NIPPON SANSO HOLDINGS

July 31, 2025

Notice of consolidated financial results for Q1 FYE2026

Nippon Sanso Holdings Corporation ("NSHD", President CEO: Toshihiko Hamada) hereby announces its consolidated financial results for Q1 FYE2026. For details, please refer to the financial results and earnings announcement materials available on NSHD website.

1. Business performance for Q1 FYE2026

The business environment for our group during the first quarter of the fiscal year under review (from April 1, 2025 to June 30, 2025) remained difficult to forecast.

Under these circumstances, NSHD Group shipment volumes of products declined year-on-year. As a group, the volume decline was partially offset with our continued focus on price management and productivity improvement programs across the business. As a result, business performance for the first quarter under review was as follows: revenue on a consolidated basis decreased by 4.4% year-on-year to ¥314,758 million, core operating income decreased by 5.7% to ¥45,620 million, operating income decreased by 5.1% to ¥45,547 million, and net income attributable to owners of the parent decreased by 2.4% to ¥28,395 million.

(Unit: ¥ bn.)	FYE2025 Q1 (Apr. - Jun.)	FYE2026 Q1 (Apr. - Jun.)	YoY Difference	YoY % Change	*% Change exc. FX*
Revenue	**329.2**	**314.7**	**-14.5**	**-4.4%**	*-0.1%*
Core operating income	**48.3**	**45.6**	**-2.7**	**-5.7%**	*-1.0%*
Core OI margin	14.7%	14.5%			
Non-recurring profit and loss	-0.3	-0.0	+0.3		
Operating income（IFRS）	**47.9**	**45.5**	**-2.4**	**-5.1%**	
OI margin	14.6%	14.5%			
EBITDA margin	23.6%	23.8%			
Finance costs	-5.0	-5.5	-0.5		
Income before income taxes	**42.9**	**39.9**	**-3.0**	**-6.8%**	
Income tax expenses	13.2	10.7	-2.5		
Net income	29.6	29.2	-0.4	-1.3%	
(Attribution of net income)					
Net income attributable to owners of the parent	**29.0**	**28.3**	**-0.7**	**-2.4%**	
NI margin	8.8%	9.0%			
Net income attributable to non-controlling interests	0.5	0.8	+0.3		

2. FYE2026 Full-term forecast

No revisions have been made to the consolidated business forecasts released on May 12, 2025.

(Unit: ¥ bn.)		FYE2025 Full-term	FYE2026 Full-term forecast (Announced on May 12, 2025)	YoY Difference	YoY % Change	FYE2026 Full-term forecast (exc. FX)	% Change
Revenue		**1,308.0**	**1,290.0**	**-18.0**	**-1.4%**	**1,328.8**	**+1.6%**
Core operating income		**189.1**	**191.0**	**+1.9**	**+1.0%**	**197.2**	**+4.3%**
Core OI margin		14.5%	14.8%			14.8%	
Non-recurring profit and loss		-23.2	0.0	+23.2		0.0	
Operating income（IFRS）		**165.9**	**191.0**	**+25.1**	**+15.1%**	**197.2**	**+18.9%**
OI margin		12.7%	14.8%			14.8%	
EBITDA margin		23.3%	24.1%			24.1%	
Finance costs		-20.6	-22.5	-1.9		-23.0	
Income before income taxes		**145.2**	**168.5**	**+23.3**	**+16.0%**	**174.2**	**+20.0%**
Income tax expenses		43.3	49.0	+5.7		50.5	
Net income		101.9	119.5	+17.6	+17.2%	123.7	+21.4%
(Attribution of net income)							
Net income attributable to owners of the parent		**98.7**	**116.0**	**+17.3**	**+17.4%**	**120.2**	**+21.7%**
NI margin		7.6%	9.0%			9.0%	
Net income attributable to non-controlling interests		3.1	3.5	+0.4		3.5	
Forex（Unit: JPY） (average rate during the period)	USD	152.57	141.00			152.57	
	EUR	163.66	162.00			163.66	
	AUD	99.27	90.00			99.27	

(Reference)

Business performance for Q1 FYE2026 by segment

(Unit: ¥ bn.)		FYE2025 Q1 (Apr.- Jun.)	FYE2026 Q1 (Apr.- Jun.)	FYE2026 Composition ratio	YoY Difference	YoY % Change	YoY Forex impact	YoY % Change exc. FX
Japan	Revenue	100.9	**97.4**	30.9%	-3.5	-3.5%	-0.1	-3.3%
	Segment OI	11.5	**13.3**	29.3%	+1.8	+15.6%	-0.0	+15.9%
	Segment OI margin	11.5%	13.7%					
United States	Revenue	92.6	**83.9**	26.7%	-8.7	-9.3%	-8.4	-0.2%
	Segment OI	14.8	**11.4**	25.1%	-3.4	-22.6%	-1.3	-14.6%
	Segment OI margin	16.0%	13.6%					
Europe	Revenue	85.0	**82.4**	26.2%	-2.6	-3.1%	-2.4	-0.2%
	Segment OI	16.6	**16.0**	35.2%	-0.6	-3.6%	-0.4	-0.7%
	Segment OI margin	19.6%	19.5%					
Asia & Oceania	Revenue	42.4	**42.3**	13.4%	-0.1	-0.3%	-3.1	+7.6%
	Segment OI	4.3	**3.4**	7.5%	-0.9	-20.4%	-0.3	-13.1%
	Segment OI margin	10.2%	8.1%					
Thermos	Revenue	8.2	**8.6**	2.7%	+0.4	+4.6%	-0.0	+5.4%
	Segment OI	1.2	**1.7**	3.8%	+0.5	+38.6%	+0.0	+38.4%
	Segment OI margin	15.0%	19.9%					
Adjustment	Revenue	0.0	**0.0**	0.0%	-0.0	—		—
	Segment OI	-0.2	**-0.4**	-0.9%	-0.2	—		—
Consolidated total	Revenue	329.2	**314.7**	100.0%	-14.5	-4.4%	-14.2	-0.1%
	Core OI	48.3	**45.6**	100.0%	-2.7	-5.7%	-2.2	-1.0%
	Core OI margin	14.7%	14.5%					

【Japan】

In the industrial gas-related business, price management continued, with a primary focus on carbon dioxide, packaged gases, and electronic material gases. However, shipment volumes of gases, including air separation gases, declined, resulting in lower sales. Within the equipment and installation segment, the electronics-related business achieved higher sales, mainly driven by medium and large-sized projects accounted for using the percentage-of-completion method. In contrast, the industrial gas-related equipment business saw a decrease in sales. Segment income increased, supported by the positive impact of price management and a reduction in electricity costs.

【United States】

In the industrial gas-related business, sales increased primarily due to effective price management, although shipments of products other than separate gases remained sluggish. In the equipment and installation segment, both the industrial gas-related and electronics-related businesses recorded a decline in sales. Segment income decreased despite the positive contributions from price management and productivity improvement initiatives, mainly due to the impact of foreign exchange fluctuations and lower shipment volumes.

【Europe】

In the industrial gas-related business, sales declined despite the positive impact of price management, as shipment volumes of gases, including air separation gases, decreased. In the equipment and installation segment, sales increased, supported by contributions from the Italian plant engineering company acquired in the previous fiscal year. Segment income fell, as the benefits of price management and productivity improvement initiatives were offset by foreign exchange losses and reduced gas shipment volumes.

【Asia & Oceania】

In the industrial gas-related business, despite the contribution from the Australian LP gas sales business acquired in the previous fiscal year and positive effects of price management, sales declined due to foreign exchange impact and overall decrease in product shipment volumes. In the electronics-related business, equipment and installation performed steadily, resulting in increased sales. Segment income declined primarily due to foreign exchange impact and decreased product shipment volumes and higher labor costs.

【Thermos】

In Japan, sales increased due to the launch of new products featuring functional and stylish designs, while sales decreased in Korea. Segment income increased due to higher sales in Japan as well as continuous cost reduction efforts.

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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