



March 22, 2013
Taiyo Nippon Sanso Corporation

Notice of Revision to the Consolidated Financial Forecasts

In light of recent performance trends, Taiyo Nippon Sanso Corporation has revised its consolidated financial forecasts for the fiscal year ending March 31, 2013 announced on September 28, 2012 as follows.

● Revision to consolidated financial forecasts

Consolidated financial forecasts for the FY2013 (April 1,2012 to March 31,2013)

(millions of yen, unless otherwise noted)

	Net Sales	Operating income	Ordinary income	Net income	Net income per share (yen)
Previous forecasts (A)	474,000	26,300	24,300	0	0.00
Revised forecasts (B)	469,000	24,700	22,200	(2,200)	(5.57)
Change (B-A)	(5,000)	(1,600)	(2,100)	(2,200)	
Percentage change (%)	(1.1)	(6.1)	(8.6)	—	
Reference: Results for the FY2012	477,451	31,067	29,730	21,200	53.33

Reasons for Revision

Because demand for industrial gas-related as well as electronics-related gases and equipment, and installation has not recovered, we expect net sales to fall below that of our previous forecast. In particular, a domestic subsidiary, whose mainstay businesses are cutting and welding machines, has experienced decreases in overseas shipments along with sluggish sales of gas control equipment, mainly to the semiconductor industry. In addition, our U.S. subsidiary has incurred additional expenses related to the reduction in personnel and the disposal of assets to improve earnings. So its profits are down compared with our previous forecast. Under these circumstances, although we expected to raise the selling prices of oxygen, nitrogen, argon, and carbon dioxide and decrease sales expenses, it becomes difficult to ensure profitability due to a longer than expected delay in these price revisions, supply shortages of helium, which is 100% imported, rising imported helium costs by a depreciating yen, and other factors. As a result, we expect operating income, ordinary income, and net income to come in below our previous forecast. Meanwhile, our year-end dividend will remain unchanged from our previous forecast (6 yen per share).

Note: The above forecasts are based on information available to the management of the Company as of the time of writing, and may differ from actual results owing to a number of factors that may materialize subsequent to this announcement.