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November 9, 2026

Consolidated Financial Results for the Six-Months Period of Fiscal 2026 (Six-Month Period Ended September 30, 2026) [JGAAP]

Company name:	KAKEN PHARMACEUTICAL CO., LTD.
Stock exchange listing:	Tokyo Stock Exchange
Securities code number:	4521
URL:	https://www.kaken.co.jp/english/
Representative:	Hiroyuki Horiuchi, President and Representative Director
Contact:	Yasuhiko Kondo, Director, Head of Accounting & Finance Department
Telephone:	+81-3-5977-5007
Scheduled date of semi-annual securities report submission:	November 12, 2026
Scheduled date of dividend payment commencement:	November 30, 2026
Supplementary materials for financial results:	Yes
Financial results briefing:	Yes (for institutional investors and analysts)

(Amounts are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Six-Month Period of Fiscal 2026 (April 1, 2026 to September 30, 2026)

(1) Consolidated Operating Results (cumulative)

(Percentage indicates year-on-year change)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of the parent	
	(Million yen)	(%)	(Million yen)	(%)	(Million yen)	(%)	(Million yen)	(%)
Six-Month period of Fiscal 2026	48,957	24.4	10,164	–	10,708	–	8,000	698.1
Six-Month period of Fiscal 2025	39,356	(23.4)	180	(99.1)	584	(97.1)	1,002	(93.0)

Note:
Comprehensive income:
Six-Month period of Fiscal 2026: ¥ 9,227 million [–%]
Six-Month period of Fiscal 2025: ¥ 389 million [(97.1)%]

	Basic earnings per share	Diluted earnings per share
	(Yen)	(Yen)
Six-Month period of Fiscal 2026	211.29	–
Six-Month period of Fiscal 2025	26.41	–

(2) Consolidated Financial Position

	Total assets	Net assets	Equity-to-asset ratio
	(Million yen)	(Million yen)	(%)
As of September 30, 2026	188,106	153,238	81.5
As of March 31, 2026	178,217	147,619	82.8

Reference:
Equity:
As of September 30, 2026: ¥ 153,238 million
As of March 31, 2026: ¥ 147,619 million

2. Cash Dividends

	Annual dividends per share				
	1st quarter	2nd quarter	3rd quarter	Year-end	Total
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)
Year ended March 31, 2026	–	95.00	–	95.00	190.00
Year ending March 31, 2027	–	95.00			
Year ending March 31, 2027 (Forecast)			–	95.00	190.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Consolidated Financial Forecast for Fiscal Year Ending March 31, 2027 (April 1, 2026 to March 31, 2027)

(Percentage indicates year-on-year change)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of the parent		Basic earnings per share
	(Million yen)	(%)	(Million yen)	(%)	(Million yen)	(%)	(Million yen)	(%)	(Yen)
Year ending March 31, 2027	89,900	17.0	7,900	–	8,600	–	6,500	203.1	171.65

Note: Revisions to the financial forecast most recently announced: None

* For the fiscal year ended March 31, 2026, the Company recorded an operating loss of ¥899 million and an ordinary loss of ¥206 million.

*** Notes**

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

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: Yes

(3) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
2) Changes in accounting policies other than 1): None
3) Changes in accounting estimates: None
4) Restatement: None

(4) Number of issued shares (common stock)

1) Number of issued shares at the end of the period (including treasury stock)	As of September 30, 2026	44,139,730 shares	As of March 31, 2026	44,139,730 shares
2) Number of treasury shares at the end of the period	As of September 30, 2026	6,271,718 shares	As of March 31, 2026	6,271,415 shares
3) Average number of shares during the period	Six-Month period of Fiscal 2026	37,868,147 shares	Six-Month period of Fiscal 2025	37,954,597 shares

Note: The number of treasury shares at the end of the period includes the Company's shares held by the "Board Benefit Trust (BBT)" and the "Employee Stock Ownership Plan (J-ESOP)" (199,700 shares as of September 30, 2026 and 199,700 shares as of March 31, 2026). The Company's shares held by the BBT and J-ESOP are included in the number of treasury shares to be deducted in the calculation of the average number of shares during the period (199,700 shares as of September 30, 2026 and 155,287 shares as of September 30, 2025).

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit corporation.

* Explanation of proper use of earnings forecasts, and other special matters:

(Caution regarding forward-looking statements)

The performance forecasts and other descriptions of future events presented in this material are based on information currently available and certain assumptions considered to be reasonable. The actual performance may differ from these forecasts.

How to review the supplementary material for the financial results reports:

It has been posted on the Company's web site, along with the financial results reports.

2. Consolidated Financial Results for Six-Month Period of Fiscal 2026

(1) Semi-annual consolidated balance sheets

(Millions of yen)

	Fiscal 2025 (As of March 31, 2026)	Six-Month period of Fiscal 2026 (As of September 30, 2026)
Assets		
Current assets		
Cash and deposits	44,713	53,524
Notes and accounts receivable - trade, and contract assets	19,378	19,668
Marketable securities	5,992	5,990
Merchandise and finished goods	7,567	7,626
Work in process	2,578	3,566
Raw materials and supplies	8,970	10,077
Income taxes refund receivable	2,068	–
Consumption taxes refund receivable	1,302	5
Other	1,478	1,939
Total current assets	94,051	102,399
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	15,780	15,724
Other, net	11,353	11,905
Total property, plant and equipment	27,134	27,629
Intangible assets		
Goodwill	5,399	5,411
Marketing rights	12,201	12,227
In-process research and development	5,495	5,537
Other	1,195	1,182
Total intangible assets	24,291	24,358
Investments and other assets		
Investment securities	18,730	19,759
Long-term prepaid expenses	3,091	2,815
Retirement benefit asset	4,846	5,131
Deferred tax assets	5,367	5,120
Other	704	892
Total investments and other assets	32,740	33,718
Total non-current assets	84,166	85,707
Total assets	178,217	188,106

(Millions of yen)

	Fiscal 2025 (As of March 31, 2026)	Six-Month period of Fiscal 2026 (As of September 30, 2026)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,428	7,566
Electronically recorded obligations - operating	138	91
Short-term bank loans	3,850	3,850
Income taxes payable	248	3,084
Provision for bonuses	1,019	1,007
Other	8,119	8,935
Total current liabilities	20,803	24,535
Non-current liabilities		
Provision for share-based remuneration for employees	61	59
Provision for share-based remuneration	196	196
Net defined benefit liability	4,716	4,927
Deferred tax liabilities	4,405	4,446
Other	414	703
Total non-current liabilities	9,794	10,333
Total liabilities	30,597	34,868
Net assets		
Shareholders' equity		
Common stock	23,853	23,853
Capital surplus	11,406	11,406
Retained earnings	125,625	130,010
Treasury stock	(23,776)	(23,777)
Total shareholders' equity	137,109	141,493
Accumulated other comprehensive income		
Net unrealized holding gain on securities	6,806	7,521
Foreign currency translation adjustment	754	1,456
Remeasurements of defined benefit plans	2,949	2,767
Total accumulated other comprehensive income	10,509	11,745
Total net assets	147,619	153,238
Total liabilities and net assets	178,217	188,106

(2) Semi-annual consolidated statements of income and comprehensive income

(Semi-annual consolidated statements of income)

(Millions of yen)

	Six-Month period of Fiscal 2025 (April 1, 2025 – September 30, 2025)	Six-Month period of Fiscal 2026 (April 1, 2026 – September 30, 2026)
Net sales	39,356	48,957
Cost of sales	17,776	18,147
Gross profit	21,580	30,809
Selling, general and administrative expenses		
Salaries	2,905	3,056
Bonuses and provision for bonuses	705	597
Retirement benefit expenses	88	(37)
Research and development expenses	11,672	9,943
Other	6,028	7,084
Total selling, general and administrative expenses	21,400	20,645
Operating profit	180	10,164
Other income		
Interest income	117	204
Dividends income	320	312
Foreign exchange gains	14	15
Other	19	67
Total other income	471	600
Other expenses		
Interest expenses	21	32
Loss on investments in investment partnership	38	13
Other	7	10
Total other expenses	67	56
Ordinary profit	584	10,708
Extraordinary income		
Gain on sales of investment securities	862	–
Other	1	0
Total extraordinary income	863	0
Extraordinary losses		
Loss on retirement of non-current assets	64	50
Loss on valuation of investment securities	2	2
Other	6	–
Total extraordinary losses	73	52
Profit before income taxes	1,374	10,656
Income taxes	372	2,655
Profit	1,002	8,000
Profit attributable to owners of the parent	1,002	8,000

(Semi-annual consolidated statements of comprehensive income)

(Millions of yen)

	Six-Month period of Fiscal 2025 (April 1, 2025 – September 30, 2025)	Six-Month period of Fiscal 2026 (April 1, 2026 – September 30, 2026)
Profit	1,002	8,000
Other comprehensive income		
Net unrealized holding gain on securities	12	707
Foreign currency translation adjustment	(557)	701
Remeasurements of defined benefit plans	(68)	(182)
Total other comprehensive income	(612)	1,226
Comprehensive income	389	9,227
Total comprehensive income attributable to owners of the parent	389	9,227

(3) Semi-annual consolidated statements of cash flows

(Millions of yen)

	Six-Month period of Fiscal 2025 (April 1, 2025 – September 30, 2025)	Six-Month period of Fiscal 2026 (April 1, 2026 – September 30, 2026)
Cash flows from operating activities		
Profit before income taxes	1,374	10,656
Depreciation	1,399	1,883
Amortization of goodwill	94	160
Increase (decrease) in net defined benefit asset and liability	(229)	(340)
Interest and dividends income	(438)	(516)
Interest expenses	21	32
Loss (gain) on investments in investment partnerships	38	13
Loss (gain) on sale of investment securities	(862)	–
Loss (gain) on valuation of investment securities	2	2
Loss on retirement of non-current assets	64	50
Decrease (increase) in notes and accounts receivable-trade	(616)	(237)
Decrease (increase) in inventories	839	(2,129)
Increase (decrease) in trade payables	(2,412)	85
Other, net	(987)	2,216
Subtotal	(1,711)	11,877
Interest and dividends income received	438	509
Interest expenses paid	(21)	(32)
Income taxes (paid) refund	(6,770)	1,837
Net cash provided by (used in) operating activities	(8,064)	14,192
Cash flows from investing activities		
Purchase of property, plant and equipment	(863)	(1,510)
Purchase of intangible assets	(345)	(182)
Proceeds from sales of investment securities	1,793	–
Other, net	(154)	(293)
Net cash provided by (used in) investing activities	429	(1,985)
Cash flows from financing activities		
Purchase of treasury stock	(2,342)	(1)
Cash dividends paid	(2,882)	(3,603)
Net cash provided by (used in) financing activities	(5,225)	(3,605)
Effect of exchange rate change on cash and cash equivalents	(120)	209
Net increase (decrease) in cash and cash equivalents	(12,980)	8,810
Cash and cash equivalents at beginning of period	70,085	50,705
Cash and cash equivalents at end of period	57,105	59,515