



Consolidated Financial Results for the Nine Months Ended December 31, 2025 [IFRS]

February 12, 2026

Company Name: PHC HOLDINGS CORPORATION

Stock Code: 6523 (URL: <https://www.phchd.com/global/ir>)

Stock Exchange Listing: Tokyo

Representative: Kyoko Deguchi, Chief Executive Officer

Contact: Masashi Kimura, Executive General Manager of Corporate Administration Department

Phone: +81-3-5408-7280

Scheduled date to commence dividend payments: —

Availability of supplementary briefing material on the Third Quarter results: Yes

Scheduled date of the Third Quarter Results Briefing Session: Yes

(Figures are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2025 (From April 1, 2025 to December 31, 2025)

(1) Consolidated Results of Operations

(% indicates changes from the previous corresponding term)

	Revenue		Operating profit		Profit before taxes		Profit		Profit attributable to owners of parent		Comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2025	269,251	0.9	17,108	0.5	2,503	△80.0	534	△93.0	695	△90.9	22,116	124.6
December 31, 2024	266,910	4.0	17,028	-	12,491	-	7,581	-	7,639	-	9,845	-

	Basic earnings per share attributable to owners of parent	Diluted earnings per share attributable to owners of parent
Nine months ended December 31, 2025	Yen 5.50	Yen 5.47
December 31, 2024	60.58	60.33

(Note) Share of profit (loss) of investments accounted for using equity method:

December 31, 2025... 69 million yen

December 31, 2024... (274) million yen

(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
As of	Millions of yen	Millions of yen	Millions of yen	%
December 31, 2025	552,667	158,610	159,287	28.8
March 31, 2025	532,482	141,171	141,639	26.6

2. Cash dividends

Fiscal year ended	Annual cash dividends per share				
	First quarter end	Second quarter end	Third quarter end	Fiscal year end	Total
	Yen	Yen	Yen	Yen	Yen
March 31, 2025	-	21.00	-	21.00	42.00
March 31, 2026	-	21.00	-		
Fiscal year ending March 31, 2026 (Forecast)				21.00	42.00

(Note) Revision of cash dividends forecasts to the latest announcement: None

3. Forecast of Consolidated Financial Results for the Year Ending March 31, 2026 (From April 1, 2025 to March 31, 2026)

(% indicates year-on-year changes)

	Revenue		Operating profit		Profit before taxes		Profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	
Fiscal year ending March 31, 2026	363,100	0.4	20,000	(11.4)	4,400	(76.6)	2,000	(80.7)	2,000	(80.9)	15.82

(Note) 1. Revision of consolidated earnings forecasts to the latest announcement: Yes

2. For the details of the forecasts of consolidated earnings, please refer to P.14 "1. Qualitative information regarding financial performance, (4) Explanation regarding future prospects (ex. forecasted consolidated business results)" on the attached materials.

*** Notes**

(1) Changes in significant subsidiaries during the current period (Changes in specific subsidiaries involving changes in the scope of consolidation): None

Newly included: -companies

Excluded: -companies

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

1) Changes in accounting policies required by IFRS: Not applicable

2) Changes in accounting policies other than 1): Not applicable

3) Changes in accounting estimates: Not applicable

(3) Total number of issued shares (common stock):

1) Total number of issued shares at the end of the period (including treasury shares):

As of December 31, 2025	126,721,820 Shares
As of March 31, 2025	126,410,072 Shares

2) Total number of treasury shares at the end of the period:

As of December 31, 2025	211,966 Shares
As of March 31, 2025	211,941 Shares

3) Average number of outstanding shares during the period:

Nine months ended December 31, 2025	126,425,381 Shares
Nine months ended December 31, 2024	126,110,111 Shares

Note 1: Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

Note 2: Explanation regarding proper use of the projected financial results and other notes:

The forecasted statements shown in these materials are based on information currently available and certain assumptions that PHC Holdings Corporation regards as reasonable, and therefore the group's actual results may differ materially due to unknown several factors.

Contents of attached documents:

1. Qualitative information regarding financial performance	
(1) Explanation regarding operation results	5
(2) Explanation regarding financial position	13
(3) Explanation regarding cash flow	13
(4) Explanation regarding future prospects (ex. forecasted consolidated business results)	14
2. Condensed quarterly consolidated financial statement and significant notes	
(1) Condensed quarterly consolidated statement of financial position	16
(2) Condensed quarterly consolidated statement of profit or loss and condensed quarterly consolidated statement of comprehensive income	18
(3) Condensed quarterly consolidated statement of changes in equity	20
(4) Condensed quarterly consolidated statement of cash flows	22
(5) Notes to condensed quarterly consolidated financial statements	23
Notes for going concern	23
Segment information	23
Revenue	26

1. Qualitative information regarding financial performance

(1) Explanation regarding operation results

During the nine months ended December 31, 2025 (hereafter “this period”), PHC Group generated revenue of JPY 269,251 million, up 0.9% compared to the same period of the previous year (hereafter “year on year”). In Diabetes Management, revenue increased due to robust sales in Continuous Glucose Monitoring (hereafter “CGM”) and Blood Glucose Monitoring (hereafter “BGM”) businesses in developed countries, as well as the positive impact of foreign exchange. In Healthcare Solutions, despite a decline in revenue from CRO business, overall revenue increased due to sales growth in genetic testing within LSIM business and in electronic medical records and medical-receipt systems within Healthcare IT Solutions business. In Diagnostics & Life Sciences, revenue decreased mainly due to stagnant market conditions, particularly in the U.S.

Operating profit for this period was JPY 17,108 million, up 0.5% year on year. In Diabetes Management, operating profit increased significantly due to robust sales in BGM business, mainly in developed countries. In Healthcare Solutions, despite LSIM business achieving profit growth due to revenue growth and cost reductions, overall operating profit declined. This was due to the weaker demand for high-margin electronic prescriptions software in Healthcare IT Solutions business and decreased revenue in CRO business. Diagnostics & Life Sciences saw a decline in operating profit primarily due to lower revenues, the impact of U.S. tariffs, and the transfer of corporate functions described below.

Adjusted EBITDA was JPY 38,136 million, down 0.4% year on year. Adjustment items include one-time income/expense relating to restructuring (additions of JPY 905 million in this period and JPY 666 million in the same period of the previous fiscal year, hereafter “the previous period”) and other one-time income/expense (subtractions of JPY 278 million in this period and JPY 636 million in the previous period). Profit before tax was JPY 2,503 million, down 80.0% year on year. Despite a decrease in interest expenses, this decline was due to foreign exchange losses of JPY 10,474 million recorded during this period, compared to JPY 76 million in the previous period.

Profit attributable to owners of parent was JPY 695 million, down 90.9% year on year.

Please note that, starting from this period, we have reviewed corporate functions and transferred some headquarters roles to each business. While this transfer does not affect the consolidated financial results, it does have an impact on profit by segment. The impact on actual results for this period is described in the operating profit and adjusted EBITDA situation for each segment.

	Nine months ended December 31, 2024 (million yen)	Nine months ended December 31, 2025 (million yen)	Change
Revenue	266,910	269,251	0.9%
Operating profit	17,028	17,108	0.5%
EBITDA	38,250	37,390	(2.2%)
Adjusted EBITDA	38,307	38,136	(0.4%)
Profit (loss) before tax	12,491	2,503	(80.0%)
Profit (loss)	7,581	534	(93.0%)
Profit (loss) attributable to owners of parent	7,639	695	(90.9%)
Average exchange rate JPY/USD	JPY 152.46	JPY 148.65	JPY (3.81)
Average exchange rate JPY/EUR	JPY 164.76	JPY 171.86	JPY 7.10

(Note) EBITDA and Adjusted EBITDA are not measures in accordance with IFRS Accounting Standards.

However, PHC Holdings Corporation believes that this disclosure may be useful information to investors.

【Calculation table of EBITDA and adjusted EBITDA】

	Nine months ended December 31, 2024 (million yen)	Nine months ended December 31, 2025 (million yen)	Change
Operating profit	17,028	17,108	0.5%
+ Depreciation	21,338	20,280	(5.0%)
+ Impairment loss (excluding marketable securities)	(117)	1	—
EBITDA	38,250	37,390	(2.2%)
(Adjusted amount)			
+ One-time income/expense relating to transformational M&A pre-acquisition and integration costs	27	119	340.7%
+ One-time income/expense relating to restructuring	666	905	35.9%
+ One-time income/expense relating to disposal/sales of asset	—	—	—
+ Other one-time income/expense	(636)	(278)	—
Adjusted EBITDA	38,307	38,136	(0.4%)

(Note) EBITDA and adjusted EBITDA are calculated with the following formulas:

EBITDA = Operating profit + depreciation + impairment loss (excluding marketable securities)

Adjusted EBITDA = EBITDA + one-time income and expenses

The business performance by segment is as follows:

Diabetes Management

	Nine months ended December 31, 2024 (million yen)	Nine months ended December 31, 2025 (million yen)	Change
Revenue	74,214	77,077	3.9%
Operating profit	10,544	14,737	39.8%
EBITDA	15,415	18,261	18.5%
Adjusted EBITDA	15,780	18,901	19.8%

(Calculation table of EBITDA and adjusted EBITDA)

	Nine months ended December 31, 2024 (million yen)	Nine months ended December 31, 2025 (million yen)	Change
Operating profit	10,544	14,737	39.8%
+ Depreciation	4,951	3,524	(28.8%)
+ Impairment loss (excluding marketable securities)	(80)	—	—
EBITDA	15,415	18,261	18.5%
(Adjustment amount)			
+ One-time income/expense relating to transformational M&A pre-acquisition and integration costs	—	—	—
+ One-time income/expense relating to restructuring	373	640	71.6%
+ One-time income/expense relating to disposal/sales of asset	—	—	—
+ Other one-time income/expense	(8)	—	—
Adjusted EBITDA	15,780	18,901	19.8%

(Note) EBITDA and adjusted EBITDA are calculated with the following formulas:

EBITDA = Operating profit + depreciation + impairment loss (excluding marketable securities)

Adjusted EBITDA = EBITDA + one-time income and expenses

<Revenue Situation>

Revenue of Diabetes Management for this period was JPY 77,077 million, up 3.9% year on year. Despite ongoing market contraction and the shift to low-priced channels in developed markets, revenue in BGM business increased due to the reduced impact of the termination of sales collaboration and the success of initiatives that improved unit prices and increased sales volumes in the U.S. Additionally, solid performance in Europe and the positive impacts of foreign exchange contributed to the revenue growth. In CGM business, revenue increased in the U.S. due to Eversense 365 system, which was launched during the third quarter of the previous fiscal year, allowing users one year of uninterrupted use.

<Operating Profit and Adjusted EBITDA Situation>

Operating profit in Diabetes Management for this period was JPY 14,737 million, up 39.8% year on year. Despite the negative impact of JPY 211 million from the earlier-mentioned transfer of some corporate functions and the expenses related to the transfer of CGM business, operating profit increased significantly. This was due to solid performance in BGM business in developed countries, improved profit margins through price initiatives, cost reduction with restructuring to date, lower depreciation expenses, and improvements in CGM business. Adjusted EBITDA was JPY 18,901 million, up 19.8% year on year. Adjustment items included one-time

income/expense relating to restructuring (additions of JPY 640 million in this period and JPY 373 million in the previous period, respectively).

Healthcare Solutions

	Nine months ended December 31, 2024 (million yen)	Nine months ended December 31, 2025 (million yen)	Change
Revenue	94,202	95,218	1.1%
Operating profit	5,959	4,929	(17.3%)
EBITDA	13,404	12,731	(5.0%)
Adjusted EBITDA	13,431	12,851	(4.3%)

(Calculation table of EBITDA and adjusted EBITDA)

	Nine months ended December 31, 2024 (million yen)	Nine months ended December 31, 2025 (million yen)	Change
Operating profit	5,959	4,929	(17.3%)
+ Depreciation	7,445	7,802	4.8%
+ Impairment loss (excluding marketable securities)	—	—	—
EBITDA	13,404	12,731	(5.0%)
(Adjustment amount)			
+ One-time income/expense relating to transformational M&A pre-acquisition and integration costs	26	119	357.7%
+ One-time income/expense relating to restructuring	—	—	—
+ One-time income/expense relating to disposal/sales of asset	—	—	—
+ Other one-time income/expense	—	—	—
Adjusted EBITDA	13,431	12,851	(4.3%)

(Note) EBITDA and adjusted EBITDA are calculated with the following formulas:

EBITDA = Operating profit + depreciation + impairment loss (excluding marketable securities)

Adjusted EBITDA = EBITDA + one-time income and expenses

<Revenue Situation>

Revenue of Healthcare Solutions for this period was JPY 95,218 million, up 1.1% year on year. A breakdown includes LSIM business at JPY 50,682 million, up 1.6% year on year, Healthcare IT Solutions business at JPY 39,176 million, up 3.4% year on year, and CRO business at JPY 5,360 million, down 16.6% year on year.

In LSIM business, despite the impact of inappropriate quality management, revenue increased slightly due mainly to the sales growth in genetic testing, one of LSIM's growth initiatives.

In Healthcare IT Solutions business, sales related to electronic medical record and medical-receipt systems offset the impact of lower demand for electronic prescription software, resulting in increased revenue.

In CRO business, revenue declined primarily due to lower clinical trial orders, partly attributed to the LSIM's inappropriate quality management, as well as the completion of large-scale safety testing in the non-clinical testing business during the previous period.

<Operating Profit and Adjusted EBITDA Situation>

Operating profit in Healthcare Solutions for this period was JPY 4,929 million, down 17.3% year on year. In LSIM business, profit grew through higher revenue and cost reduction efforts. However, in Healthcare IT Solutions business, despite increased revenue from the electronic medical record and medical-receipt systems, operating profit declined due to lower demand for high-margin electronic prescription software, higher depreciation costs due to new product launches, and rising purchase prices for IT equipment among other factors.

Additionally, operating profit from CRO business decreased due to the lower revenue. The reduction due to the earlier-mentioned transfer of some corporate functions was JPY 60 million. Adjusted EBITDA was JPY 12,851 million, down 4.3% year on year. Adjustment items include one-time income/expense relating to transformational M&A pre-acquisition and integration costs (additions of JPY 119 million in this period and JPY 26 million in the previous period, respectively).

Diagnostics and Life Sciences

	Nine months ended December 31, 2024 (million yen)	Nine months ended December 31, 2025 (million yen)	Change
Revenue	96,060	92,392	(3.8%)
Operating profit	6,722	2,337	(65.2%)
EBITDA	15,180	10,845	(28.6%)
Adjusted EBITDA	14,683	10,569	(28.0%)

(Calculation table of EBITDA and adjusted EBITDA)

	Nine months ended December 31, 2024 (million yen)	Nine months ended December 31, 2025 (million yen)	Change
Operating profit	6,722	2,337	(65.2%)
+ Depreciation	8,458	8,506	0.6%
+ Impairment loss (excluding marketable securities)	—	1	—
EBITDA	15,180	10,845	(28.6%)
(Adjustment amount)			
+ One-time income/expense relating to transformational M&A pre-acquisition and integration costs	—	—	—
+ One-time income/expense relating to restructuring	134	2	(98.5%)
+ One-time income/expense relating to disposal/sales of asset	—	—	—
+ Other one-time income/expense	(631)	(278)	—
Adjusted EBITDA	14,683	10,569	(28.0%)

(Note) EBITDA and adjusted EBITDA are calculated with the following formulas:

EBITDA = Operating profit + depreciation + impairment loss (excluding marketable securities)

Adjusted EBITDA = EBITDA + one-time income and expenses

<Revenue Situation>

Revenue of Diagnostics and Life Sciences for this period was JPY 92,392 million, down 3.8% year on year. This includes JPY 42,600 million in Pathology business, down 1.5% year on year, JPY 36,553 million in Biomedical (PHCbi) business, down 4.2% year on year, and JPY 13,238 million in IVD business, down 9.7% year on year. In Pathology business, revenue slightly declined. In Europe, revenue grew by the steady performance of consumables and microscope slides, as well as the large-scale projects for digital pathology products during the first quarter of this fiscal year. Additionally, in the Asia Pacific, revenue increased due to higher sales by portfolio expansion, including self-manufactured digital pathology products in China. However, they were not sufficient to offset the continued softness in equipment demand in the Americas.

In Biomedical (PHCbi) business, revenue decreased due to lower demand caused by U.S. policies, despite signs of recovery in Europe, Japan, and other areas. In the Americas, while mid-sized projects for pharmaceutical and biopharmaceutical companies are gradually increasing, demand remains slow due to ongoing budget cuts at US government agencies, universities, and research institutions. In EMEA, revenue increased, driven by higher orders from pharmaceutical companies and strong demand from universities and research institutions in France, generally favorable performance in other countries, and the positive impact of foreign exchange rates. In Japan, revenue increased by large-scale projects, including the construction of new facilities for pharmaceutical companies, universities, and research institutions.

In IVD business, revenue declined mainly due to lower sales of reagents for PATHFAST™ Immunoanalyzer and

automated analyzers in Russia, as well as the lower demand in China with reduced numbers of testing. Additionally, the decline in sales of digital injectors and the absence of one-time revenue recorded in the previous period contributed to the decrease.

<Operating Profit and Adjusted EBITDA Situation>

Operating profit in Diagnostics and Life Sciences for this period was JPY 2,337 million, down 65.2% year on year. While other income due to changes in the classification of affiliated companies and cost reduction through manufacturing plan optimization, the impact of lower revenues could not be offset through cost down initiatives. Additionally, the increased cost of JPY 819 million due to the earlier-mentioned transfer, the absence of one-time income recorded in IVD business during the previous period, and approx. JPY 1,500 million related to tariff impacts drove operating profit lower.

Adjusted EBITDA was JPY 10,569 million, down 28.0% year on year. Adjustment items include other one-time income/expense (subtractions of JPY 278 million in this period and JPY 631 million in the previous period, respectively).

(2) Explanation regarding financial position

Asset

The balance of total assets in this period was JPY 552,667 million. The balance increased by JPY 20,184 million compared to the previous fiscal year-end. The balance increase primarily reflects goodwill increase of JPY 13,824 million due to the impact of weakened yen and cash and cash equivalents increased by JPY 5,282 million. On the other hand, property, plant and equipment decreased by JPY 4,544 million, intangible assets decreased by JPY 4,278 million mainly due to progress in depreciation. In addition, other financial assets decreased by JPY 3,663 million mainly due to the market valuation of securities.

Liability

The balance of total liabilities in this period was JPY 394,056 million. The balance increased by JPY 2,745 million compared to the previous fiscal year-end. The main reason is trade and other payables increased by JPY 10,730 million. In addition, borrowings decreased by net amount JPY 8,807 million primarily due to loan repayments and on the other hand increased due to the impact of weakened yen.

Equity

The balance of equity in this period was JPY 158,610 million. The balance increased by JPY 17,439 million compared to the previous fiscal year-end. Other components of equity increased by JPY 20,877 million, mainly due to translation difference of foreign operations. On the other hand, retained earnings decreased by JPY 3,808 million mainly due to JPY 5,306 million of dividends, despite JPY 695 million of profit attributable to owners of parent.

In addition, the ratio of equity attributable to owners of parent to total assets increased by 2.2 points from 26.6% at the end of the previous fiscal year to 28.8%.

(3) Explanation regarding cash flow

Cash and cash equivalents at the end of this period amounted to JPY 44,875 million, an increase of JPY 5,282 million from March 31, 2025.

The status of each cash flows from each activity and its drivers during this period are as follows:

(Cash flows from operating activities)

Net cash provided by operating activities was JPY 27,227 million, which was a decrease of JPY 449 million year on year.

(Cash flows from investing activities)

Net cash used in investing activities was JPY 5,792 million and consisted mainly of purchase of property, plant, and equipment, and intangible assets of JPY 6,175 million. The year-on-year decrease of JPY 425 million in net cash used in investing activities was mainly attributable to lower purchases of property, plant and equipment and intangible assets.

(Cash flows from financing activities)

Net cash used in financing activities of JPY 22,555 million consisted mainly of repayments of long-term borrowings of JPY 21,455 million, proceeds from long-term borrowings of JPY 4,228 million and repayments of lease liabilities of JPY 4,416 million. The decrease in net cash used in financing activities of JPY 8,107 million year on year was mainly due to the increase in proceeds from long-term borrowings.

(4) Explanation regarding future prospects (ex. forecasted consolidated business results)

Revisions to consolidated financial results forecasts for the fiscal year ending March 31, 2026 (April 1, 2025 through March 31, 2026)

	Revenue (Million JPY)	Operating profit (Million JPY)	Profit before tax (Million JPY)	Profit (Million JPY)	Profit attributable to owners of parent (Million JPY)	Basic earnings per share attributable to owners of parent (JPY)	*Adjusted EBITDA (Million JPY)
Previously announced forecasts (A)	363,100	20,000	8,000	4,500	4,400	34.80	47,800
Revised forecasts (B)	363,100	20,000	4,400	2,000	2,000	15.82	47,800
Change (B-A)	—	—	(3,600)	(2,500)	(2,400)	(18.98)	—
Change (%)	—	—	(45.0)	(55.6)	(54.5)	(54.5)	—
(Reference) Actual consolidated results for the previous fiscal year (Fiscal year ended March 31, 2025)	361,593	22,580	18,823	10,364	10,485	83.13	50,095

(Note) Adjusted EBITDA is calculated with the following formulas:

Adjusted EBITDA = EBITDA + one-time income and expenses

EBITDA = Operating profit + Depreciation + Impairment loss (excluding marketable securities)

*Adjusted EBITDA is not a measure in accordance with IFRS Accounting Standards. However, PHC Holdings Corporation believes that these disclosures may be useful information to investors.

In the third quarter of this fiscal year, foreign exchange losses of JPY 3,632 million were recorded as financial expenses due to fluctuations in the foreign exchange rates. This is primarily due to the foreign exchange valuation related to Euro-denominated loans from the consolidated subsidiaries of the Company. Incorporating these foreign exchange losses, the full-year financial forecast has been revised. Regarding revenue, operating profit, and adjusted EBITDA, the results up to the nine months ended December 31, 2025 have progressed, exceeding expectations compared to the previously announced forecast. However, reflecting the market outlook conservatively, the total amounts and segment breakdowns remain unchanged at this point of time. Incorporating the foreign exchange losses recorded in the third quarter of this fiscal year and the related tax expenses, profit before tax has been revised downward by JPY 3.6 billion to JPY 4.4 billion. Profit attributable to owners of parent has been revised downward by JPY 2.4 billion to JPY 2.0 billion. Please note that the year-end dividend forecast of JPY 21 (JPY 42 annually) remains unchanged considering that most of the foreign exchange losses are unrealized valuation losses that do not involve cash flow.

Reference: Forecasts of business performance by segment (No changes from the previously announced forecast)

(Million JPY)

Segments	Revenue	Operating profit (loss)	Adjusted EBITDA
Diabetes Management	99,000	18,200	23,400
Healthcare Solutions	131,300	8,100	18,800
Diagnostics and Life Sciences	128,100	3,000	13,700
Head office and Others	4,800	(9,300)	(8,100)
Total	363,100	20,000	47,800

*Starting this fiscal year, the Company reviewed its headquarters' functions and transferred some of the headquarters' roles to each business division. As a result, the breakdown of operating profit and adjusted EBITDA by segment was revised on August 7, 2025.

2. Condensed quarterly consolidated financial statement and significant notes

(1) Condensed quarterly consolidated statement of financial position

(Unit: million yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and cash equivalents	39,592	44,875
Trade receivables	70,530	69,897
Inventories	51,694	58,971
Other financial assets	4,308	4,152
Other current assets	6,665	11,330
Total current assets	172,790	189,227
Non-current assets		
Property, plant and equipment	48,374	43,830
Goodwill	206,500	220,325
Intangible assets	80,649	76,370
Investments accounted for using equity method	1,821	983
Other financial assets	13,932	10,424
Deferred tax assets	6,120	9,018
Other non-current assets	2,293	2,485
Total non-current assets	359,691	363,439
Total assets	532,482	552,667

(Unit: million yen)

	As of March 31, 2025	As of December 31, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	65,665	76,367
Borrowings	34,278	243,363
Income taxes payable	4,207	4,214
Provisions	7,725	8,086
Other financial liabilities	5,812	8,604
Other current liabilities	22,865	20,558
Total current liabilities	140,555	361,194
Non-current liabilities		
Trade and other payables	597	626
Borrowings	220,982	3,090
Retirement benefit liability	5,544	5,580
Provisions	4,575	4,729
Other financial liabilities	8,358	7,077
Deferred tax liabilities	9,291	10,271
Other non-current liabilities	1,405	1,486
Total non-current liabilities	250,755	32,862
Total liabilities	391,310	394,056
Equity		
Share capital	48,623	48,781
Capital surplus	42,039	42,460
Retained earnings	2,991	(817)
Treasury shares	(568)	(568)
Other components of equity	48,553	69,431
Equity attributable to owners of parent	141,639	159,287
Non-controlling interests	(468)	(677)
Total equity	141,171	158,610
Total liabilities and equity	532,482	552,667

(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)

(Unit: million yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Revenue	266,910	269,251
Cost of sales	141,765	145,644
Gross profit	125,145	123,606
Selling, general and administrative expenses	108,251	107,652
Other income	672	1,585
Other expenses	262	500
Share of profit (loss) of investments accounted for using equity method	(274)	69
Operating profit (loss)	17,028	17,108
Finance income	306	230
Finance costs	4,844	14,835
Profit (loss) before taxes	12,491	2,503
Income tax expense	4,910	1,969
Profit (loss)	7,581	534
Profit (loss) attributable to		
Owners of parent	7,639	695
Non-controlling interests	(58)	(161)
Earnings (loss) per share		
Basic earnings (loss) per share (Unit: JPY)	60.58	5.50
Diluted earnings (loss) per share (Unit: JPY)	60.33	5.47

(Condensed quarterly consolidated statement of comprehensive income)

(Unit: million yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Profit (loss)	7,581	534
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	(531)	752
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	23	(3,785)
Items that may be reclassified to profit or loss		
Effective portion of cash flow hedges	(12)	17
Exchange differences on translation of foreign operations	2,772	25,029
Share of other comprehensive income of investments accounted for using equity method	12	(431)
Other comprehensive income, net of taxes	<u>2,264</u>	<u>21,582</u>
Comprehensive income	<u>9,845</u>	<u>22,116</u>
Comprehensive income attributable to		
Owners of parent	9,914	22,325
Non-controlling interests	(68)	(208)
Comprehensive income	<u>9,845</u>	<u>22,116</u>

(3) Condensed quarterly consolidated statement of changes in equity

(Unit: million yen)

	Equity attributable to owners of parent				Other components of equity		
	Share capital	Capital surplus	Retained earnings	Treasury shares	Remeasurements of defined benefit plans	Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	Effective portion of cash flow hedges
As of April 1, 2024	48,423	41,797	(2,773)	(568)	—	(1,110)	(3)
Comprehensive income							
Profit (loss)	—	—	7,639	—	—	—	—
Other comprehensive income	—	—	—	—	(531)	23	(12)
Total comprehensive income	—	—	7,639	—	(531)	23	(12)
Issuance of new shares	128	(91)	—	—	—	—	—
Purchase of treasury shares	—	—	—	—	—	—	—
Dividends to owners of parent	—	—	(4,917)	—	—	—	—
Forfeiture of share acquisition rights and Restricted Stock Unit	—	(180)	178	—	—	—	—
Share-based payment transactions	—	348	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	(319)	—	531	(212)	—
Transactions with owners	128	76	(5,058)	—	531	(212)	—
As of December 31, 2024	48,551	41,874	(192)	(568)	—	(1,299)	(16)

(Unit: million yen)

	Equity attributable to owners of parent			Other components of equity		
	Exchange differences on translation of foreign operations	Share of other comprehensive income of investments accounted for using equity method	Total	Total	Non-controlling interests	Total
As of April 1, 2024	53,380	369	52,635	139,515	(351)	139,163
Comprehensive income						
Profit (loss)	—	—	—	7,639	(58)	7,581
Other comprehensive income	2,783	12	2,275	2,275	(10)	2,264
Total comprehensive income	2,783	12	2,275	9,914	(68)	9,845
Issuance of new shares	—	—	—	36	—	36
Purchase of treasury shares	—	—	—	—	—	—
Dividends to owners of parent	—	—	—	(4,917)	—	(4,917)
Forfeiture of share acquisition rights and Restricted Stock Unit	—	—	—	(2)	—	(2)
Share-based payment transactions	—	—	—	348	—	348
Transfer from other components of equity to retained earnings	—	—	319	—	—	—
Transactions with owners	—	—	319	(4,534)	—	(4,534)
As of December 31, 2024	56,163	381	55,229	144,894	(420)	144,474

(Unit: million yen)

	Equity attributable to owners of parent				Other components of equity		
	Share capital	Capital surplus	Retained earnings	Treasury shares	Remeasurements of defined benefit plans	Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	Effective portion of cash flow hedges
As of April 1, 2025	48,623	42,039	2,991	(568)	—	(233)	(17)
Comprehensive income							
Profit (loss)	—	—	695	—	—	—	—
Other comprehensive income	—	—	—	—	752	(3,785)	17
Total comprehensive income	—	—	695	—	752	(3,785)	17
Issuance of new shares	158	173	—	—	—	—	—
Purchase of treasury shares	—	—	—	(0)	—	—	—
Dividends to owners of parent	—	—	(5,306)	—	—	—	—
Forfeiture of share acquisition rights and Restricted Stock Unit	—	(66)	51	—	—	—	—
Share-based payment transactions	—	312	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	752	—	(752)	0	—
Transactions with owners	158	420	(4,503)	(0)	(752)	0	—
As of December 31, 2025	48,781	42,460	(817)	(568)	—	(4,018)	(0)

(Unit: million yen)

	Equity attributable to owners of parent				Other components of equity	
	Exchange differences on translation of foreign operations	Share of other comprehensive income of investments accounted for using equity method	Total	Total	Non-controlling interests	Total
As of April 1, 2025	48,447	357	48,553	141,639	(468)	141,171
Comprehensive income						
Profit (loss)	—	—	—	695	(161)	534
Other comprehensive income	25,076	(431)	21,629	21,629	(47)	21,582
Total comprehensive income	25,076	(431)	21,629	22,325	(208)	22,116
Issuance of new shares	—	—	—	331	—	331
Purchase of treasury shares	—	—	—	(0)	—	(0)
Dividends to owners of parent	—	—	—	(5,306)	—	(5,306)
Forfeiture of share acquisition rights and Restricted Stock Unit	—	—	—	(15)	—	(15)
Share-based payment transactions	—	—	—	312	—	312
Transfer from other components of equity to retained earnings	—	—	(752)	—	—	—
Transactions with owners	—	—	(752)	(4,677)	—	(4,677)
As of December 31, 2025	73,524	(74)	69,431	159,287	(677)	158,610

(4) Condensed quarterly consolidated statement of cash flows

(Unit: million yen)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Cash flows from operating activities		
Profit (loss) before taxes	12,491	2,503
Depreciation and amortization	21,338	20,280
Interest expenses	4,594	4,215
Decrease (increase) in trade receivables	5,115	4,195
Decrease (increase) in inventories	(5,412)	(3,958)
Increase (decrease) in trade payables	292	7,433
Other	(4,912)	2,519
Subtotal	33,507	37,189
Interest and dividends received	307	183
Interest paid	(5,027)	(3,885)
Income taxes paid	(3,297)	(6,326)
Income taxes refund	2,188	66
Net cash provided by operating activities	27,677	27,227
Cash flows from investing activities		
Purchase of property, plant and equipment, and intangible assets	(8,325)	(6,175)
Proceeds from sales of property, plant and equipment, and intangible assets	547	355
Proceeds from sale of investments accounted for using equity method	307	—
Other	1,253	27
Net cash used in investing activities	(6,217)	(5,792)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(720)	402
Proceeds from long-term borrowings	228	4,228
Repayments of long-term borrowings	(20,204)	(21,455)
Repayments of lease liabilities	(5,268)	(4,416)
Proceeds from issuance of shares	37	0
Dividends paid to owners of parent	(4,732)	(5,131)
Other	(2)	3,817
Net cash used in financing activities	(30,662)	(22,555)
Effect of exchange rate changes on cash and cash equivalents	(1,317)	6,403
Net increase (decrease) in cash and cash equivalents	(10,520)	5,282
Beginning balance of cash and cash equivalents	47,044	39,592
Ending balance of cash and cash equivalents	36,523	44,875

(5) Notes to condensed quarterly consolidated financial statements

Notes for going concern

Not applicable

Segment information

1) Reportable segments

Major business contents in each reportable segment are as follows:

Reportable segment	Major business contents
Diabetes Management	Development, manufacturing, and sales of blood glucose monitoring (BGM) systems, and sales of continuous glucose monitoring (CGM) systems
Healthcare Solutions	Development of clinical testing business, development and sales of medical IT products such as medical-receipt computers and electronic medical record systems, and development of drug discovery support business
Diagnostics & Life Sciences	Development, manufacturing, and sales of pathological diagnosis equipment, research and medical support equipment, diagnostic reagents and instruments, as well as motorized drug injection devices

2) Segment revenues and operating results
 Nine months ended December 31, 2024

(Unit: million yen)

	Diabetes Management	Healthcare Solutions	Diagnostic & Life Sciences	Subtotal	Others, adjustments and eliminations	Consolidated basis
Revenue						
Sale from external customers	74,214	94,202	96,060	264,477	2,433	266,910
Intersegment sales	—	—	—	—	—	—
Total	74,214	94,202	96,060	264,477	2,433	266,910
Operating profit (loss)	10,544	5,959	6,722	23,226	(6,197)	17,028
Finance income						306
Finance costs						4,844
Profit (loss) before taxes						12,491
Other items						
Depreciation and Amortization	4,951	7,445	8,458	20,854	484	21,338
Impairment losses (reversal of impairment losses)	(80)	—	—	(80)	(36)	(117)

(Notes) “Others” of “Others, adjustments and eliminations” is an operating segment not included in reportable segments and “adjustments and eliminations” mainly includes eliminations of intersegment transactions and corporate expenses not allocated to each reportable segment.

Nine months ended December 31, 2025

(Unit: million yen)

	Diabetes Management	Healthcare Solutions	Diagnostic & Life Sciences	Subtotal	Others, adjustments and eliminations	Consolidated basis
Revenue						
Sale from external customers	77,077	95,218	92,392	264,689	4,562	269,251
Intersegment sales	—	—	—	—	—	—
Total	77,077	95,218	92,392	264,689	4,562	269,251
Operating profit (loss)	14,737	4,929	2,337	22,003	(4,895)	17,108
Finance income						230
Finance costs						14,835
Profit (loss) before taxes						2,503
Other items						
Depreciation and Amortization	3,524	7,802	8,506	19,833	447	20,280
Impairment losses (reversal of impairment losses)	—	—	1	1	—	1

(Notes) “Others” of “Others, adjustments and eliminations” is an operating segment not included in reportable segments and “adjustments and eliminations” mainly includes eliminations of intersegment transactions and corporate expenses not allocated to each reportable segment.

Revenue

Disaggregation of revenue

Revenue disaggregation by reportable segments and major regions is as follows.

Nine months ended December 31, 2024

(Unit: million yen)

	Diabetes Management	Healthcare Solutions	Diagnostic & Life Sciences	Other	Total
By region					
Japan	2,990	93,707	16,318	171	113,187
Europe	39,965	164	23,164	—	63,294
North America	16,682	69	42,738	—	59,491
Other	14,575	260	13,839	2,262	30,937
Total	74,214	94,202	96,060	2,433	266,910

Nine months ended December 31, 2025

(Unit: million yen)

	Diabetes Management	Healthcare Solutions	Diagnostic & Life Sciences	Other	Total
By region					
Japan	2,550	94,801	15,843	138	113,333
Europe	42,470	179	24,994	—	67,644
North America	18,230	38	38,252	—	56,521
Other	13,825	199	13,303	4,423	31,751
Total	77,077	95,218	92,392	4,562	269,251