

Notice of consolidated financial results for 1H FYE2025

Nippon Sanso Holdings Corporation (“NSHD”, President CEO: Toshihiko Hamada) hereby announces its consolidated financial results for 1H (First Half: 6 months) FYE2025. For details, please refer to the financial results and earnings announcement materials available on [NSHD website](#).

1. Business performance for 1H FYE2025 (Apr.-Sep.)

Nippon Sanso Holdings Group (NSHD Group) delivered positive profit growth for the first half of the fiscal year under review (from April 1, 2024 to September 30, 2024) despite challenging geopolitical issues, rising trade tensions, JPY depreciation.

Under these circumstances, overall shipment volumes were negative despite the fact that of air separation gases (oxygen, nitrogen, and argon) were positive year-on-year. In addition, there has been a moderation of energy costs in most regions as compared to prior year. Furthermore, price management has been successful in passing costs through to our customers and our robust productivity projects continue to yield positive financial results. These factors enabled the NSHD Group to achieve the following results for the first half under review.

Revenue on a consolidated basis increased by 5.0% year-on-year to ¥ 643,045 million, core operating income increased by 14.5% to ¥ 93,498 million, operating income increased by 1.1% to ¥ 82,512 million, and net income attributable to owners of the parent increased by 1.3% to ¥ 49,194 million.

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

2. FYE2025 Full-term forecast

No revisions have been made to the consolidated business forecasts released on May 13, 2024.

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

(Reference)

Business performance for 1H FYE2025 by segment

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

【Japan】

In the industrial gas-related business, shipment volumes of air separation gases slightly decreased and those of carbon dioxide gas were flat year-on-year. In addition, revenue of electronic material gases increased. In equipment and installation, both industrial gas-related and electronics-related businesses posted higher revenues, mainly due to medium and large sized projects which are accounted for on a percentage-of-completion basis. Meanwhile, there was a decrease in revenue due to two transactions which occurred last fiscal year: the conversion of a consolidated on-site subsidiary to a joint operation entity and the deconsolidation of a subsidiary responsible for resident-use LP gas.

【United States】

Revenue increased in the industrial gas-related business year-on-year mainly due to positive volumes related to air separation gases and price management. In equipment and installation, sales conditions of industrial gas-related and electronics-related equipment were soft.

【Europe】

Revenue increased in the industrial gas-related business year-on-year mainly due to price management. Equipment and installation revenue increased with positive performance in both industrial gas-related and medical-related equipment.

【Asia & Oceania】

In the industrial gas-related business, air separation gases shipment volumes were positive. In LP gas, of which a large portion of sales are in the Australia region, sales volumes were solid, thereby increasing revenue. In the electronics-related business, revenue increased for both gases and equipment.

【Thermos】

In Japan, sales from portable vacuum-insulated mugs were firm, and revenue increased due in part to the launch of new products with functional and stylish designs. Overseas, sales performance was soft. Segment income decreased mainly due to higher marketing costs and production costs caused by the weak JPY.

The Nippon Sanso Holdings Group is the world's fourth-largest supplier of industrial, electronic, and medical gases, operating in four geographic regions - Japan, U.S., Europe and Asia & Oceania - covering over 30 countries and regions. In addition, the Thermos business supplies THERMOS branded products to more than 120 countries worldwide. Since its foundation as Nippon Sanso Ltd. in 1910, the group stands for creating social value through innovative gas solutions that increase industrial productivity, enhance human well-being and contribute to a more sustainable future. With more than 19,000 employees, together, we are "The Gas Professionals" and we all have the same goal: "Making life better through gas technology"

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