NIPPON SANSO HOLDINGS

May 12, 2025

Notice of consolidated financial results for FYE2025

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

1. Business performance for FYE2025

Nippon Sanso Holdings Group (NSHD Group) delivered positive profit growth for the fiscal year under review (from April 1, 2024 to March 31, 2025) despite macro environment challenges.

Shipment volumes of our core air separation gases oxygen, nitrogen, and argon remained stable year over year, while overall group shipment volumes decline slightly. However, disciplined price management has helped offset cost pressures, and ongoing productivity initiatives continue to enhance operational efficiency and financial performance. These efforts have enabled the NSHD Group to achieve the following results for the full fiscal year under review. Meanwhile, an impairment loss occurred due to the cancellation of construction plans for a hydrogen production plant which was being built in the United States.

Revenue on a consolidated basis increased by 4.2% year-on-year to ¥ 1,308,024 million, core operating income increased by 13.9% to ¥ 189,149 million, operating income decreased by 3.6% to ¥ 165,906 million, and net income attributable to owners of the parent decreased by 6.7% to ¥ 98,779 million.

Business performance for FYE2025

(Unit: ¥ bn.)		FYE2024 Full-term	FYE2025 Full-term	YoY Difference	YoY % Change	% Change exc. FX
Revenue		**1,255.0**	**1,308.0**	**+53.0**	**+4.2%**	***+1.4%***
Core operating income		**165.9**	**189.1**	**+23.2**	**+13.9%**	***+10.3%***
Core OI margin		13.2%	14.5%			
Non-recurring profit and loss		6.0	-23.2	-29.2		
Operating income（IFRS）		**172.0**	**165.9**	**-6.1**	**-3.6%**	
OI margin		13.7%	12.7%			
EBITDA margin		22.2%	23.3%			
Finance costs		-21.3	-20.6	+0.7		
Income before income taxes		**150.7**	**145.2**	**-5.5**	**-3.6%**	
Income tax expenses		41.3	43.3	+2.0		
Net income		109.3	101.9	-7.4	-6.8%	
(Attribution of net income)						
Net income attributable to owners of the parent		**105.9**	**98.7**	**-7.2**	**-6.7%**	
NI margin		8.4%	7.6%			
Net income attributable to non-controlling interests		3.4	3.1	-0.3		
Forex（Unit: JPY）	USD	145.31	152.57			
(average rate during the period)	EUR	157.72	163.66			
	AUD	95.32	99.27			

2. FYE2026 Full-term forecast

We also released FYE2026 Full-term forecast as below.

(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）	USD	152.57	141.00			152.57	
(average rate during the period)	EUR	163.66	162.00			163.66	
	AUD	99.27	90.00			99.27	

(Reference)

Business performance for FYE2025 by segment

(Unit: ¥ bn.)		FYE2024 Full-term (Apr.- Mar.)	FYE2025 Full-term (Apr.- Mar.)	FYE2025 Composition ratio	YoY Difference	YoY % Change	YoY Forex impact	YoY % Change exc. FX
Japan	Revenue	414.3	**410.0**	31.4%	-4.3	-1.1%	-4.6	-1.1%
	Segment OI	42.9	**47.0**	24.9%	+4.1	+9.5%	+4.0	+9.4%
	Segment OI margin	10.4%	11.5%					
United States	Revenue	347.0	**360.2**	27.5%	+13.2	+3.8%	-4.1	-1.2%
	Segment OI	50.0	**59.7**	31.6%	+9.7	+19.5%	+7.2	+13.7%
	Segment OI margin	14.4%	16.6%					
Europe	Revenue	302.4	**328.6**	25.1%	+26.2	+8.6%	+14.7	+4.7%
	Segment OI	53.2	**62.4**	33.0%	+9.2	+17.2%	+7.1	+12.9%
	Segment OI margin	17.6%	19.0%					
Asia & Oceania	Revenue	160.3	**176.5**	13.5%	+16.2	+10.1%	+9.9	+6.0%
	Segment OI	15.9	**15.0**	8.0%	-0.9	-5.6%	-1.5	-9.2%
	Segment OI margin	9.9%	8.5%					
Thermos	Revenue	30.7	**32.5**	2.5%	+1.8	+5.9%	+1.7	+5.7%
	Segment OI	5.5	**6.2**	3.3%	+0.7	+12.9%	+0.4	+8.4%
	Segment OI margin	18.1%	19.3%					
Adjustment	Revenue	0.0	**0.0**	0.0%	-0.0	—		—
	Segment OI	-1.7	**-1.4**	-0.8%	+0.3	—		—
Consolidated total	Revenue	1,255.0	**1,308.0**	100.0%	+53.0	+4.2%	+17.5	+1.4%
	Core OI	165.9	**189.1**	100.0%	+23.2	+13.9%	+17.6	+10.3%
	Core OI margin	13.2%	14.5%					

【Japan】

In the industrial gas-related business, shipment volumes of air separation gases and carbon dioxide declined along with revenue from electronic material gases. However, the equipment and installation segment experienced higher revenues in both industrial gas and electronics-related businesses, driven primarily by medium- and large-scale projects accounted for on a percentage-of-completion basis. Additionally, revenue declined due to two transactions which occurred in the previous fiscal year: the conversion of a consolidated on-site subsidiary into a joint operation entity and the deconsolidation of a subsidiary managing resident-use LP gas. Segment income increased due to moderating electricity costs and stronger equipment and installation sales.

【United States】

In the industrial gas-related business, revenue grew primarily due to a modest increase in shipment volumes of air separation gases and effective price management. In the equipment and installation segment, sales conditions for industrial gas and electronics-related equipment remained soft. However, segment income improved, driven by the positive impact of price management and ongoing productivity enhancement initiatives.

【Europe】
In the industrial gas-related business, shipment volumes of air separation gases remained flat year over year, while carbon dioxide demand was subdued. However, revenue growth was primarily driven by effective price management. Equipment and installation revenue increased, supported by strong performance in both industrial gas and medical-related equipment. Segment income improved due to higher sales revenue and the continued success of productivity enhancement initiatives.

【Asia & Oceania】
In the industrial gas-related business, shipment volumes of air separation gases remained strong. LP gas, with a significant portion of sales concentrated in the Australia region, saw solid sales volumes, contributing to revenue growth. The electronics-related business also experienced revenue growth across both gases and equipment. However, segment income declined, impacted by increasing labor and logistics expenses in Australia and downward pressure on sales prices in some regions due to a helium supply surplus. Additionally, this segment was weakened by preacquisition costs for a previously announced acquisition in Australia which was recorded in the fourth quarter.

【Thermos】
In Japan, sales of portable vacuum-insulated mugs remained strong, with revenue growth driven in part by the successful launch of new products featuring functional and stylish designs. In Korea, sales performance remained stable year over year. Segment income improved despite being impacted by rising manufacturing costs associated with the continued depreciation of the Japanese yen, as a result of productivity and 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"

NIPPON SANSO HOLDINGS Corporation

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