

February 2, 2021

Nippon Sanso Holdings Corporation

Notice Regarding Earnings Forecast Revisions

Nippon Sanso Holdings Corporation (NSHD) hereby announces that in light of recent business performance trends, its consolidated earnings forecasts announced on May 12, 2020 for the full term of fiscal year 2021, ending March 31, 2021, were revised as follows.

1. Consolidated Earnings Forecast Revisions for Fiscal Year 2021 (April 1, 2020 – March 31, 2021)

	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)
Previous forecast (A)	830,000	82,000	82,000	46,000	44,000	101.67
Revised forecast (B)	802,000	83,000	84,600	49,600	48,100	111.15
Increase (decrease) (B-A)	(28,000)	1,000	2,600	3,600	4,100	
% change (%)	(3.4)	1.2	3.2	7.8	9.3	
(Reference) Previous results (April 1, 2019 – March 31, 2020)	850,239	90,337	93,921	55,038	53,340	123.26

2. Reasons for the Revisions

Revenue is expected to be flat to lower for all businesses excluding currency versus the previous forecast as a result of a worse and prolonged pandemic. The collateral economic damage from the pandemic has negatively impacted country economic growth and growth estimates. As a consequence, NSHD experienced more negative impact on the Gases and Equipment in Japan, and the Thermos revenue than expected. Core operating income, and operating income have been above forecast as a result of productivity efforts, cost controls, and COVID-19 induced restrictions such as reduced business travel. The new profit forecast is above previous forecast as a result of the United States Gas and Europe Gas business trending above forecast and Japan Gases, Asia & Oceania Gases, and Thermos trending below. Each quarter improved sequentially through the first three quarters of FYE 2021. There is a non-recurring charge of ¥1.1B built in the 4Q's Operating Income forecast. Net income, and net income attributable to owners of the parent company are expected to be higher as a result of increased profitability, lower taxes and interest expense. There is no change in the year-end dividend from the forecast announced on October 31 (¥14 per share).

(Note) The earnings forecasts above are based on information available as of the announcement date of this press release. Actual earnings results may differ from the forecasts depending on a variety of factors going forward.