

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

October 30, 2025
Stock exchange listing: Tokyo (Prime)

Company name: Nippon Sanso Holdings Corporation
TSE Code: 4091 URL: <https://www.nipponsanso-hd.co.jp>
Representative: Toshihiko Hamada, President CEO
Inquiries: Keita Kajiyama, General Manager, Investor Relations
Tel.: +81-3-5788-8512
Scheduled date to file Securities Report: November 11, 2025
Scheduled date to commence dividend payments: December 1, 2025
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 half of FYE2026 (April 1, 2025 – September 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)	%
First half of FYE2026	650,829	1.2	94,257	0.8	94,204	14.2	59,226	16.7	57,426	16.7	107,908	524.3
First half of FYE2025	643,045	5.0	93,498	14.5	82,512	1.1	50,745	0.6	49,194	1.3	17,283	(87.7)

(Reference) Income before income taxes

First half of FYE2026: ¥83,261 million [16.0%]

First half of FYE2025: ¥71,781 million [0.3%]

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)
First half of FYE2026	132.67	—
First half of FYE2025	113.65	—

(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 (%)
First half of FYE2026 (September 30, 2025)	2,543,056	1,115,349	1,074,419	42.2
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	—	29.00			
FYE2026 (est.)			—	29.00	58.00

Note: 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: Yes

Four newly added companies: (Company Name) Coregas Pty Ltd, and other 3

(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 Sep. 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 Sep. 30, 2025	238,559 shares	As of Mar. 31, 2025	237,521 shares
3. Average number of shares during the period	As of Sep. 30, 2025	432,854,859 shares	As of Sep. 30, 2024	432,857,190 shares

* Financial Statements are out of the scope of audit by certified public accountants or audit corporations.

* 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 Semi-annual Financial Results.”

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1. Qualitative Information on Semi-annual Financial Results

(1) Explanation Concerning Semi-annual Business Results

(General Overview)

The business environment surrounding our Group during the first half of the fiscal year under review (from April 1, 2025 to September 30, 2025) remained difficult, marked by continued challenges across key markets and geographies.

Under these circumstances, Nippon Sanso Holdings Group (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 half under review was as follows: revenue on a consolidated basis increased by 1.2% year-on-year to ¥650,829 million, core operating income increased by 0.8% to ¥94,257 million. Operating income increased by 14.2% to ¥94,204 million, and net income attributable to owners of the parent increased by 16.7% to ¥57,426 million.

Year-on-year, foreign exchange rate fluctuations had a mixed impact: the Japanese yen appreciated against the USD dollar from ¥152.45 to ¥146.07 (a change of -¥6.38, or -4.1%), while it depreciated against the Euro from ¥165.83 to ¥168.68 (+¥2.85, or +1.7%). As a result, overall revenue and core operating income were adversely affected by approximately ¥7.9 billion and ¥1.1 billion, respectively.

Core operating income is derived by adjusting operating income to exclude certain gains and losses arising from non-recurring events, such as those associated with business withdrawals or downsizing initiatives.

(Overview of business performance by reportable segment)

The following section provides a detailed overview of business performance by reportable segments. For clarity and consistency, segment income is presented as 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 experienced lower sales. Segment income increased, supported by the positive impact of price management and reduced electricity costs.

As a result, in the Japan segment, revenue decreased by 0.1% year-on-year to ¥194,698 million and segment income increased by 20.2% to ¥26,430 million.

(ii) United States

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

As a result, in the United States segment, revenue decreased by 3.9% year-on-year to ¥172,586 million and segment income decreased by 19.1% to ¥23,121 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 rose despite the impact of reduced gas shipment volumes, driven by the benefits of price management and productivity improvement initiatives.

As a result, in the Europe segment, revenue increased by 1.5% year-on-year to ¥167,939 million and segment income increased by 2.7% to ¥32,702 million.

(iv) Asia & Oceania

In the industrial gas-related business, sales increased due to contributions from the Australian LP gas sales business acquired in the previous fiscal year and the industrial gas business in the Oceania region acquired in the current fiscal year. In the electronics-related business, equipment and installation performed steadily, resulting in increased sales. Segment income rose due to higher revenue. Acquisition-related costs for the business acquired in the Oceania region during the current fiscal year were recorded during this interim consolidated accounting period.

As a result, in the Asia & Oceania segment, revenue increased by 13.8% year-on-year to ¥98,516 million and segment income increased by 1.4% to ¥8,955 million.

(v) Thermos

In Japan, sales increased, driven by strong demand for sports bottles amid the intense summer heat and the successful launch of new products featuring functional and stylish designs. Conversely, sales decreased in Korea. Segment income increased due to higher sales in Japan, continuous cost reduction efforts, and lower USD based production costs.

As a result, in the Thermos segment, revenue increased by 3.8% year-on-year to ¥17,069 million and segment income increased by 28.0% to ¥3,487 million.

(2) Overview of Semi-annual Financial Position

Total assets amounted to ¥2,543,056 million as of the end of the first half of the consolidated accounting period, an increase of ¥124,858 million compared with the end of the previous consolidated fiscal year. Foreign exchange rates resulted in an increase in total assets of approximately ¥80.3 billion. This mainly reflected foreign exchange rate changes, such as the JPY appreciation of ¥0.64 against the USD and the JPY depreciation of ¥12.39 against the EUR compared with the end of the previous consolidated fiscal year.

[Assets]

Total current assets were ¥550,220 million, a decrease of ¥15,555 million compared with the end of the previous consolidated fiscal year. This was mainly due to decreases in cash and cash equivalents and other current assets.

Total non-current assets were ¥1,992,835 million, an increase of ¥140,414 million compared with the end of the previous consolidated fiscal year. This was mainly due to increases in property, plant and equipment and goodwill.

[Liabilities]

Total current liabilities were ¥445,381 million, an increase of ¥50,096 million compared with the end of the previous consolidated fiscal year. This was mainly due to increases in bonds and borrowings and other current liabilities.

Total non-current liabilities were ¥982,325 million, a decrease of ¥19,656 million compared with the end of the previous consolidated fiscal year. This was mainly due to decreases in bonds and borrowings and increases in deferred tax liabilities.

[Equity]

Total equity increased by ¥94,419 million compared with the end of the previous consolidated fiscal year to ¥1,115,349 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 42.2%, up 1.7 percentage points compared with the end of the previous consolidated fiscal year.

(Cash flow analysis)

[Cash flow from operating activities]

Net cash provided by operating activities increased 0.4% year on year to ¥119,898 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 increased 34.5% year on year to ¥117,303 million. The main use of cash was for the acquisition of subsidiaries.

[Cash flow from financing activities]

Net cash used in financing activities increased 22.1% year on year to ¥26,139 million. The main factors were repayment of long-term borrowings, net increase or decrease in short-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 half, after accounting for the effects of exchange differences, came to ¥125,569 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.

Note that the forecast for the interim dividend and the year-end dividend has been revised from the previous forecast.

For more details, please refer to the "Notice Regarding Revision to Dividend Forecast (Interim Dividend) and Revision to Dividend Forecast" announced today (October 30, 2025).

2. Semi-annual Condensed Consolidated Financial Statements and Main Notes

(1) Semi-annual Condensed Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and cash equivalents	144,528	125,569
Trade receivables	263,080	266,964
Inventories	99,509	110,169
Other financial assets	14,588	17,297
Other current assets	42,148	29,961
Subtotal	563,854	549,962
Assets possessed for a sales purpose	1,921	257
Total current assets	565,776	550,220
Non-current assets		
Property, plant and equipment	899,306	964,654
Goodwill	575,289	634,068
Intangible assets	240,967	259,145
Investments accounted for using the equity method	61,171	62,785
Other financial assets	58,482	55,234
Retirement benefit asset	5,201	5,270
Other non-current assets	8,427	8,140
Deferred tax assets	3,574	3,536
Total non-current assets	1,852,421	1,992,835
Total assets	2,418,197	2,543,056

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade payables	133,822	129,564
Bonds and borrowings	92,630	142,109
Corporate income taxes payable	14,070	15,053
Other financial liabilities	93,378	91,439
Allowance	296	324
Other current liabilities	61,088	66,889
Total current liabilities	395,285	445,381
Non-current liabilities		
Bonds and borrowings	757,936	723,957
Other financial liabilities	44,703	47,025
Retirement benefit liabilities	15,337	16,391
Allowance	5,304	5,598
Other non-current liabilities	19,293	18,758
Deferred tax liabilities	159,405	170,594
Total non-current liabilities	1,001,982	982,325
Total liabilities	1,397,267	1,427,707
Equity		
Share capital	37,344	37,344
Capital surplus	39,803	41,120
Treasury stock	(260)	(266)
Retained earnings	709,068	759,771
Other components of equity	194,495	236,449
Total equity attributable to owners of the parent	980,451	1,074,419
Non-controlling interests	40,478	40,929
Total equity	1,020,930	1,115,349
Total liabilities and equity	2,418,197	2,543,056

(2) Semi-annual Condensed Consolidated Statement of Profit or Loss and Quarterly Condensed Consolidated Statement of Comprehensive Income
Semi-annual Condensed Consolidated Statement of Profit or Loss

(Millions of yen)

	Six-months ended September 30, 2024	Six-months ended September 30, 2025
Revenue	643,045	650,829
Cost of sales	(372,863)	(374,638)
Gross operating profit	270,182	276,190
Selling, general and administrative expenses	(177,689)	(184,449)
Other operating income	2,040	2,729
Other operating expense	(13,907)	(2,098)
Share of profit of investments accounted for using the equity method	1,887	1,832
Operating income	82,512	94,204
Finance income	2,092	1,475
Finance costs	(12,824)	(12,418)
Income before income taxes	71,781	83,261
Corporate income taxes	(21,036)	(24,034)
Net income	50,745	59,226
Net income attributable to:		
Owners of the parent	49,194	57,426
Non-controlling interests	1,550	1,800
Net income per share		
Basic earnings per share (yen)	113.65	132.67

Semi-annual Condensed Consolidated Statement of Comprehensive Income

(Millions of yen)

	Six-months ended September 30, 2024	Six-months ended September 30, 2025
Net income	50,745	59,226
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(3,344)	4,185
Remeasurements of defined benefit plans	(13)	(21)
Share of other comprehensive income of investments accounted for using the equity method	93	(39)
Total of items that will not be reclassified to profit or loss	(3,265)	4,124
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	(32,162)	44,612
Effective portion of net change in fair value of cash flow hedges	(261)	1,308
Share of other comprehensive income of investments accounted for using the equity method	2,227	(1,364)
Total of items that may be reclassified subsequently to profit or loss	(30,196)	44,557
Total other comprehensive income, net of tax	(33,461)	48,681
Comprehensive income	17,283	107,908
Comprehensive income attributable to:		
Owners of the parent	15,425	105,963
Non-controlling interests	1,858	1,944

(3) Semi-annual Condensed Consolidated Statement of Changes in Equity

Six-months ended September 30, 2024 (from April 1, 2024 to September 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	—	—	—	49,194
Other comprehensive income	—	—	—	—
Comprehensive income	—	—	—	49,194
Purchase of treasury stock	—	—	(6)	—
Disposal of treasury stock	—	0	0	—
Dividends	—	—	—	(10,389)
Changes in ownership interest in subsidiaries	—	131	—	—
Business combinations or business divestitures	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	(13)
Transfer from other components of equity to non-financial assets and others	—	—	—	—
Other changes	—	—	—	—
Total transactions with owners	—	131	(6)	(10,402)
Balance at September 30, 2024	37,344	39,364	(248)	666,336

Other components of 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	Total	Total equity attributable to owners of the parent	Non-controlling interests	Total equity
Balance at April 1, 2024	188,017	291	22,292	—	210,601	914,481	31,630	946,112
Net income	—	—	—	—	—	49,194	1,550	50,745
Other comprehensive income	(30,247)	(259)	(3,248)	(13)	(33,769)	(33,769)	308	(33,461)
Comprehensive income	(30,247)	(259)	(3,248)	(13)	(33,769)	15,425	1,858	17,283
Purchase of treasury stock	—	—	—	—	—	(6)	—	(6)
Disposal of treasury stock	—	—	—	—	—	0	—	0
Dividends	—	—	—	—	—	(10,389)	(889)	(11,279)
Changes in ownership interest in subsidiaries	—	—	—	—	—	131	(175)	(44)
Business combinations or business divestitures	—	—	—	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	0	13	13	—	—	—
Transfer from other components of equity to non-financial assets and others	—	—	—	—	—	—	—	—
Other changes	—	—	—	—	—	—	(89)	(89)
Total transactions with owners	—	—	0	13	13	(10,264)	(1,155)	(11,420)
Balance at September 30, 2024	157,769	31	19,043	—	176,844	919,642	32,333	951,976

Six-months ended September 30, 2025 (from April 1, 2025 to September 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	—	—	—	57,426
Other comprehensive income	—	—	—	—
Comprehensive income	—	—	—	57,426
Purchase of treasury stock	—	—	(5)	—
Disposal of treasury stock	—	—	—	—
Dividends	—	—	—	(11,688)
Changes in ownership interest in subsidiaries	—	1,316	—	—
Business combinations or business divestitures	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	4,965
Transfer from other components of equity to non-financial assets and others	—	—	—	—
Other changes	—	—	—	—
Total transactions with owners	—	1,316	(5)	(6,723)
Balance at September 30, 2025	37,344	41,120	(266)	759,771

	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	—	—	—	—	—	57,426	1,800	59,226
Other comprehensive income	43,154	1,311	4,092	(21)	48,536	48,536	144	48,681
Comprehensive income	43,154	1,311	4,092	(21)	48,536	105,963	1,944	107,908
Purchase of treasury stock	—	—	—	—	—	(5)	—	(5)
Disposal of treasury stock	—	—	—	—	—	—	—	—
Dividends	—	—	—	—	—	(11,688)	(2,326)	(14,015)
Changes in ownership interest in subsidiaries	—	—	—	—	—	1,316	(32)	1,284
Business combinations or business divestitures	—	—	—	—	—	—	(121)	(121)
Transfer from other components of equity to retained earnings	—	—	(4,986)	21	(4,965)	—	—	—
Transfer from other components of equity to non-financial assets and others	—	(1,618)	—	—	(1,618)	(1,618)	—	(1,618)
Other changes	—	—	—	—	—	—	987	987
Total transactions with owners	—	(1,618)	(4,986)	21	(6,583)	(11,995)	(1,493)	(13,489)
Balance at September 30, 2025	221,613	(376)	15,211	—	236,449	1,074,419	40,929	1,115,349

(4) Semi-annual Condensed Consolidated Statement of Cash Flows

(Millions of yen)

	Six-months ended September 30, 2024	Six-months ended September 30, 2025
Cash flow from operating activities		
Income before income taxes	71,781	83,261
Depreciation and amortization	57,520	60,589
Impairment loss	10,761	—
Interest and dividends income	(2,092)	(1,475)
Interest expenses	12,760	11,339
Share of (profit) loss of investments accounted for using the equity method	(1,887)	(1,832)
Loss (gain) on sale and retirement of property, plant and equipment, and intangible assets	13	(149)
(Increase) decrease in trade receivables	26,648	5,714
(Increase) decrease in inventories	(4,543)	(5,546)
Increase (decrease) in trade payables	(12,122)	(8,979)
(Increase) decrease in retirement benefit asset	(226)	(183)
Increase (decrease) in retirement benefit liabilities	538	511
Other	(14,634)	8,103
Subtotal	144,515	151,353
Interest received	1,491	835
Dividends received	1,116	679
Interest paid	(12,940)	(11,781)
Corporate income tax refund (paid)	(14,761)	(21,189)
Cash flow from operating activities	119,421	119,898
Cash flow from investing activities		
Payments for purchase of property, plant and equipment	(85,815)	(52,139)
Proceeds from sale of property, plant and equipment	922	1,724
Payments for purchase of investment	(51)	(194)
Proceeds from sale and redemption of investments	215	9,076
Payments for acquisition of subsidiaries	—	(71,914)
Proceeds from sale of subsidiaries	67	168
Payments for acquisition of businesses	—	(305)
Other	(2,538)	(3,719)
Cash flow from investing activities	(87,198)	(117,303)

	(Millions of yen)	
	Six-months ended September 30, 2024	Six-months ended September 30, 2025
Cash flow from financing activities		
Net increase (decrease) in short-term borrowings	8,028	18,292
Net increase (decrease) in commercial papers	(7,000)	—
Proceeds from long-term borrowings	45,213	7,890
Payments for repayment of long-term borrowings	(49,780)	(28,376)
Payments for repayment of lease obligations	(6,563)	(7,627)
Payments for purchase of shares in subsidiaries not resulting in change in scope of consolidation	(141)	(2,613)
Dividends paid	(10,389)	(11,688)
Dividends paid to non-controlling interests	(889)	(2,326)
Other	105	309
Cash flow from financing activities	(21,416)	(26,139)
Impact of exchange rate changes on cash and cash equivalents	(1,777)	4,551
Net increase (decrease) in cash and cash equivalents	9,028	(18,992)
Balance of cash and cash equivalents at beginning of fiscal year	126,100	144,528
Increase in cash and cash equivalents resulting from merger	—	34
Balance of cash and cash equivalents at end of the first half	135,129	125,569

(5) Notes to the Semi-annual Condensed Consolidated Financial Statements

(Applicable financial reporting framework)

On Semi-annual Condensed Consolidated Financial Statements of the Group (Semi-annual Condensed Consolidated Statement of Financial Position, Semi-annual Condensed Consolidated Statement of Profit or Loss, Semi-annual Condensed Consolidated Statement of Comprehensive Income, Semi-annual Condensed Consolidated Statement of Changes in Equity, Semi-annual Condensed Consolidated Statement of Cash Flows and Notes to the Semi-annual 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

Six-months ended September 30, 2024 (from April 1, 2024 to September 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	194,905	179,568	165,528	86,554	16,441	642,998	46	643,045
Revenue from inter-segment transactions and transfers	8,373	14,176	186	1,732	6	24,474	(24,474)	—
Total	203,278	193,744	165,715	88,286	16,448	667,473	(24,428)	643,045
Segment income (Note 2)	21,994	28,573	31,852	8,835	2,724	93,980	(482)	93,498

Note: 1. The negative adjustment of (¥482) million for segment income is comprised of ¥240 million of intersegment eliminations and companywide expenses of (¥722) 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.

Six-months ended September 30, 2025 (from April 1, 2025 to September 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	194,698	172,586	167,939	98,516	17,069	650,810	18	650,829
Revenue from inter-segment transactions and transfers	10,479	11,383	214	1,387	6	23,471	(23,471)	—
Total	205,177	183,969	168,153	99,904	17,076	674,281	(23,452)	650,829
Segment income (Note 2)	26,430	23,121	32,702	8,955	3,487	94,698	(440)	94,257

Notes: 1. The negative adjustment of (¥440) million for segment income is comprised of ¥305 million of intersegment eliminations and companywide expenses of (¥746) 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)

	Six-months ended September 30, 2024	Six-months ended September 30, 2025
Segment income	93,498	94,257
Loss on liquidation of subsidiaries and associates	(223)	(221)
Impairment loss	(10,758)	—
Gain on sale of fixed assets	—	178
Other	(3)	(9)
Operating income	82,512	94,204
Finance income	2,092	1,475
Finance costs	(12,824)	(12,418)
Income before income taxes	71,781	83,261

(Business combination)

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

(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. The acquired companies, Coregas Pty Ltd, Blacksmith Jacks Pty Ltd, and Coregas NZ Limited (collectively referred to as the "Coregas Group"), have an extensive sales network across Australia and New Zealand. They are engaged in the manufacture and sale of industrial gases, medical gases, specialty gases, and other industrial gases, as well as related services, in addition to 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	71,521
Total acquisition amount	71,521

(3) Acquired assets, assumed liabilities, and goodwill

	(Millions of yen)
	Acquisition date
	(July 1, 2025)
Current assets	
Cash and cash equivalents	89
Other	7,235
Non-current assets	
Property, plant and equipment	37,995
Intangible assets	11,289
Other	788
Acquired assets	57,398
Current liabilities	
Other financial liabilities	5,826
Other	2,072
Non-current liabilities	5,748
Assumed liabilities	13,648
Acquired assets and assumed liabilities (net amount)	43,749
Goodwill	27,771

Because the accounting treatment for the business combination at the time of acquisition has not been completed, the above amount is a provisional fair value based on the best estimate at the present time, and if additional information regarding facts and circumstances existing as of the acquisition date is obtained and evaluated, the above amount may be adjusted within one year from the acquisition date.

Notes:

1. Breakdown of tangible fixed assets and intangible assets
The breakdown of tangible fixed assets mainly consists of tools, instruments, and equipment worth ¥20,999 million. The composition of intangible assets mainly consists of intangible assets related to customers amounting to ¥10,663 million.
2. Fair value of acquired receivables, contractually unpaid amounts, and estimated uncollectible amounts
The fair value of the acquired claims and the contractually unrecovered amount are approximately the same. There are no outstanding contract receivables that are expected to be uncollectible.
3. Goodwill
The main content of goodwill is the synergy effects and excess earning power expected to arise from the acquisition with existing businesses that individually do not meet the recognition criteria. Additionally, goodwill cannot be included as a deductible expense for tax purposes.
4. Basis adjustment
To hedge the foreign exchange risk related to investments in the acquired company, we executed a foreign exchange forward contract. The scheduled transaction in question is subject to hedge accounting as a cash flow hedge, and the fair value of the hedging instrument on the acquisition date of ¥1,618 million was adjusted as a basis adjustment to the initial recognition amount of goodwill arising from the business combination, resulting in a decrease of the same amount in the initial recognition amount of goodwill.

(4) Acquisition-related expenses

The acquisition-related expenses amount to ¥919 million, all of which are recorded under "selling, general and administrative expenses. Among these, the acquisition-related expenses incurred in the previous consolidated fiscal year were ¥410 million, and those incurred during this interim consolidated accounting period were ¥508 million.

(5) Impact on the performance of the NSHD Group

The consolidated income statement of the NSHD Group includes revenue and current period profit of the acquired company amounting to ¥6,790 million and ¥468 million, respectively, incurred since the acquisition date.

Assuming that the business combination took place on April 1, 2025, the beginning of the current consolidated fiscal year, the Group's revenue and profit for the current term (pro forma information) would be ¥657,181 million and ¥59,848 million yen, respectively. Please note that the pro forma information has not been audited.

(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.