

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



November 10, 2025

Consolidated Financial Results for the Six-Months Period of Fiscal 2025 (Six-Month Period Ended September 30, 2025) [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, General Manager of Accounting & Finance Department
 Telephone: +81-3-5977-5007
 Scheduled date of semi-annual securities report submission: November 13, 2025
 Scheduled date of dividend payment commencement: November 28, 2025
 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 2025 (April 1, 2025 to September 30, 2025)

(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 2025	39,356	(23.4)	203	(99.0)	607	(96.9)	992	(93.0)
Six-Month period of Fiscal 2024	51,372	42.0	19,579	255.2	19,823	246.4	14,286	251.2

Note:

Comprehensive income:

Six-Month period of Fiscal 2025: ¥ 379 million [(97.2)%]

Six-Month period of Fiscal 2024: ¥ 13,469 million [131.7%]

	Basic earnings per share	Diluted earnings per share
	(Yen)	(Yen)
Six-Month period of Fiscal 2025	26.16	—
Six-Month period of Fiscal 2024	377.23	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity-to-asset ratio
	(Million yen)	(Million yen)	(%)
As of September 30, 2025	177,279	147,802	83.4
As of March 31, 2025	190,422	152,634	80.2

Reference:

Equity:

As of September 30, 2025: ¥ 147,802 million

As of March 31, 2025: ¥ 152,634 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, 2025	—	115.00	—	75.00	190.00
Year ending March 31, 2026	—	95.00			
Year ending March 31, 2026 (Forecast)			—	95.00	190.00

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

* The dividends per share for the 2nd quarter of the year ended March 31, 2025 consist of an ordinary dividend of ¥75.00 and a bonus dividend of ¥40.00.

3. Consolidated Financial Forecast for Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(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, 2026	86,300	(8.2)	2,100	(90.0)	2,800	(86.8)	2,300	(83.5)	60.74

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

*** 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: None

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, 2025	44,139,730 shares	As of March 31, 2025	45,939,730 shares
2) Number of treasury stock at the end of the period	As of September 30, 2025	6,271,242 shares	As of March 31, 2025	7,535,854 shares
3) Average number of shares during the period	Six-Month period of Fiscal 2025	37,954,597 shares	Six-Month period of Fiscal 2024	37,871,082 shares

Note: The number of treasury stock 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, 2025 and 93,600 shares as of March 31, 2025). The Company's shares held by the BBT and J-ESOP are included in the number of treasury stock to be deducted in the calculation of the average number of shares during the period (155,287 shares as of September 30, 2025 and 34,671 shares as of September 30, 2024).

* 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 on 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 to 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 2025

(1) Semi-annual consolidated balance sheets

(Millions of yen)

	Fiscal 2024 (As of March 31, 2025)	Six-Month period of Fiscal 2025 (As of September 30, 2025)
Assets		
Current assets		
Cash and deposits	54,093	45,116
Notes and accounts receivable - trade, and contract assets	21,178	21,762
Marketable securities	15,992	11,988
Merchandise and finished goods	8,805	7,826
Work in process	2,311	2,603
Raw materials and supplies	7,904	7,727
Other	1,091	1,732
Allowance for doubtful accounts	(0)	—
Total current assets	111,377	98,757
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	15,530	16,420
Other, net	12,098	12,168
Total property, plant and equipment	27,629	28,589
Intangible assets		
In-process research and development	4,400	4,400
Goodwill	14,035	13,420
Other	854	959
Total intangible assets	19,289	18,780
Investments and other assets		
Investment securities	18,875	17,921
Other	13,251	13,230
Total investments and other assets	32,126	31,152
Total non-current assets	79,045	78,521
Total assets	190,422	177,279

(Millions of yen)

	Fiscal 2024 (As of March 31, 2025)	Six-Month period of Fiscal 2025 (As of September 30, 2025)
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,186	5,824
Electronically recorded obligations - operating	136	81
Short-term bank loans	3,850	3,850
Income taxes payable	7,285	629
Provision for bonuses	1,154	927
Other	9,741	11,118
Total current liabilities	30,354	22,431
Non-current liabilities		
Provision for share-based remuneration	163	141
Net defined benefit liability	4,954	4,969
Deferred tax liabilities	1,514	1,514
Other	800	418
Total non-current liabilities	7,433	7,045
Total liabilities	37,787	29,476
Net assets		
Shareholders' equity		
Common stock	23,853	23,853
Capital surplus	12,932	11,406
Retained earnings	135,242	128,090
Treasury stock	(28,233)	(23,775)
Total shareholders' equity	143,794	139,575
Accumulated other comprehensive income		
Net unrealized holding gain on securities	6,257	6,270
Foreign currency translation adjustment	(57)	(615)
Remeasurements of defined benefit plans	2,640	2,572
Total accumulated other comprehensive income	8,840	8,227
Total net assets	152,634	147,802
Total liabilities and net assets	190,422	177,279

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

(Millions of yen)

	Six-Month period of Fiscal 2024 (April 1, 2024 – September 30, 2024)	Six-Month period of Fiscal 2025 (April 1, 2025 – September 30, 2025)
Net sales	51,372	39,356
Cost of sales	17,269	17,776
Gross profit	34,103	21,580
Selling, general and administrative expenses		
Salaries	2,804	2,905
Bonuses and provision for bonuses	539	705
Retirement benefit expenses	82	88
Research and development expenses	5,973	11,672
Other	5,123	6,005
Total selling, general and administrative expenses	14,523	21,377
Operating profit	19,579	203
Other income		
Interest income	15	117
Dividends income	288	320
Foreign exchange gains	–	14
Other	37	19
Total other income	341	471
Other expenses		
Interest expenses	12	21
Foreign exchange losses	54	–
Loss on investments in investment partnership	16	38
Other	15	7
Total other expenses	97	67
Ordinary profit	19,823	607
Extraordinary income		
Gain on sales of investment securities	–	862
Other	0	1
Total extraordinary income	0	863
Extraordinary losses		
Loss on retirement of non-current assets	41	64
Loss on valuation of investment securities	546	2
Other	0	6
Total extraordinary losses	588	73
Profit before income taxes	19,235	1,397
Income taxes	4,949	404
Profit	14,286	992
Profit attributable to owners of parent	14,286	992

(Semi-annual consolidated statements of comprehensive income)

(Millions of yen)

	Six-Month period of Fiscal 2024 (April 1, 2024 – September 30, 2024)	Six-Month period of Fiscal 2025 (April 1, 2025 – September 30, 2025)
Profit	14,286	992
Other comprehensive income		
Net unrealized holding gain on securities	(775)	12
Foreign currency translation adjustment	–	(557)
Remeasurements of defined benefit plans	(40)	(68)
Total other comprehensive income	(816)	(613)
Comprehensive income	13,469	379
Comprehensive income attributable to owners of parent	13,469	379

(3) Semi-annual consolidated statements of cash flows

(Millions of yen)

	Six-Month period of Fiscal 2024 (April 1, 2024 – September 30, 2024)	Six-Month period of Fiscal 2025 (April 1, 2025 – September 30, 2025)
Cash flows from operating activities		
Profit before income taxes	19,235	1,397
Depreciation	1,265	1,273
Amortization of goodwill	39	197
Increase (decrease) in net defined benefit asset and liability	(279)	(229)
Interest and dividends income	(303)	(438)
Interest expenses	12	21
Loss (gain) on investments in investment partnerships	16	38
Loss (gain) on sale of investment securities	–	(862)
Loss (gain) on valuation of investment securities	546	2
Loss on retirement of non-current assets	41	64
Decrease (increase) in notes and accounts receivable-trade	2,692	(616)
Decrease (increase) in inventories	304	839
Increase (decrease) in trade payables	(1,082)	(2,412)
Other, net	1,110	(987)
Subtotal	23,600	(1,711)
Interest and dividends income received	301	438
Interest expenses paid	(12)	(21)
Income taxes (paid) refund	43	(6,770)
Net cash provided by (used in) operating activities	23,932	(8,064)
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,961)	(863)
Purchase of intangible assets	(61)	(345)
Purchase of investment securities	(200)	–
Proceeds from sales of investment securities	–	1,793
Other, net	(209)	(154)
Net cash provided by (used in) investing activities	(2,432)	429
Cash flows from financing activities		
Purchase of treasury stock	(0)	(2,342)
Proceeds from disposal of treasury stock	2	–
Cash dividends paid	(2,840)	(2,882)
Net cash provided by (used in) financing activities	(2,839)	(5,225)
Effect of exchange rate change on cash and cash equivalents	–	(120)
Net increase (decrease) in cash and cash equivalents	18,661	(12,980)
Cash and cash equivalents at beginning of period	65,325	70,085
Cash and cash equivalents at end of period	83,987	57,105