Consolidated Financial Results for the Six Months Ended September 30, 2026 [IFRS]

November 11, 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 submit the Semi-Annual Securities Report: November 11, 2026
Scheduled date to commence dividend payments: December 18, 2026
Availability of supplementary briefing material on the Semi-Annual Results: Yes
Scheduled date of the Semi-Annual Results Briefing Session: Yes
(Figures are rounded down to the nearest million yen)

1. Consolidated Financial Results for the Six Months Ended September 30, 2026 (From April 1, 2026 to September 30, 2026)

(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	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	179,970	3.8	19,439	87.3	17,007	—	13,241	—	13,313	—	10,016	38.4
September 30, 2025	173,375	(0.3)	10,378	12.7	941	(87.3)	(692)	—	(559)	—	7,236	—

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
September 30, 2026	104.94	104.35
September 30, 2025	(4.42)	(4.42)

(Note) Share of profit (loss) of investments accounted for using equity method:
September 30, 2026… (21) million yen
September 30, 2025… 67 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	%
September 30, 2026	528,429	168,627	169,469	32.1
March 31, 2026	542,510	160,880	161,668	29.8

2. Cash Dividends

	Annual cash dividends per share				
	First quarter end	Second quarter end	Third quarter end	Fiscal year end	Total
Fiscal year ended	Yen	Yen	Yen	Yen	Yen
March 31, 2026	—	21.00	—	21.00	42.00
March 31, 2027	—	21.00			
Fiscal year ending March 31, 2027 (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, 2027 (From April 1, 2026 to March 31, 2027)

(% 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	%	Yen
Fiscal year ending March 31, 2027	366,000	0.4	33,000	45.5	26,700	317.84	18,000	—	18,000	—	141.74

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

*** 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 September 30, 2026	127,327,581 Shares
As of March 31, 2026	126,724,020 Shares

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

As of September 30, 2026	212,023 Shares
As of March 31, 2026	211,966 Shares

3) Average number of outstanding shares during the period:

Six months ended September 30, 2026	126,868,287 Shares
Six months ended September 30, 2025	126,382,905 Shares

Note 1: Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

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.

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1. Qualitative information regarding financial performance

(1) Explanation regarding operation results

Please note that some of our business names and segment classifications have been changed from the three months ended June 30, 2026 (hereafter “this period”). BGM business in “Diabetes Management” segment has been renamed “Diabetes Management business”, while LSIM business in “Healthcare Solutions” segment has been renamed “Clinical Testing business”. In addition, Biomedical business and IVD business within “Diagnostics & Life Sciences” segment have been integrated into “Life Sciences business”. Furthermore, the B-to-B business in Indonesia, previously included in “Others” has been transferred to “Diagnostics & Life Sciences” and included in “Life Sciences business”. The following descriptions reflect these revised classifications, and segment information for the previous period has restated accordingly.

During the six months ended September 30, 2026 (hereafter “this period”), PHC Group generated revenue of JPY 179,970 million, up 3.8% compared to the same period of the previous year (hereafter “year on year”). In Diabetes Management, revenue increased mainly due to strong sales and the positive impact of foreign exchange despite ongoing market decline and the continued shift to low-priced channels in developed countries. In Healthcare Solutions, revenue increased in Clinical Testing and CRO businesses but decreased in Healthcare IT Solutions business due to lower sales of electronic medical record systems caused by server supply shortages. In Diagnostics & Life Sciences, revenue grew with the positive effects of price revisions and favorable foreign exchange, as well as solid consumables sales in Pathology business, strong sales in the laboratory and medical support equipment in Life Sciences business.

Operating profit for this period was JPY 19,439 million, up 87.3% year on year. In Diabetes Management, operating profit increased significantly due to strong sales in high-margin European markets, cost reduction efforts, improved profit margins following the transfer of the Continuous Glucose Monitoring (hereafter "CGM") business, and the positive impact of foreign exchange. In Healthcare Solutions, operating profit decreased significantly, mainly due to lower revenue in Healthcare IT Solutions business and one-time expenses. By contrast, Diagnostics & Life Sciences saw a sharp increase in operating profit, driven primarily by the effects of price revisions, lower SG&A expenses, and U.S. tariffs refunds.

Adjusted EBITDA was JPY 33,466 million, up 37.9% year on year. Adjustment items mainly include one-time income/expense relating to transformational M&A pre-acquisition and integration costs (additions of JPY 685 million in this period and JPY 80 million in the previous period, respectively) and one-time income/expense relating to restructuring (additions of JPY 107 million in this period and JPY 452 million in the previous period, respectively)

Profit before tax was JPY 17,007 million up 1,707.3% year on year. This was mainly due to the increase in operating profit, in addition to foreign exchange gains of JPY 984 million recorded in this period, compared with foreign exchange losses of JPY 6,842 million in the previous period.

Profit attributable to owners of parent was JPY 13,313 million, compared with a loss attributable to owners of parent of JPY 559 million in the previous period.

	Six months ended September 30, 2025 (million yen)	Six months ended September 30, 2026 (million yen)	Change
Revenue	173,375	179,970	3.8%
Operating profit	10,378	19,439	87.3%
EBITDA	23,727	32,666	37.7%
Adjusted EBITDA	24,260	33,466	37.9%
Profit before tax	941	17,007	—
Profit (loss)	(692)	13,241	—
Profit (loss) attributable to owners of parent	(559)	13,313	—
Average exchange rate JPY/USD	JPY 145.96	JPY 159.30	JPY 13.34
Average exchange rate JPY/EUR	JPY 168.13	JPY 184.24	JPY 16.11

(Note) EBITDA and Adjusted EBITDA are not measures in accordance with IFRS. However, PHC Holdings Corporation believes that this disclosure may be useful information to investors.

【Calculation table of EBITDA and adjusted EBITDA】

	Six months ended September 30, 2025 (million yen)	Six months ended September 30, 2026 (million yen)	Change
Operating profit	10,378	19,439	87.3%
+ Depreciation	13,347	13,256	(0.7%)
+ Impairment loss (excluding marketable securities)	1	(28)	—
EBITDA	23,727	32,666	37.7%
(Adjusted amount)			
+ One-time income/expense relating to transformational M&A pre-acquisition and integration costs	80	685	756.3%
+ One-time income/expense relating to restructuring	452	107	(76.3%)
+ One-time income/expense relating to termination/cancellation of contracts	—	6	—
+ One-time income/expense relating to disposal/sales of asset	—	—	—
+ Other one-time income/expense	—	—	—
Adjusted EBITDA	24,260	33,466	37.9%

(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

	Six months ended September 30, 2025 (million yen)	Six months ended September 30, 2026 (million yen)	Change
Revenue	48,678	54,655	12.3%
Operating profit	9,328	18,565	99.0%
EBITDA	11,552	20,798	80.0%
Adjusted EBITDA	11,744	20,657	75.9%

(Calculation table of EBITDA and adjusted EBITDA)

	Six months ended September 30, 2025 (million yen)	Six months ended September 30, 2026 (million yen)	Change
Operating profit	9,328	18,565	99.0%
+ Depreciation	2,224	2,262	1.7%
+ Impairment loss (excluding marketable securities)	—	(28)	—
EBITDA	11,552	20,798	80.0%
(Adjustment amount)			
+ One-time income/expense relating to transformational M&A pre-acquisition and integration costs	—	(100)	—
+ One-time income/expense relating to restructuring	192	(40)	—
+ One-time income/expense relating to termination/cancellation of contracts	—	—	—
+ One-time income/expense relating to disposal/sales of asset	—	—	—
+ Other one-time income/expense	—	—	—
Adjusted EBITDA	11,744	20,657	75.9%

(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 54,655 million, up 12.3% year on year. Despite ongoing market decline and the shift to low-priced channels in developed countries, revenue in BGM business increased due to strong sales in Europe, particularly in Germany, Italy, and Greece. Revenue in emerging countries also increased due to the recovery in the Middle East and progress in localization initiatives in Algeria. Revenue increased year on year with favorable foreign exchange effects and offset significantly the negative impact from the transfer of CGM business.

<Operating Profit and Adjusted EBITDA Situation>

Operating profit in Diabetes Management for this period was JPY 18,565 million, up 99.0% year on year. Operating profit increased significantly due to strong sales in developed countries, particularly in high-margin European markets, as well as revenue growth in emerging markets. In addition, favorable foreign exchange effects, cost reduction with restructuring to date, and improved profitability related to the transfer of CGM business contributed to the substantial increase in profit.

Adjusted EBITDA was JPY 20,657 million, up 75.9% year on year. Adjustment items mainly included one-time income/expense relating to transformational M&A pre-acquisition and integration costs attributable to the transfer of CGM business (subtraction of JPY 100 million in this period) and one-time income/expense relating to restructuring (subtraction of JPY 40 million in this period and addition of JPY 192 million in the previous period, respectively).

Healthcare Solutions

	Six months ended September 30, 2025 (million yen)	Six months ended September 30, 2026 (million yen)	Change
Revenue	62,653	59,550	(5.0%)
Operating profit	2,970	459	(84.5%)
EBITDA	8,175	5,368	(34.3%)
Adjusted EBITDA	8,256	6,268	(24.1%)

(Calculation table of EBITDA and adjusted EBITDA)

	Six months ended September 30, 2025 (million yen)	Six months ended September 30, 2026 (million yen)	Change
Operating profit	2,970	459	(84.5%)
+ Depreciation	5,205	4,908	(5.7%)
+ Impairment loss (excluding marketable securities)	—	—	—
EBITDA	8,175	5,368	(34.3%)
(Adjustment amount)			
+ One-time income/expense relating to transformational M&A pre-acquisition and integration costs	80	786	882.5%
+ One-time income/expense relating to restructuring	—	113	—
+ One-time income/expense relating to termination/cancellation of contracts	—	—	—
+ One-time income/expense relating to disposal/sales of asset	—	—	—
+ Other one-time income/expense	—	—	—
Adjusted EBITDA	8,256	6,268	(24.1%)

(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 59,550 million, down 5.0% year on year. A breakdown includes Clinical Testing business at JPY 34,476 million, up 2.6% year on year, Healthcare IT Solutions business at JPY 20,790 million, down 19.3% year on year, and CRO business at JPY 4,283 million, up 31.1% year on year.
In Clinical Testing business, revenue increased due to higher volumes of general testing, sales growth in genetic testing as a growth initiative, and progress in pricing optimization.
In Healthcare IT Solutions business, revenue decreased significantly due to lower sales of electronic medical record systems caused by shortages in server supply, despite increased revenue driven by growing demand for electronic prescription software.
In CRO business, revenue increased due to higher orders received in the previous fiscal year in both clinical trial and non-clinical testing businesses. The completion of large-scale safety testing in the non-clinical testing business also contributed.

<Operating Profit and Adjusted EBITDA Situation>

Operating profit in Healthcare Solutions for this period was JPY 459 million, down 84.5% year on year. Despite higher revenue in Clinical Testing and CRO businesses, as well as improved profitability driven by pricing optimization and cost reduction efforts, operating profit decreased significantly due to lower revenue in Healthcare IT Solutions business and one-time expenses relating to changes to the retirement benefit plan following the merger with Wemex Healthcare Systems.

Adjusted EBITDA was JPY 6,268 million, down 24.1% year on year. Adjustment items mainly included one-time income/expense relating to transformational M&A pre-acquisition and integration costs (additions of JPY 786 million in this period and JPY 80 million in the previous period, respectively) and one-time income/expense relating to restructuring (addition of JPY 113 million in this period).

Diagnostics and Life Sciences

	Six months ended September 30, 2025 (million yen)	Six months ended September 30, 2026 (million yen)	Change
Revenue	61,976	65,681	6.0%
Operating profit	1,693	4,292	153.5%
EBITDA	7,309	10,004	36.9%
Adjusted EBITDA	7,311	10,042	37.4%

(Calculation table of EBITDA and adjusted EBITDA)

	Six months ended September 30, 2025 (million yen)	Six months ended September 30, 2026 (million yen)	Change
Operating profit	1,693	4,292	153.5%
+ Depreciation	5,615	5,711	1.7%
+ Impairment loss (excluding marketable securities)	1	—	—
EBITDA	7,309	10,004	36.9%
(Adjustment amount)			
+ One-time income/expense relating to transformational M&A pre-acquisition and integration costs	—	—	—
+ One-time income/expense relating to restructuring	2	31	—
+ One-time income/expense relating to termination/cancellation of contracts	—	6	—
+ One-time income/expense relating to disposal/sales of asset	—	—	—
+ Other one-time income/expense	—	—	—
Adjusted EBITDA	7,311	10,042	37.4%

(Note) 1. The B-to-B business in Indonesia, which was previously in "Others," has been transferred to “Diagnostics and Life Sciences” and classified as “Life Sciences business”. Segment information for the previous period has also been restated to reflect this change.

2. 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 65,681 million, up 6.0% year on year. This includes JPY 28,652 million in Pathology business, up 3.3% year on year, JPY 37,029 million in Life Sciences business, up 8.1% year on year.

In Pathology business, revenue increased year on year, driven by solid consumables sales across all regions, as well as the positive effect of price revisions and favorable foreign exchange effects. While sales of products launched during this quarter continued to gain momentum, equipment sales declined due to continued softness in demand, and the absence of a large-scale digital pathology installation project recorded in the previous period.

In Life Sciences business, revenue increased due to the positive impact of foreign exchange rates and solid sales of the laboratory and medical support equipment. In the Americas, despite continued government budget constraints, revenue increased due to strong sales to hospitals as well as pharmaceutical and biotech companies. In EMEA, despite continued weak demand in France and Germany, revenue increased due to stronger year-end

academic demand in the U.K., solid sales in countries such as Sweden and Denmark, as well as favorable foreign exchange effects. In Japan, despite soft sales to academic institutions, revenue increased due to strong large-scale projects for pharmaceutical companies. In IVD business, despite strong sales in EMEA and Asia, revenue declined mainly due to lower sales of the PATHFAST™ Immunoanalyzer in the U.S.

<Operating Profit and Adjusted EBITDA Situation>

Operating profit in Diagnostics and Life Sciences for this period was JPY 4,292 million, up 153.5% year on year. Operating profit increased significantly due to solid sales in the laboratory and medical support equipment, as well as the effects of price revisions, lower SG&A expenses, U.S. tariff refunds, and favorable foreign exchange effects.

Adjusted EBITDA was JPY 10,042 million, up 37.4% year on year. Adjustment items mainly included one-time income/expense relating to restructuring (additions of JPY 31 million in this period and JPY 2 million in the previous period, respectively) and one-time income/expense relating to termination/cancellation of contracts (addition of JPY 6 million in this period).

(2) Explanation regarding financial condition position (Balance Sheet)

Assets

The balance of total assets in this period was JPY 528,429 million. The balance decreased by JPY 14,081 million compared to the previous fiscal year-end.
The main changes are trade and other receivables decreased by JPY 6,613 million, intangible assets decreased by JPY 5,783 million mainly due to progress in amortization of intangible assets recognized through past business acquisitions, and goodwill decreased by JPY 3,809 million attributable to the impact of currency fluctuation.

Liabilities

The balance of total liabilities in this period was JPY 359,801 million. The balance decreased by JPY 21,828 million compared to the previous fiscal year-end.
The main changes are loan balance decreased by JPY 12,300 million mainly due to the repayment, and trade and other payables decreased by JPY 6,860 million.

Equity

The balance of equity in this period was JPY 168,627 million. The balance increased by JPY 7,746 million compared to the previous fiscal year-end.
Other components of equity decreased by JPY 5,084 million, mainly due to translation differences of foreign operations. Retained earnings increased by JPY 12,500 million mainly due to JPY 13,313 million of profit attributable to owners of parent, despite dividends of JPY 2,656 million.
In addition, the ratio of equity attributable to owners of parent to total assets increased by 2.3 points from 29.8% at the end of the previous fiscal year to 32.1%.

(3) Explanation regarding cash flow

Cash and cash equivalents at the end of the period amounted to JPY 37,777 million, a decrease of JPY 2,042 million from March 31, 2026.

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 21,184 million, which was an increase of JPY 9,097 million year on year. The year-on-year increase in net cash provided by operating activities was primarily due to increased profit before taxes and decreased income taxes paid.

(Cash flows from investing activities)
Net cash used in investing activities was JPY 5,012 million and consisted mainly of purchase of property, plant, and equipment, and intangible assets of JPY 4,592 million. The year-on-year increase was JPY 770 million.

(Cash flows from financing activities)
Net cash used in financing activities of JPY 16,734 million consists mainly of repayments of borrowings of JPY 11,905 million, repayments of lease liabilities of JPY 3,040 million and dividends paid to owners of parent of JPY 2,656 million. The year-on-year decrease was JPY 828 million.

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

Revisions to consolidated financial results forecasts for the fiscal year ending March 31, 2027 (April 1, 2026 through March 31, 2027)

	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)	359,700	27,000	22,000	15,400	15,400	121.73	53,600
Revised forecasts (B)	366,000	33,000	26,700	18,000	18,000	141.74	60,900
Change (B-A)	6,300	6,000	4,700	2,600	2,600	20.01	7,300
Change (%)	1.8	22.2	21.4	16.9	16.9	16.4	13.6
(Reference) Consolidated results for the previous fiscal year (Fiscal year ended March 31, 2026)	364,403	22,688	6,390	219	492	3.90	51,959

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

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

The exchange rates assumptions underlying the full-year financial forecast have been revised, reflecting recent market trends, from JPY 165 to JPY 182 per euro and from JPY 145 to JPY 159 per U.S. dollar. Revenue has been revised upward by JPY 6.3 billion from the previously announced forecast. In addition to incorporating the favorable impact of updated exchange rate assumptions, the forecast for the Diabetes Management segment has been revised upward to reflect strong first-half results, led by sales in Europe. For the Healthcare Solutions segment, the forecast has been revised downward to incorporate the impact of lower EMR system sales resulting from server supply shortages in the Healthcare IT Solutions business. In the Diagnostics & Life Sciences segment, while conservatively maintained a market outlook particularly in the U.S., with continued weakness in equipment demand in the Pathology business, the forecast has been revised upward reflecting first-half results overachieving the previous forecast in the Life Sciences business, notably in the U.S. and Asia, as well as the favorable impact of the revised exchange rates.

Operating profit has been revised upward by JPY 6.0 billion from the previously announced forecast. In the Diabetes Management segment, the forecast has been revised upward with stronger first-half profitability, in addition to the favorable impact of cost reduction initiatives and the revised exchange rate assumptions. In the Healthcare Solutions segment, the impact of lower revenue has been incorporated into the forecast. In the Diagnostics & Life Sciences segment, the forecast has been revised upward with U.S. tariff refunds received in the first half, as well as anticipated reductions in SG&A expenses.

Profit before tax has been revised upward by JPY 4.7 billion reflecting foreign exchange gains recorded through the first six months and higher interest expenses with rising interest rates. Profit attributable to owners of parent has been revised upward by JPY 2.6 billion reflecting higher income tax expense due to higher profits.

Forecasts of business performance by segment are as follows:

Segments	Revenue (Million JPY)		Operating profit(loss) (Million JPY)		Adjusted EBITDA (Million JPY)	
	Before Change	After Change	Before Change	After Change	Before Change	After Change
Diabetes Management	92,300	103,700	24,000	32,100	28,400	36,500
Healthcare Solutions	132,100	125,200	6,500	3,000	17,100	14,200
Diagnostics and Life Sciences	135,200	136,900	4,900	6,300	15,700	17,800
Head office and Others	100	100	(8,400)	(8,400)	(7,600)	(7,600)
Total	359,700	366,000	27,000	33,000	53,600	60,900

2. Condensed semi-annual consolidated financial statement and significant notes

(1) Condensed semi-annual consolidated statement of financial position

(Unit: million yen)

	As of March 31, 2026	As of September 30, 2026
Assets		
Current assets		
Cash and cash equivalents	39,820	37,777
Trade receivables	70,283	63,669
Inventories	53,095	55,621
Other financial assets	4,925	4,398
Other current assets	8,055	8,389
Total current assets	176,180	169,856
Non-current assets		
Property, plant and equipment	49,242	47,455
Goodwill	221,524	217,715
Intangible assets	74,371	68,587
Investments accounted for using equity method	730	647
Other financial assets	10,988	13,151
Deferred tax assets	6,482	6,447
Other non-current assets	2,990	4,567
Total non-current assets	366,330	358,573
Total assets	542,510	528,429

(Unit: million yen)

	As of March 31, 2026	As of September 30, 2026
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	72,379	65,631
Borrowings	78,254	78,762
Income taxes payable	2,588	4,933
Provisions	8,234	7,564
Other financial liabilities	5,709	5,912
Other current liabilities	22,467	18,445
Total current liabilities	189,634	181,250
Non-current liabilities		
Trade and other payables	537	424
Borrowings	156,303	143,495
Retirement benefit liability	5,962	4,586
Provisions	4,955	6,522
Other financial liabilities	11,278	11,013
Deferred tax liabilities	11,472	11,388
Other non-current liabilities	1,487	1,120
Total non-current liabilities	191,995	178,551
Total liabilities	381,630	359,801
Equity		
Share capital	48,785	49,117
Capital surplus	42,636	42,689
Retained earnings	(3,846)	8,653
Treasury shares	(568)	(568)
Other components of equity	74,662	69,577
Equity attributable to owners of parent	161,668	169,469
Non-controlling interests	(788)	(841)
Total equity	160,880	168,627
Total liabilities and equity	542,510	528,429

(2) Condensed semi-annual consolidated statement of profit or loss and condensed semi-annual consolidated statement of comprehensive income

(Condensed semi-annual consolidated statement of profit or loss)

(Unit: million yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Revenue	173,375	179,970
Cost of sales	93,781	92,627
Gross profit	79,594	87,342
Selling, general and administrative expenses	70,018	68,688
Other income	1,073	1,051
Other expenses	337	245
Share of profit (loss) of investments accounted for using equity method	67	(21)
Operating profit	10,378	19,439
Finance income	169	1,251
Finance costs	9,606	3,682
Profit before taxes	941	17,007
Income tax expense	1,634	3,766
Profit (loss)	(692)	13,241
Profit (loss) attributable to		
Owners of parent	(559)	13,313
Non-controlling interests	(133)	(72)
Earnings (loss) per share		
Basic earnings (loss) per share (Unit: JPY)	(4.42)	104.94
Diluted earnings (loss) per share (Unit: JPY)	(4.42)	104.35

(Condensed semi-annual consolidated statement of comprehensive income)

(Unit: million yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Profit (loss)	(692)	13,241
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	211	1,841
Net change in fair value of equity instruments designated as measured at fair value through other comprehensive income	(2,418)	1,523
Items that may be reclassified to profit or loss		
Effective portion of cash flow hedges	0	—
Exchange differences on translation of foreign operations	10,520	(6,528)
Share of other comprehensive income of investments accounted for using equity method	(383)	(61)
Other comprehensive income, net of taxes	7,928	(3,224)
Comprehensive income	7,236	10,016
Comprehensive income attributable to		
Owners of parent	7,385	10,070
Non-controlling interests	(148)	(53)
Comprehensive income	7,236	10,016

(3) Condensed semi-annual 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, 2025	48,623	42,039	2,991	(568)	—	(233)	(17)
Comprehensive income							
Profit (loss)	—	—	(559)	—	—	—	—
Other comprehensive income	—	—	—	—	211	(2,418)	(0)
Total comprehensive income	—	—	(559)	—	211	(2,418)	(0)
Issuance of new shares	158	173	—	—	—	—	—
Purchase of treasury shares	—	—	—	—	—	—	—
Dividends to owners of parent	—	—	(2,650)	—	—	—	—
Forfeiture of share acquisition rights and Restricted Stock Unit	—	(60)	51	—	—	—	—
Share-based payment transactions	—	(38)	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	211	—	(211)	—	—
Other	—	—	—	—	—	—	—
Transactions with owners	158	74	(2,387)	—	(211)	—	—
As of September 30, 2025	48,781	42,114	44	(568)	—	(2,651)	(18)

(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)	—	—	—	(559)	(133)	(692)
Other comprehensive income	10,535	(383)	7,944	7,944	(15)	7,928
Total comprehensive income	10,535	(383)	7,944	7,385	(148)	7,236
Issuance of new shares	—	—	—	331	—	331
Purchase of treasury shares	—	—	—	—	—	—
Dividends to owners of parent	—	—	—	(2,650)	—	(2,650)
Forfeiture of share acquisition rights and Restricted Stock Unit	—	—	—	(9)	—	(9)
Share-based payment transactions	—	—	—	(38)	—	(38)
Transfer from other components of equity to retained earnings	—	—	(211)	—	—	—
Other	—	—	—	—	—	—
Transactions with owners	—	—	(211)	(2,366)	—	(2,366)
As of September 30, 2025	58,983	(26)	56,286	146,658	(617)	146,041

(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, 2026	48,785	42,636	(3,846)	(568)	—	(701)	—
Comprehensive income							
Profit (loss)	—	—	13,313	—	—	—	—
Other comprehensive income	—	—	—	—	1,841	1,523	—
Total comprehensive income	—	—	13,313	—	1,841	1,523	—
Issuance of new shares	332	275	—	—	—	—	—
Purchase of treasury shares	—	—	—	(0)	—	—	—
Dividends to owners of parent	—	—	(2,656)	—	—	—	—
Forfeiture of share acquisition rights and Restricted Stock Unit	—	(22)	1	—	—	—	—
Share-based payment transactions	—	(199)	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	1,841	—	(1,841)	—	—
Other	—	—	0	—	—	—	—
Transactions with owners	332	52	(813)	(0)	(1,841)	—	—
As of September 30, 2026	49,117	42,689	8,653	(568)	—	821	—

(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, 2026	75,387	(23)	74,662	161,668	(788)	160,880
Comprehensive income						
Profit (loss)	—	—	—	13,313	(72)	13,241
Other comprehensive income	(6,547)	(61)	(3,243)	(3,243)	18	(3,224)
Total comprehensive income	(6,547)	(61)	(3,243)	10,070	(53)	10,016
Issuance of new shares	—	—	—	607	—	607
Purchase of treasury shares	—	—	—	(0)	—	(0)
Dividends to owners of parent	—	—	—	(2,656)	—	(2,656)
Forfeiture of share acquisition rights and Restricted Stock Unit	—	—	—	(21)	—	(21)
Share-based payment transactions	—	—	—	(199)	—	(199)
Transfer from other components of equity to retained earnings	—	—	(1,841)	—	—	—
Other	—	—	—	0	—	0
Transactions with owners	—	—	(1,841)	(2,270)	—	(2,270)
As of September 30, 2026	68,840	(84)	69,577	169,469	(841)	168,627

(4) Condensed semi-annual consolidated statement of cash flows

(Unit: million yen)

	Six months ended September 30, 2025	Six months ended September 30, 2026
Cash flows from operating activities		
Profit before taxes	941	17,007
Depreciation and amortization	13,347	13,256
Interest expenses	2,665	3,602
Decrease (increase) in trade receivables	6,689	5,722
Decrease (increase) in inventories	(4,738)	(3,500)
Increase (decrease) in trade payables	537	(5,453)
Other	(658)	(4,964)
Subtotal	18,784	25,670
Interest and dividends received	97	257
Interest paid	(2,622)	(3,114)
Income taxes paid	(4,235)	(2,113)
Income taxes refund	62	485
Net cash provided by operating activities	12,086	21,184
Cash flows from investing activities		
Purchase of property, plant and equipment, and intangible assets	(4,380)	(4,592)
Proceeds from sales of property, plant and equipment, and intangible assets	277	135
Other	(139)	(556)
Net cash used in investing activities	(4,242)	(5,012)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(998)	869
Proceeds from long-term borrowings	2,999	—
Repayments of long-term borrowings	(13,937)	(11,905)
Repayments of lease liabilities	(2,963)	(3,040)
Dividends paid to owners of parent	(2,649)	(2,656)
Other	(13)	(2)
Net cash used in financing activities	(17,562)	(16,734)
Effect of exchange rate changes on cash and cash equivalents	3,435	(1,479)
Net increase (decrease) in cash and cash equivalents	(6,283)	(2,042)
Beginning balance of cash and cash equivalents	39,592	39,820
Ending balance of cash and cash equivalents	33,309	37,777

(5) Notes to condensed semi-annual 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 segments	Major business contents
Diabetes Management	Development, manufacturing, and sales of blood glucose monitoring (BGM) 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

(Note) PHC Holdings and its subsidiaries (hereinafter "the Group") has changed the composition of its reportable segments from the fiscal year ending March 31, 2027. The B-to-B business in Indonesia, which was previously included in “Others” has been transferred to “Diagnostics & Life Sciences.” Accordingly, the Group has restated the previously reported segment information for the fiscal year ended March 31, 2026 to reflect this change.

2) Segment revenues and operating results

Six months ended September 30, 2025

(Unit: million yen)

	Diabetes Management	Healthcare Solutions	Diagnostic & Life Sciences	Subtotal	Others, adjustments and eliminations	Consolidated basis
Revenue						
Sale from external customers	48,678	62,653	61,976	173,308	66	173,375
Intersegment sales	—	—	—	—	—	—
Total	48,678	62,653	61,976	173,308	66	173,375
Operating profit (loss)	9,328	2,970	1,693	13,992	(3,613)	10,378
Finance income						169
Finance costs						9,606
Profit before taxes						941
Other items						
Depreciation and Amortization	2,224	5,205	5,615	13,044	302	13,347
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.

Six months ended September 30, 2026

(Unit: million yen)

	Diabetes Management	Healthcare Solutions	Diagnostic & Life Sciences	Subtotal	Others, adjustments and eliminations	Consolidated basis
Revenue						
Sale from external customers	54,655	59,550	65,681	179,887	82	179,970
Intersegment sales	—	—	—	—	—	—
Total	54,655	59,550	65,681	179,887	82	179,970
Operating profit (loss)	18,565	459	4,292	23,317	(3,878)	19,439
Finance income						1,251
Finance costs						3,682
Profit before taxes						17,007
Other items						
Depreciation and Amortization	2,262	4,908	5,711	12,882	373	13,256
Impairment losses (reversal of impairment losses)	(28)	—	—	(28)	—	(28)

(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.
The Group has changed its composition of reportable segments (please refer to “Segment information”). Accordingly, the Group has restated revenue disaggregation by reportable segments and major regions previously reported for the six months ended September 30, 2025.

Six months ended September 30, 2025

(Unit: million yen)

	Diabetes Management	Healthcare Solutions	Diagnostic & Life Sciences	Other	Total
By region					
Japan	1,802	62,352	10,015	66	74,236
Europe	26,855	151	15,827	－	42,834
North America	11,240	13	24,886	－	36,140
Other	8,779	136	11,247	－	20,164
Total	48,678	62,653	61,976	66	173,375

Six months ended September 30, 2026

(Unit: million yen)

	Diabetes Management	Healthcare Solutions	Diagnostic & Life Sciences	Other	Total
By region					
Japan	2,078	59,003	9,646	82	70,811
Europe	31,227	39	16,660	－	47,926
North America	10,940	14	27,114	－	38,069
Other	10,408	493	12,261	－	23,162
Total	54,655	59,550	65,681	82	179,970