Consolidated Financial Results
for the Second Quarter of Fiscal Year Ending March 31, 2026 (IFRS)

October 30, 2025

Company name	: **ONO PHARMACEUTICAL CO., LTD.**
Stock exchange listing	: Tokyo Stock Exchange
Securities Code	: 4528
URL	: https://www.ono-pharma.com/en
Representative	: Toichi Takino Representative Director, President and Chief Operating Officer
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Scheduled date of semi-annual securities report submission	: November 6, 2025
Scheduled date of dividend payment commencement	: December 1, 2025
Supplementary materials for the quarterly financial results	: Yes
Earnings announcement for the quarterly financial results	: Yes (for institutional investors and securities analysts)

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

1. *Consolidated Financial Results for the Second Quarter of FY 2025 (April 1, 2025 to September 30, 2025)*

(1) Consolidated Operating Results (cumulative)

IFRS (Full) basis (% change from the same period of the previous fiscal year)

	Revenue		Operating profit		Profit before tax		Profit for the period		Profit attributable to owners of the Company		Total comprehensive income for the period	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY 2025 Q2	257,136	7.0	52,069	6.7	52,175	9.7	39,981	6.8	40,089	7.1	40,276	844.1
FY 2024 Q2	240,339	(7.1)	48,788	(49.7)	47,544	(52.1)	37,440	(49.8)	37,435	(49.7)	4,266	(94.7)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
FY 2025 Q2	85.33	85.28
FY 2024 Q2	79.71	79.66

Core basis

	Revenue		Core operating profit		Core Profit for the period		Basic core earnings per share
	Million yen	%	Million yen	%	Million yen	%	yen
FY 2025 Q2	257,136	7.0	70,058	7.2	53,821	5.5	114.56
FY 2024 Q2	240,339	―	65,382	―	51,012	―	108.61

*In the consolidated accounting period for the third quarter of the fiscal year ended March 2025, the provisional accounting treatment related to the business combination has been finalized. As a result, the figures for the second quarter of the fiscal year ended March 2025 reflect the finalized adjustment of this provisional accounting treatment.

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the Company	Ratio of equity attributable to owners of the Company to total assets
	Million yen	Million yen	Million yen	%
As of September 30, 2025	1,058,514	811,998	806,350	76.2
As of March 31, 2025	1,064,046	788,203	782,451	73.5

2. *Dividends*

	Annual dividends per share				
	End of first quarter	End of second quarter	End of third quarter	End of fiscal year	Total
	Yen	Yen	Yen	Yen	Yen
FY 2024	―	40.00	―	40.00	80.00
FY 2025	―	40.00			
FY 2025 (Forecast)			―	40.00	80.00

(Note) Revisions to dividend forecast most recently announced: None

3. *Consolidated Financial Forecast for FY 2025 (April 1, 2025 to March 31, 2026)*

IFRS (Full) basis (% change from the previous fiscal year)

	Revenue		Operating profit		Profit before tax		Profit for the year		Profit attributable to owners of the Company		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY 2025	490,000	0.6	85,000	42.3	85,000	43.3	67,000	33.6	67,000	33.9	142.62

Core basis (% change from the previous fiscal year)

	Revenue		Core operating profit		Core profit for the year		Basic core earnings per share
	Million yen	%	Million yen	%	Million yen	%	Yen
FY 2025	490,000	0.6	114,000	1.2	91,000	0.7	193.71

(Note) Revisions to financial forecast most recently announced: None

Notes

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

(2) Changes in accounting policies and changes in accounting estimates
1) Changes in accounting policies required by IFRS: None
2) Changes in accounting policies due to other than (2) – 1) above: None
3) Changes in accounting estimates: None

(3) Number of shares issued and outstanding (common stock)
1) Number of shares issued and outstanding as of the end of the period (including treasury shares):
As of September 30, 2025 498,692,800 shares
As of March 31, 2025 498,692,800 shares
2) Number of treasury shares as of the end of the period:
As of September 30, 2025 28,785,143 shares
As of March 31, 2025 28,919,831 shares
3) Average number of shares outstanding during the period:
Six months ended September 30, 2025 469,817,518 shares
Six months ended September 30, 2024 469,661,929 shares

* Review of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Note to ensure appropriate use of forecasts, and other comments in particular
Forecasts and other forward-looking statements included in this report are based on information currently available and certain assumptions that the Company deems reasonable. Actual performance and other results may differ significantly due to various factors. Please refer to "(4) Future Outlook" on page 7 for information regarding the consolidated financial forecasts.

Index of the Attachment

1. Overview of Operating Results and Other Information

(1) Overview of Operating Results for the 2nd Quarter of Fiscal Year 2025

① Overview of Financial Results (Core basis)

(Millions of yen)

	Six months ended September 30, 2024	**Six months ended September 30, 2025**	Change	Change (%)
Revenue	240,339	**257,136**	16,797	7.0%
Core operating profit	65,382	**70,058**	4,675	7.2%
Core profit for the period (attributable to owners of the Company)	51,012	**53,821**	2,809	5.5%

[Revenue]

Revenue totaled ¥257.1 billion, which was an increase of ¥16.8 billion (7.0%) from the corresponding period of the previous fiscal year (year on year).

<Sales of Domestic Products>

- Sales of Opdivo Intravenous Infusion for malignant tumors decreased by ¥4.1 billion (6.5%) year on year to ¥58.5 billion, mainly due to the intensified competitive environment. Sales of Forxiga Tablets for diabetes, chronic heart failure and chronic kidney disease increased by ¥5.1 billion (11.6%) year on year to ¥48.8 billion, mainly due to its expanded use, particularly in treatment for chronic kidney disease and chronic heart failure.
- With respect to other main products, sales of Orencia Subcutaneous Injection for rheumatoid arthritis were ¥13.8 billion (2.1% increase year on year). Sales of Glactiv Tablets for type-2 diabetes were ¥6.9 billion (28.2% decrease year on year). Sales of Velexbru Tablets for malignant tumors were ¥6.0 billion (15.8% increase year on year). Sales of Ongentys Tablets for Parkinson's disease were ¥4.5 billion (18.6% increase year on year). Sales of Parsabiv Intravenous Injection for Dialysis for secondary hyperparathyroidism on hemodialysis were ¥4.5 billion (7.4% increase year on year). Sales of Kyprolis for Intravenous Infusion for multiple myeloma were ¥4.0 billion (12.1% decrease year on year).

<Sales of Overseas Products>

- Sales of QINLOCK® (ripretinib) for gastrointestinal stromal tumor, marketed by Deciphera Pharmaceuticals, LLC, the operating company of Deciphera Pharmaceuticals, Inc., increased by ¥10.0 billion (123.3%) year on year (the previous period included only three months of sales from July to September) to ¥18.1 billion. Additionally, sales of ROMVIMZA™ (vimseltinib), also marketed by Deciphera, for tenosynovial giant cell tumor (TGCT) treatment were ¥2.8 billion.

<Royalty and Others>

- Royalty and others increased by ¥5.1 billion (6.7%) year on year to ¥82.2 billion, mainly due to an increase in royalty revenue from Bristol-Myers Squibb Company.

[Core Operating Profit]

Core operating profit was ¥70.1 billion, an increase of ¥4.7 billion (7.2%) year on year.

- Cost of sales increased by ¥0.9 billion (1.7%) year on year to ¥54.8 billion mainly due to an increase of cost of goods sold.
- Research and development costs increased by ¥5.7 billion (8.8%) year on year to ¥71.0 billion mainly due to the costs associated with the licensing agreement with LigaChem Biosciences, Inc., as well as the inclusion of research and development expenses from Deciphera Pharmaceuticals, LLC. The previous period accounted for only three months of Deciphera's expenses (July to September), whereas the current period includes six months (April to September).
- Selling, general, and administrative expenses (except for research and development costs) increased by ¥5.6 billion (10.2%) year on year to ¥61.1 billion mainly due to increases in co-promotion fees associated with expanding sales of Forxiga Tablets and the inclusion of business operating costs from Deciphera Pharmaceuticals, LLC. The previous period accounted for only three months of Deciphera's expenses (July to September), whereas the current period includes six months (April to September).

[Core profit for the period] (attributable to owners of the Company)

Core profit attributable to owners of the Company increased by ¥2.8 billion (5.5%) year on year to ¥53.8 billion.

② Overview of Financial Results (IFRS (Full) basis)

(Millions of yen)

	Six months ended September 30, 2024	**Six months ended September 30, 2025**	Change	Change (%)
Revenue	240,339	**257,136**	16,797	7.0%
Operating profit	48,788	**52,069**	3,281	6.7%
Profit before tax	47,544	**52,175**	4,630	9.7%
Profit for the period (attributable to owners of the Company)	37,435	**40,089**	2,654	7.1%

[Revenue]

Revenue (IFRS (full) basis) is the same as on a core basis.

[Operating Profit]

The main adjustments are as follows.

- Cost of Sales: Amortization expenses, mainly related to intangible assets from the acquisition of Deciphera, were adjusted, ¥5.3 billion in the previous fiscal year and ¥12.5 billion in the current fiscal year. Additionally, the cost portion of inventory assets evaluated at fair value was adjusted, ¥4.8 billion in the previous fiscal year and ¥4.7 billion in the current fiscal year.
- Research and Development Expenses: An impairment loss of ¥3.5 billion related to intangible assets was adjusted in the previous fiscal year.
- Selling, General and Administrative Expenses (excluding R&D): Acquisition-related expenses of ¥3.0 billion for Deciphera were adjusted in the previous fiscal year.

Therefore, operating profit was ¥52.1 billion, an increase of ¥3.3 billion (6.7%) year on year.

[Profit for the period] (attributable to owners of the Company)

Profit attributable to owners of the Company increased by ¥2.7 billion (7.1%) year on year to ¥40.1 billion in association with the increase of the profit before tax.

Note : During the second quarter of fiscal year ended March 2025, provisional accounting treatment was applied to the business combination with Deciphera Pharmaceuticals, Inc. This accounting treatment was finalized by the end of fiscal year ended March 2025. Accordingly, for the purpose of comparison and analysis with the previous interim consolidated accounting period, revised figures reflecting the finalized accounting treatment have been used.

③ Research & Development Activities

Upholding the corporate philosophy "Dedicated to the Fight against Disease and Pain", our group takes on the challenge against diseases that have not been overcome so far, and the disease area which has a low level of patient satisfaction with treatment and high medical needs. We are endeavoring to make creative and innovative drugs.

Currently, our development pipeline includes new drug candidates for anticancer treatments, including antibody drugs in addition to Opdivo, candidates for treatment of autoimmune disease and neurological disorder. Among these, the area of oncology is positioned as a key strategic field due to its high unmet medical needs, and we are working to further enhance the pipeline with the addition of Deciphera Pharmaceuticals' pipeline.

In drug discovery research, we focus on the areas of oncology, immunology, neurology and specialties; all of which include diseases with high medical needs. We aim to delve into human disease biology within each of these domains to develop new drugs that can meet these medical needs. By actively promoting open innovation, which is one of our strengths, we identify unique drug discovery seeds and enhance our drug discovery capabilities by utilizing optimal modalities and advanced technologies such as digital technology.

In our priority therapeutic areas, we currently have 24 new drug candidates in clinical development, 15 of which were made in-house. We are also continuing to bolster our efforts in translational research, bridging the gap between basic and clinical research to accelerate drug discovery timelines and boost success rates. By organically leveraging informatics and research tools, such as human genome data and human iPS cells in the early stages of research, we are working to analyze the relationship between target molecules and diseases to identify physiological indicators (biomarkers) that can more accurately predict and evaluate the efficacy of new drug candidates in humans.

In order to improve the speed and success rates of clinical development, we strive to formulate the most effective development strategy in strong collaboration with the Discovery & Research from an earlier stage. Additionally, using many of the clinical trial data accumulated so far and samples gained through actual clinical trials, we are carrying out various types of analysis to increase the resolution of data in clinical trial results. To maximize the value of our drug candidates, we are formulating development and trial plans that enable the fastest possible approval in global markets, including Japan, the United States, and Europe. Additionally, we will leverage the development capabilities in the United States and Europe of Deciphera Pharmaceuticals, which joined our group last year, to ensure the steady execution of international joint trials.

We are also striving for the introduction of promising new drug candidates through licensing activities and are working to further strengthen research and development activities.

The main results of research and development activities during the second quarter (six months) ended September 30, 2025 (including those on and after September 30, 2025) are as follows.

[Main Progress of Development Pipelines]
<Oncology>

"Opdivo / Nivolumab"

Hepatocellular carcinoma

- In June 2025, an application for approval of combination therapy with Opdivo and Yervoy was approved in Japan for the treatment of unresectable hepatocellular carcinoma.
- In July 2025, an application for approval of combination therapy with Opdivo and Yervoy was approved in South Korea and Taiwan for the treatment of unresectable or metastatic hepatocellular carcinoma.

MSI-H / dMMR Colorectal cancer

- In August 2025, an application for approval of the combination therapy of Opdivo and Yervoy was approved in Japan for the treatment of unresectable advanced or recurrent microsatellite instability-high (MSI-High) colorectal cancer.

Gastric cancer

- In October 2025, phase III trial was conducted in Japan, South Korea, and Taiwan for first-line treatment of gastric cancer using a combination of Opdivo, Yervoy, and chemotherapy. However, as the primary endpoint of overall survival did not show a statistically significant improvement compared to the chemotherapy group, the development has been discontinued.

"Velexbru (ONO-4059)" / Tirabrutinib hydrochloride

- In August 2025, phase III of ONO-4059, Velexbru (BTK inhibitor), was initiated in the United States for the treatment of recurrent or refractory primary central nervous system lymphoma.

"DCC-2812"

- In August 2025, phase I of DCC-2812 (GCN2 activator) was initiated in the United States for the potential treatment of renal cell carcinoma, urothelial carcinoma, and castration-resistant prostate cancer.

"ONO-7018"

- In April 2025, phase I of ONO-7018 (MALT1 inhibitor) was conducted for the treatment of non-Hodgkin lymphoma and chronic lymphocytic leukemia, but the project was discontinued due to strategic reasons.

"ONO-7475 / tamnorzatinib"

- In July 2025, phase I of ONO-7475 (Axl/Mer inhibitor) for the treatment of EGFR-mutated non-small cell lung cancer was conducted in Japan, but the project was discontinued due to strategic reasons.

"DCC-3116 / inlexisertib"

- In September 2025, Phase I/II of DCC-3116 (ULK inhibitor) for the treatment of solid tumor (in combination with sotorasib) was conducted in the United States, but this cohort was discontinued due to strategic reasons.

"DCC-3084"

- In September 2025, Phase I/II of DCC-3084 (Pan-RAF inhibitor) for the treatment of advanced malignancies was conducted in the United States, but the project was discontinued due to strategic reasons.

<Areas Other than Oncology>

"ONO-8531 / povetacicept"

- In June 2025, the Company entered into a licensing agreement with Vertex Pharmaceuticals Incorporated for ONO-8531 (povetacicept), which is currently undergoing a Phase III clinical trial for the treatment of IgA nephropathy. Through this agreement, we obtained the rights for development and commercialization in Japan and South Korea.

"Gel-One (ONO-5532)"

- In August 2025, the Company entered into a joint development and commercialization agreement with Seikagaku Corporation on Gel-One (ONO-5532) for the treatment of osteoarthritis. In Japan, a Phase III clinical trial is being conducted for the treatment of knee osteoarthritis and hip osteoarthritis.

"ROMVIMZA (DCC-3014) / vimseltinib"

- In September 2025, an application of DCC-3014, ROMVIMZA (CSF-1R inhibitor), was approved in Europe for the treatment of tenosynovial giant cell tumor associated with clinically significant functional impairment, where surgical treatment is not expected to be effective or may result in intolerable morbidity or disability.

"ONO-2017 / cenobamate"

- In September 2025, an application of ONO-2017 (Inhibition of voltage-gated sodium currents/positive allosteric modulator of GABAA ion channel) was filed in Japan for the treatment of partial-onset seizures (including secondary generalized seizures).

[Status of Licensing Activities]

- In June 2025, the Company entered into an exclusive collaboration and licensing agreement for the development and commercialization with Vertex Pharmaceuticals Incorporated in the United States for povetacicept, a therapeutic candidate targeting immunoglobulin A nephropathy (IgAN), primary membranous nephropathy (pMN) and other serious B cell-mediated diseases, in Japan and South Korea.
- In August 2025, the Company entered into an exclusive licensing agreement with Seikagaku Corporation for the co-development and commercialization of Gel-One, a treatment for osteoarthritis, in Japan.

(2) Overview of Financial Position for the 2nd Quarter of Fiscal Year 2025

(Millions of yen)

	As of March 31, 2025	**As of September 30, 2025**	Change
Total assets	1,064,046	**1,058,514**	(5,532)
Equity attributable to owners of the Company	782,451	**806,350**	23,898
Ratio of equity attributable to owners of the Company to total assets	73.5%	**76.2%**	
Equity attributable to owners of the Company per share	1,665.61 yen	**1,716.05 yen**	

Total assets decreased to ¥1,058.5 billion by ¥5.5 billion from the end of the previous fiscal year.
Current assets decreased by ¥34.7 billion to ¥420.5 billion mainly due to decreases in “cash and cash equivalents”, inventories and other current assets.
Non-current assets increased by ¥29.1 billion to ¥638.1 billion mainly due to increases in intangible assets.
Liabilities decreased by ¥29.3 billion to ¥246.5 billion mainly due to decreases in loans and “trade and other payables”, despite an increase in income tax payables.
Equity attributable to owners of the Company increased by ¥23.9 billion to ¥806.3 billion mainly due to the recording of the profit for the period, despite cash dividends.

(3) Overview of Cash Flows for the 2nd Quarter of Fiscal Year 2025

(Millions of yen)

	Six months ended September 30, 2024	**Six months ended September 30, 2025**	Change
Cash and cash equivalents at the beginning of the period	166,141	**204,567**	
Cash flows from operating activities	34,723	**54,564**	19,841
Cash flows from investing activities	(160,930)	**(41,817)**	119,112
Cash flows from financing activities	129,687	**(35,461)**	(165,148)
Net increase (decrease) in cash and cash equivalents	3,480	**(22,714)**	
Effects of exchange rate changes on cash and cash equivalents	(2,530)	**208**	
Cash and cash equivalents at the end of the period	167,090	**182,060**	

Net increase/decrease in cash and cash equivalents was a decrease of ¥22.7 billion.
Net cash provided by operating activities was ¥54.6 billion, as a result of profit before tax of ¥52.2 billion and “depreciation and amortization” of ¥18.6 billion, despite a decrease in “trade and other payables” of ¥23.0 billion, etc.
Net cash used in investing activities was ¥41.8 billion, as a result of the acquisition of intangible assets of ¥46.1 billion, etc.
Net cash used in financing activities was ¥35.5 billion, as a result of dividends paid of ¥18.8 billion, and repayments of long-term loans of ¥15.0 billion, etc.

(4) Future Outlook

There are no changes from the consolidated financial forecast for the year ending March 31, 2026, announced on May 8, 2025.

2. Basic Approach to the Selection of Accounting Standards

Our group has applied International Financial Reporting Standards (IFRS) from the fiscal year ended March 31, 2014, for the purpose of improving comparability by disclosing financial information based on international standards and enhancing the convenience of various stakeholders such as shareholders, investors, and business partners.

3. Condensed Interim Consolidated Financial Statements and Major Notes

(1) Condensed Interim Consolidated Statement of Financial Position

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and cash equivalents	204,567	182,060
Trade and other receivables	135,022	139,009
Marketable securities	4,479	40
Other financial assets	1,334	826
Inventories	74,864	69,155
Other current assets	34,838	29,363
Total current assets	455,104	420,454
Non-current assets		
Property, plant, and equipment	105,721	102,666
Goodwill	21,186	21,095
Intangible assets	330,041	361,886
Investment securities	88,558	89,044
Other financial assets	7,944	8,157
Deferred tax assets	51,020	50,590
Other non-current assets	4,473	4,622
Total non-current assets	608,942	638,060
Total assets	1,064,046	1,058,514

(Millions of yen)

	As of March 31, 2025	As of September 30, 2025
Liabilities and Equity		
Current liabilities		
Trade and other payables	89,329	65,317
Short-term loans	30,000	30,000
Lease liabilities	3,178	2,832
Other financial liabilities	1,482	1,091
Income taxes payable	4,058	19,565
Other current liabilities	20,249	21,743
Total current liabilities	148,296	140,547
Non-current liabilities		
Long-term loans	105,000	90,000
Lease liabilities	8,500	7,583
Other financial liabilities	0	0
Retirement benefit liabilities	2,640	2,694
Deferred tax liabilities	10,817	5,120
Other non-current liabilities	590	572
Total non-current liabilities	127,548	105,969
Total liabilities	275,844	246,516
Equity		
Share capital	17,358	17,358
Capital reserves	17,458	17,458
Treasury shares	(63,063)	(62,769)
Other components of equity	19,789	19,762
Retained earnings	790,908	814,540
Equity attributable to owners of the Company	782,451	806,350
Non-controlling interests	5,751	5,649
Total equity	788,203	811,998
Total liabilities and equity	1,064,046	1,058,514

(2) Condensed Interim Consolidated Statement of Income and Condensed Interim Consolidated Statement of Comprehensive Income

Condensed Interim Consolidated Statement of Income

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Revenue	240,339	257,136
Cost of sales	(63,969)	(71,976)
Gross profit	176,370	185,160
Selling, general, and administrative expenses	(58,424)	(61,171)
Research and development costs	(68,803)	(71,021)
Other income	572	557
Other expenses	(928)	(1,456)
Operating profit	48,788	52,069
Finance income	2,276	2,105
Finance costs	(3,522)	(1,999)
Share of profit (loss) from investments in associates	2	—
Profit before tax	47,544	52,175
Income tax expense	(10,104)	(12,193)
Profit for the period	37,440	39,981
Profit for the period attributable to		
Owners of the Company	37,435	40,089
Non-controlling interests	6	(107)
Profit for the period	37,440	39,981
Earnings per share		
Basic earnings per share (Yen)	79.71	85.33
Diluted earnings per share (Yen)	79.66	85.28

Condensed Interim Consolidated Statement of Comprehensive Income

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Profit for the period	37,440	39,981
Other comprehensive income:		
Items that will not be reclassified to profit or loss:		
Net gain (loss) on financial assets measured at fair value through other comprehensive income	291	3,759
Remeasurements of defined benefit plans	(107)	(79)
Share of net gain (loss) on financial assets measured at fair value through other comprehensive income of investments in associates	0	—
Total of items that will not be reclassified to profit or loss	184	3,680
Items that may be reclassified subsequently to profit or loss:		
Net gain (loss) on financial assets measured at fair value through other comprehensive income	70	(3)
Exchange differences on translation of foreign operations	(34,239)	(1,410)
Net fair value gain (loss) on cash flow hedge	811	(1,972)
Total of items that may be reclassified subsequently to profit or loss	(33,359)	(3,385)
Total other comprehensive income	(33,174)	295
Total comprehensive income for the period	4,266	40,276
Comprehensive income for the period attributable to:		
Owners of the Company	4,251	40,372
Non-controlling interests	15	(96)
Total comprehensive income for the period	4,266	40,276

(3) Condensed Interim Consolidated Statement of Changes in Equity

Six months ended September 30, 2024

(Millions of yen)

	Equity attributable to owners of the Company							
	Share capital	Capital reserves	Treasury shares	Other components of equity	Retained earnings	Total equity attributable to owners of the Company	Non-controlling interests	Total equity
Balance as of April 1, 2024	17,358	17,458	(63,233)	53,194	768,183	792,961	5,644	798,604
Profit for the period					37,435	37,435	6	37,440
Other comprehensive income				(33,184)		(33,184)	9	(33,174)
Total comprehensive income for the period	–	–	–	(33,184)	37,435	4,251	15	4,266
Purchase of treasury shares			(1)			(1)		(1)
Disposition of treasury shares		(53)	138			85		85
Cash dividends					(18,786)	(18,786)	(11)	(18,797)
Share-based payments		23				23		23
Transfer from retained earnings to capital reserves		30			(30)	—		—
Transfer from other components of equity to retained earnings				(1,968)	1,968	—		—
Total transactions with the owners	–	–	138	(1,968)	(16,848)	(18,679)	(11)	(18,690)
Balance as of September 30, 2024	17,358	17,458	(63,096)	18,043	788,769	778,533	5,647	784,181

Six months ended September 30, 2025

(Millions of yen)

	Equity attributable to owners of the Company							
	Share capital	Capital reserves	Treasury shares	Other components of equity	Retained earnings	Total equity attributable to owners of the Company	Non-controlling interests	Total equity
Balance as of April 1, 2025	17,358	17,458	(63,063)	19,789	790,908	782,451	5,751	788,203
Profit for the period					40,089	40,089	(107)	39,981
Other comprehensive income				284		284	11	295
Total comprehensive income for the period	—	—	—	284	40,089	40,372	(96)	40,276
Purchase of treasury shares			(1)			(1)		(1)
Disposition of treasury shares		(127)	294			167		167
Cash dividends					(18,791)	(18,791)	(6)	(18,797)
Share-based payments		24				24		24
Transfer from retained earnings to capital reserves		104			(104)	—		—
Transfer from other components of equity to retained earnings				(2,437)	2,437	—		—
Transfer to non-financial assets				2,127		2,127		2,127
Total transactions with the owners	—	—	294	(311)	(16,457)	(16,474)	(6)	(16,480)
Balance as of September 30, 2025	17,358	17,458	(62,769)	19,762	814,540	806,350	5,649	811,998

(4) Condensed Interim Consolidated Statement of Cash Flows

(Millions of yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
Cash flows from operating activities		
Profit before tax	47,544	52,175
Depreciation and amortization	11,274	18,551
Impairment losses	3,510	—
Interest and dividend income	(2,259)	(1,873)
Interest expense	293	1,106
(Increase) decrease in inventories	5,022	5,812
(Increase) decrease in trade and other receivables	4,539	(4,037)
Increase (decrease) in trade and other payables	(7,906)	(23,041)
Increase (decrease) in retirement benefit liabilities	(195)	(62)
Increase (decrease) in accrued consumption tax	(2,204)	2,483
Other	(3,988)	7,026
Subtotal	55,630	58,139
Interest received	279	494
Dividends received	1,264	1,000
Interest paid	(293)	(1,106)
Income taxes paid	(22,157)	(3,962)
Net cash provided by (used in) operating activities	34,723	54,564
Cash flows from investing activities		
Purchases of property, plant, and equipment	(2,806)	(3,910)
Proceeds from sales of property, plant, and equipment	6	7
Purchases of intangible assets	(1,975)	(46,120)
Purchases of investments	(906)	(1,233)
Proceeds from sales and redemption of investments	10,098	9,981
Payments into time deposits	(591)	(200)
Proceeds from withdrawal of time deposits	200,591	592
Payments of the acquisition of subsidiaries	(364,816)	—
Other	(532)	(934)
Net cash provided by (used in) investing activities	(160,930)	(41,817)
Cash flows from financing activities		
Dividends paid	(18,754)	(18,765)
Dividends paid to non-controlling interests	(11)	(6)
Repayment of long-term loans	—	(15,000)
Proceeds from long-term loans	150,000	—
Repayments of lease liabilities	(1,547)	(1,690)
Purchases of treasury shares	(1)	(1)
Net cash provided by (used in) financing activities	129,687	(35,461)
Net increase (decrease) in cash and cash equivalents	3,480	(22,714)
Cash and cash equivalents at the beginning of the period	166,141	204,567
Effects of exchange rate changes on cash and cash equivalents	(2,530)	208
Cash and cash equivalents at the end of the period	167,090	182,060

(5) Notes to Condensed Interim Consolidated Financial Statements

(Note Regarding Assumption of Going Concern)

Not Applicable

(Segment Information)

Segment information is omitted herein because our group's business is a single segment of the pharmaceutical business.

(Significant Subsequent Event)

Not Applicable