Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

July 31, 2026

To All Concerned Parties

Company Name	Air Water Inc.	
Representative	Representative Director President and Executive Officer	Yoshihiro Senzai
	（Code Number 4088　Tokyo Stock Exchange Prime Market, Sapporo Stock Exchange Market）	
Contact	General Manager of Corporate Communications Office	Keisuke Fukushima
	（TEL　06-6252-3966）	

(Correction, Numerical Data Correction) Partial Corrections to “Consolidated Financial Results (IFRS) for the First Quarter Ended March 31, 2026”

We hereby announce that certain portions of the “Consolidated Financial Results (Under IFRS) For the First Quarter of the March 31, 2026 Fiscal Year,” disclosed on August 7, 2025, have been corrected.
In addition, as corrections have been made to the numerical data, the corrected numerical data is also being submitted.

1. Details of and Reasons for the Corrections
For details of and reasons for the corrections, please refer to the “Notice Regarding the Submission of Correction Reports for Annual Securities Reports and Other Reports for Prior Fiscal Years, and Amendments to Financial Results Summaries and Other Disclosures for Prior Fiscal Years,” separately disclosed today (July 31, 2026).

2. Sections Corrected
As the corrections cover numerous sections, only the corrected version is attached in its entirety. The corrected portions are indicated by underlining.

END

August 7, 2025

Consolidated Financial Results (Under IFRS)
For the First Quarter of the March 31, 2026 Fiscal Year

AIR WATER INC.
Head Office: Grand Green Osaka
South Building Park Tower 13 F,
5-54 Ofukacho, Kita-ku, Osaka, Japan

(Note: All amounts are rounded down to the nearest million yen.)

1. Results for the three months ended June 30, 2025

(1) Consolidated operating results

(% of change from previous year)

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Total comprehensive income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2025	239,698	2.1	15,950	23.7	15,642	18.6	9,409	13.9	9,364	11.5	8,341	(69.4)
Three months ended June 30, 2024	234,698	6.9	12,892	(3.9)	13,188	(2.2)	8,259	(3.2)	8,400	0.1	27,293	(3.2)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2025	40.87	40.85
Three months ended June 30, 2024	36.79	36.77

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
	Million yen	Million yen	Million yen	%
As of June 30, 2025	1,189,334	451,827	440,708	37.1
As of March 31, 2025	1,210,110	458,224	442,215	36.5

2. Dividends

	Dividend per share				
	End of first quarter	End of second quarter	End of third quarter	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
The fiscal year ended March 31, 2025	—	32.00	—	43.00	75.00
The fiscal year ending March 31, 2026	—				
The fiscal year ending March 31, 2026 (Forecasts)		37.50	—	37.50	75.00

(Note) Changes in forecast of dividends for the fiscal year ending March 31, 2026, from the latest disclosure: No

3. Forecast of consolidated operating results for the fiscal year ending March 31, 2026

(% of change from previous year)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
The second quarter (cumulative)	540,000	12.2	36,000	19.0	35,000	19.3	22,000	19.3	96.00
The fiscal year	1,150,000	13.5	84,000	34.3	81,000	33.1	53,000	32.7	231.28

(Note) Changes in forecast of consolidated operating results for the fiscal year ending March 31, 2026, from the latest disclosure: No

Notes

(1) Significant changes in the scope of consolidation during the period : None

(2) Changes in accounting policies and changes in accounting estimates

a. Changes in accounting policies required by IFRS: None

b. Changes in accounting policies other than (a): None

c. Changes in accounting estimates: None

(3) Number of shares outstanding (ordinary shares)

a. Total number of shares outstanding (including treasury shares)

As of June 30, 2025: 229,755,057 shares

As of March 31, 2025: 229,755,057 shares

b. Number of shares of treasury shares

As of June 30, 2025: 598,373 shares

As of March 31, 2025: 599,422 shares

c. Average number of shares during the term

First Three months of the fiscal year ending March 31, 2026: 229,156,837 shares

First Three months of the fiscal year ended March 31, 2025: 228,338,236 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm : None

* Explanations and other special notes concerning the appropriate use of business performance forecasts

・The forward-looking statements such as result forecasts included in this document are based on the information available to AIR WATER INC. (hereinafter "the Company") at the time of the announcement and on certain assumptions considered reasonable. Actual results may differ materially from the forecast depending on a range of factors. For matters relating to the forecasts, please, refer to "1-(3) Explanation of future prediction information such as forecast of consolidated operating results".

4.Qualitative Information relating to First Quarter Settlement of Accounts

(1) Explanation of Operating Results

1) Operating results for the current period

For the current first quarter consolidated cumulative period, the Group's revenue was ¥239,698 million (102.1% that of the corresponding period of the previous year), operating profit was ¥15,950 million (123.7%), and profit attributable to owners of parent was ¥9,364 million (111.5%).

In the Japanese economy during the period under review, consumer spending recovered sluggishly due in part to the rising price of goods, despite the continuous improvement of employment and income conditions. At the same time, the outlook remained unclear amid the increasing uncertainty regarding economic activity around the world. This was primarily due to geopolitical risks and US policy trends.

The Group has established the "terrAWell 30" long-term vision with the goals of the Group contributing to solutions to social issues through its business activities, achieving sustainable growth, and increasing its corporate value. The Group has also established the terrAWell30 2nd stage Medium-term Management Plan for the three years of FY2025 to FY2027.

The second stage will be a transition from expanding the scale of the Group to achieve revenue of 1 trillion yen in the 1st stage medium-term plan period to pursuing profitability. The Group will thoroughly examine its existing businesses, effectively invest the management resources it has generated in growth businesses, and improve and streamline low-growth, low-profit businesses to reform its business portfolio.

2) Consolidated results by segment for this period

In April 2025, the business units were reorganized, and new ones were added. The business segments were changed as described below. The Group will streamline its businesses to implement its growth strategies, including the creation of synergy and the reform of low-profit businesses. It will also work harder to establish new businesses and grow its global businesses.

Beginning the first quarter of the fiscal year under review, overseas industrial gas businesses in North America, India and elsewhere, a business supplying high-output uninterruptible power sources (UPS), and domestic engineering business previously included in "Other businesses" have been moved to the Digital & Industry segment. The carbon dioxide and hydrogen business included in the Digital & Industry segment has been moved to Energy Solutions. The magnesia business and the electronics-related specialized trading company business included in Digital & Industry have been moved to "Other Businesses." The logistics business included in "Other Businesses" has been transferred to Agriculture & Foods.

The segment information for the cumulative first quarter of the previous consolidated fiscal year shown here was prepared based on the revised reporting segments.

（Million yen）

	Revenue		Operating profit	
	FY 2025.1Q	YoY Growth	FY2025.1Q	YoY Growth
Digital & Industry	77,453	98.4%	7,734	137.1%
Energy Solutions	21,252	106.5%	1,984	135.5%
Health & Safety	51,613	100.6%	2,450	105.9%
Agriculture & Foods	56,056	106.4%	3,046	108.0%
Other Business	33,323	104.0%	859	－%
（Adjustment）	―	－%	(124)	－%
Total	239,698	102.1%	15,950	123.7%

(Note) The adjustment to operating profit is due to costs incurred at the company's headquarters division which was not allocated to any reporting segment.

<**Digital & Industry**>

Revenue in this segment was ¥77,453million (98.4% that of the corresponding period of the previous year), and operating profit was ¥7,734 million (137.1%)

In the Industrial Gas Unit, the management of the prices of industrial gases positively contributed to the results.

In the Gas Products Unit, the amount of gas supplied decreased due to the suspension of some blast furnace operations.

In the Digital Unit, sales of products such as gas refining equipment and heat control devices for semiconductor manufacturing systems increased in response to the demand for semiconductors for generative AI applications.

In the Global & Engineering Unit, the high-output uninterruptible power source (UPS) business continued to perform strongly due to data centers and semiconductor manufacturers increasing their capital expenditures.

As a result, revenue was lower than in the same period of the previous year, while operating profit exceeded the level recorded in the same period of the previous year.

<**Energy solutions**>

Revenue in this segment was ¥21,252 million (106.5%), and operating profit was ¥1,984 million (135.5%)

In the Energy Solutions Unit, sales of LP gas and kerosene increased thanks to low temperatures in Hokkaido, the main sales region. Sales remained strong as the unit successfully catered to demand related to the bunkering of (supplying of fuel to) LNG fuel carriers.

The Green Innovation Unit remained solid due to the management of the price of carbonic acid gas, despite the shortage of raw gas in the carbonic acid gas supply chain.

As a result, both revenue and operating profit exceeded the levels recorded in the same period of the previous year.

<**Health & Safety**>

Revenue in this segment was ¥51,613 million (100.6%), and operating profit was ¥2,450 million (105.9%)

In the Medical Products Unit, the number of patients undergoing nitric oxide inhalation therapy increased and sales of shower bathing devices for long-term care remained strong. However, sales were affected by the increase of expenses for the maintenance of oxygen concentrators in home care.

The Safety Unit worked to reprice products and services to secure profit and address its rising costs, including its material, personnel, and other expenses. Construction projects for data centers increased and sales remained strong.

In the Home Healthcare Unit, sales of consumer products from Kawamoto Corporation remained strong, and sales of injection needles increased.

In the Dental Care Unit, the use of dental materials and digital devices increased due to the digitalization of the dentistry industry. In addition, the profits generated by equity-method affiliate Ci Medical Co., Ltd. contributed to the results.

As a result, both revenue and operating profit exceeded the levels recorded in the same period of the previous year.

<**Agriculture & Foods**>

Revenue in this segment was ¥56,056 million (106.4%), and operating profit was ¥3,046 million (108.0%)

In the Foods Unit, there was an increase of sales of ham and delicatessen products, particularly sales to mass retailers. Meanwhile, sales of chilled confectionery products to convenience stores were affected by economy-focused consumers.

In the Agriculture Unit, revenue in the vegetable and fruit distribution business improved, and sales of agricultural machinery were solid.

In the Beverage Unit, shipments of thirst-quenching beverages increased due to hot weather.

In the Logistics Unit, the volume of food products distributed increased and there was progress in the revision of contract prices.

As a result, both revenue and operating profit exceeded the levels recorded in the same period of the previous year.

<**Other business**>

Revenue in this segment was ¥33,323 million (104.0%), and operating profit was ¥859 million (operating loss of the corresponding period of the previous year was ¥100 million)

In the Seawater Unit, the increase of the number of workdays at Kanda Biomass Power Plant contributed to revenue. However, it was affected by a decrease in water treatment facility construction compared with the same period of the previous fiscal year, in which large projects were posted.

In the Electricity Unit, the decrease of the market price of the palm kernel shells (PKS) used as fuel to generate electricity and efforts to reduce costs contributed to the results of the Onahama Biomass Power Plant.

In the Specialized Trading Company Unit overseas subsidiaries' sales of electronic components and semiconductor-related products were on a recovery track.

As a result, both revenue and operating profit exceeded the levels recorded in the same period of the previous year.

(2) Explanation of financial position for the current period

Total assets at the end of the current first quarter consolidated fiscal year stood at ¥1,189,334 million, a decrease of ¥20,776 million from the end of the previous consolidated fiscal year due mainly to a decrease in trade and other receivables. Liabilities stood at ¥737,506 million, a decrease of ¥14,379 million from the end of the previous consolidated fiscal year due mainly to a decrease in trade and other payables. Equity stood at ¥451,827 million, a decrease of ¥6,396 million from the end of the previous consolidated fiscal year, due mainly to a decrease in non-controlling interests.

Equity attributable to owners of parent per share decreased from ¥1,929.76 at the end of the previous consolidated fiscal year to ¥1,923.18, and ratio of equity attributable to owners of parent to total assets changed to 37.1% from 36.5% at the end of the previous consolidated fiscal year.

Cash flows from operating activities for the first quarter of the current fiscal year was an inflow of ¥20,840 million, reflecting a decrease of ¥6,590 million from the same period of the previous fiscal year, after deducting income taxes paid from profit before tax, depreciation and others.

Cash flows from investing activities for the first quarter of the current fiscal year was an outflow of ¥20,209 million, reflecting an increase of outflow by ¥2,212 million from the same period of the previous fiscal year, due mainly to an increase of expenditures resulting from purchase of property, plant and equipment.

Cash flows from financing activities for the first quarter of the current fiscal year was an outflow of ¥9,857 million, reflecting an increase of ¥1,134 million from the same period of the previous fiscal year, due mainly to an increase in proceeds from long-term borrowings.

As a result, cash and cash equivalents at the end of the first quarter of the current fiscal year stood at ¥64,257 million, a decrease of ¥2,601 million from the end of the first quarter of the previous consolidated fiscal year.

(3) Explanation of future prediction information such as forecast of consolidated operating results

Our full-year operating results forecasts remain unchanged from the forecasts announced on May 13, 2025.

5. Condensed Quarterly Consolidated Financial Statements and Significant Notes

(1) Condensed Quarterly Consolidated Statement of Financial Position

(Unit：Million yen)

	End of the previous fiscal year (As of March 31, 2025)	End of the first quarter of fiscal year (As of June 30, 2025)
Assets		
Current assets		
Cash and cash equivalents	73,227	64,257
Trade and other receivables	230,356	210,915
Inventories	101,005	106,389
Other financial assets	11,464	13,181
Income taxes receivable	1,777	1,600
Other current assets	24,703	27,057
Total current assets	442,535	423,402
Non-current assets		
Property, plant and equipment	506,227	508,849
Goodwill	78,224	77,465
Intangible assets	41,678	39,565
Investments accounted for using equity method	39,984	40,754
Retirement benefit asset	4,761	4,444
Other financial assets	86,319	85,145
Deferred tax assets	6,748	5,935
Other non-current assets	3,630	3,769
Total non-current assets	767,574	765,931
Total assets	1,210,110	1,189,334

	End of the previous fiscal year (As of March 31, 2025)	End of the first quarter of fiscal year (As of June 30, 2025)
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	177,877	158,736
Bonds and borrowings	111,226	125,513
Other financial liabilities	16,624	11,173
Income taxes payable	12,631	6,050
Provisions	2,614	2,591
Other current liabilities	30,090	37,187
Total current liabilities	351,063	341,254
Non-current liabilities		
Bonds and borrowings	311,581	309,131
Other financial liabilities	39,506	40,748
Retirement benefit liability	6,332	5,985
Provisions	21,523	21,596
Deferred tax liabilities	13,534	10,860
Other non-current liabilities	8,343	7,929
Total non-current liabilities	400,821	396,251
Total liabilities	751,885	737,506
Equity		
Share capital	55,855	55,855
Capital surplus	47,723	47,837
Treasury shares	(808)	(807)
Retained earnings	290,533	290,114
Other components of equity	48,911	47,708
Total equity attributable to owners of parent	442,215	440,708
Non-controlling interests	16,008	11,119
Total equity	458,224	451,827
Total liabilities and equity	1,210,110	1,189,334

(2) Condensed quarterly Consolidated Statement of Profit or Loss and Condensed Quarterly Consolidated Statement of Comprehensive Income

Condensed quarterly consolidated statement of profit or loss
Cumulative first quarter of the consolidated fiscal year

(Unit：Million yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Continuing operations		
Revenue	234,698	239,698
Cost of sales	(181,133)	(183,134)
Gross profit	53,565	56,563
Selling, general and administrative expenses	(40,238)	(42,457)
Other income	1,993	1,456
Other expenses	(3,019)	(885)
Share of profit of investments accounted for using equity method	591	1,272
Operating profit	12,892	15,950
Finance income	1,591	1,500
Finance costs	(1,295)	(1,808)
Profit before tax	13,188	15,642
Income tax expense	(4,926)	(6,233)
Profit from continuing operations	8,262	9,409
Discontinued operations		
Profit (loss) from discontinued operations	(2)	—
Profit	8,259	9,409
Profit attributable to		
Owners of parent	8,400	9,364
Non-controlling interests	(140)	44
Profit	8,259	9,409

(Unit：Yen)

Earnings per share		
Basic earnings (loss) per share		
Continuing operations	36.80Yen	40.87Yen
Discontinued operations	(0.01) Yen	—
Basic earnings per share	36.79Yen	40.87Yen
Diluted earnings (loss) per share		
Continuing operations	36.78Yen	40.85Yen
Discontinued operations	(0.01) Yen	—
Diluted earnings per share	36.77Yen	40.85Yen

Condensed quarterly consolidated statement of comprehensive income
Cumulative first quarter of the consolidated fiscal year

(Unit：Million yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	8,259	9,409
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of financial assets measured through other comprehensive income	2,483	4,683
Remeasurements of defined benefit plans	–	26
Share of other comprehensive income of investments accounted for using equity method	113	12
Total of items that will not be reclassified to profit or loss	2,596	4,722
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	9,332	(3,579)
Effective portion of gains and losses on hedging instruments in a cash flow hedge	6,989	(2,023)
Share of other comprehensive income of investments accounted for using equity method	115	(186)
Total of items that may be reclassified to profit or loss	16,437	(5,790)
Total other comprehensive income	19,033	(1,067)
Comprehensive income	27,293	8,341
Comprehensive income attributable to		
Owners of parent	26,032	8,762
Non-controlling interests	1,261	(420)
Comprehensive income	27,293	8,341

(3) Condensed Quarterly Consolidated Statement of Changes in Equity

Three months ended June 30, 2024

(Unit：Million yen)

	Equity attributable to owners of parent					
					Other components of equity	
	Capital	Capital surplus	Treasury shares	Retained earnings	Remeasurements of defined benefit plans	Exchange differences on translation of foreign operations
Balance as of April 1, 2024	55,855	49,097	(2,217)	264,451	－	25,517
Profit	－	－	－	8,400	－	－
Other comprehensive income	－	－	－	－	－	9,319
Comprehensive income	－	－	－	8,400	－	9,319
Purchase of treasury shares	－	－	(1)	－	－	－
Disposal of treasury shares	－	－	－	－	－	－
Dividends	－	－	－	(7,788)	－	－
Share-based payment transactions	－	－	368	－	－	－
Increase (decrease) due to changes in equity	－	(1,144)	－	－	－	－
Increase (decrease) due to new consolidation	－	－	－	－	－	－
Increase (decrease) due to mergers	－	－	－	－	－	－
Transfer from other components of equity to retained earnings	－	－	－	7	－	－
Transfer to non-financial assets	－	－	－	－	－	－
Total transactions with owners	－	(1,144)	367	(7,780)	－	－
Balance as of June 30, 2024	55,855	47,953	(1,850)	265,071	－	34,836

	Equity attributable to owners of parent					Non-controlling interests	Total equity
	Other components of equity				Total		
	Net change in fair value of financial assets measured through other comprehensive income	Effective portion of gains and losses on hedging instruments in a cash flow hedge	Share acquisition rights	Total			
Balance as of April 1, 2024	21,511	7,100	193	54,322	421,510	18,399	439,910
Profit	–	–	–	–	8,400	(140)	8,259
Other comprehensive income	2,609	5,703	–	17,632	17,632	1,401	19,033
Comprehensive income	2,609	5,703	–	17,632	26,032	1,261	27,293
Purchase of treasury shares	–	–	–	–	(1)	–	(1)
Disposal of treasury shares	–	–	–	–	–	–	–
Dividends	–	–	–	–	(7,788)	(434)	(8,222)
Share-based payment transactions	–	–	–	–	368	–	368
Increase (decrease) due to changes in equity	–	–	–	–	(1,144)	(1,477)	(2,621)
Increase (decrease) due to new consolidation	–	–	–	–	–	73	73
Increase (decrease) due to mergers	–	–	–	–	–	–	–
Transfer from other components of equity to retained earnings	(7)	–	–	(7)	–	–	–
Transfer to non-financial assets	–	(1,061)	–	(1,061)	(1,061)	(275)	(1,336)
Total transactions with owners	(7)	(1,061)	–	(1,069)	(9,626)	(2,114)	(11,740)
Balance as of June 30, 2024	24,112	11,742	193	70,885	437,916	17,546	455,463

Three months ended June 30, 2025

(Unit：Million yen)

	Equity attributable to owners of parent					
					Other components of equity	
	Capital	Capital surplus	Treasury shares	Retained earnings	Remeasurements of defined benefit plans	Exchange differences on translation of foreign operations
Balance as of April 1, 2025	55,855	47,723	(808)	290,533	－	24,655
Profit	－	－	－	9,364	－	－
Other comprehensive income	－	－	－	－	26	(3,726)
Comprehensive income	－	－	－	9,364	26	(3,726)
Purchase of treasury shares	－	－	(0)	－	－	－
Disposal of treasury shares	－	0	1	－	－	－
Dividends	－	－	－	(9,853)	－	－
Share-based payment transactions	－	－	－	－	－	－
Increase (decrease) due to changes in equity	－	113	－	－	－	－
Increase (decrease) due to new consolidation	－	－	－	－	－	－
Increase (decrease) due to mergers	－	－	－	(17)	－	－
Transfer from other components of equity to retained earnings	－	－	－	－	(26)	－
Transfer to non-financial assets	－	－	－		－	－
Total transactions with owners	－	114	1	(9,783)	(26)	－
Balance as of June 30, 2025	55,855	47,837	(807)	290,114	－	20,928

	Equity attributable to owners of parent					Non-controlling interests	Total equity
	Other components of equity				Total		
	Net change in fair value of financial assets measured through other comprehensive income	Effective portion of gains and losses on hedging instruments in a cash flow hedge	Share acquisition rights	Total			
Balance as of April 1, 2025	14,846	9,277	133	48,911	442,215	16,008	458,224
Profit	–	–	–	–	9,364	44	9,409
Other comprehensive income	4,661	(1,564)	–	(602)	(602)	(465)	(1,067)
Comprehensive income	4,661	(1,564)	–	(602)	8,762	(420)	8,341
Purchase of treasury shares	–	–	–	–	(0)	–	(0)
Disposal of treasury shares	–	–	–	–	2	–	2
Dividends	–	–	–	–	(9,853)	(370)	(10,224)
Share-based payment transactions	–	–	(2)	(2)	(2)	–	(2)
Increase (decrease) due to changes in equity	–	–	–	–	113	(4,027)	(3,913)
Increase (decrease) due to new consolidation	–	–	–	–	–	(7)	(7)
Increase (decrease) due to mergers	–	–	–	–	(17)	–	(17)
Transfer from other components of equity to retained earnings	(60)	–	–	(87)	–	–	–
Transfer to non-financial assets	–	(511)	–	(511)	(511)	(63)	(574)
Total transactions with owners	(60)	(511)	(2)	(601)	(10,269)	(4,468)	(14,738)
Balance as of June 30, 2025	19,446	7,201	130	47,708	440,708	11,119	451,827

(4) Condensed quarterly Consolidated Statement of Cash Flows

(Unit：Million yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Cash flows from operating activities		
Profit before tax	13,188	15,642
Profit (loss) before tax from discontinued operations	(2)	-
Depreciation and amortization	11,839	12,978
Impairment losses	1,580	518
Gain on bargain purchase	－	(166)
Interest and dividend income	(1,108)	(1,126)
Interest expenses	1,209	1,349
Share of loss (profit) of investments accounted for using equity method	(591)	(1,272)
Loss (gain) on sale and retirement of fixed assets	(58)	(9)
Decrease (increase) in trade and other receivables	20,863	19,535
Decrease (increase) in inventories	(7,247)	(5,078)
Increase (decrease) in trade and other payables	(25,952)	(12,977)
Decrease (increase) in contract assets	5,673	1,646
Increase (decrease) in contract liabilities	1,447	7,742
Other	17,139	(5,357)
Subtotal	37,981	33,424
Interest received	189	191
Dividends received	1,074	1,165
Interest paid	(1,163)	(1,174)
Income taxes paid	(10,651)	(12,766)
Net cash provided by (used in) operating activities	27,430	20,840
Cash flows from investing activities		
Purchase of property, plant and equipment	(16,501)	(19,946)
Proceeds from sale of property, plant and equipment	311	142
Purchase of intangible assets	(243)	(359)
Purchase of investment securities	(599)	(272)
Proceeds from sale of investment securities	59	461
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(1,067)	(96)
Collection of loans receivable	737	44
Other	(693)	(183)
Net cash provided by (used in) investing activities	(17,997)	(20,209)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	4,315	3,142
Proceeds from long-term borrowings	3,292	13,763
Repayments of long-term borrowings	(4,081)	(5,043)
Additional purchase of shares of subsidiaries	(4,855)	(3,913)
Proceeds from sale and leaseback transactions	204	101
Repayments of lease liabilities	(1,788)	(1,869)
Dividends paid	(7,644)	(9,138)
Dividends paid to non-controlling interests	(434)	(370)
Redemption of preferred shares	－	(6,522)
Other	(1)	(8)
Net cash provided by (used in) financing activities	(10,992)	(9,857)
Impact of exchange fluctuations for cash and cash equivalents	977	257
Net increase (decrease) in cash and cash equivalents	(581)	(8,969)
Cash and cash equivalents at beginning of period	67,440	73,227
Cash and cash equivalents at end of period	66,858	64,257

(5) Notes to Condensed Quarterly Consolidated Financial Statements
(Notes on assumption of going business)
Not applicable.

(Reporting company)
Air Water Inc. (the "Company") is a joint-stock company located in Japan. The registered address of the head office of the Company is in Kita-ku, Osaka-shi.
The condensed quarterly consolidated financial statement of the Company and its subsidiaries (the "Group") closes on June 30 and consists of equity interests of the Group and its affiliates and joint control agreement.
The Group operates manufacturing and sale in the segments, Digital & Industry, Energy Solutions, Health & Safety, Agriculture & Foods, and Other products and services. See the section, "segment information, etc." for the details of each business.

(Basis of preparation)
(1) Applicable Financial Reporting Framework
The condensed quarterly consolidated financial statement of the Group has been prepared in accordance with Article 5, Paragraph 2 of the Tokyo Stock Exchange, Inc.'s Standards for the Preparation of Quarterly Financial Statements, applying the provisions for reduced disclosures as set forth in Article 5, Paragraph 5 of the Standards.

(2) Basis of Measurement
The condensed quarterly consolidated financial statement of the Group is prepared based on acquisition costs except retirement benefit liability (Assets) and financial instruments, etc. measured at fair value.

(3) Functional Currency and Presentation Currency
The monetary amounts in the condensed quarterly consolidated financial statement are presented in units of yen, the functional currency of the Company. All financial data presented in Japanese yen are rounded down to the nearest million yen.

(4) Important Accounting Estimates and Decisions involving Estimates
In the preparation of the Group's condensed quarterly consolidated financial statement, the business manager must make decisions, estimates, and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, revenues, and expenses. The actual results may vary from such estimates.
Estimates and assumptions that become the basis of estimates are reviewed continuously. The impact of a revision of accounting estimates is recognized during the accounting period in which the estimates are revised and future accounting periods that will be affected.
The important accounting estimates and decisions involving estimates in this condensed quarterly consolidated financial statement are the same as the consolidated financial statement for the accounting year ended March 31, 2025.

(Significant accounting policies)
The accounting principles that the Group applies to the condensed quarterly consolidated financial statement are the same as the accounting principles applied to the consolidated financial statement for the consolidated fiscal year ended March 31, 2025.

(Additional Information)

Inappropriate Accounting Treatments

In July 2025, the Company discovered inappropriate accounting treatments related to inventories at Nippon Helium Inc., a consolidated subsidiary of the Company. Subsequently, in September 2025, as the Company continued its internal investigation, inappropriate accounting treatments related to inventories, stored goods and other items were also identified at Air Water Ecoroca Inc. and Air Water Mechatronics Inc., both consolidated subsidiaries of the Company, as well as at the Company's Plant Gas Division. In the course of audit procedures performed by the accounting auditor, the Company also received indications regarding these accounting treatments. In response to these circumstances, the Company had been conducting an internal investigation led by an outside Audit & Supervisory Board member, with support from outside attorneys and certified public accountants. However, as the possibility of involvement by the Company's officers and employees in the above four cases emerged, and as it became necessary to conduct a further sufficient investigation into whether similar incidents had occurred at the Company or other Group companies, the Company established a Special Investigating Committee composed of external experts on October 9, 2025.

Thereafter, the Company received an investigation report from the Special Investigating Committee on February 12, 2026 (as of February 9, 2026), an investigation report on March 31, 2026, and an additional investigation report on June 19, 2026. As a result, it was found that, against the backdrop of excessive pressure from the Company's top management to achieve sales or profit targets, various inappropriate accounting treatments had been widely conducted at the Company and a significant number of its subsidiaries and associates for the purpose of inflating sales and profits. These treatments included overstatement of inventories, deferral of losses on valuation of assets, overstatement and premature recording of sales, inflation of sales by interposing unnecessary business partners, avoidance of recording provisions, and capitalization of expenditures that do not meet asset recognition criteria. In particular, at Air Water Safety Service Inc., in addition to inappropriate accounting treatments such as overstatement of work in process, manipulation of the timing of revenue recognition, and profit manipulation through transfers of costs, falsification of supporting documents was conducted to conceal these inappropriate accounting treatments. In addition, at NIHON KAISUI CO., LTD., inappropriate accounting treatments were conducted, including arbitrary capitalization of periodic repair costs for plant facilities and labor costs, gross presentation of sales for agent transactions that should have been presented on a net basis, and cost transfers between business divisions.

Based on the investigation results of the Special Investigating Committee, the Company conducted additional voluntary internal reviews regarding the appropriateness of accounting treatments in prior periods. As a result, additional matters were newly identified, including omissions in the recognition of impairment losses on property, plant and equipment arising from corrections of inappropriate accounting treatments, and omissions in the recognition of valuation losses on investments in and loans to affiliates. Accordingly, the Company determined that it was necessary to retrospectively correct misstatements arising from these inappropriate accounting treatments in the consolidated financial statements and other financial information included in the annual securities reports, semiannual reports and quarterly reports previously submitted, and has submitted amendment reports to the relevant annual securities reports and other reports.

Of these corrections, the amounts of corrections to misstatements related to revenue were ¥(16,013) million for the current first quarter consolidated accounting period, of which ¥(16,059) million related to corrections to net presentation and ¥(976) million related to corrections to period attribution, and ¥(11,244) million for the previous first quarter consolidated accounting period, of which ¥(13,615) million related to corrections to net presentation and ¥1,839 million related to corrections to period attribution. The transactions subject to correction were numerous. In addition, with respect to Air Water Safety Service Inc., where falsification of supporting documents was conducted to conceal inappropriate accounting treatments, revenue and cost of sales of the company included in the condensed quarterly consolidated financial statements were ¥3,793 million and ¥3,192 million, respectively, for the current first quarter consolidated accounting period, and ¥5,260 million and ¥3,616 million, respectively, for the previous first quarter consolidated accounting period.

(Segment Information)

(1) Overview of Reportable Segments

The Group's reportable segments are components of an entity for which separate financial information is available and is evaluated regularly by the Board of Directors in determining the allocation of management resources and in assessing performance. The Group develops comprehensive strategies for each product and service and conducts business activities. It has five reportable segments: Digital & Industry, Energy Solutions, Health & Safety, Agriculture & Foods, and Other Businesses.

The Digital & Industry segment manufactures and sells functional materials and industrial gases such as oxygen, nitrogen, and argon, manufactures and sells industrial gases in overseas countries such as North America and India, and operates the high-output uninterruptible power source (UPS) business.

The Energy Solutions segment chiefly sells LPG and kerosene, manufactures and sells LNG-related equipment, and manufactures and sells carbonic acid gas and hydrogen gas.

The Health & Safety segment generally manufactures and sells oxygen and other medical gases, dental and hygiene materials, hypodermic needles, aerosol products, and other products, and it also provides hospital facility construction, hospital, home medical care and other services.

The Agriculture & Foods segment primarily processes and distributes vegetables and fruits, manufactures and sells frozen food and processed meat products, and operates the contract manufacturing of soft drinks and the logistics business, which provides distribution services chiefly for general cargo and food, medical and environmental products.

Other Businesses include the seawater business manufacturing and selling commercial salt, magnesia and other products, the electric power business, which is based on woody biomass, and the electronics-related specialized trading company business.

(2) Changes for Reportable Segments related items

From the current first quarter consolidated cumulative period, there were several component changes among the five reportable segments.

Overseas industrial gas businesses in North America, India and elsewhere, a business supplying high-output uninterruptible power sources (UPS), and domestic engineering business, which were previously classified as "Other Businesses", have been moved to "Digital & Industry".

Carbon dioxide and hydrogen business, which was classified under "Digital & Industry", have been moved to "Energy Solutions".

Magnesia business and electronics related trading business, which were classified under "Digital & Industry", have been moved to "Other Businesses".

Logistics business, which was previously classified as "Other Businesses", has been moved to "Agriculture & Foods".

Segment information for the previous first quarter cumulative period has been disclosed based on the new classification of Reporting Segments.

(3) Information about the Amounts of Revenue and Profit or Loss by Reportable Segment

The accounting method of the reported operating segments is the same as the accounting method used to prepare the consolidated financial statements.

The profit figures of the reportable segments are operating profit. Intersegment revenue and transfers of funds are presented based on prevailing market prices.

Three months ended June 30, 2024

(Unit : Million yen)

	Reportable Segment						Adjustment (Note)	Quarterly consolidated statements of income
	Digital & Industry	Energy Solutions	Health & Safety	Agriculture & Foods	Other Business	Total		
Revenue								
Revenue from outside customers	78,682	19,963	51,322	52,674	32,056	234,698	-	234,698
Inter-segment revenue	3,367	2,154	132	2,236	842	8,733	(8,733)	-
Total	82,050	22,118	51,455	54,910	32,898	243,432	(8,733)	234,698
Profit/Loss by segment	5,641	1,464	2,313	2,820	(100)	12,139	753	12,892
Finance income								1,591
Finance costs								(1,295)
Profit before tax								13,188

(Note) 1. The reconciling item of (8,733) million yen of intersegment revenue and transfers is elimination of intersegment transactions.

2. The reconciling item of (753) million yen of segment profit/loss is related to profit or loss of the Company's head office, which is not distributed to elimination of inter-segment transactions and each reportable segment.

Three months ended June 30, 2025

(Unit : Million yen)

	Reportable Segment						Adjustment (Note)	Quarterly consolidated statements of income
	Digital & Industry	Energy Solutions	Health & Safety	Agriculture & Foods	Other Business	Total		
Revenue								
Revenue from outside customers	77,453	21,252	51,613	56,056	33,323	239,698	-	239,698
Inter-segment revenue	2,570	2,467	195	2,340	796	8,370	(8,370)	-
Total	80,023	23,720	51,808	58,396	34,119	248,069	(8,370)	239,698
Revenue by segment	7,734	1,984	2,450	3,046	859	16,075	(124)	15,950
Finance income								1,500
Finance costs								(1,808)
Profit before tax								15,642

(Note) 1. The reconciling item of (8,370) million yen of intersegment revenue and transfers is elimination of intersegment transactions.

2. The reconciling item of (124)million yen of segment profit is related to profit or loss of the Company's head office, which is not distributed to elimination of inter-segment transactions and each reportable segment.

(Significant subsequent events)

Not applicable