

Consolidated Financial Results for the First Quarter of Fiscal Year Ending March 31, 2026 (Based on IFRS)

July 31, 2025

Stock exchange listing: Tokyo (Prime)

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Scheduled date to commence dividend payments: -
Supplementary materials on quarterly financial results: Yes
Quarterly results explanatory meeting: Yes (For institutional investors and analysts)

(Amounts less than ¥1 million are omitted)

1. Financial results for the first quarter of FYE2026 (April 1, 2025 – June 30, 2025)

(1) Operating results

(Percentages indicate year-on-year change)

	Revenue		Core operating income		Operating income		Net income		Net income attributable to owners of the parent		Total comprehensive income	
	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%
Q1 FYE2026	314,758	(4.4)	45,620	(5.7)	45,547	(5.1)	29,259	(1.3)	28,395	(2.4)	44,634	(53.6)
Q1 FYE2025	329,274	6.6	48,355	18.7	47,979	17.8	29,658	16.1	29,085	18.4	96,131	(3.0)

(Reference) Income before income taxes

Q1 FYE2026: ¥39,986 million [(6.8%)]

Q1 FYE2025: ¥42,903 million [18.4%]

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

	Basic earnings per share (Yen)	Diluted net income per share (Yen)
Q1 FYE2026	65.60	—
Q1 FYE2025	67.19	—

(2) Financial position

	Total assets (¥ million)	Total equity (¥ million)	Equity attributable to owners of the parent (¥ million)	Equity attributable to owners of the parent ratio (%)
FYE2026 (June 30, 2025)	2,452,726	1,053,531	1,013,046	41.3
FYE2025 (March 31, 2025)	2,418,197	1,020,930	980,451	40.5

2. Dividends

	Annual Dividend				
	End of 1 st quarter (Yen)	End of 2 nd quarter (Yen)	End of 3 rd quarter (Yen)	Term end (Yen)	Total (Yen)
FYE2025	—	24.00	—	27.00	51.00
FYE2026	—				
FYE2026 (est.)		27.00	—	27.00	54.00

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

3. Forecasts for business operations for FYE2026 full term (April 1, 2025 – March 31, 2026)

(Percentages indicate year-on-year change)

	Revenue		Core operating income		Operating income		Net income		Net income attributable to owners of the parent		Basic earnings per share
	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%	(Yen)
Full term	1,290,000	(1.4)	191,000	1.0	191,000	15.1	119,500	17.2	116,000	17.4	267.99

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

(Reference) Income before income taxes

FYE2026 full term: ¥168,500 million [16.0%]

* Notes

(1) Significant changes in the scope of consolidation during the period: None

(2) Changes in accounting policies, changes in financial forecasts

1. Changes in accounting policies required by IFRS: None

2. Changes in accounting policies other than 1.: None

3. Changes in accounting estimates: None

(3) Number of outstanding shares (common shares)

1. Number of outstanding shares at the end of the period (including treasury stock)	As of Jun. 30, 2025	433,092,837 shares	As of Mar. 31, 2025	433,092,837 shares
2. Number of treasury stocks at the end of the period	As of Jun. 30, 2025	237,794 shares	As of Mar. 31, 2025	237,521 shares
3. Average number of shares during the period	As of Jun. 30, 2025	432,855,211 shares	As of Jun. 30, 2024	432,857,508 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Explanation on the appropriate use of the forecasts of financial results and other comments

- The forward-looking statements such as the forecasts of financial result stated in this document are based on the information currently available on the Company and certain assumptions that the Company judges as rational. The Company is under no obligation to guarantee their achievement. Actual financial results may vary significantly due to various reasons. For details on the assumptions of the forecasts and related matters, please see page 7, “(3) Explanation Concerning Predictive Information such as Consolidated Business Forecasts” in “1. Qualitative Information on Quarterly Financial Results.”

- The Company is voluntarily obtaining review for the Japanese-language Condensed Consolidated Financial Statements from Ernst & Young ShinNihon LLC. and will plan to disclose Consolidated Financial Results for the First Quarter of FYE2026 (Based on IFRS) on August 7, 2025, with its Review report.

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1. Qualitative Information on Quarterly Financial Results

(1) Explanation Concerning Quarterly Business Results

(General Overview)

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.

As for the impact of foreign exchange rates year-on-year, JPY appreciated against the USD from ¥158.24 to ¥143.75 (-¥14.49, or -9.2%), against the EUR from ¥170.08 to ¥165.13 (-¥4.95, or -2.9%). As a result, overall revenue and core operating income were unfavorably impacted by approximately ¥14.2 billion and ¥2.2 billion respectively.

Core operating income is calculated by excluding from operating income certain gains and losses attributable to non-recurring factors such as losses incurred due to business withdrawal or downsizing.

(Overview of business performance by reportable segment)

A breakdown of business performance by reportable segment is as follows.

Segment income represents core operating income.

(i) 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.

As a result, in the Japan segment, revenue decreased by 3.5% year-on-year to ¥97,417 million and segment income increased by 15.6% to ¥13,369 million.

(ii) 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.

As a result, in the United States segment, revenue decreased by 9.3% year-on-year to ¥83,970 million and segment income decreased by 22.6% to ¥11,459 million.

(iii) 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.

As a result, in the Europe segment, revenue decreased by 3.1% year-on-year to ¥82,416 million and segment income decreased by 3.6% to ¥16,038 million.

(iv) 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.

As a result, in the Asia & Oceania segment, revenue decreased by 0.3% year-on-year to ¥42,301 million and segment income decreased by 20.4% to ¥3,442 million.

(v) 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.

As a result, in the Thermos segment, revenue increased by 4.6% year-on-year to ¥8,643 million and segment income increased by 38.6% to ¥1,720 million.

(2) Overview of Financial Position for the Quarter

Total assets amounted to ¥2,452,726 million as of the end of the first quarter of the consolidated accounting period, an increase of ¥34,528 million compared with the rates as of March 31, 2025. Foreign exchange rates resulted in an increase in total assets of approximately ¥27.6 billion. This mainly reflected foreign exchange rate changes, such as the JPY appreciation of ¥4.71 against the USD and the JPY depreciation of ¥7.58 against the EUR compared with the rates as of March 31, 2025.

[Assets]

Total current assets were ¥585,129 million, an increase of ¥19,353 million compared with the rates as of March 31, 2025. This was mainly due to increases in cash and cash equivalents and decreases in trade receivables.

Total non-current assets were ¥1,867,596 million, an increase of ¥15,174 million compared with the rates as of March 31, 2025. This was mainly due to the impact of foreign exchange rates. When comparing the substantive amounts excluding foreign exchange effects, intangible assets and other financial assets mainly decreased.

[Liabilities]

Total current liabilities were ¥401,888 million, an increase of ¥6,602 million compared with the rates as of March 31, 2025. This was mainly due to the impact of foreign exchange rates. When comparing the substantive amounts excluding foreign exchange effects, bonds and borrowings mainly increased while other financial liabilities decreased.

Total non-current liabilities were ¥997,305 million, a decrease of ¥4,676 million compared with the rates as of March 31, 2025. This was mainly due to decreases in bonds and borrowings and increases in other financial liabilities.

[Equity]

Total equity increased by ¥32,601 million compared with the rates as of March 31, 2025 to ¥1,053,531 million, mainly due to increases from recording net income attributable to owners of the parent, decreases from dividend payments of retained earnings, and increases in exchange differences on translation of foreign operations.

The ratio of equity attributable to owners of the parent stood at 41.3%, up 0.8 percentage points compared with the rates as of March 31, 2025.

(Cash flow analysis)

[Cash flow from operating activities]

Net cash provided by operating activities increased 22.1% year on year to ¥41,692 million. The main factors were income before income taxes, depreciation and amortization expenses, and corporate income tax payment or refund.

[Cash flow from investing activities]

Net cash used in investing activities decreased 57.6% year on year to ¥19,593 million. The main use of cash was for the purchase of property, plant and equipment.

[Cash flow from financing activities]

Net cash used in financing activities was ¥530 million (compared to net cash provided of ¥1,517 million in the same period of the previous year). The main factors were net increase or decrease in short-term borrowings, repayment of long-term borrowings, and payment of dividends.

As a result of the Company's operating, investing, and financing activities, the balance of cash and cash equivalents as of the end of the first quarter, after accounting for the effects of exchange differences, came to ¥169,557 million.

(3) Explanation Concerning Predictive Information such as Consolidated Business Forecasts

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

2. Quarterly Condensed Consolidated Financial Statements and Main Notes

(1) Quarterly Condensed Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and cash equivalents	144,528	169,557
Trade receivables	263,080	256,009
Inventories	99,509	103,457
Other financial assets	14,588	16,567
Other current assets	42,148	37,079
Subtotal	563,854	582,671
Assets possessed for a sales purpose	1,921	2,458
Total current assets	565,776	585,129
Non-current assets		
Property, plant and equipment	899,306	900,609
Goodwill	575,289	588,777
Intangible assets	240,967	245,126
Investments accounted for using the equity method	61,171	61,348
Other financial assets	58,482	54,676
Retirement benefit asset	5,201	5,273
Other non-current assets	8,427	8,189
Deferred tax assets	3,574	3,592
Total non-current assets	1,852,421	1,867,596
Total assets	2,418,197	2,452,726

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade payables	133,822	124,391
Bonds and borrowings	92,630	122,387
Corporate income taxes payable	14,070	8,810
Other financial liabilities	93,378	82,194
Allowance	296	256
Other current liabilities	61,088	63,425
Subtotal	395,285	401,466
Liabilities directly associated with assets held for sale	—	421
Total current liabilities	395,285	401,888
Non-current liabilities		
Bonds and borrowings	757,936	750,817
Other financial liabilities	44,703	46,620
Retirement benefit liabilities	15,337	15,955
Allowance	5,304	5,294
Other non-current liabilities	19,293	18,500
Deferred tax liabilities	159,405	160,117
Total non-current liabilities	1,001,982	997,305
Total liabilities	1,397,267	1,399,194
Equity		
Share capital	37,344	37,344
Capital surplus	39,803	40,272
Treasury stock	(260)	(262)
Retained earnings	709,068	729,247
Other components of equity	194,495	206,444
Total equity attributable to owners of the parent	980,451	1,013,046
Non-controlling interests	40,478	40,485
Total equity	1,020,930	1,053,531
Total liabilities and equity	2,418,197	2,452,726

(2) Quarterly Condensed Consolidated Statement of Profit or Loss and Quarterly Condensed Consolidated Statement of Comprehensive Income
Condensed Consolidated Statement of Profit or Loss
(Consolidated Cumulative First Quarter)

(Millions of yen)

	Three-months ended June 30, 2024	Three-months ended June 30, 2025
Revenue	329,274	314,758
Cost of sales	(191,649)	(180,763)
Gross operating profit	137,625	133,995
Selling, general and administrative expenses	(89,690)	(89,178)
Other operating income	1,066	1,075
Other operating expense	(2,063)	(1,411)
Share of profit of investments accounted for using the equity method	1,041	1,067
Operating income	47,979	45,547
Finance income	1,529	965
Finance costs	(6,605)	(6,526)
Income before income taxes	42,903	39,986
Corporate income taxes	(13,244)	(10,727)
Net income	29,658	29,259
Net income attributable to:		
Owners of the parent	29,085	28,395
Non-controlling interests	572	864
Net income per share		
Basic earnings per share (yen)	67.19	65.60

Condensed Consolidated Statement of Comprehensive Income
(Consolidated Cumulative First Quarter)

(Millions of yen)

	Three-months ended June 30, 2024	Three-months ended June 30, 2025
Net income	29,658	29,259
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	957	2,128
Remeasurements of defined benefit plans	13	(25)
Share of other comprehensive income of investments accounted for using the equity method	96	(8)
Total of items that will not be reclassified to profit or loss	1,067	2,095
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	64,514	13,042
Effective portion of net change in fair value of cash flow hedges	(30)	1,547
Share of other comprehensive income of investments accounted for using the equity method	921	(1,310)
Total of items that may be reclassified subsequently to profit or loss	65,405	13,279
Total other comprehensive income, net of tax	66,472	15,375
Comprehensive income	96,131	44,634
Comprehensive income attributable to:		
Owners of the parent	95,127	43,816
Non-controlling interests	1,003	817

(3) Quarterly Condensed Consolidated Statement of Changes in Equity

Three-months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(Millions of yen)

	Share capital	Capital surplus	Treasury stock	Retained earnings
Balance at April 1, 2024	37,344	39,233	(242)	627,544
Net income	—	—	—	29,085
Other comprehensive income	—	—	—	—
Comprehensive income	—	—	—	29,085
Purchase of treasury stock	—	—	(2)	—
Dividends	—	—	—	(10,389)
Changes in ownership interest in subsidiaries	—	(203)	—	—
Transfer from other components of equity to retained earnings	—	—	—	13
Other changes	—	—	—	—
Total transactions with owners	—	(203)	(2)	(10,375)
Balance at June 30, 2024	37,344	39,030	(245)	646,254

	Other components of equity				Total	Total equity attributable to owners of the parent	Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Effective portion of net change in fair value of cash flow hedges	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans				
Balance at April 1, 2024	188,017	291	22,292	—	210,601	914,481	31,630	946,112
Net income	—	—	—	—	—	29,085	572	29,658
Other comprehensive income	65,011	(30)	1,046	13	66,041	66,041	430	66,472
Comprehensive income	65,011	(30)	1,046	13	66,041	95,127	1,003	96,131
Purchase of treasury stock	—	—	—	—	—	(2)	—	(2)
Dividends	—	—	—	—	—	(10,389)	(351)	(10,741)
Changes in ownership interest in subsidiaries	—	—	—	—	—	(203)	(295)	(498)
Transfer from other components of equity to retained earnings	—	—	—	(13)	(13)	—	—	—
Other changes	—	—	—	—	—	—	253	253
Total transactions with owners	—	—	—	(13)	(13)	(10,595)	(393)	(10,989)
Balance at June 30, 2024	253,029	260	23,339	—	276,629	999,013	32,240	1,031,254

Three-months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

	(Millions of yen)			
	Share capital	Capital surplus	Treasury stock	Retained earnings
Balance at April 1, 2025	37,344	39,803	(260)	709,068
Net income	—	—	—	28,395
Other comprehensive income	—	—	—	—
Comprehensive income	—	—	—	28,395
Purchase of treasury stock	—	—	(1)	—
Dividends	—	—	—	(11,688)
Changes in ownership interest in subsidiaries	—	468	—	—
Transfer from other components of equity to retained earnings	—	—	—	3,472
Other changes	—	—	—	—
Total transactions with owners	—	468	(1)	(8,216)
Balance at June 30, 2025	37,344	40,272	(262)	729,247

	Other components of equity				Total	Total equity attributable to owners of the parent	Non-controlling interests	Total equity
	Exchange differences on translation of foreign operations	Effective portion of net change in fair value of cash flow hedges	Financial assets measured at fair value through other comprehensive income	Remeasurements of defined benefit plans				
Balance at April 1, 2025	178,459	(69)	16,105	—	194,495	980,451	40,478	1,020,930
Net income	—	—	—	—	—	28,395	864	29,259
Other comprehensive income	11,799	1,548	2,098	(25)	15,421	15,421	(46)	15,375
Comprehensive income	11,799	1,548	2,098	(25)	15,421	43,816	817	44,634
Purchase of treasury stock	—	—	—	—	—	(1)	—	(1)
Dividends	—	—	—	—	—	(11,688)	(1,774)	(13,463)
Changes in ownership interest in subsidiaries	—	—	—	—	—	468	341	810
Transfer from other components of equity to retained earnings	—	—	(3,497)	25	(3,472)	—	—	—
Other changes	—	—	—	—	—	—	621	621
Total transactions with owners	—	—	(3,497)	25	(3,472)	(11,221)	(811)	(12,032)
Balance at June 30, 2025	190,258	1,478	14,706	—	206,444	1,013,046	40,485	1,053,531

(4) Quarterly Condensed Consolidated Statement of Cash Flows

(Millions of yen)

	Three-months ended June 30, 2024	Three-months ended June 30, 2025
Cash flow from operating activities		
Income before income taxes	42,903	39,986
Depreciation and amortization	29,451	29,266
Interest and dividends income	(1,339)	(965)
Interest expenses	6,554	5,561
Share of (profit) loss of investments accounted for using the equity method	(1,041)	(1,067)
Loss (gain) on sale and retirement of property, plant and equipment, and intangible assets	100	36
(Increase) decrease in trade receivables	7,368	8,819
(Increase) decrease in inventories	(1,125)	(3,049)
Increase (decrease) in trade payables	(8,537)	(11,494)
(Increase) decrease in retirement benefit asset	(109)	(128)
Increase (decrease) in retirement benefit liabilities	370	323
Other	(22,706)	(4,240)
Subtotal	51,889	63,047
Interest received	742	367
Dividends received	625	585
Interest paid	(9,650)	(7,817)
Corporate income tax refund (paid)	(9,466)	(14,491)
Cash flow from operating activities	34,140	41,692
Cash flow from investing activities		
Payments for purchase of property, plant and equipment	(46,771)	(25,077)
Proceeds from sale of property, plant and equipment	365	166
Payments for purchase of investment	(28)	(146)
Proceeds from sale and redemption of investments	84	6,542
Payments for acquisition of subsidiaries	—	(230)
Proceeds from sale of subsidiaries	—	29
Payments for acquisition of businesses	—	(305)
Other	147	(570)
Cash flow from investing activities	(46,201)	(19,593)

	(Millions of yen)	
	Three-months ended June 30, 2024	Three-months ended June 30, 2025
Cash flow from financing activities		
Net increase (decrease) in short-term borrowings	1,635	34,783
Net increase (decrease) in commercial papers	12,000	—
Proceeds from long-term borrowings	43,758	6,871
Payments for repayment of long-term borrowings	(41,654)	(25,224)
Payments for repayment of lease obligations	(3,447)	(3,586)
Payments for purchase of shares in subsidiaries not resulting in change in scope of consolidation	(141)	(104)
Dividends paid	(10,389)	(11,688)
Dividends paid to non-controlling interests	(351)	(1,579)
Other	108	(1)
Cash flow from financing activities	1,517	(530)
Impact of exchange rate changes on cash and cash equivalents	5,980	4,097
Net increase (decrease) in cash and cash equivalents	(4,563)	25,666
Balance of cash and cash equivalents at beginning of fiscal year	126,100	144,528
Increase (decrease) in cash and cash equivalents resulting from transfer to assets possessed for a sales purpose	—	(636)
Balance of cash and cash equivalents at end of quarter	121,537	169,557

(5) Notes to the Quarterly Condensed Consolidated Financial Statements

(Applicable financial reporting framework)

On Quarterly Condensed Consolidated Financial Statements of the Group (Quarterly Condensed Consolidated Statement of Financial Position, Quarterly Condensed Consolidated Statement of Profit or Loss, Quarterly Condensed Consolidated Statement of Comprehensive Income, Quarterly Condensed Consolidated Statement of Changes in Equity, Quarterly Condensed Consolidated Statement of Cash Flows and Notes to the Quarterly Condensed Consolidated Financial Statements), parts of the disclosure items and notes required by IAS 34 “Interim Financial Reporting” are omitted.

(Notes regarding going concern assumption)

Not applicable.

(Segment information)

(1) Outline of reportable segments

The NSHD Group’s reportable segments are those of the components of the NSHD Group on which separate financial information is available, and which are evaluated regularly by the Board of Directors to determine the allocation of management resources and assess business performance. No grouping of operating segments has been carried out for reporting purposes.

The NSHD Group conducts gas businesses in Japan and overseas, mainly for customers in the steel, chemical, and electronics industries, and has production and sales bases for its main products in Japan, United States, Europe, and Asia & Oceania. In addition, the NSHD Group engages in the manufacture and sale of housewares such as stainless steel vacuum bottles. Accordingly, the Group has established the following five reportable segments: Japan, United States, Europe, Asia & Oceania, and Thermos.

The principal products and services for each of the reportable segments are as shown below.

Reportable segment	Main products and services
Japan	Oxygen, nitrogen, argon, carbon dioxide, helium, hydrogen, acetylene, gas-related equipment, specialty gases (electronic materials gases, pure gases, etc.), electronics-related equipment and installation, semiconductor manufacturing equipment, welding and cutting equipment, welding materials, plants and machinery, liquid petroleum gas (LPG) and related equipment, medical-use gases (oxygen, nitrous oxide, etc.), medical equipment, stable isotopes
United States	
Europe	
Asia & Oceania	
Thermos	Housewares and consumer goods

The accounting methods adopted for the reported operating segments are the same as those adopted to prepare the consolidated financial statements. Revenue from inter-segment transactions and transfers is based primarily on prevailing market prices.

(2) Figures of revenue and income (loss) by reportable segment

Three-months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

(Millions of yen)

	Reportable segment						Adjustments (Note 1)	Amounts on the Consolidate d Statement of Income
	Japan	United States	Europe	Asia & Oceania	Thermos	Total		
Revenue								
Revenue from external customers	100,916	92,601	85,039	42,428	8,264	329,251	23	329,274
Revenue from inter-segment transactions and transfers	4,790	7,088	83	983	3	12,950	(12,950)	—
Total	105,706	99,690	85,123	43,412	8,268	342,201	(12,927)	329,274
Segment income (Note 2)	11,567	14,808	16,644	4,325	1,241	48,586	(231)	48,355

Note: 1. The negative adjustment of (¥231) million for segment income is comprised of ¥112 million of intersegment eliminations and companywide expenses of (¥344) million that were not allocated to any particular reportable segment. These companywide expenses consist mainly of Group administration expenses at the Company that are not attributable to reportable segments.

2. Segment income represents core operating income, which is calculated by excluding from operating income certain gains or losses attributable to non-recurring factors, such as losses arising from business withdrawal or downsizing.

Three-months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(Millions of yen)

	Reportable segment						Adjustments (Note 1)	Amounts on the Consolidate d Statement of Income
	Japan	United States	Europe	Asia & Oceania	Thermos	Total		
Revenue								
Revenue from external customers	97,417	83,970	82,416	42,301	8,643	314,749	9	314,758
Revenue from inter-segment transactions and transfers	5,914	5,855	100	760	4	12,635	(12,635)	—
Total	103,331	89,825	82,517	43,062	8,647	327,384	(12,626)	314,758
Segment income (Note 2)	13,369	11,459	16,038	3,442	1,720	46,029	(409)	45,620

Notes: 1. The negative adjustment of (¥409) million for segment income is comprised of (¥31) million of intersegment eliminations and companywide expenses of (¥377) million that were not allocated to any particular reportable segment. These companywide expenses consist mainly of Group administration expenses at the Company that are not attributable to reportable segments.

2. Segment income represents core operating income, which is calculated by excluding from operating income certain gains or losses attributable to non-recurring factors such as losses arising from business withdrawal or downsizing.

Reconciliation of segment income with income before income taxes is shown below.

(Millions of yen)

	Three-months ended June 30, 2024	Three-months ended June 30, 2025
Segment income	48,355	45,620
Loss on liquidation of subsidiaries and associates	(375)	(69)
Other	—	(3)
Operating income	47,979	45,547
Finance income	1,529	965
Finance costs	(6,605)	(6,526)
Income before income taxes	42,903	39,986

(Additional information)

(European business company to acquire Spanish respiratory home therapy service company (subsidiary formation))

In December 2024, Nippon Gases (headquarters: Madrid, Spain), the business subsidiary company in Europe, has reached an agreement with Corporación Químico-Farmacéutica Esteve (CQFE) and Teijin Holdings Europe BV (Teijin) to acquire all of the shares of Esteve Teijin Healthcare (ETH).

The transaction is expected to be completed as soon as approval is received from Spain's National Commission on Markets and Competition (Comisión Nacional de los Mercados y de la Competencia) for the acquisition of shares.

(Significant subsequent events)

(Australian business subsidiary acquires Australian industrial gas company (subsidiary formation))

The NSHD Group has reached an agreement with Wesfarmers Limited (hereinafter "Wesfarmers") through NSC (Australia) Pty Ltd, its business subsidiary in Australia in December 2024 to acquire Coregas Pty Ltd, Blacksmith Jacks Pty Ltd, and Coregas NZ (hereinafter called "Coregas Group"), which was owned by Wesfarmers and handles industrial gas businesses in Australia and New Zealand.

The share transfer was completed on July 1, 2025.

(1) Overview of the business acquisition

① Name of the acquired company and the content of its business

Name of the acquired company: Coregas Pty Ltd, and three others

Business description: Industrial gas businesses in Australia and New Zealand under the umbrella of Wesfarmers

② Acquisition date

July 1, 2025

③ Main reasons for the business acquisition

Supagas, business subsidiary in Australia, operates a stable business supplying a wide range of industrial gases, primarily LPG. Coregas Group has an extensive sales network throughout Australia and New Zealand. It is engaged in the manufacturing and sales of industrial gases, including medical gases, and specialty gases, as well as related services, and also handles welding-related businesses.

Through the acquisition of Coregas Group, which has a different customer base and product portfolio than Supagas, NSHD will strive to create further value for its customers between its LPG business and industrial gas business, and enhance its presence in Australia and New Zealand.

④ Percentage of acquired voting equity interest

100.0%

⑤ Method of acquiring control of the acquired company

This is due to the acquisition of shares of the acquired company by our consolidated subsidiaries, including NSC (Australia) Pty Ltd, with cash as consideration.

(2) Fair value of acquisition consideration

	(Millions of yen)
	Acquisition date
	(July 1, 2025)
Cash	71,326
Total acquisition amount	71,326

*The acquisition price will be adjusted based on the balance of cash, deposits, and borrowings, as well as changes in working capital, at the time of closing.

(3) Acquired assets, assumed liabilities, and goodwill

Accounting calculations are in process.

(4) Acquisition-related expenses

Accounting calculations are in process.