

Tokyo Stock Exchange (TSE) Prime Market  
Securities code: 6099

Bringing smiles to your  
hospital/elderly facility stay



# Operating Results for the Second Quarter of Fiscal 2025 Ended June 30, 2025

**ELAN Corporation**

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# 1. Operating Results for the Second quarter of Fiscal 2025

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## 1. Increase in Net sales and Operating profit

- Net sales: +17.5% YoY. Due to the increase in the number of users following the acquisition of new CS set contracts. As a result, operating profit: +7.5% YoY.

## 2. Collaboration with M3 Group

- Continue to implement joint proposals to medical institutions.
- Developed differentiated product for CS set. Scheduled to start operation in the third quarter.

## 3. New service

- New contracts for Smile Wear, a new service for nursing care facilities that we have been developing since last year, are progressing, and as of the end of June 2025, it is in operation at 24 facilities nationwide.

# Summary of Consolidated Financial Results for the Second Quarter of 2025

- The main factors behind the increase in revenue and profits were the acquisition of new CS set facilities and an increase in the number of users.
- Gross profit margin was affected by the recording of costs for the introduction of lifte 113 facilities (71 facilities in Q2).

(Millions of yen)

	FY 2024 Q2 ①	FY 2025 Q2 ②	YoY Change ②-①	Main factors	FY 2025 Forecast ③※1	To forecast ②-③
Net sales	22,844	26,840	+3,995	● Increase in users due to new CS set contracts	27,100	(259)
Gross profit	5,372	5,766	+394		—	—
Gross profit to net sales(%)	23.5	21.5	(2.0)	● lifte (original patient clothing) introduction costs for 113 facilities. Approx. 600 million yen for the first half of the fiscal year, and approx. 290 million yen for the second quarter alone.	—	—
SG&A	3,441	3,691	+249		—	—
SG&A to net sales(%)	15.1	13.8	(1.3)	● Impact of approx. 150 million yen in M&A expenses in Vietnam recorded in Q1 of last year.	—	—
Operating profit	1,930	2,075	+144		2,160	(84)
Operating profit to net sales(%)	8.5	7.7	(0.7)		8.0	(0.2)
Ordinary profit	1,948	2,048	+99		2,170	(121)
Ordinary profit to net sales(%)	8.5	7.6	(0.9)		8.0	(0.4)
Profit Attributable to Owners of Parent	1,325	1,367	+41		1,390	(22)
Profit to net sales(%)	5.8	5.1	(0.7)		5.1	0.0

※1 Forecast as of February 10, 2025

# Sales and Profit by Segment (Domestic/Overseas)

- Domestic: 46% progress against sales forecast of 56,600 million yen.
- Overseas: 37% progress against sales forecast of 240 million yen.

(Millions of yen)

	2022	2023	2024	2025 2Q
Net sales	36,264	41,425	47,513	26,840
Domestic	36,264	41,425	47,243	25,943
Overseas Vietnam	0	0	269	896
India	0	0	0	0
Gross profit	9,027	9,751	10,716	5,766
Domestic	9,027	9,751	10,545	5,448
Overseas Vietnam	0	0	171	318
India	0	0	0	0
Operating profit	3,391	3,665	3,577	2,075
Domestic	3,391	3,665	3,480	1,970
Overseas Vietnam	0	0	96 <sup>※1</sup>	105 <sup>※1</sup>
India	0	0	0	0

※1 Operating profit in Vietnam includes goodwill amortization.

# Status of overseas expansion

■ No change from the previous period (first quarter of fiscal year ending December 2025)

Country		Company	Business type	Investment ratio	Consolidated balance sheet	Companies accounted for using the equity method
India		Boston Ivy Healthcare Solution Pvt. Ltd. (BIHS)	Sales of medical materials, etc.	5% or less	×	×
India		Quick Smart Wash Pvt. Ltd. (QSW)	Laundry service for hospitals	42.18%	×	×
India		AKAL	Temporary staffing	5% or less	×	×
Vietnam		GREEN LAUNDRY JOINT STOCK COMPANY (GREEN)	Laundry service for hospitals	100%	BS : From 3Q2024 PL : From 4Q2024	-
Vietnam		TMC VIET NAM TRADING AND SERVICE JOINT STOCK COMPANY (TMC)	Laundry service for hospitals	51%	BS : From 1Q2025 PL : From 1Q2025	-

# Summary of Consolidated Financial Results for the Second Quarter of 2025

- Additional goodwill was recorded due to the consolidation of TMC (51% subsidiary in Vietnam) from 1Q2025.

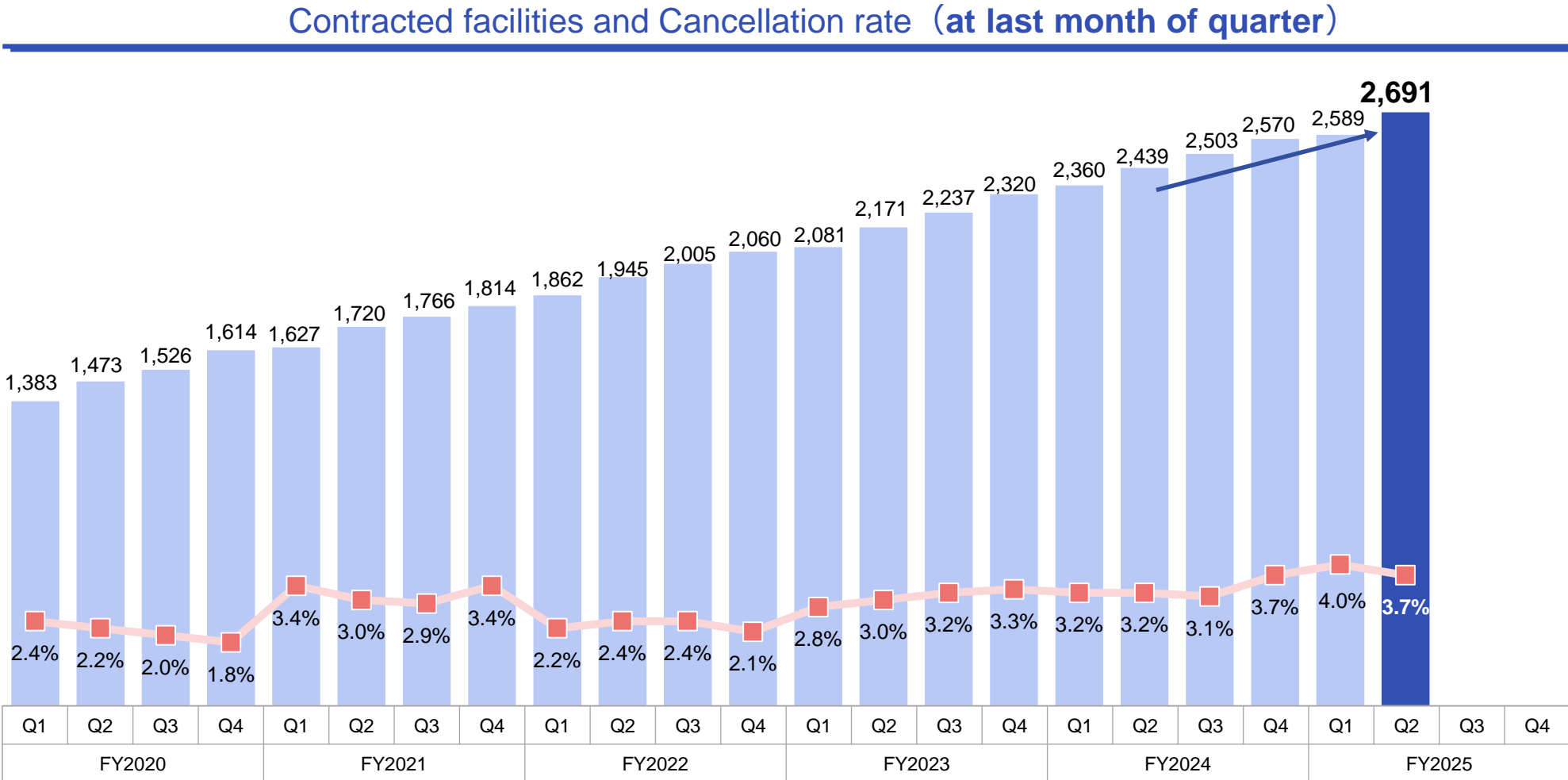
(Millions of yen)

	FY 2024 ①	FY 2025 Q2 ②	YoY Change ②-①	Main factors
Total assets	21,605	23,129	+1,523	
Cash and deposits	6,849	5,618	(1,231)	● Dividends of approx. 770 million yen, TMC acquisition costs of approx. 1.08billion yen
Supplies	741	1,054	+312	● Inventory of original patient clothes (lifte)
Total Property, plant and equipment	575	1,353	+777	● TMC's plants, facilities, etc.
Goodwill	813	1,579	+765	● Consolidation of GREEN / TMC
Total liabilities	9,104	10,080	+976	
Short-term borrowings	0	293	+293	● Consolidation of GREEN / TMC
Long-term borrowings	76	485	+409	● Consolidation of GREEN / TMC
Total net assets	12,501	13,049	+548	



# Contracted facilities and Cancellation rate (at last month of quarter)

Contracted facilities (at last month of quarter) increased **10.3%** YoY.

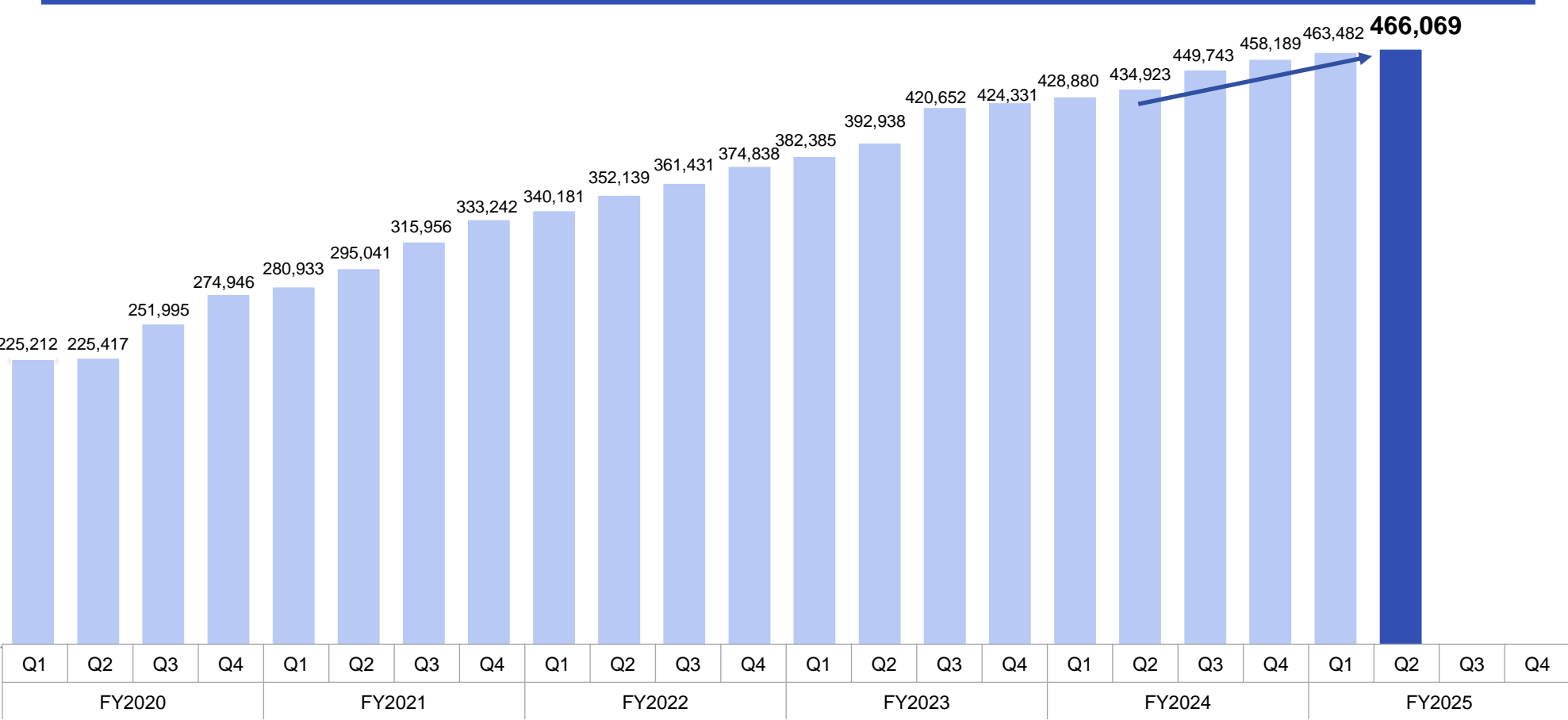


Note: Cancellation rate for the year = Number of cancellations in current year / (Contracts at end of previous year + New contracts in current year)

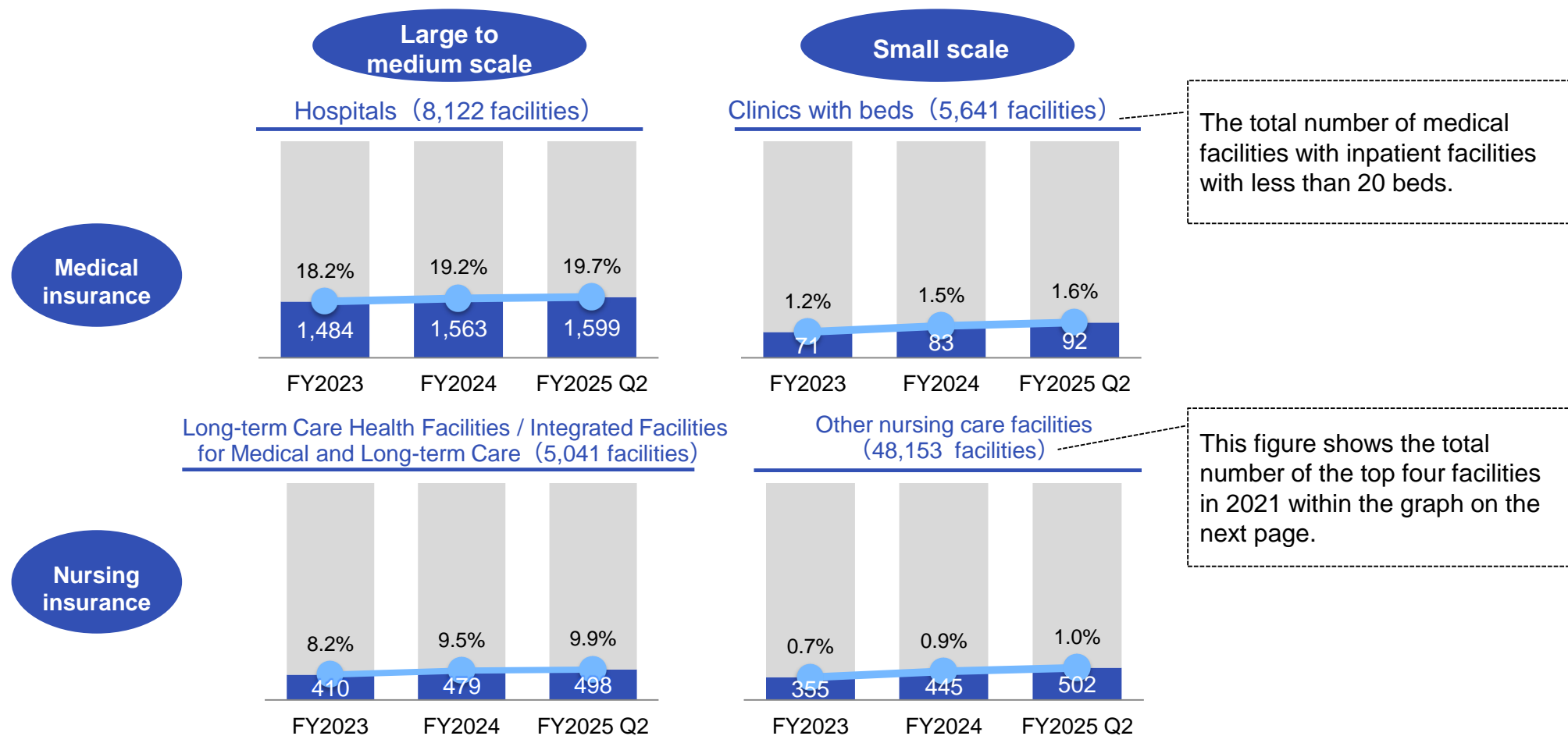
# Monthly Users (Average during the quarter)

■ Monthly Users (Average during the period) increased 7.2% YoY.

Monthly Users (Average during the period)



- Continue to focus on large- to medium-sized “Hospitals, Long-term Care Health Facilities, Integrated Facilities for Medical and Long-term Care”.



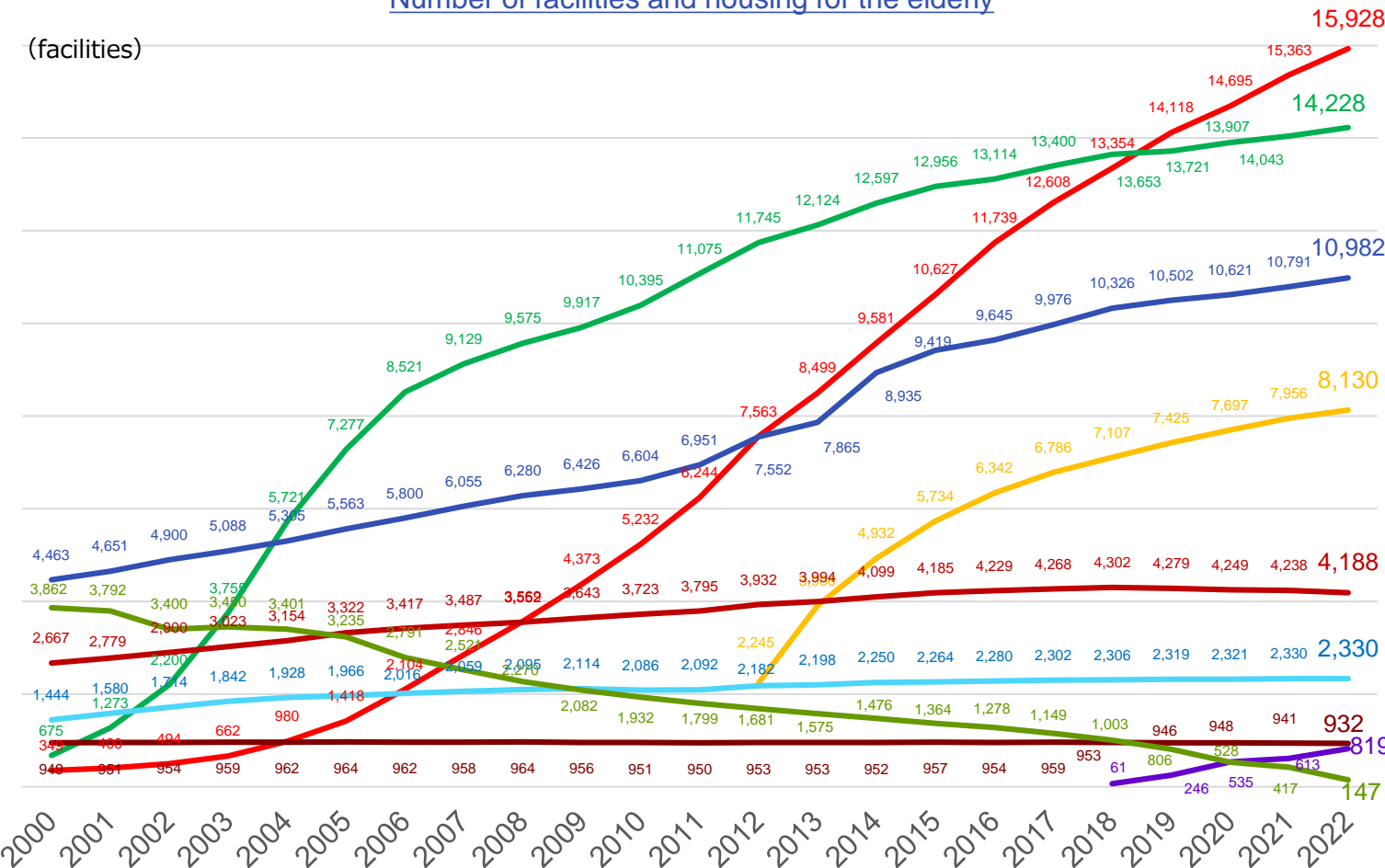
Notes: Prepared by ELAN with reference to the Survey of Medical Facilities 2023 and the Survey of Institutions and Establishments for Long-term Care 2023 by the Ministry of Health, Labor and Welfare.

# Number of facilities and housings for the elderly

- The facilities tabulated in the “Other nursing care facilities” graph on the previous page are the top four facilities in the graph below.
- These are facilities that provide care in an environment similar to a typical home.
- We consider that facility types, which are growing in number, can be promising targets.

Number of facilities and housing for the elderly

(facilities)



**Nursing home  
(Relatively expensive)**

**Group home for the  
elderly with dementia**

**Nursing home**

**Residences for the  
Elderly with Services**

**Long-term Care  
Health Facilities**

**Light nursing home**

**Nursing home for the elderly  
Integrated Facilities for  
Medical and Long-term Care**

**Long-term care  
medical facilities**

Notes: Prepared by Elan based on page 10 of the document linked here ([Ministry of Health, Labor and Welfare meeting materials](#)).

# Annual trends in New services and New products

- CS Set R increased by **34** facilities in 2Q alone.
- CS Set LC increased by **27** facilities in 2Q alone.
- Original patient gowns (lifte) introduced at **71** facilities in 2Q alone.

## Annual trends in New services and New products

		2021	2022	2023	2024	2025 Q2	Most Recent Initiatives
Number of facilities with CS Set R	Facility	101	149	230	278	339	◆ Expanding the scope of coverage
Adoption rate of CS Set R	%	5.6%	7.2%	9.9%	10.8%	12.6%	
Number of facilities with CS Set LC	Facility	83	123	192	230	263	
Adoption rate of CS Set LC	%	4.6%	6.0%	8.3%	8.9%	9.8%	
Number of facilities with lifte	Facility	1	8	52	252	365	◆ Working to add about the same number as in 2024
Adoption rate of lifte	%	0.1%	0.4%	2.2%	9.8%	13.6%	
Number of facilities with Smile wear		0	0	0	<b>7</b>	<b>24</b>	◆ See p14.
Adoption rate of Smile wear		0.0%	0.0%	0.0%	<b>0.3%</b>	<b>0.9%</b>	
(New service/product under development)		-	-	-	-	-	

- Launch of “Smile Wear” as a new service for nursing care facilities.
- As of the end of June 2025, it has been introduced in 24 facilities nationwide.



## What is Smile ware?

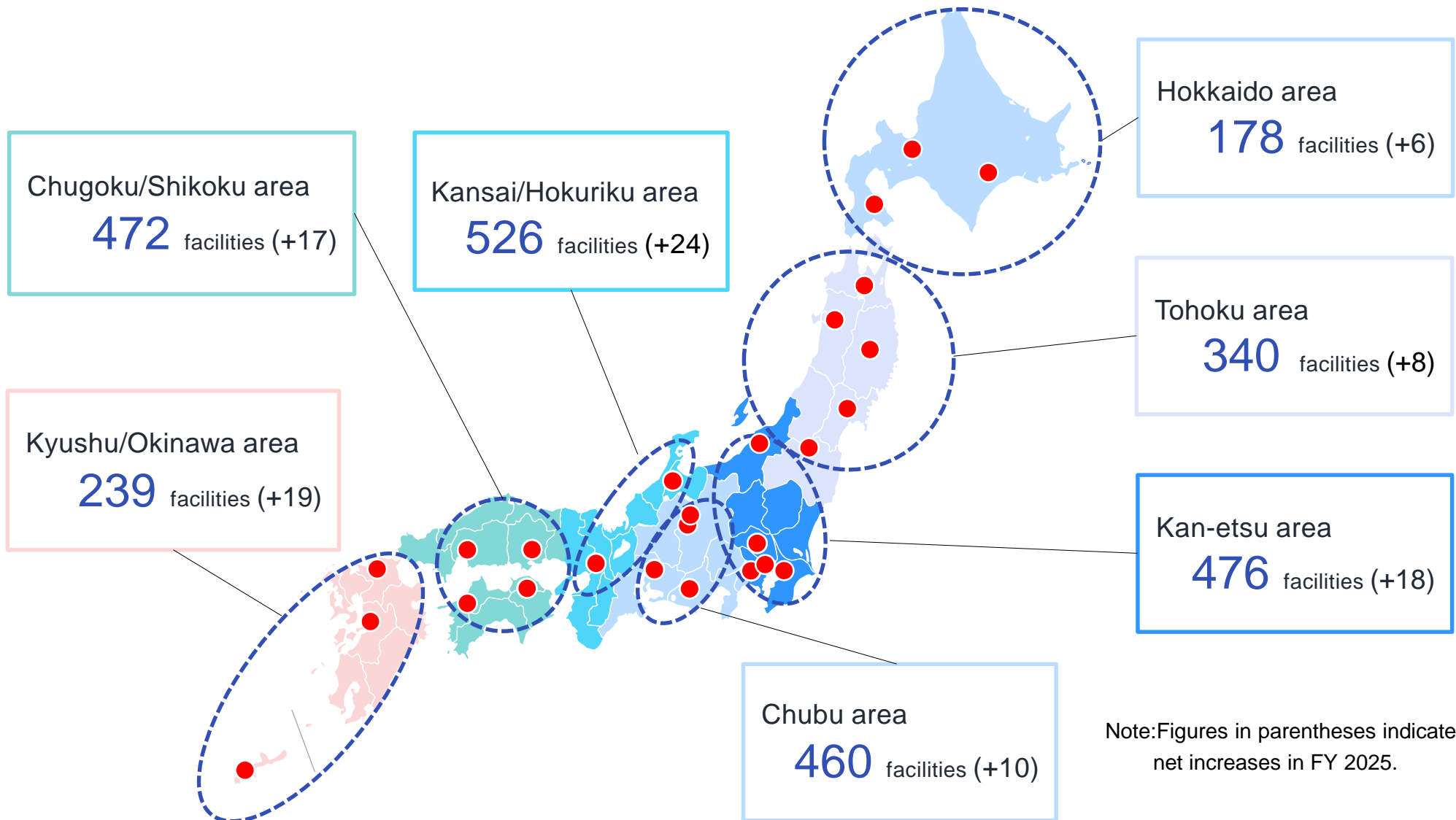
This service allows you to enjoy shopping for fashionable clothes by choosing your favorites from a selection of clothing carefully selected by apparel professionals, based on the concept of “delivering smiles.”

## ご利用のメリット

- We respect the individuality of our residents and improve their quality of life by boosting their spirits through fashion.
- They can enjoy choosing clothes as if they were shopping, which leads to high-quality communication centered on the residents.
- This eliminates the hassle of purchasing, replenishing, labeling, and washing clothes for family members and staff.

# ELAN's Operating Bases and Number of Contracted Facilities Throughout Japan (as of June 30, 2025)

■ New contracts progressed nationwide.



1

Promoting new business development and enhancing the added value of CS Sets through collaboration with M3's existing services

- CS Set: **Developed differentiated product for CS set. Smooth progress toward implementation**
- In addition to receiving assistance in developing discharge and home care packages, ELAN will also contribute to improving the quality of life of patients and improving the management of medical institutions through support that leads to early discharge by M3
- By acquiring patient contacts through ELAN, M3 will expand the to-C platform for which they provide services

2

Cross-selling to business partners of both parties

- Implemented joint proposals to medical institutions and confirmed early results

3

Enhancing the competitiveness by leveraging M3's resources

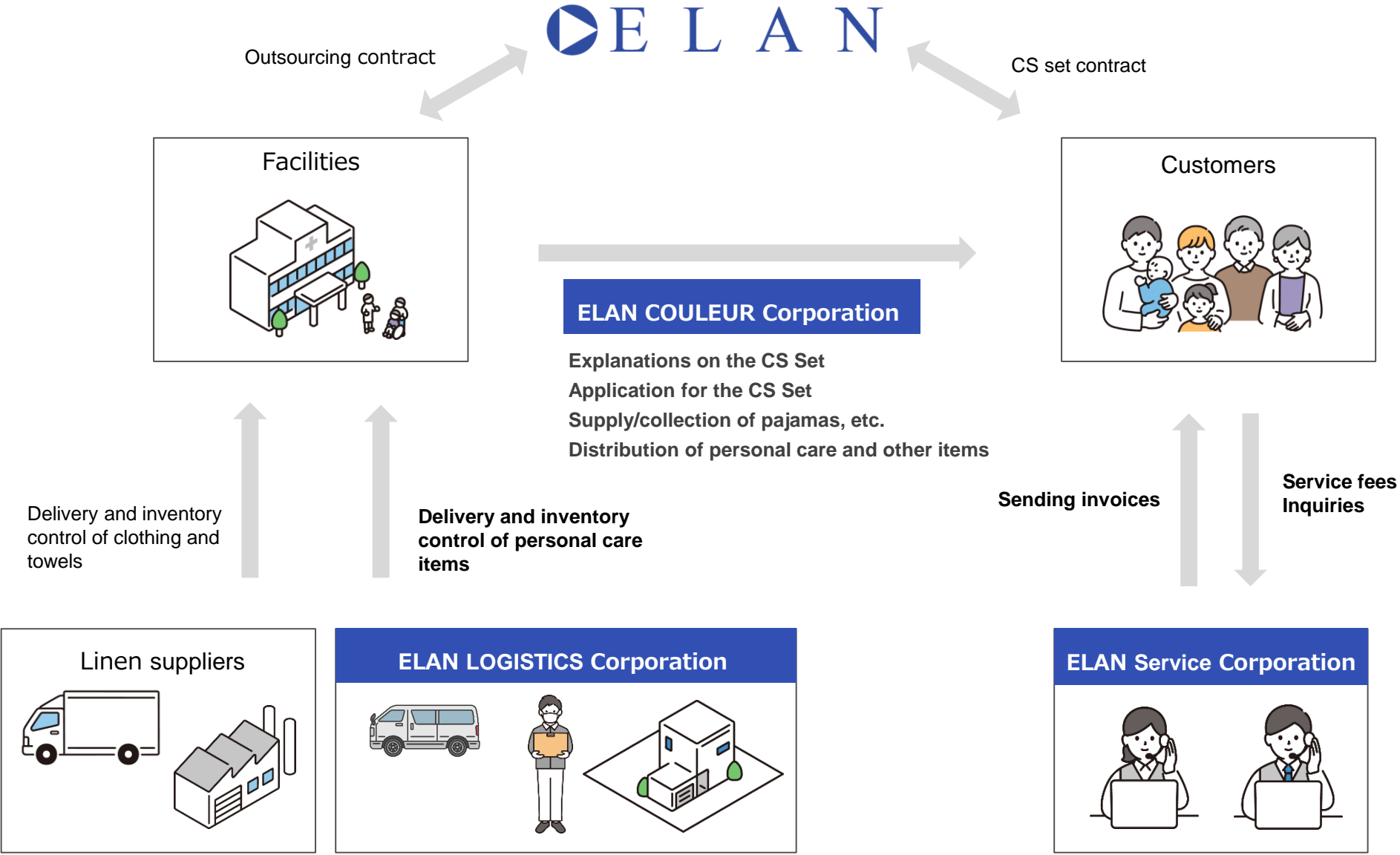
- Cost reduction effects by taking advantage of the Group's purchasing power began to emerge

4

Support for overseas expansion

- Assumes information gathering and sales cooperation for expanding ELAN's overseas development. Also possible to get assistance entry into markets that have not yet been developed





		2021	2022	2023	2024	2025 Q2
<b>ELAN Service Corporation</b>						
Number of contracted companies (hospitalization set)	Companies	4	5	9	13	14
Number of Facilities (hospitalization set)	Facilities	22	30	36	65	78
Number of contracted companies (other)	Companies	0	0	2	4	5
Number of Facilities (other)	Facilities	0	0	2	11	18
<b>ELAN LOGISTICS Corporation</b>						
Number of Facilities for delivery	Facilities	73	110	242	376	406
<b>ELAN COULEUR Corporation</b>						
Number of contracted facilities	Facilities	0	0	45	51	53
Number of employees with disabilities※1	People	0	0	13	25	26

※1 ELAN COULEUR Corporation aims to create employment opportunities for people with disabilities and to support hospitals in hiring people with disabilities.

## 2. Earnings forecast of Fiscal 2025

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# Forecast of Operating Results for Fiscal 2025

- Consolidated earnings forecasts remain unchanged from the figures announced on February 10, 2025 (financial results summary).
- Although new CS set acquisitions and progress on new domestic businesses are behind schedule, CS set cancellations are on a downward trend.
- Operating income was affected by approximately 600 million yen in expenses for lifte in the first half of the year, which exceeded the planned amount of approximately 400 million yen.

(Millions of yen)

	Fiscal 2024 First Half Results	Fiscal 2025 First Half Results	YoY Change	Fiscal 2024 Results	Fiscal 2025 Forecast	YoY Change
Net sales	22,844	26,840	17.5%	47,513	59,000	24.2%
Operating profit	1,930	2,075	7.5%	3,577	4,720	31.9%
Ordinary profit	1,948	2,048	5.1%	3,545	4,740	33.7%
Profit Attributable to Owners of Parent	1,325	1,367	3.2%	2,354	3,090	31.2%
EPS	21.92yen	22.61yen		38.94yen	50.99yen	

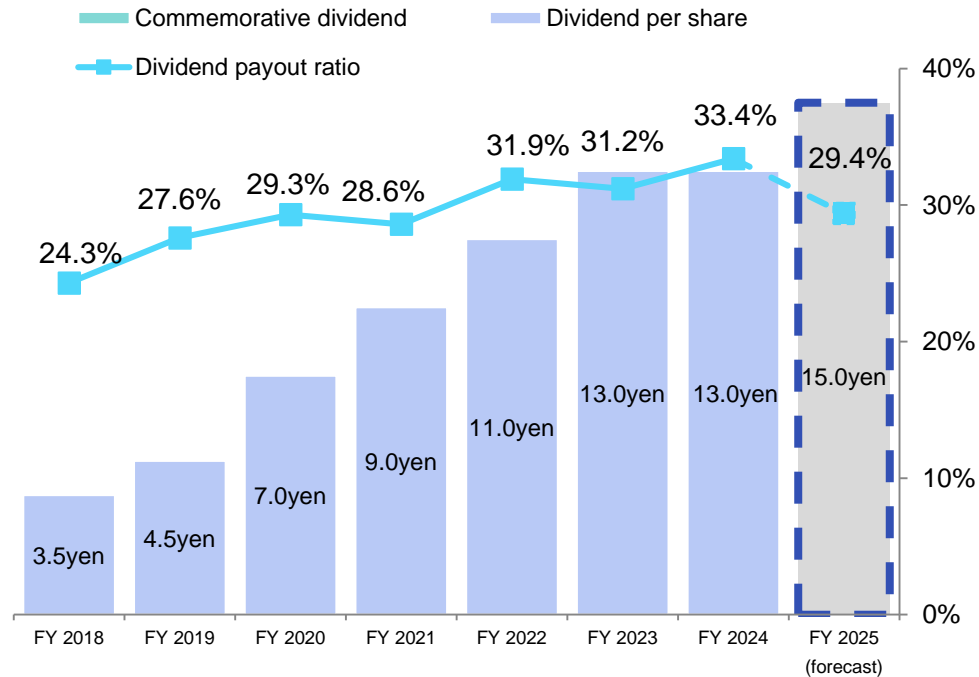
- No change from the first quarter financial results for the fiscal year ending December 2025.

(Millions of yen)

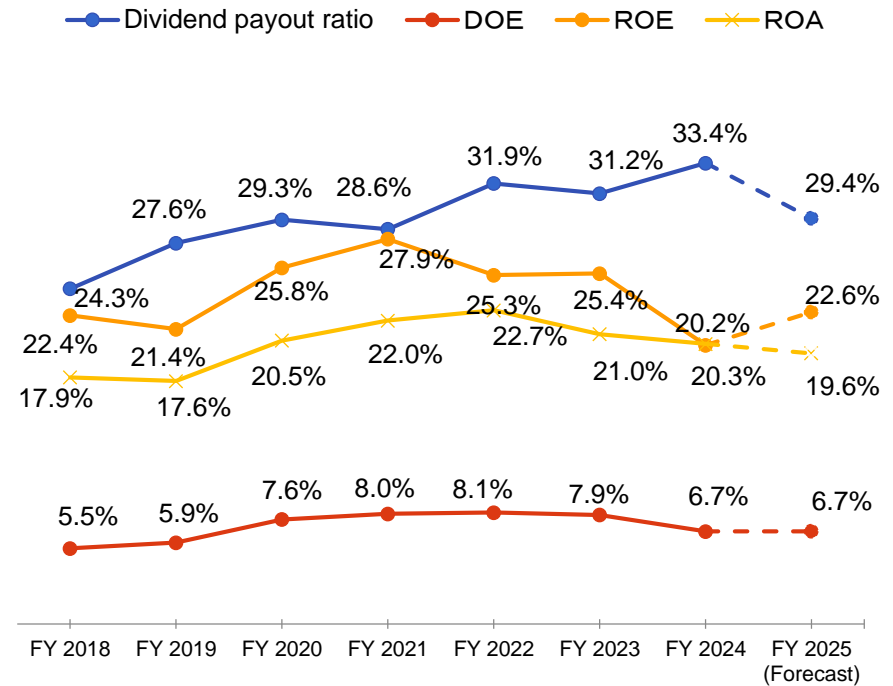
	2022 (Results)	2023 (Results)	2024 (Results)	2025 (Forecast)
Net sales	36,264	41,425	47,513	59,000
Domestic	36,264	41,425	47,244	56,600
Overseas	0	0	269	2,400
Operating profit	3,391	3,665	3,577	4,720
Operating profit to net sales	9.4%	8.8%	7.5%	8.0%
ROE	25.3%	25.4%	20.2%	22.3%
Dividend payout ratio	31.9%	31.2%	33.4%	30.0%

- The year-end dividend forecast for fiscal 2025 is 15.0 yen per share.
- The consolidated payout ratio for fiscal 2025 is projected to be 29.4%.

## Dividend per Share and Dividend Payout Ratio



## Financial Indicators

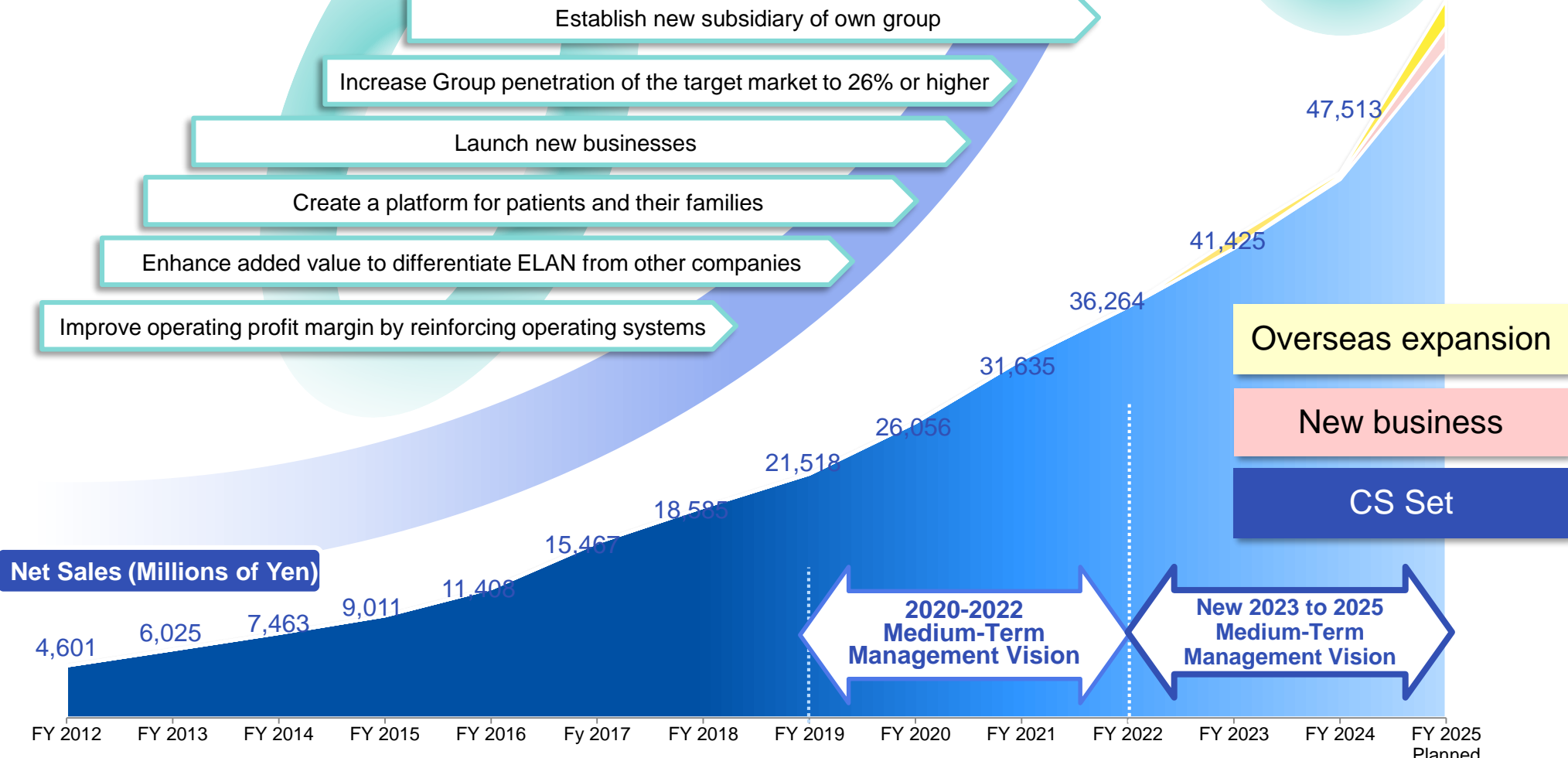


Note 1: Dividend per share in the above graph has been retroactively adjusted to reflect the 2-for-1 stock split on January 1, 2021.

Initiatives for Growth

- Develop ELAN Group business overseas
- Establish new subsidiary of own group
- Increase Group penetration of the target market to 26% or higher
- Launch new businesses
- Create a platform for patients and their families
- Enhance added value to differentiate ELAN from other companies
- Improve operating profit margin by reinforcing operating systems

Next Stage



Note: The figures are on a non-consolidated basis through fiscal 2016 and on a consolidated basis for fiscal 2017 and thereafter.

### 3. Reference Materials

Bringing smiles to your  
hospital/elderly facility stay







Matsumoto Head Office in Nagano Prefecture



We seek to provide the best products and services that satisfy our customers, and we focus our passion on contributing to the realization of a society in which people live fulfilling lives

Tomohiro Minezaki,  
CEO



Company name	ELAN Corporation
Business	Medical and nursing care-related business (CS Set)
Established	February 6, 1995
Capital	573 million yen
Net sales	47,513 million yen (fiscal 2024)
Ordinary profit	3,544 million yen (fiscal 2024)
Headquarters	Matsumoto, Nagano Prefecture
Representative	COO: Tomohiro Minezaki
Number of employees	1,150 (as of December 31, 2024)
Business locations	Headquarters in Matsumoto Tokyo office (business strategy and marketing) Location in Matsumoto Murai (customer response) Sales bases      Hokkaido area    Sapporo/Hakodate/Kushiro Tohoku area    Aomori/Morioka/Sendai/Akita Kan-etsu area    Saitama/Chiba/Tokyo/Sagamihara/Niigata Chubu area    Matsumoto/Shizuoka/Nagoya Kansai/Hokuriku area    Kanazawa/Osaka Chugoku/Shikoku area Okayama/Hiroshima/Takamatsu/Matsuyama Kyushu/Okinawa area    Fukuoka/Minami- Kyushu/Okinawa Logistics Center    Kanagawa/Matsumoto/Kansai
Subsidiaries	ELAN Service Corporation (invoicing), Ryukyu ELAN Corporation, ELAN COULEUR Corporation, ELAN LOGISTICS Corporation, GREEN LAUNDRY., JSC, TMC Vietnam Trading & Service., JSC
Listing	Tokyo Stock Exchange (TSE) Prime Market (Securities code: 6099)
Certifications	Privacy mark system, Eruboshi certification, Kurumin certification

The CS Set allows people to start hospitalization and end a hospital stay as well as hospital visitations without the need to bring anything. There is no need for patients to assemble hospitalization supplies on their own.

CS Set users can rent clothing and towels, and receive disposable diaper pads, personal care items and other supplies needed during a hospital stay. Required items are available at the time they are needed on a daily basis at a fixed rate.



## Example of the CS Set Standard Plan

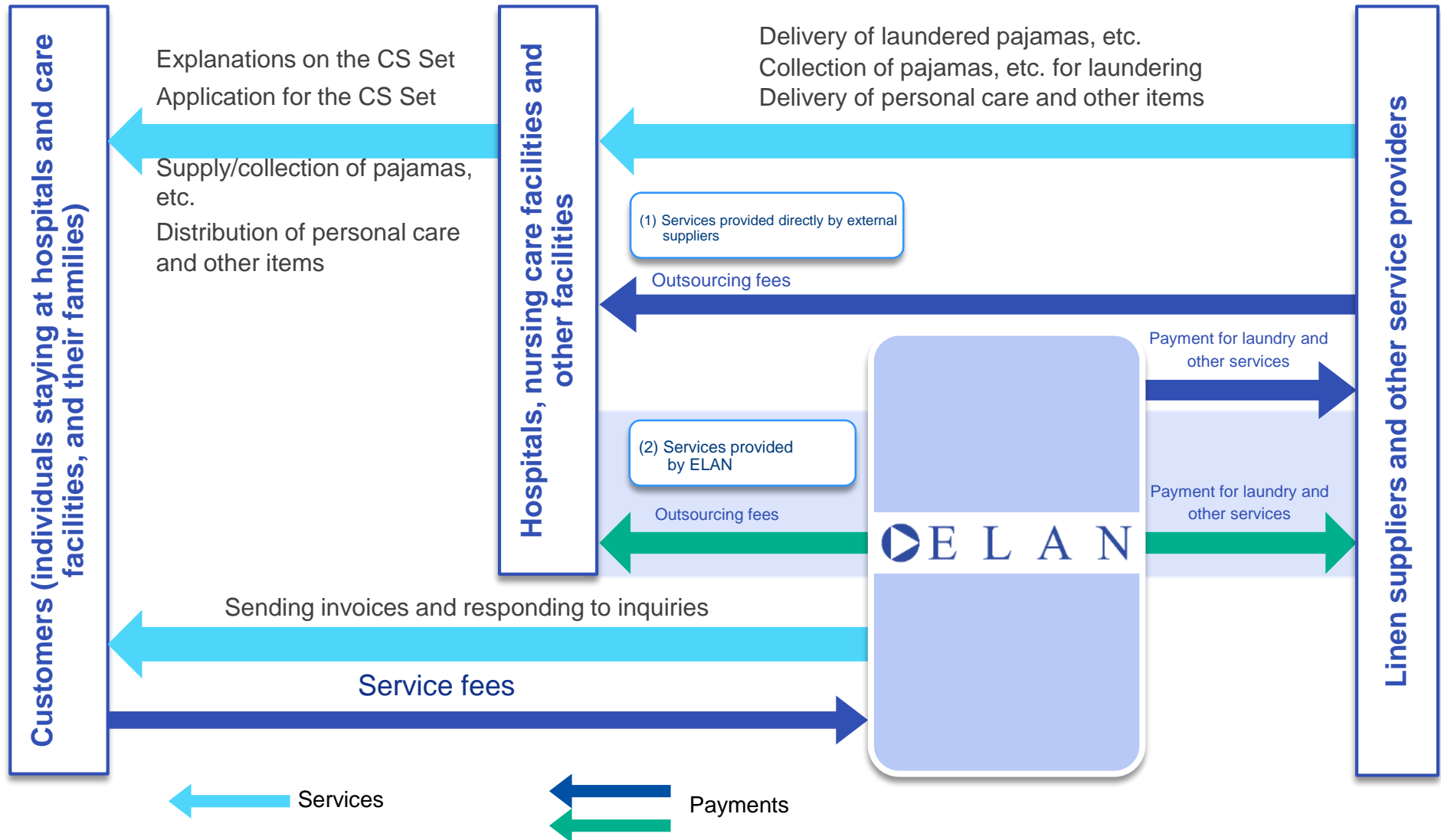
Note: The daily fees shown below are for reference.

	Plan A Daily fee: 700 yen	Plan B Daily fee: 500 yen	Plan C Daily fee: 300 yen
Towels	Bath towel, face towel, hand towel		
Personal care items	Drinking cups, tissues, shampoo, slippers, etc.		
	Oral care product set		
Clothing	Hospital gown or training wear (top and bottom)		
	Underwear and socks		
	Nursing care pajamas, mealtime apron		

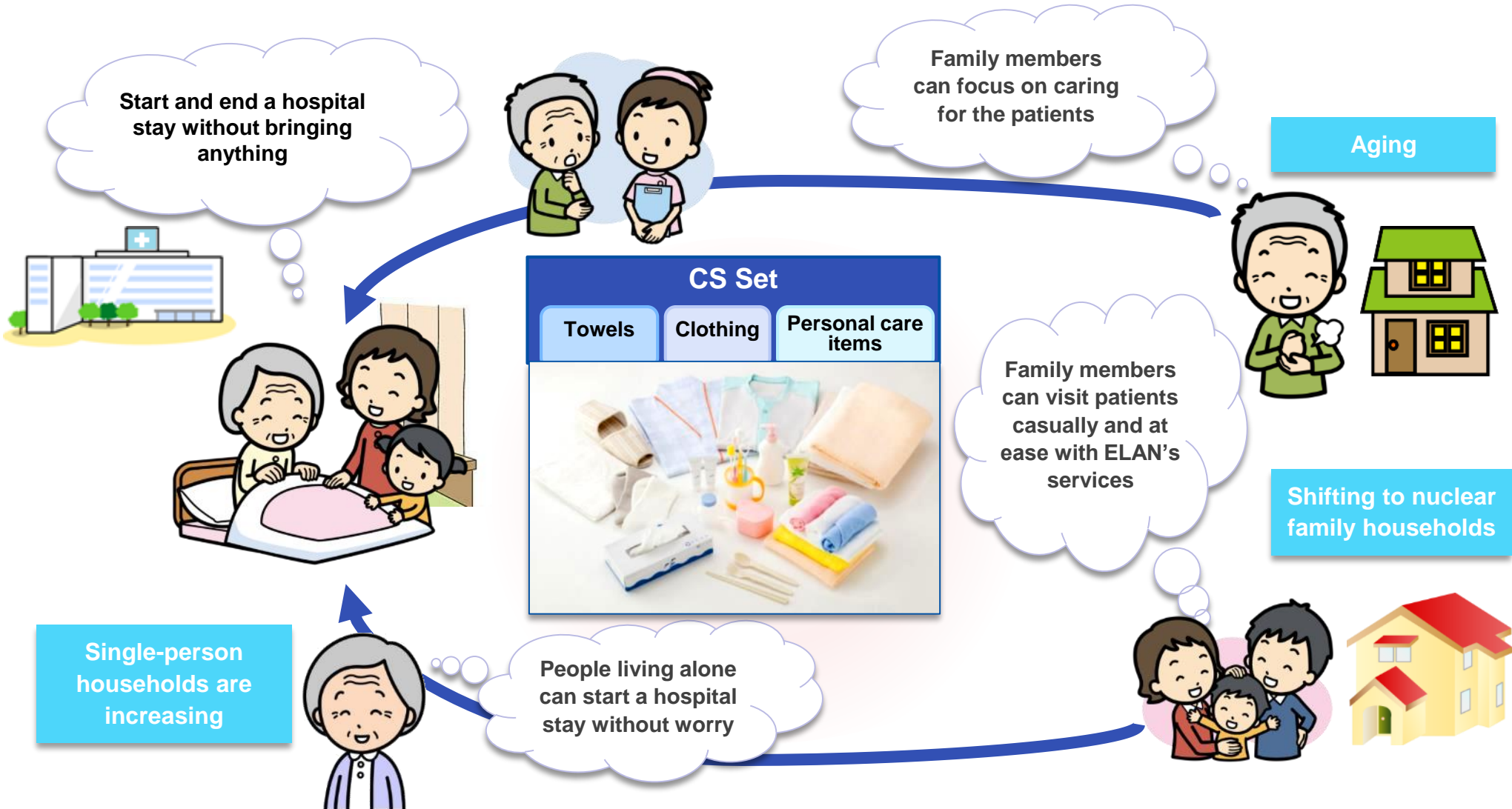
(Example) Seven-day hospital stay under Plan B  
500 yen × 7 days = 3,500 yen



For (1) services provided directly by external suppliers and (2) services provided by ELAN, the roles of all parties involved are the same; only the contract format is different.

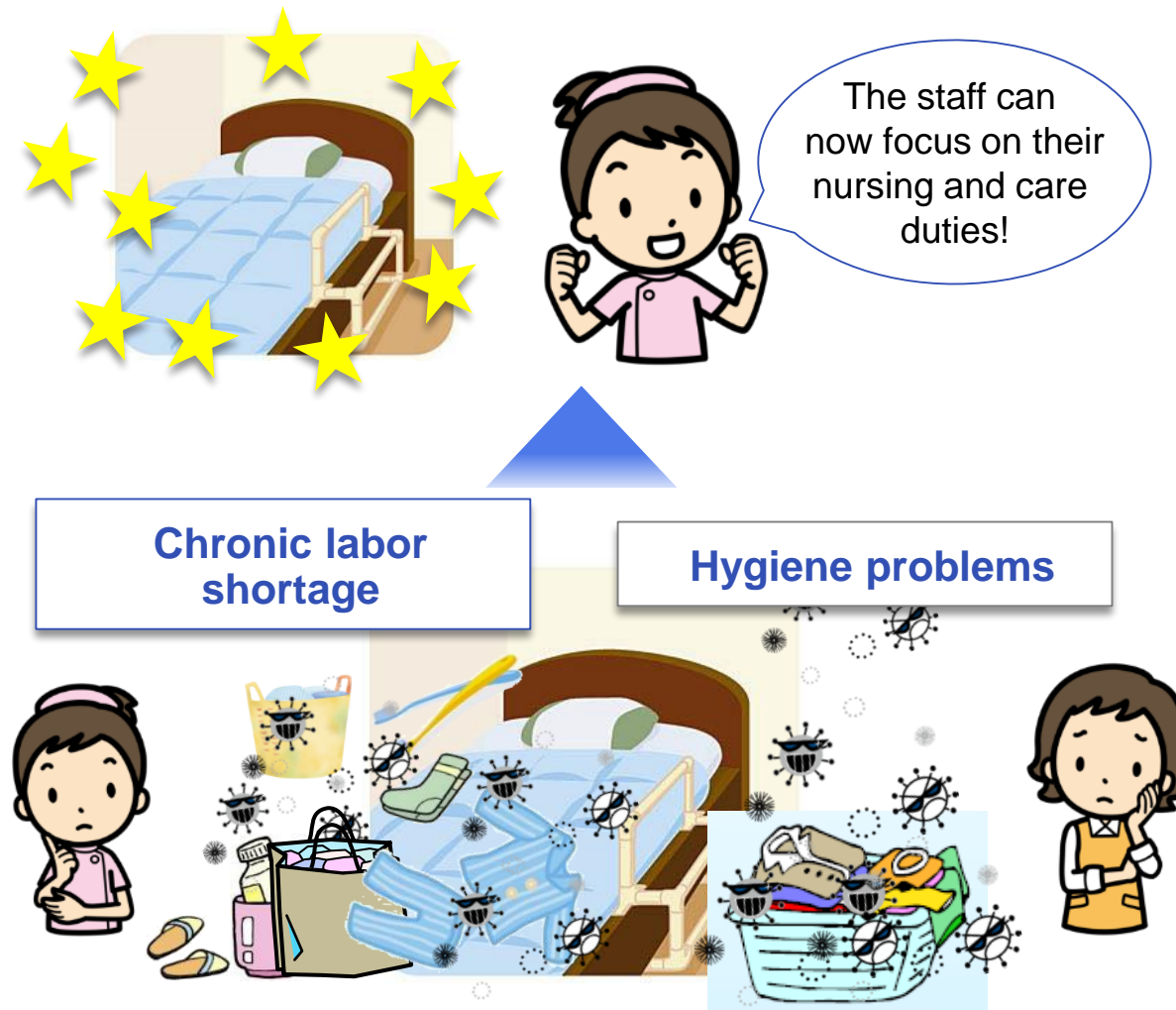


## The CS Set provides patients and their family members with ease and comfort



Many advantages for the nursing and care frontlines

## Solves problems for hospitals and nursing care facilities

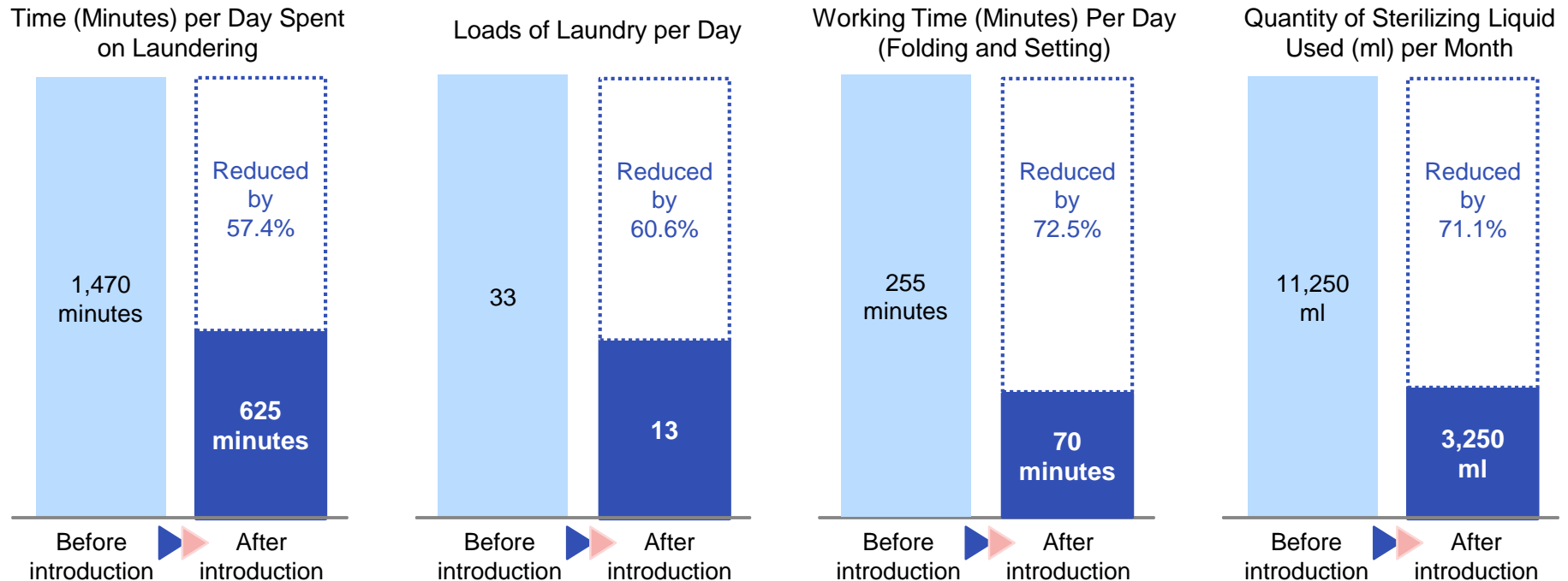


## Significant saving of time and labor

## Staff can focus on their nursing and care duties

### Effects of Introducing the CS Set: A Case Example

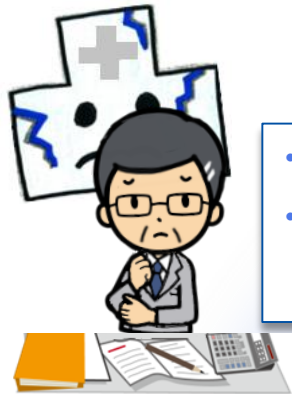
For using towels and mealtime aprons at a hospital with 250 beds



Note: Figures represent total values for six hospital wards.



Generating an economic impact for the entire hospital/nursing care industry.



## Management issues for hospitals and nursing care facilities

- Difficult operating environment for hospitals
- Risks involving government guidance for revenues not based on the national health insurance system



- Secure new revenue resources
- Reduce risks involving government guidance



## Management issues for operators related to hospitals and nursing care facilities






- Existing hospital-related businesses are saturated
- Cost reductions are strongly requested
- New opportunities for earning profits are needed



- Increase sales and profits



## New R/LC services can be added to CS Sets

CS Sets	New services	Merits
<div><div>TowelsClothesDaily necessities</div></div>	<div>Compensation for unpaid hospitalization expense</div> <div></div> <div></div>	<div>Users and their families</div> <ul style="list-style-type: none"><li>No need for co-guarantors or lump sum hospital payments</li><li>Peace of mind even during emergency hospitalizations</li></ul> <div>Hospitals and nursing care facilities</div> <ul style="list-style-type: none"><li>Avoids risk of unpaid hospitalization expenses</li><li>Reduces payment demand and collection efforts when bills are unpaid</li></ul>
	<div>Compensation for damages or accidents during hospitalization</div> <div></div> <div></div>	<div>Users and their families</div> <ul style="list-style-type: none"><li>Compensation for expenses incurred as a result of damage to facility equipment or injuries to staff</li></ul> <div>Hospitals and nursing care facilities</div> <ul style="list-style-type: none"><li>Helps reduce administrative costs and psychological stress related to property damage claim procedures</li></ul>



1. The CS Set has a solid history in the hospitalization support set business
2. Growth potential and earnings-generating capabilities of the subscription-based business model
3. Barriers to new entrants are growing

ELAN has pioneered the hospitalization support set business in an organized fashion.

Three main factors have enabled ELAN, the pioneer, to gain a lead over market latecomers.

1

### Know-how

- Ability to determine break-even points
- Explanations to nursing and care staff and operational skills
- Provision of services in a manner consistent with government guidance
- Efficient invoicing and payment receipt operations

2

### Business Model

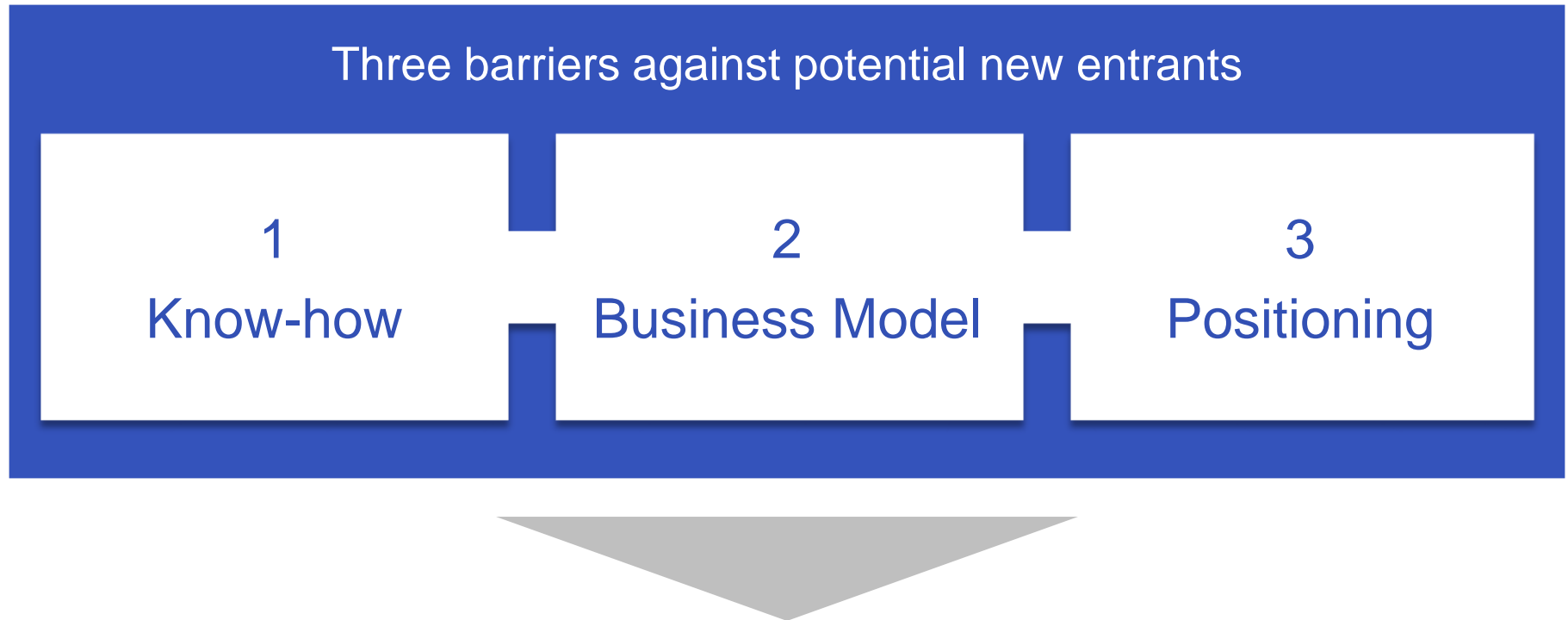
- A business model built on ongoing business relationships with partners to achieve mutual success

3

### Positioning

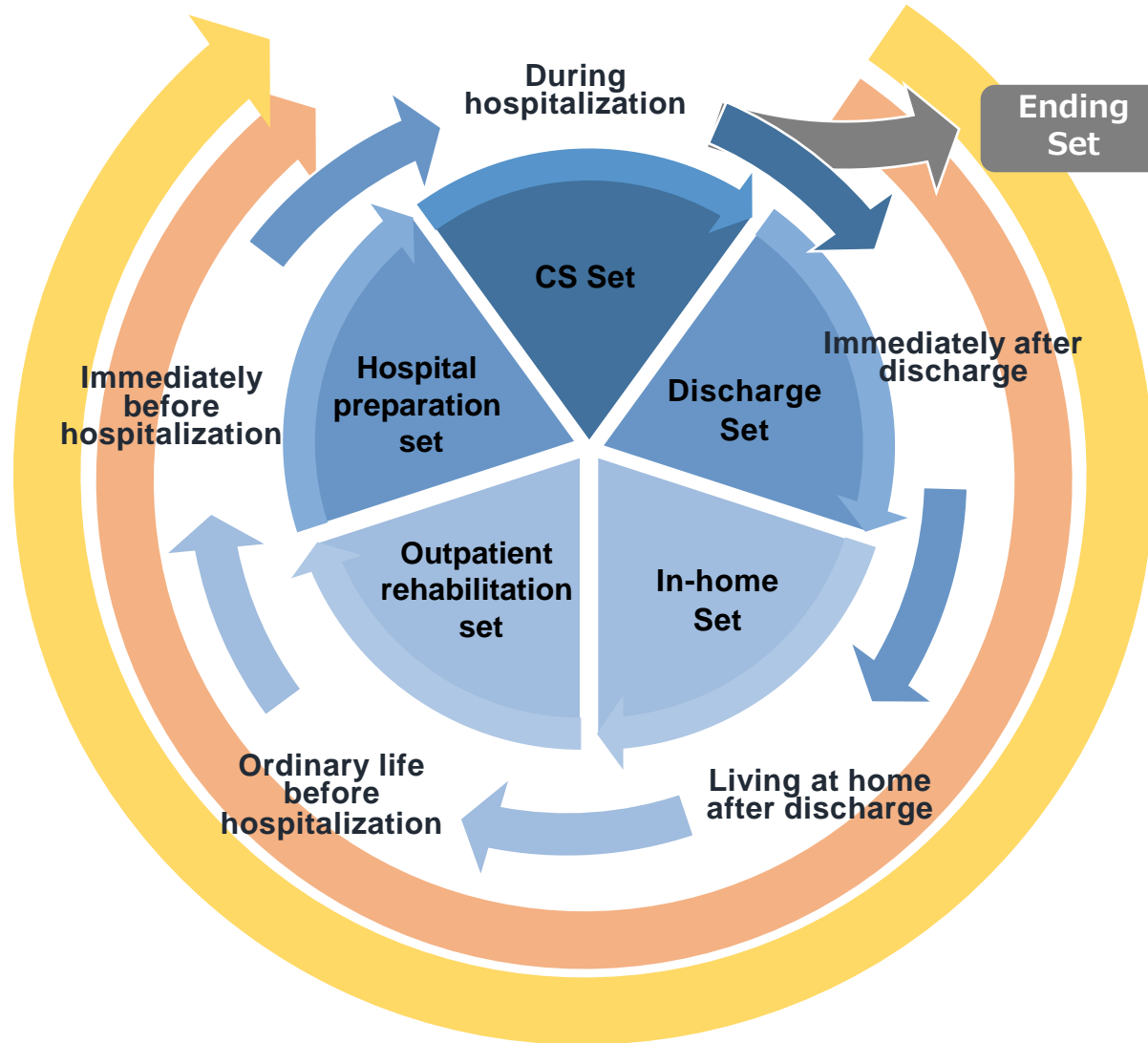
- ELAN is independent and open, being unaffiliated with any other corporate group

Barriers to entry appear to be low but are actually high.

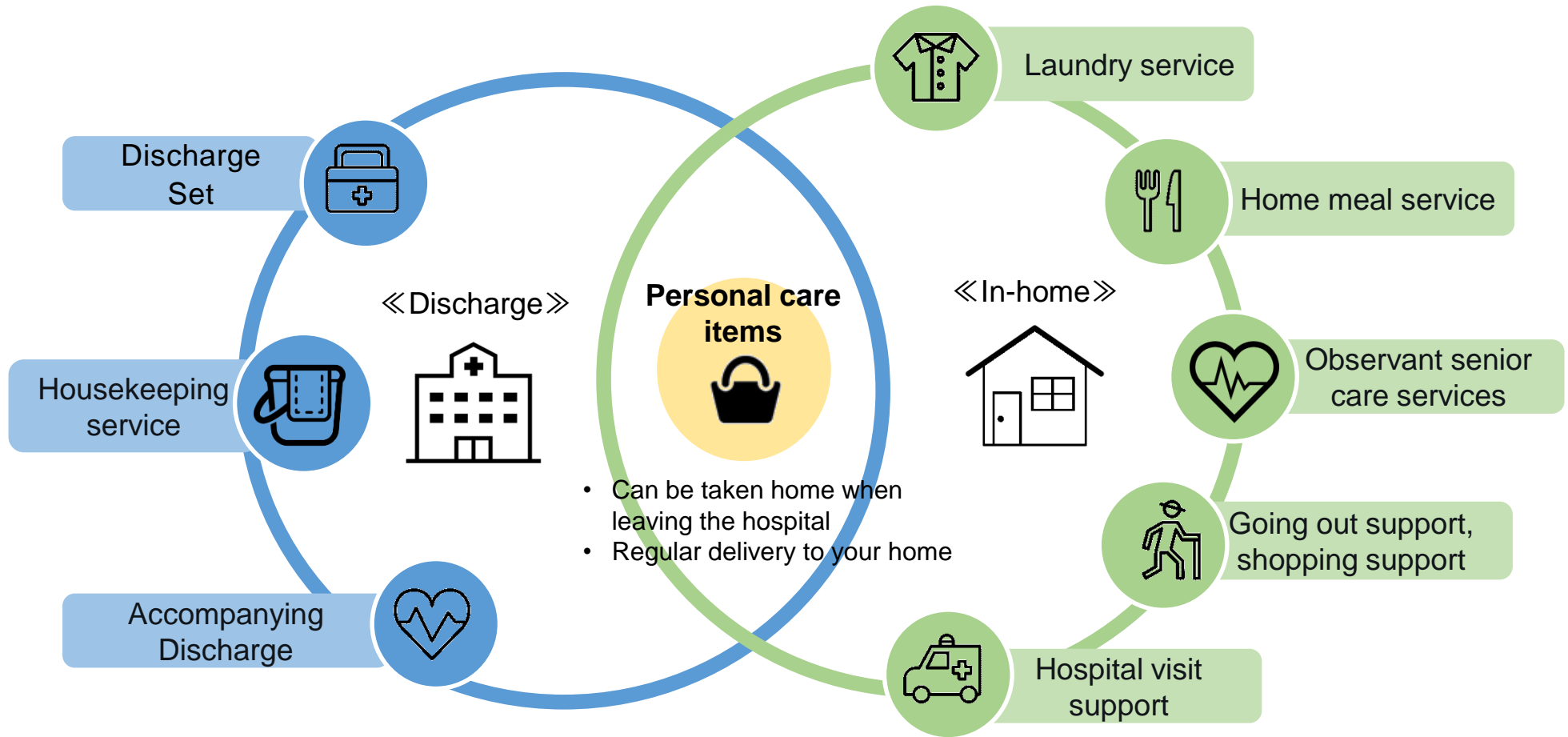


We are building even higher barriers to entry by accumulating know-how and firmly establishing our position in the industry.

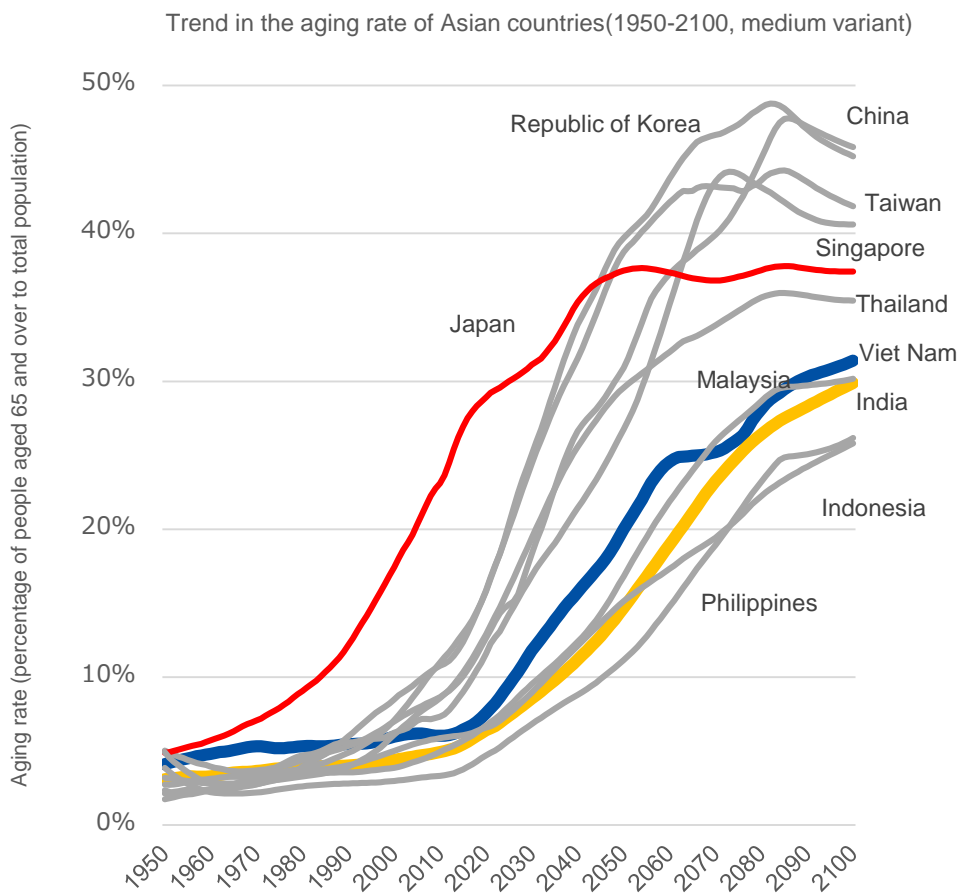
- Develop a business that solves problems all the way from discharge to readmission to the hospital, utilizing customer contacts with CS set users and their families.



- While you are hospitalized, you can receive a variety of support from the hospital, but the treatment environment changes dramatically for about four weeks immediately after discharge, placing a heavy physical and mental burden on you and your family.
- We provide comprehensive support services for problems that occur sequentially as people adjust to life at home.



- In Asia, the speed of aging varies greatly depending on the country, so it is important to adjust the content of services accordingly.
- In countries where the aging of the population is not progressing, we will first provide basic laundry services and aim to expand our business in the future by collaborating with hospitals.
- By providing related services such as CS sets based on laundry services, we will increase the unit price for each customer (facility) and improve profit margins.

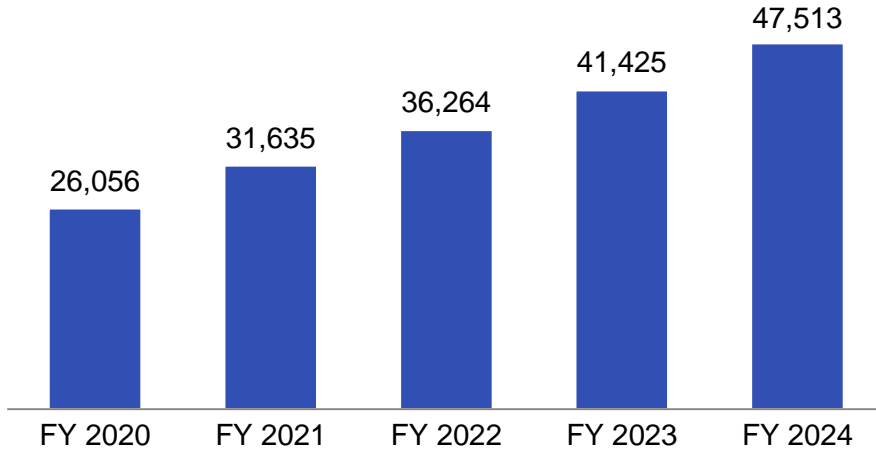


	Phase1	Phase2	Phase3	Phase4
Aging rate (medium variant in 2025)	10% Less than	10-20%	20-30%	30% Or more
Countries	<b>Viet Nam</b> <b>India</b> Philippines Indonesia Malaysia	China Thailand Singapore	Taiwan Republic of Korea	<b>Japan</b>
Issue	The expansion of medical facilities has outpaced the development of supporting services.		The increasing aging population and the prevalence of nuclear families have led to a heavier burden on families who provide care for hospitalized patients and nursing home residents.	

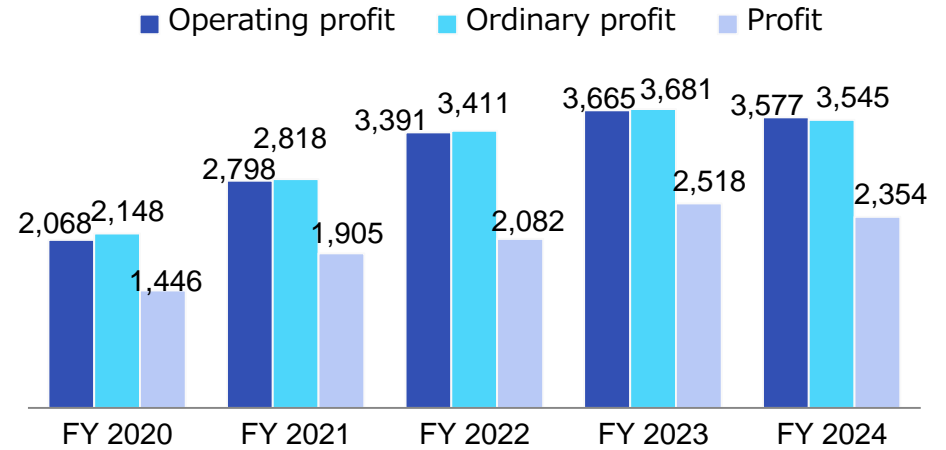
- Policy to enhance ESG response and information disclosure to improve shareholder value over the medium to long term.
- Disclosed GHG emissions Scope 1 to 3 in the integrated report “[ELAN REPORT 2023](#)” released in December 2023.
- In the securities report for the fiscal year ending December 2023, we have completed the disclosure of information regarding human capital management and climate change.

Materiality		2022	2023	2024	2025	2030
Whole		● Identifying materiality and setting goals				
		● Establishment of Sustainability Committee				
Environment	Provide stable services, reduce environmental burdens	● Build own warehouse and logistics				
		● Climate change-related information disclosure based on TCFD recommendations				
Social	Support the promotion of health and wellbeing of all people／Realize a society full of smiles	● Establishment ELAN COULEUR Corporation (with the aim of creating employment opportunities for people with disabilities)				
		● Enhancing information disclosure regarding human capital management				
Governance	Establish and maintain a sound, sustainable business foundation	● Strengthening corporate governance				
		● Enforce safe driving				
		● Strengthening compliance education				

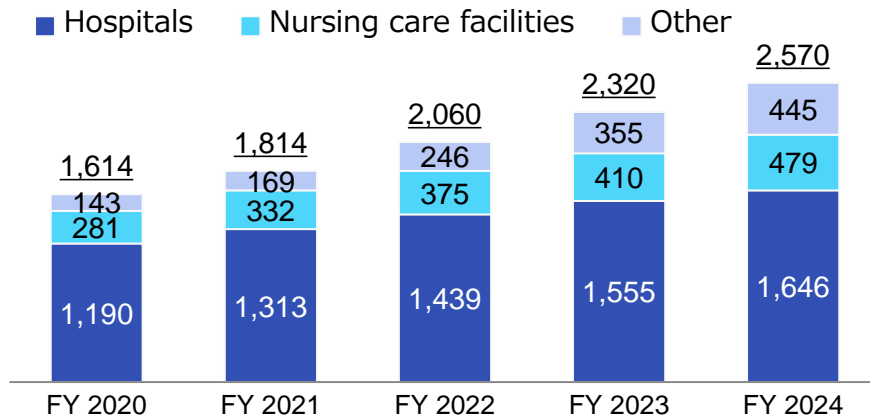
## Net Sales (Millions of Yen)



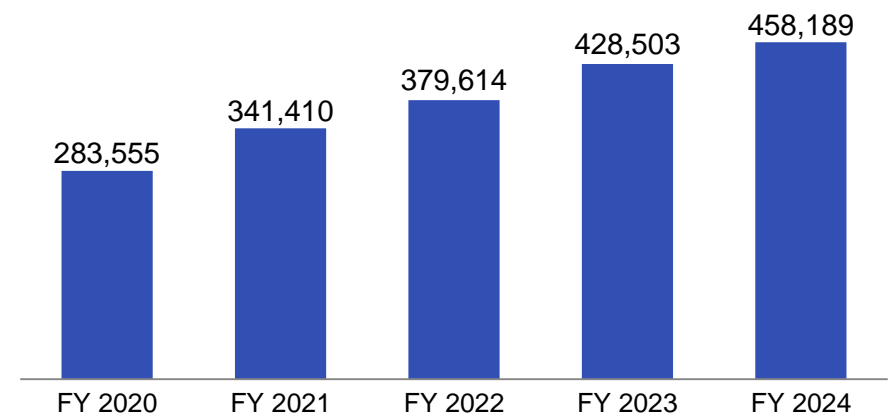
## Profits (Millions of Yen)



## Number of Contracted Facilities



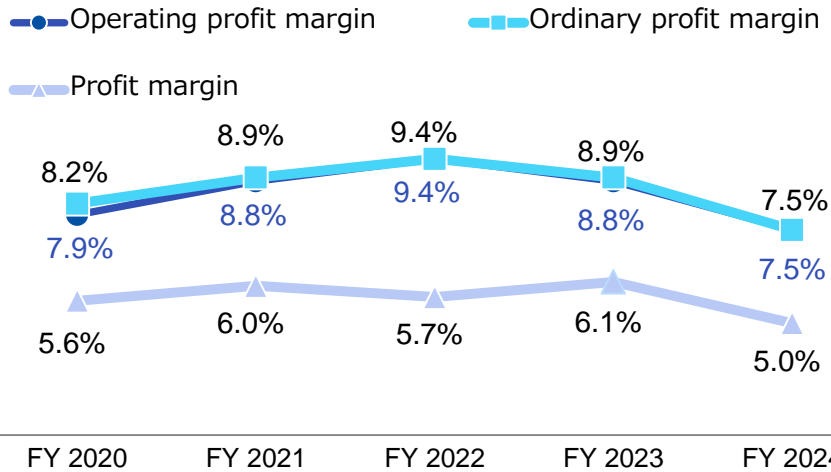
## Number of Monthly Users (People)



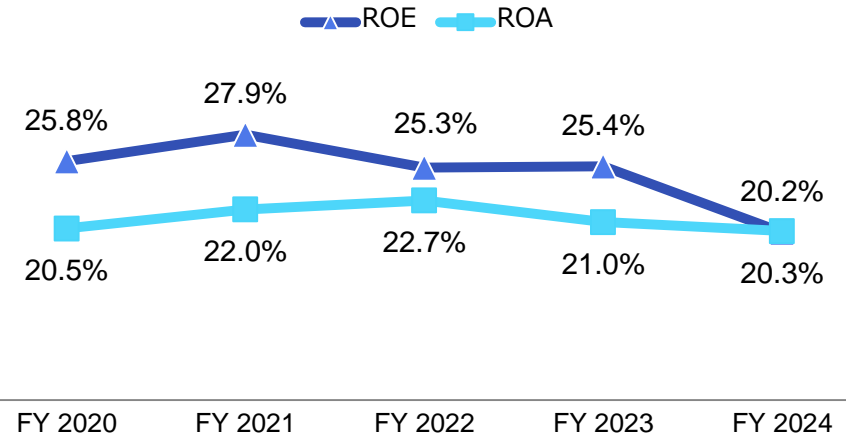


# Financial Highlights (2)

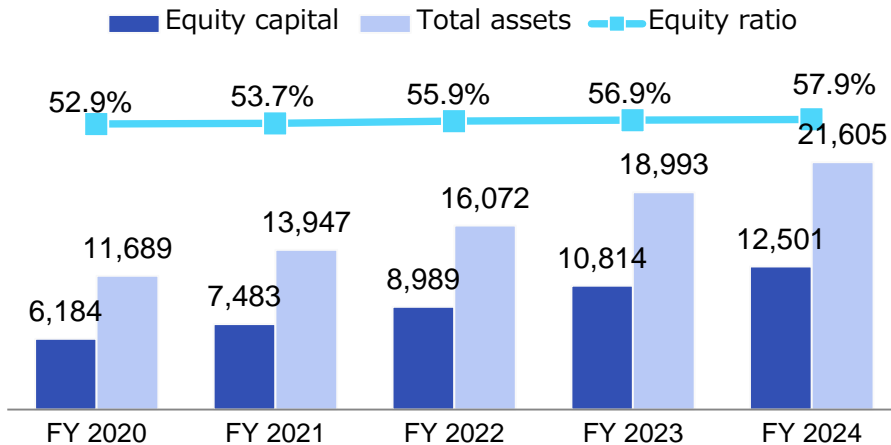
## Profit Margins



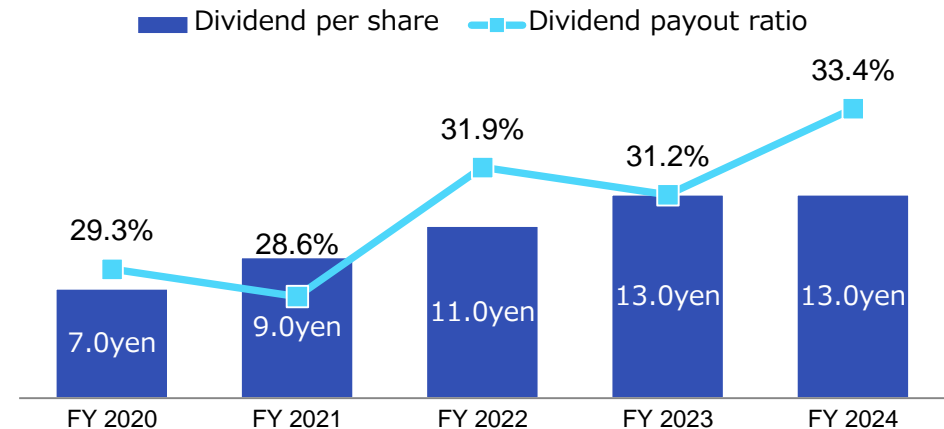
## ROE and ROA



## Total Assets, Equity Capital and Equity Ratio (Millions of Yen)



## Dividend per Share and Dividend Payout Ratio



Note: Dividend per share has been retroactively adjusted to reflect the 2-for-1 stock split on January 1, 2021.

## Disclaimer

This material has been prepared by ELAN Corporation.

This material includes forward-looking statements such as strategies and outlooks.

These statements are based on the judgments of ELAN at the time this material was prepared (August 6, 2025) and include risk factors and uncertainties.

Such statements may be changed due to a variety of reasons including changes in the business environment.

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.

### Contact

IR Office, ELAN Corporation

E-mail: [ir-info@kkelan.com](mailto:ir-info@kkelan.com)