102.6% |
| Vehicle body<br>manufacturing | 4.3             | 4.2             | ▲0.0                  | 99.3%  |
| Total                         | 40.3            | 43.8            | +3.5                  | 108.7% |

■ Revenue  
● Operating profit

(Unit: Billion yen)



## Main increase/decrease factors

### ■ Revenue +4.1 billion yen

- [+] · Ako No.2 Biomass Power Plant began operating
- Rise in sales of electro-melting magnesia for heaters, ceramic products and others

### ■ Operating profit +1.2 billion yen

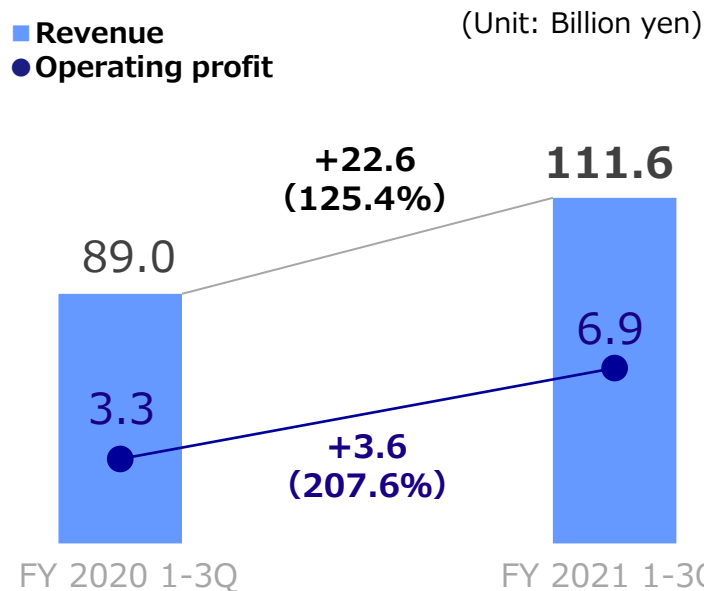
- [+] · Ako No.2 Biomass Power Plant began operating
- Rise in sales of electro-melting magnesia for heaters, ceramic products and others

## ■ Revenue by sub-segment

(Unit: Billion yen)

|              | FY 2020 1-3Q | FY 2021 1-3Q | Increase/decrease | YoY    |
|--------------|--------------|--------------|-------------------|--------|
| Salt-related | 22.2         | <b>25.7</b>  | +3.5              | 115.8% |
| Magnesia     | 5.9          | <b>6.5</b>   | +0.6              | 110.6% |
| Total        | 28.1         | <b>32.2</b>  | +4.1              | 114.7% |

※ The segment consists of the salt manufacturing business, environmental business, electric power business and food product business of Nihonkaisui Co., Ltd.



## Main increase/decrease factors

### ■ Revenue +22.6 billion yen

- [+] · Inauguration of the Onahama Power Plant in April 2021
- Increase in sales of electronic materials for in-vehicle applications
- Rise in sales of industrial gas equipment in North America

### ■ Operating profit +3.6 billion yen

- [+] · Inauguration of the Onahama Power Plant in April 2021
- Increase in sales of sealing materials for semiconductor manufacturing devices
- Increase in sales of electronic materials for in-vehicle applications
- Rise in sales of industrial gas equipment in North America

## ■ Revenue by sub-segment

(Unit: Billion yen)

|                                       | FY 2020<br>1-3Q | FY 2021<br>1-3Q | Increase/<br>decrease | YoY           |
|---------------------------------------|-----------------|-----------------|-----------------------|---------------|
| Aerosol                               | 15.1            | 15.9            | +0.9                  | 105.7%        |
| Information and electronics materials | 28.8            | 34.0            | +5.3                  | 118.3%        |
| Overseas engineering                  | 16.5            | 19.8            | +3.3                  | 120.2%        |
| Electricity                           | 9.4             | 20.1            | +10.7                 | 213.8%        |
| Other                                 | 19.3            | 21.8            | +2.5                  | 113.0%        |
| <b>Total</b>                          | <b>89.0</b>     | <b>111.6</b>    | <b>+22.6</b>          | <b>125.4%</b> |

# Consolidated statement of financial position

(Unit: Billion yen)

|   |                              | End of March<br>2021 | End of<br>December<br>2021 | Increase/decrease |        |
|---|------------------------------|----------------------|----------------------------|-------------------|--------|
|   |                              |                      |                            | Amount            | YoY    |
|   | Current assets               | 335.8                | <b>367.2</b>               | 31.4              | 109.4% |
|   | Non-current assets           | 591.1                | <b>634.1</b>               | 43.0              | 107.3% |
|   | Total assets                 | 926.8                | <b>1,001.2</b>             | 74.4              | 108.0% |
|   | Current liabilities          | 239.1                | <b>256.9</b>               | 17.8              | 107.4% |
|   | Non-current liabilities      | 315.3                | <b>340.2</b>               | 24.9              | 107.9% |
|   | Total liabilities            | 554.4                | <b>597.1</b>               | 42.7              | 107.7% |
|   | Total equity                 | 372.4                | <b>404.1</b>               | 31.7              | 108.5% |
|   | Total liabilities and equity | 926.8                | <b>1,001.2</b>             | 74.4              | 108.0% |
| Equity attributable to owners of the parent       |                              | 357.8                | <b>381.6</b>               |                   |        |
| Interest-bearing liabilities                      |                              | 337.8                | <b>376.9</b>               |                   |        |
| Equity ratio attributable to owners of the parent |                              | 38.6%                | <b>38.1%</b>               |                   |        |
| Net D/E ratio *                                   |                              | 0.82                 | <b>0.85</b>                |                   |        |

\*"Net interest-bearing liabilities" ÷ "Equity attributable to owners of the parent"



(Unit: Billion yen)

|  | FY 2020<br>1-3Q | FY 2021<br>1-3Q | Increase/<br>decrease |
|--|-----------------|-----------------|-----------------------|
| Operating cash flows [(1)]                             | 47.1            | <b>46.6</b>     | ▲0.5                  |
| Investment cash flows [(2)]                            | ▲41.5           | <b>▲36.1</b>    | +5.5                  |
| Financial cash flows [(3)]                             | ▲5.2            | <b>▲5.4</b>     | ▲0.2                  |
| Total cash flows<br>[(1)+(2)+(3)]                      | 0.4             | <b>5.2</b>      | +4.8                  |
| Cash and cash equivalents at<br>the end of the quarter | 43.3            | <b>52.6</b>     | +9.4                  |
| Free cash flows [(1)+(2)]                              | 5.6             | <b>10.5</b>     | +5.0                  |

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# **Fiscal Year 2021 Full-Year Financial Results forecast**

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There is no change from the revised forecast announced on November 5.

(Unit: Billion yen)

|   | Full year for FY2021 |                                 |                   |        |
|---|----------------------|---------------------------------|-------------------|--------|
|   | FY2020<br>(Result)   | FY2021<br>(Initial<br>Forecast) | Increase/decrease |        |
|   |                      |                                 | Amount            | YoY    |
| Revenue   | 806.6                | <b>890.0</b>                    | +83.4             | 110.3% |
| Operating profit                                  | 51.2                 | <b>65.0</b>                     | +13.8             | 126.9% |
| Profit before income taxes                        | 49.7                 | <b>64.0</b>                     | +14.3             | 128.9% |
| Profit attributable to owners of the parent       | 27.4                 | <b>43.0</b>                     | +15.6             | 157.1% |
| Operating profit margin                           | 6.4%                 | <b>7.3%</b>                     | +0.9pt            | —      |
| Basic net earnings per share for the quarter      | 120.98yen            | <b>190.13yen</b>                |                   |        |
| ROE ※1  | 7.9%                 | <b>11.5%</b>                    |                   |        |
| Equity ratio attributable to owners of the parent | 38.6%                | <b>38.9%</b>                    |                   |        |
| Net D/E ratio ※2                                  | 0.82                 | <b>0.85</b>                     |                   |        |

※1 “Profit for the period attributable to owners of the parent” ÷ “Equity attributable to owners of the parent”

※2 “Net interest-bearing debt” ÷ “Equity attributable to owners of the parent”

# Fiscal Year 2021 Full-year financial results forecast

(Unit: Billion yen)  AIR WATER

## By segments

|   |                  | FY2020<br>full year | FY2021<br>full year   | Increase/decrease |        | FY2021<br>full year |       |
|---|------------------|---------------------|-----------------------|-------------------|--------|---------------------|-------|
|   |                  | Results             | ① Revised<br>forecast | Amount            | YoY    | ②<br>FY 2021 1-3Q   | ①-②   |
| Industrial Gases  | Revenue          | 185.6               | <b>196.0</b>          | +10.4             | 105.6% | <b>141.9</b>        | 54.1  |
|   | Operating profit | 20.9                | <b>22.7</b>           | +1.8              | 108.8% | <b>15.9</b>         | 6.8   |
| Chemical  | Revenue          | 33.4                | <b>38.0</b>           | +4.6              | 113.9% | <b>28.9</b>         | 9.1   |
|   | Operating profit | 2.0                 | <b>3.0</b>            | +1.0              | 150.6% | <b>2.7</b>          | 0.3   |
| Medical   | Revenue          | 186.4               | <b>198.0</b>          | +11.6             | 106.2% | <b>140.8</b>        | 57.2  |
|   | Operating profit | 10.5                | <b>12.2</b>           | +1.7              | 116.1% | <b>7.5</b>          | 4.7   |
| Energy  | Revenue          | 53.1                | <b>59.0</b>           | +5.9              | 111.1% | <b>39.8</b>         | 19.2  |
|   | Operating profit | 4.6                 | <b>4.7</b>            | +0.1              | 103.1% | <b>2.5</b>          | 2.2   |
| Agriculture & Food<br>Products  | Revenue          | 132.6               | <b>144.0</b>          | +11.4             | 108.6% | <b>108.1</b>        | 35.9  |
|   | Operating profit | 4.0                 | <b>6.5</b>            | +2.5              | 161.3% | <b>5.8</b>          | 0.7   |
| Logistics   | Revenue          | 53.3                | <b>58.0</b>           | +4.7              | 108.8% | <b>43.8</b>         | 14.2  |
|   | Operating profit | 2.8                 | <b>3.2</b>            | +0.4              | 113.0% | <b>2.5</b>          | 0.7   |
| Seawater  | Revenue          | 41.0                | <b>46.0</b>           | +5.0              | 112.3% | <b>32.2</b>         | 13.8  |
|   | Operating profit | 3.1                 | <b>3.8</b>            | +0.7              | 123.3% | <b>2.9</b>          | 0.9   |
| Other<br><small>(sol, information electronics materials,<br/>overseas engineering and others)</small> | Revenue          | 121.3               | <b>151.0</b>          | +29.7             | 124.4% | <b>111.6</b>        | 39.4  |
|   | Operating profit | 4.9                 | <b>9.9</b>            | +5.0              | 204.0% | <b>6.9</b>          | 3.0   |
| (Adjustment)  | Operating profit | ▲1.5                | <b>▲1.0</b>           | +0.5              | —      | <b>2.9</b>          | ▲3.9  |
| Total   | Revenue          | 806.6               | <b>890.0</b>          | +83.4             | 110.3% | <b>647.0</b>        | 243.0 |
|   | Operating profit | 51.2                | <b>65.0</b>           | +13.8             | 126.9% | <b>49.6</b>         | 15.4  |

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# **Supplementary Material**

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## Revenue and Operating profit by segment (Year-on-year comparison to fiscal year 2019)

(Unit: Billion yen)

|                    |                  | FY2019<br>1-3Q | FY2021<br>1-3Q | Increase/decrease |        |
|--------------------|------------------|----------------|----------------|-------------------|--------|
|                    |                  |                |                | Amount            | YoY    |
| Industrial gas     | Revenue          | 138.0          | <b>141.9</b>   | +3.9              | 102.8% |
|                    | Operating profit | 14.1           | <b>15.9</b>    | +1.8              | 112.9% |
| Chemical           | Revenue          | 18.7           | <b>28.9</b>    | +10.1             | 154.2% |
|                    | Operating profit | 2.4            | <b>2.7</b>     | +0.3              | 113.5% |
| Medical            | Revenue          | 135.5          | <b>140.8</b>   | +5.3              | 103.9% |
|                    | Operating profit | 5.9            | <b>7.5</b>     | +1.6              | 127.1% |
| Energy             | Revenue          | 35.1           | <b>39.8</b>    | +4.7              | 113.4% |
|                    | Operating profit | 2.1            | <b>2.5</b>     | +0.4              | 117.1% |
| Agriculture & Food | Revenue          | 107.2          | <b>108.1</b>   | +0.9              | 100.8% |
|                    | Operating profit | 3.6            | <b>5.8</b>     | +2.2              | 161.5% |
| Logistics          | Revenue          | 38.0           | <b>43.8</b>    | +5.7              | 115.1% |
|                    | Operating profit | 1.9            | <b>2.5</b>     | +0.6              | 133.1% |
| Seawater           | Revenue          | 28.8           | <b>32.2</b>    | +3.4              | 111.9% |
|                    | Operating profit | 2.1            | <b>2.9</b>     | +0.8              | 136.6% |
| Other              | Revenue          | 90.7           | <b>111.6</b>   | +20.9             | 123.0% |
|                    | Operating profit | 5.0            | <b>6.9</b>     | +1.9              | 138.0% |
| Adjustment         | Operating profit | 1.7            | <b>2.9</b>     | +1.2              | 167.9% |
| Total              | Revenue          | 592.1          | <b>647.0</b>   | +54.9             | 109.3% |
|                    | Operating profit | 38.8           | <b>49.6</b>    | +10.8             | 127.7% |

## Number of consolidated companies

|                            | End of March 2021 | End of December 2021 | Increase/decrease                                    |
|----------------------------|-------------------|----------------------|--|
| Consolidated subsidiaries* | 124               | <b>121</b>           | Increase of 12 companies<br>Decrease of 15 companies |
| Equity method affiliates   | 14                | <b>12</b>            | Decrease of 2 companies                              |
| Total                      | 138               | <b>133</b>           | Increase of 12 companies<br>Decrease of 17 companies |

\* The number of consolidated subsidiaries include only companies which Air Water directly consolidates. Affiliated companies consolidated by consolidated subsidiaries are excluded from this number. Consolidated companies listed above include joint operations.

## Major newly consolidated companies for fiscal year 2021

| Company name                                  | Segment            | Time of start of consolidation |
|---|--------------------|--------------------------------|
| Air Water & Energia Power Onahama Corporation | Other              | 2021.1Q                        |
| Repro Work Holdings Co., Ltd.                 | Logistics          | 2021.3Q                        |
| Plus Co., Ltd.                                | Agriculture & Food | 2021.3Q                        |

## (Reference) Major newly consolidated companies for fiscal year 2020

| Company name  | Segment        | Time of start of consolidation |
|---|----------------|--------------------------------|
| Air Water Vietnam Co., Ltd.                                     | Industrial gas | 2020.1Q                        |
| Pacific Petroleum Import and Export Trading Joint Stock Company | Energy         | 2020.1Q                        |
| KATSURA TSUSHO Co., Ltd.  | Logistics      | 2020.1Q                        |

## Revenue by product in the industrial gas and energy businesses (in Japan)

(Unit: Billion yen)

|                      | FY 2020 1-3Q | FY 2021 1-3Q | Increase/decrease |        |
|----------------------|--------------|--------------|-------------------|--------|
|                      | Amount       | Amount       | Amount            | YoY    |
| Oxygen               | 16.1         | <b>19.5</b>  | +3.4              | 121.1% |
| Nitrogen             | 22.5         | <b>23.5</b>  | +1.1              | 104.7% |
| Argon                | 8.8          | <b>9.5</b>   | +0.7              | 107.7% |
| Carbon dioxide       | 15.4         | <b>17.3</b>  | +1.9              | 112.6% |
| Hydrogen             | 3.2          | <b>3.9</b>   | +0.8              | 123.6% |
| Helium               | 1.8          | <b>2.0</b>   | +0.1              | 106.2% |
| Other gases          | 12.0         | <b>14.3</b>  | +2.4              | 119.8% |
| Industrial gas total | 79.7         | <b>90.1</b>  | +10.3             | 112.9% |
| LP gas               | 17.2         | <b>20.9</b>  | +3.7              | 121.7% |
| Kerosene             | 4.8          | <b>6.2</b>   | +1.4              | 129.3% |

\*Revenues generated by overseas industrial gas and LP gas businesses are not included.



## Business profit by segment

\* Business profit is calculated by subtracting other revenues and expenses from operating profit.

(Unit: Billion yen)

|                    | FY 2020<br>1-3Q | FY 2021<br>1-3Q | Increase/decrease |               |
|--------------------|-----------------|-----------------|-------------------|---------------|
|                    |                 |                 | Amount            | YoY           |
| Industrial gas     | 12.7            | <b>15.0</b>     | +2.3              | 118.0%        |
| Chemical           | 1.4             | <b>2.8</b>      | +1.4              | 195.7%        |
| Medical            | 5.1             | <b>6.9</b>      | +1.8              | 135.0%        |
| Energy             | 2.0             | <b>2.1</b>      | +0.1              | 102.6%        |
| Agriculture & Food | 3.3             | <b>5.0</b>      | +1.6              | 148.2%        |
| Logistics          | 2.0             | <b>2.2</b>      | +0.2              | 111.6%        |
| Seawater           | 1.4             | <b>2.8</b>      | +1.3              | 192.8%        |
| Other              | 2.9             | <b>6.2</b>      | +3.3              | 212.0%        |
| Adjustment         | 2.8             | <b>3.1</b>      | +0.3              | 110.5%        |
| <b>Total</b>       | <b>33.8</b>     | <b>46.1</b>     | <b>+12.3</b>      | <b>136.2%</b> |

## Regional business companies: Revenue and operating profit

(Unit: Billion yen)

|                         |                  | FY 2020<br>1-3Q | FY 2021<br>1-3Q | Increase/decrease |        |
|-------------------------|------------------|-----------------|-----------------|-------------------|--------|
|                         |                  |                 |                 | Amount            | YoY    |
| Air Water<br>Hokkaido   | Revenue          | 38.5            | <b>42.3</b>     | +3.8              | 109.9% |
|                         | Operating profit | 2.6             | <b>2.4</b>      | ▲0.2              | 93.0%  |
| Air Water East<br>Japan | Revenue          | 44.0            | <b>48.4</b>     | +4.4              | 110.1% |
|                         | Operating profit | 3.3             | <b>3.6</b>      | +0.3              | 107.9% |
| Air Water<br>West Japan | Revenue          | 35.0            | <b>39.4</b>     | +4.5              | 112.8% |
|                         | Operating profit | 3.1             | <b>3.3</b>      | +0.1              | 104.5% |
| Total                   | Revenue          | 117.4           | <b>130.1</b>    | +12.7             | 110.8% |
|                         | Operating profit | 9.0             | <b>9.2</b>      | +0.2              | 102.4% |

\* The above figures represent non-consolidated financial results of individual companies.

\* Results of FY 2020 1-3Q represent following figures.

Air Water Hokkaido: The 20.3Q result of Hokkaido Air Water

Air Water East Japan: The simple sum of 20.3Q result of Tohoku Air Water, Kanto Air Water, Koshinetsu Air Water and Chubu Air Water

Air Water West Japan : The simple sum of 20.3Q result of Kinki Air Water, Chushikoku Air Water and Kyushu Air Water

Meeting society's needs with nature's blessings.



***AIR WATER INC.***