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Consolidated Financial Results for the Six Months Ended November 30, 2025 [Japanese GAAP]



January 13, 2026

Company name: COSMOS Pharmaceutical Corporation

Stock exchange listing: Tokyo Stock Exchange

Code number: 3349

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Scheduled date of filling semi-annual securities report: January 14, 2026

Scheduled date of commencing dividend payments: February 12, 2026

Supplementary explanatory materials on financial results: Available

Schedule of financial results briefing session: Scheduled (for the media, analysts and institutional investors)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Six Months Ended November 30, 2025 (June 1, 2025 - November 30, 2025)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period.)

	Net sales	EBITDA	Operating profit	Ordinary profit	Profit attributable to owners of parent
	Million yen %	Million yen %	Million yen %	Million yen %	Million yen %
Six months ended November 30, 2025	537,175 6.2	31,481 4.6	20,676 1.6	21,934 0.7	14,648 1.5
November 30, 2024	505,936 6.2	30,090 23.0	20,344 28.5	21,777 25.5	14,428 24.5

(Note) Comprehensive income: Six months ended November 30, 2025: ¥14,640 million [1.5%]

Six months ended November 30, 2024: ¥14,423 million [24.5%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended November 30, 2025	184.83	—
November 30, 2024	182.05	—

(Note) The Company conducted a 2-for-1 stock split effective September 1, 2024. Basic earnings per share have been calculated on the assumption that such stock split took place at the beginning of the fiscal year ended May 31, 2025.

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of November 30, 2025	542,744	269,131	49.6
As of May 31, 2025	524,755	257,463	49.1

(Reference) Equity: As of November 30, 2025: ¥269,131 million

As of May 31, 2025: ¥257,463 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
Fiscal year ended May 31, 2025	Yen –	Yen 32.50	Yen –	Yen 37.50	Yen 70.00
Fiscal year ending May 31, 2026	–	37.50	–	–	–
Fiscal year ending May 31, 2026 (Forecast)	–	–	–	37.50	75.00

(Note) Revision to the forecast for dividends announced most recently: None

3. Consolidated Financial Results Forecast for the Fiscal Year Ending May 31, 2026 (June 1, 2025 - May 31, 2026)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Basic earnings per share		
Full year	Million yen 1,057,000	% 4.5	Million yen 40,500	% 0.2	Million yen 43,200	% 0.1	Million yen 31,000	% 0.1	Yen 391.13

(Note) Revision to the financial results forecast announced most recently: None

* Notes:

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

Newly included: – (Company name: –)

Excluded: – (Company name: –)

(2) Accounting methods adopted particularly for the preparation of semi-annual consolidated financial statements: Yes

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

1) Changes in accounting policies due to the revision of accounting standards: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(4) Total number of issued shares (common shares)

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

November 30, 2025: 80,001,600 shares

May 31, 2025: 80,001,600 shares

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

November 30, 2025: 744,335 shares

May 31, 2025: 744,299 shares

3) Average number of shares during the period:

Six months ended November 30, 2025: 79,257,269 shares

Six months ended November 30, 2024: 79,257,441 shares

(Note) The Company conducted a 2-for-1 stock split effective September 1, 2024. Number of shares have been calculated on the assumption that such stock split took place at the beginning of the fiscal year ended May 31, 2025.

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

*** Explanation of the proper use of financial results forecast and other notes**

The statements about future projections contained in this document, including the outlook for financial results, are based on information currently available to the Company and certain assumptions that the Company considers reasonable, and actual financial results etc. may significantly differ from the projections due to various factors. As for matters concerning the financial results forecast, please see “(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 3 of the attachments.

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1. Qualitative Information on Semi-annual Financial Results

(1) Explanation of Operating Results

During the six months ended November 30, 2025, the Japanese economy remained sluggish as consumer sentiment weakened due to the continued rise in prices of various goods and services, while wage growth failed to keep pace.

It was exactly because of these circumstances that the Group pursued even lower cost operations and strived to offer products of high quality at the lowest prices possible. As for the store opening policy, the Group opened new stores one after another, regardless of the temporary decline in profitability caused by our own competition. At the same time, the Group also expanded its store networks in new catchment areas. As a result, the number of newly opened stores stood at 7 in the Kanto region, 10 in the Chubu region, 5 in the Kansai region, 1 in the Chugoku region, 4 in the Shikoku region, and 6 in the Kyushu region, totaling 33. Furthermore, 2 stores were closed due to scrap and build and the expiration of the lease agreement, respectively. As a result, the number of stores at the end of the six months ended November 30, 2025 became 1,640 in total.

As a result of the above measures, the Group's financial results for the six months ended November 30, 2025 were net sales of 537,175 million yen (6.2% increase year-on-year), operating profit of 20,676 million yen (1.6% increase year-on-year), ordinary profit of 21,934 million yen (0.7% increase year-on-year), and profit attributable to owners of parent of 14,648 million yen (1.5% increase year-on-year).

Segment information is omitted because the Group is comprised of a single business segment.

(2) Explanation of Financial Position

(i) Assets, Liabilities, and Net Assets

Total assets as of November 30, 2025 amounted to 542,744 million yen, an increase of 17,988 million yen from the end of the previous fiscal year. This was mainly due to a decrease of 13,797 million yen in cash and deposits and increases of 7,438 million yen in merchandise, 4,770 million yen in other under current assets (including accounts receivable – other), and 18,939 million yen in property, plant and equipment.

Total liabilities amounted to 273,612 million yen, an increase of 6,320 million yen from the end of the previous fiscal year. This was mainly due to a decrease of 2,782 million yen in long-term borrowings (including current portion of long-term borrowings) and an increase of 9,231 million yen in accounts payable – trade.

Total net assets amounted to 269,131 million yen, an increase of 11,668 million yen from the end of the previous fiscal year. This was mainly due to an increase of 11,676 million yen in retained earnings partly resulting from reporting of profit attributable to owners of parent.

(ii) Cash Flows

The balance of cash and cash equivalents (hereinafter "cash") at the end of the six months ended November 30, 2025 decreased by 13,797 million yen from the end of the previous fiscal year to 43,241 million yen.

The status of consolidated cash flows for the six months ended November 30, 2025 and contributing factors were as follows.

(Cash Flows from Operating Activities)

Net cash provided by operating activities amounted to 22,149 million yen (up 46.8% year-on-year).

This was mainly due to positive factors such as profit before income taxes of 21,663 million yen, depreciation of 11,719 million yen, and an increase in trade payables of 9,231 million yen, and negative factors such as an increase in inventories of 7,470 million yen and income taxes paid of 7,093 million yen.

(Cash Flows from Investing Activities)

Net cash used in investing activities amounted to 28,967 million yen (up 28.7% year-on-year).

This was mainly due to purchase of property, plant and equipment of 28,140 million yen.

(Cash Flows from Financing Activities)

Net cash used in financing activities amounted to 6,979 million yen (up 21.4% year-on-year).

This was due to repayments of long-term borrowings of 3,082 million yen, dividends paid of 2,971 million yen, and repayments of finance lease liabilities of 1,225 million yen.

(3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

Regarding the consolidated financial results forecast for the fiscal year ending May 31, 2026, there is no change from the consolidated financial results forecast released on July 11, 2025.

2. Semi-annual Consolidated Financial Statements

(1) Semi-annual Consolidated Balance Sheets

	(Million yen)	
	As of May 31, 2025	As of November 30, 2025
Assets		
Current assets		
Cash and deposits	57,038	43,241
Accounts receivable - trade	761	810
Merchandise	92,031	99,469
Supplies	292	308
Other	15,497	20,268
Total current assets	<u>165,622</u>	<u>164,098</u>
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	250,949	256,450
Land	53,238	60,496
Other, net	26,937	33,117
Total property, plant and equipment	<u>331,125</u>	<u>350,064</u>
Intangible assets	446	757
Investments and other assets		
Leasehold and guarantee deposits	17,038	17,380
Construction assistance fund receivables	4,460	4,364
Other	6,062	6,078
Total investments and other assets	<u>27,561</u>	<u>27,823</u>
Total non-current assets	<u>359,133</u>	<u>378,645</u>
Total assets	<u>524,755</u>	<u>542,744</u>
Liabilities		
Current liabilities		
Accounts payable - trade	177,125	186,357
Current portion of long-term borrowings	5,682	5,382
Income taxes payable	8,060	7,987
Provision for loss on store closings	52	141
Other	29,759	29,391
Total current liabilities	<u>220,680</u>	<u>229,258</u>
Non-current liabilities		
Long-term borrowings	37,202	34,719
Retirement benefit liability	1,953	2,081
Asset retirement obligations	2,206	2,239
Other	5,249	5,313
Total non-current liabilities	<u>46,612</u>	<u>44,353</u>
Total liabilities	<u>267,292</u>	<u>273,612</u>

(Million yen)

	As of May 31, 2025	As of November 30, 2025
Net assets		
Shareholders' equity		
Share capital	4,178	4,178
Capital surplus	5,101	5,101
Retained earnings	248,309	259,986
Treasury shares	(227)	(227)
Total shareholders' equity	257,362	269,038
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1	1
Remeasurements of defined benefit plans	99	91
Total accumulated other comprehensive income	101	93
Total net assets	257,463	269,131
Total liabilities and net assets	524,755	542,744

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statements of Income

Six Months Ended November 30, 2024 and Six Months Ended November 30, 2025

(Million yen)

	For the six months ended November 30, 2024	For the six months ended November 30, 2025
Net sales	505,936	537,175
Cost of sales	399,862	424,293
Gross profit	106,074	112,882
Selling, general and administrative expenses	85,730	92,205
Operating profit	20,344	20,676
Non-operating income		
Interest income	22	46
Commission income	705	449
Rental income from real estate	589	611
Gain on receipt of donated non-current assets	259	243
Other	342	401
Total non-operating income	1,919	1,753
Non-operating expenses		
Interest expenses	97	217
Rental costs on real estate	228	221
Other	159	56
Total non-operating expenses	486	495
Ordinary profit	21,777	21,934
Extraordinary income		
Insurance claim income	8	12
Total extraordinary income	8	12
Extraordinary losses		
Loss on retirement of non-current assets	277	143
Loss on disaster	37	16
Loss on store closings	4	10
Provision for loss on store closings	22	114
Total extraordinary losses	342	284
Profit before income taxes	21,443	21,663
Income taxes	7,014	7,014
Profit	14,428	14,648
Profit attributable to owners of parent	14,428	14,648

Semi-annual Consolidated Statements of Comprehensive Income

Six Months Ended November 30, 2024 and Six Months Ended November 30, 2025

(Million yen)

	For the six months ended November 30, 2024	For the six months ended November 30, 2025
Profit	14,428	14,648
Other comprehensive income		
Valuation difference on available-for-sale securities	(0)	0
Remeasurements of defined benefit plans, net of tax	(5)	(8)
Total other comprehensive income	(5)	(8)
Comprehensive income	14,423	14,640
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	14,423	14,640

(3) Semi-annual Consolidated Statements of Cash Flows

(Million yen)

	For the six months ended November 30, 2024	For the six months ended November 30, 2025
Cash flows from operating activities		
Profit before income taxes	21,443	21,663
Depreciation	10,586	11,719
Increase (decrease) in retirement benefit liability	98	115
Increase (decrease) in provision for loss on store closings	22	114
Interest and dividend income	(22)	(47)
Interest expenses	97	217
Loss on disaster	37	16
Loss (gain) on sale of non-current assets	—	13
Insurance claim income	(8)	(12)
Loss on retirement of non-current assets	277	143
Loss on store closings	4	10
Decrease (increase) in trade receivables	(45)	(48)
Decrease (increase) in inventories	(7,708)	(7,470)
Increase (decrease) in trade payables	(5,610)	9,231
Decrease (increase) in accounts receivable - other	(1,285)	(4,738)
Other, net	1,954	(1,442)
Subtotal	19,843	29,486
Interest and dividends received	0	25
Interest paid	(97)	(218)
Income taxes paid	(4,823)	(7,093)
Payments associated with disaster loss	(33)	(119)
Proceeds from insurance income	49	64
Proceeds from compensation	149	4
Net cash provided by (used in) operating activities	15,087	22,149
Cash flows from investing activities		
Purchase of property, plant and equipment	(21,475)	(28,140)
Proceeds from sale of property, plant and equipment	—	291
Payments of construction assistance fund receivables	(301)	(139)
Proceeds from collection of construction assistance fund receivables	214	218
Payments of leasehold and guarantee deposits	(619)	(539)
Proceeds from refund of leasehold and guarantee deposits	205	209
Other, net	(535)	(866)
Net cash provided by (used in) investing activities	(22,511)	(28,967)
Cash flows from financing activities		
Proceeds from long-term borrowings	—	300
Repayments of long-term borrowings	(2,290)	(3,082)
Purchase of treasury shares	(1)	(0)
Repayments of finance lease liabilities	(1,075)	(1,225)
Dividends paid	(2,380)	(2,971)
Net cash provided by (used in) financing activities	(5,748)	(6,979)
Effect of exchange rate change on cash and cash equivalents	—	—
Net increase (decrease) in cash and cash equivalents	(13,172)	(13,797)
Cash and cash equivalents at beginning of period	52,301	57,038
Cash and cash equivalents at end of period	39,129	43,241

(4) Notes to Semi-annual Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Accounting methods adopted particularly for the preparation of semi-annual consolidated financial statements)

(Calculation of income taxes)

Income taxes for the semi-annual consolidated financial statements are calculated by applying a reasonably estimated effective tax rate to semi-annual pre-tax income. This effective tax rate is based on the annual pre-tax income after applying tax effect accounting for the consolidated fiscal year.

(Notes on segment information, etc.)

[Segment information]

I. Six months ended November 30, 2024 (from June 1, 2024 to November 30, 2024)

This information is omitted since the Group operates in a single segment of retail sale of pharmaceuticals and cosmetics, etc.

II. Six months ended November 30, 2025 (from June 1, 2025 to November 30, 2025)

This information is omitted since the Group operates in a single segment of retail sale of pharmaceuticals and cosmetics, etc.

3. Supplementary Information

Sales by product

Product	Six months ended November 30, 2024		Six months ended November 30, 2025		(Reference) Fiscal year ended May 31, 2025	
	Amount (Million yen)	Composition (%)	Amount (Million yen)	Composition (%)	Amount (Million yen)	Composition (%)
Pharmaceutical	71,251	14.1	71,762	13.4	140,639	13.9
Cosmetics	47,128	9.3	48,109	8.9	93,107	9.2
Sundry goods	76,624	15.2	75,751	14.1	150,996	14.9
General foods	307,193	60.7	337,393	62.8	619,082	61.2
Others	3,739	0.7	4,157	0.8	7,565	0.8
Total	505,936	100.0	537,175	100.0	1,011,390	100.0

Sales by region

Region	Number of stores as of November 30, 2025		Net sales (Million yen)	Year-on-year (%)
Kanto	186	(7)	52,580	118.9
Chubu	188	(10)	51,664	114.1
Kansai	232	(5)	73,551	104.7
Chugoku	224	(1)	74,932	105.4
Shikoku	155	(4)	50,808	103.6
Kyushu	655	(4)	233,637	103.4
Total	1,640	(31)	537,175	106.2

(Notes) 1. The above amounts do not include consumption taxes.
 2. Figures in parentheses in the “Number of stores as of November 30, 2025” column represent the net change from the number of stores as of May 31, 2025.