



February 20, 2024

Notice of Price Revision of Cylinder Gases

Taiyo Nippon Sanso Corporation (Headquarters: Sinagawa-ku, Tokyo; President: Kenji Nagata; hereinafter “TNSC”), a Japanese industrial gas business company in the Nippon Sanso Holdings Group, is to announce its decision to revise the shipment prices of cylinder gases as follows.

1. Applicable products: (1) General cylinder gases (oxygen, nitrogen, argon, etc. including Cylinder Pack (Bundle) and LGCs)
(2) Special gases (high-purity gases, standard gases, mixed gases, and some of the semiconductor material gases)
2. Schedule: Effective for shipments beginning in April 2024
3. Price increases: (1) General cylinder gases: Increase of 10% or more of the current shipment prices
(2) Special gases and hydrogen gas: Increase of 15% or more of the current shipment prices

4. Reasons for the revision:

In response to the rise in electricity rates due to the soaring energy prices, along with the increase of steel and various raw material prices, TNSC has been revising the prices of various industrial gases and medical gases since fiscal 2022.

At present, while energy market conditions and electricity costs are stable, labor costs and material expenses are also soaring, in addition to the increase in logistics costs due to the “2024 problem”. These cost rises very seriously hit the market of cylinder gases, which are traded in the most downstream and in the smallest units in the supply chain of high-pressure gases, and for which, logistics and labor costs account for large portions of the price. As for hydrogen gas, while the supply and demand balance has been tightened due to the shortage of raw material gases and the decrease in manufacturing bases, the costs of investing in manufacturing and logistics infrastructure to maintain a stable supply, as well as the logistics costs for long-distance transportation, have risen significantly.

In response, TNSC has taken all possible measures, such as eliminating and consolidating filling stations and improving delivery efficiency. The cost increase, however, is beyond the limit of our corporate efforts, and we came to the conclusion that we have to revise the prices of cylinder gases. We will also seek the cooperation and understanding of our customers in our efforts to reduce the burden of logistics and to mitigate cost increases, such as centralized delivery to stock points and early return of containers.

【Company Overview】

Taiyo Nippon Sanso Corporation

Business description: Manufacture and sale of various industrial gases such as oxygen, nitrogen, argon, LP gas, gas for medical uses, and specialty gases, manufacture and sale of welding equipment and materials, gas-related devices, and, air separation equipment, assembly, processing, inspection of electrical components, and equipment maintenance

Established: October 30, 1910

Incorporated: February 4, 2020

Capital: 1.5 billion yen

Shareholder: Nippon Sanso Holdings Corporation (Investment ratio: 100%)

Revenue: 420.4 billion yen*

*Note: This figure shows the revenue of Japan for Nippon Sanso Holdings Corporation in FYE2023

Taiyo Nippon Sanso Corporation

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