



March 25, 2025

Nippon Sanso Holdings Corporation

Notice Regarding Recognition of Impairment Loss and Earnings Forecast Revisions

Nippon Sanso Holdings Corporation (“NSHD”) hereby announces that the Company will record an impairment loss in the fourth quarter of the fiscal year ending March 31, 2025 (April 1, 2024-March 31, 2025) as follows. In addition, NSHD has revised its consolidated earnings forecasts for the full fiscal year that were previously announced on February 5, 2025.

1. Recognition of Impairment Loss

NSHD recognized an impairment loss of 10,799 million yen associated with the cancellation of construction plans for a hydrogen production plant being built in the U.S., and the book value was reduced to the recoverable amount. Recently, after carefully examining the recoverability based on the current business environment, we have determined that the resumption of construction for this plant cannot be foreseen. As a result, an additional impairment loss of 15,204 million yen will be recorded for this plant in the fourth quarter. The total impairment loss for this plant will amount to 26,003 million yen. This impairment is not expected to have an impact on next year's operating results.

2. Consolidated Earnings Forecast Revisions for Fiscal Year 2025 (April 1, 2024 – March 31, 2025)

	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)	1,300,000	185,000	178,000	110,000	107,000	247.20
Revised forecast (B)	1,300,000	186,000	163,000	99,500	96,500	222.94
Increase(decrease)(B-A)	0	1,000	△ 15,000	△ 10,500	△ 10,500	
% change (%)	0.0	0.5	△ 8.4	△ 9.5	△ 9.8	
(Reference) Previous results (April 1, 2023-March 31, 2024)	1,255,081	165,996	172,041	109,364	105,901	244.66

3. Reasons for the Revisions

Revenue remain unchanged from the previous forecast, as the positive impact from price management and foreign currency exchange due to the weak yen is expected to be offset by the impact from lower sales volumes in multiple key regions.

Core operating income, on the other hand, will be revised favorably due to solid trend in price management continuing in the 4th quarter.

Operating income is expected to fall approximately 15 billion yen below our previously announced forecast mainly due to the impact of the impairment loss mentioned in "1." above, partially offset by the gain from the sale of land and buildings expected in Japan, to be recognized in the fourth quarter.

Accordingly, Net income and Net income attributable to owners of the parent are also expected to fall below our previously announced forecast.

The year-end dividend remains unchanged from the forecast announced on May 13, 2024 (24 yen 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.