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July 31, 2025

## Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)

Company name: Japan Lifeline Co., Ltd.  
Listing: Tokyo Stock Exchange  
Securities code: 7575  
URL: <https://www.japanlifeline.com/>  
Representative: Keisuke Suzuki, President and CEO  
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Scheduled date to commence dividend payments: —  
Preparation of supplementary material on financial results: Yes  
Holding of financial results briefing: Yes (for institutional investors and analysts)

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the three months ended June 30, 2025 (April 1, 2025–June 30, 2025)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net income attributable to owners of the parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	14,616	4.3	3,272	2.4	3,223	0.3	2,302	(1.6)
June 30, 2024	14,010	8.2	3,194	0.6	3,215	(0.9)	2,340	0.4

Note: Comprehensive income Three months ended June 30, 2025: ¥2,119 million [(15.9)%]  
Three months ended June 30, 2024: ¥2,519 million [3.4%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2025	32.85	—
June 30, 2024	31.95	—

#### (2) Consolidated financial position

	Total assets	Total net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
June 30, 2025	71,169	58,346	82.0
March 31, 2025	75,123	59,914	79.8

Reference: Equity (Shareholders' equity + Accumulated other comprehensive income)  
As of June 30, 2025: ¥58,346 million  
As of March 31, 2025: ¥59,914 million

### 2. Dividends

	Annual dividends per share				
	Q1-end	Q2-end	Q3-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	0.00	—	53.00	53.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (forecast)		0.00	—	54.00	54.00

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

**3. Consolidated earnings forecast for the fiscal year ending March 31, 2026 (April 1, 2025–March 31, 2026)**  
(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net income attributable to owners of the parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
First half	29,300	4.7	6,300	0.6	6,300	2.1	4,500	1.5	64.17
Full year	59,300	4.8	12,900	4.7	13,000	5.4	9,350	0.3	133.30

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

**\* Notes**

(1) Changes in significant subsidiaries (changes in specified subsidiaries resulting in changes in the scope of consolidation) during the period: None

(2) Application of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

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

(i) Changes in accounting policies due to revisions to accounting standards and other pronouncements: None

(ii) Changes in accounting policies due to reasons other than (i): None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of shares issued (common stock)

(i) Total number of shares issued at the end of the period (including treasury stock)

As of June 30, 2025	71,300,000 shares
As of March 31, 2025	75,758,470 shares

(ii) Number of shares of treasury stock at the end of the period

As of June 30, 2025	1,185,555 shares
As of March 31, 2025	5,661,667 shares

(iii) Average number of shares outstanding during the period

Three months ended June 30, 2025	70,102,342 shares
Three months ended June 30, 2024	73,265,877 shares

Note: The Company has adopted a Board Incentive Plan (BIP) trust, assuming the Company's shares held by the trust are shares of treasury stock in "(4) Number of shares issued (common stock)."

\* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit firm: None

\* Proper use of earnings forecast, and other special matters

The forward-looking statements including earnings forecasts contained in this document are based on information currently available to the Company and certain assumptions that are deemed to be reasonable. Accordingly, the Company does not guarantee the achievement of the forecast, and actual results may differ significantly from the forecast due to various factors. For the assumptions for earnings forecasts and cautions concerning the use thereof, please refer to "1. Overview of Financial Performance, (3) Consolidated financial guidance" on page 6 of the attached materials.

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## 1. Overview of Financial Performance

### (1) Operating results

Forward-looking statements below are based on our judgment as of June 30, 2025.

#### *Business environment*

Japan Lifeline operates in the medical device sector, primarily focusing on cardiac devices for general hospitals in Japan. As Japan's population ages, the demand for medical care is rising, a trend expected to persist. However, the medical care supply is under strain, raising concerns about the sustainability of various medical services. To address this, the government is promoting working-style reform for doctors to reduce the chronic long working hours faced by medical professionals.

In this competitive environment, it's crucial for us not only to offer effective medical devices but also to help solve broader healthcare sustainability issues. We have been tackling these challenges by leveraging its dual role as both manufacturer and distributor to build a flexible and robust product portfolio.

#### *Status of business*

For the three months ended June 30, 2025, we saw varied year-over-year performance across key financial metrics. Net sales increased by 4.3%, gross profit rose by 2.2%, operating profit grew by 2.4%, while net income attributable to owners of the parent decreased by 1.6%. The revision of reimbursement prices in June 2024 and the rapid adoption of Pulsed Field Ablation ("PFA"), a new treatment for arrhythmia advanced by our competitors, have led to substantial changes in the business environment surrounding us. However, we remained focused on continuously introducing competitive products and expanding new therapeutic areas, key initiatives in the medium-term management plan (from the fiscal year ended March 31, 2024 to the fiscal year ending March 31, 2028). As a result, business performance progressed largely in line with the initial guidance, delivering higher sales and increased operating profit.

As for sales highlights, our core business largely performed steadily. Specifically, EP/Ablation recorded a 2.5% year-over-year increase in sales, supported by steady growth in case volume and strong performance of core products including intracardiac defibrillation catheters and hemostatic devices for femoral vein. Cardiovascular recorded an 8.1% year-over-year increase in sales due to market expansion of our core proprietary product Frozen Elephant Trunk (FET).

Ongoing momentum in new therapeutic areas within high-growth businesses, combined with a broader product lineup, contributed to strong results, with Neurovascular sales up 61.9% and Gastrointestinal up 23.9%<sup>\*1</sup> year-over-year.

Cardiac Rhythm Management, positioned as a stable business, posted a 2.4% year-over-year decrease in sales, partly due to sluggish pacemaker demand.

Selling, general and administrative expenses increased by 108 million yen year-over-year due to factors including higher personnel and research and development expenses. Nevertheless, steady sales absorbed the impact of the increased expenses. As a result, operating profit for the period under review increased 77 million yen, with the operating margin of 22.4%.

Volatility in foreign currency exchange rates had a limited impact on our business model. This is because our third-party product purchases made in yen accounted for approximately 75% of all transactions. Additionally, we use the moving-average method for cost of sales, which smooths out the impact of any temporary increases in procurement costs over time.

Furthermore, the tariff measures implemented by the Trump administration in the United States had minimal impact on our results, given our limited export exposure to the U.S. market.

<sup>\*1</sup> Sales of Gastrointestinal included those from the terminated coronary intervention business; without this business, sales would have increased 29.0% year-over-year.

## Business Performance

The earnings for the three months ended June 30, 2025 were as follows:

(Millions of yen, unless otherwise noted)

Product Category	Three months ended June 30, 2024		Three months ended June 30, 2025		YoY increase/ (decrease)	YoY % increase/ (decrease)
	Amount	% of net sales	Amount	% of net sales		
(i) Net sales	14,010	100.0	14,616	100.0	605	4.3
(ii) Gross profit	8,583	61.3	8,769	60.0	186	2.2
(iii) Operating profit	3,194	22.8	3,272	22.4	77	2.4
(iv) Ordinary profit	3,215	23.0	3,223	22.1	8	0.3
(v) Net income attributable to owners of the parent	2,340	16.7	2,302	15.8	(37)	(1.6)

### (i) Net sales

Net sales were 14,616 million yen, an increase of 4.3% year-over-year. For more details, please refer to the “Sales by product” section later in this report.

### (ii) Gross profit

Gross profit was 8,769 million yen, up 2.2% year-over-year. While the decline in sales prices—stemming from the revisions to the reimbursement prices in June 2024—affected results for two months, increased sales volume offset the impact.

The gross margin reached 60.0%, a decrease of 130 bps year-over-year. In addition to the decline in sales prices noted above, the proprietary sales mix fell to 55.6%, a decrease of 260 bps year-over-year, which also affected the product mix. While sales of our proprietary esophageal temperature monitoring catheters weakened, third-party products such as Neurovascular-related items and hemostatic devices for femoral vein continued to perform well.

### (iii) Operating profit

We reported operating profit of 3,272 million yen, an increase of 2.4% year-over-year, and operating margin of 22.4% (a decrease of 40 bps year-over-year). Selling, general and administrative expenses increased by 108 million yen year-over-year.

The main reasons for the increase are as follows:

- A one-time provision of allowance for doubtful accounts recorded for the same period a year ago
- Higher personnel expenses from salary increases
- An increase in research and development expenses related to the development of PFA systems
- An increase in sales-related expenses due to higher business activity

### (iv) Ordinary profit

Ordinary profit was 3,223 million yen, up 0.3% year-over-year. Non-operating income totaled 28 million yen, including interest income and dividend income. Non-operating expenses of 77 million yen included foreign exchange losses and interest expenses.

### (v) Net income attributable to owners of the parent

Net income attributable to owners of the parent was 2,302 million yen, marking a 1.6% decrease year-over-year. The income tax burden was 28.0%, up 60 bps.

*Sales by product*

(Millions of yen, unless otherwise noted)

Product Category	Three months ended June 30, 2024	Three months ended June 30, 2025	YoY increase/ (decrease)	YoY % increase/ (decrease)
Cardiac Rhythm Management	3,469	3,386	(83)	(2.4)
EP/Ablation	7,101	7,276	175	2.5
Cardiovascular	2,784	3,010	225	8.1
Neurovascular	347	562	215	61.9
Gastrointestinal	307	380	73	23.9
Total	14,010	14,616	605	4.3

\*Note: The main products classified in each product category are as follows.

Cardiac Rhythm Management	Pacemaker, T-ICD (Transvascular Implantable Cardioverter Defibrillator), S-ICD (Subcutaneous Implantable Cardioverter Defibrillator), CRT-P (Cardiac Resynchronization Therapy Pacemaker), CRT-D (Cardiac Resynchronization Therapy Defibrillator), AED (Automated External Defibrillator), lead management device
EP/Ablation	Electrophysiology catheter, ablation catheter, endoscopic laser ablation catheter, intracardiac defibrillation catheter, esophageal temperature monitoring catheter, steerable sheath, hemostatic device for femoral vein
Cardiovascular	Vascular graft, Frozen Elephant Trunk, stent graft, atrial septum defect closure device
Neurovascular	Embolic coil, aspiration catheter, microcatheter, stent retriever
Gastrointestinal	Bile-duct tube stent, biliary dilation balloon, contrast catheter, double-lumen dilator, cholangioscope system, ERCP guide wire, colonic stent, gastro duodenal stent, RF needle for liver cancer treatment

(i) Cardiac Rhythm Management

Net sales in Cardiac Rhythm Management reached 3,386 million yen, a decrease of 2.4% year-over-year. Pacemaker sales remained under pressure as leadless competitors gained market share. However, net sales of the core product S-ICD achieved double digit growth, supported by targeted sales initiatives. Additionally, we launched our new lead management device in May 2025.

(ii) EP/Ablation

Net sales in EP/Ablation reached 7,276 million yen, an increase of 2.5% year-over-year. Sales volume of the core product intracardiac defibrillation catheter increased, driven by a 5–6% rise<sup>\*1</sup> in atrial fibrillation ablation procedures. In addition, expansion into new markets for hemostatic devices for femoral vein progressed steadily. On the other hand, the rapid market penetration of PFA in ablation procedures exceeded expectations, accounting for an estimated 55% of all ablation procedures as of June 2025. Consequently, our proprietary EP catheters, such as esophageal temperature monitoring catheters, saw weak sales.

<sup>\*1</sup> The growth rate in procedures during the three months ended June 30, 2025, was slightly lower year-over-year, due to the timing of Catheter Ablation 2025, a major arrhythmia conference held in Okinawa from May 29 to 31, 2025. As such events draw arrhythmia specialists from institutions across Japan, procedure volume often temporarily declines, with timing that may affect year-over-year comparisons. Excluding the impact of the conference during the period under review, we estimate that the underlying increase in procedures was 8–9%, largely in line with our initial full-year forecast of approximately 10% growth.

(iii) Cardiovascular

Net sales in Cardiovascular reached 3,010 million yen, an increase of 8.1% year-over-year. The core product Frozen Elephant Trunk performed well, with the market expanding by approximately 10% annually amid the trend toward minimally invasive treatments. Other products, such as vascular grafts and atrial septum defect closure devices, also demonstrated generally solid performance, reflecting gains in market share.

(iv) Neurovascular

Net sales in Neurovascular reached 562 million yen, a significant increase of 61.9% year-over-year. Embolic coil sales grew as our reach expanded—not only among existing neurosurgery and cardiovascular surgery practitioners, but also with new customers in interventional radiology. Aspiration catheters contributed to a significant increase in sales due to the introduction of small-diameter models and growing recognition of the Japan Lifeline brand. Furthermore, stent retrievers launched in the previous fiscal year have also steadily gained broader adoption among facilities.

(v) Gastrointestinal

Net sales in Gastrointestinal amounted to 380 million yen, an increase of 23.9% year-over-year. Excluding the coronary intervention business, which was terminated in the fiscal year ended March 31, 2024, adjusted net sales increased 29.0% to 352 million yen. Sales of the mainstay bile-duct tube stent remained strong through enhanced customer appeal following the launch of a newly designed model. ERCP guide wires, fully released at the end of the previous fiscal year, have also steadily gained broader adoption among facilities.

## (2) Financial position

### *Analysis of the quarterly consolidated balance sheets*

#### (i) Assets

The balance of current assets as of June 30, 2025 was 41,322 million yen, a decrease of 3,014 million yen from the end of the previous fiscal year. This was mainly due to a decrease of 3,547 million yen in cash and deposits, resulting from payments for dividends and income taxes, partially offset by increases of 340 million yen in notes and accounts receivable – trade and 227 million yen in inventories.

The balance of fixed assets was 29,847 million yen, a decrease of 939 million yen from the end of the previous fiscal year. This was mainly due to decreases of 585 million yen in deferred tax assets included in “Other” under investments and other assets and 151 million yen in long-term prepaid expenses.

As a result, the balance of total assets was 71,169 million yen, a decrease of 3,953 million yen from the end of previous fiscal year.

#### (ii) Liabilities

The balance of current liabilities as of June 30, 2025 was 12,034 million yen, a decrease of 2,300 million yen from the end of the previous fiscal year. This was primarily due to a 1,333 million yen decrease in income taxes payable and a 1,062 million yen decrease in provisions for bonuses.

The balance of long-term liabilities was 789 million yen, a decrease of 84 million yen from the end of the previous fiscal year. This was mainly due to decreases of 34 million yen in long-term accounts payable – other included in “Other,” and 29 million yen in provision for director’s stock based compensation.

As a result, the balance of total liabilities was 12,823 million yen, a decrease of 2,385 million yen from the end of the previous fiscal year.

#### (iii) Net assets

The balance of net assets as of June 30, 2025 was 58,346 million yen, a decrease of 1,568 million yen from the end of the previous fiscal year. This was mainly due to dividend payments of 3,722 million yen, partially offset by the recording of net income attributable to owners of the parent of 2,302 million yen.

## (3) Consolidated financial guidance

Our performance for the three months ended June 30, 2025 progressed steadily, in line with initial guidance. In EP/Ablation, the market penetration of PFA had a stronger-than-expected impact on esophageal temperature monitoring catheters and other products. However, this impact was fully offset by robust growth across other product lines. We anticipate this trend will continue into the second quarter and beyond. Expenditure is also expected to remain broadly aligned with planned allocations. Therefore, as of today, the full-year consolidated earnings forecast for the fiscal year ending March 31, 2026, as announced on May 7, 2025, remains unchanged. Should any revisions become necessary, we will promptly disclose them.



## 2. Quarterly Consolidated Financial Statements and Major Notes

### (1) Quarterly consolidated balance sheets

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	11,014	7,467
Notes and accounts receivable - trade	13,830	14,170
Inventories	17,961	18,188
Other	1,529	1,495
Total current assets	44,336	41,322
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	6,995	6,864
Other, net	6,289	6,392
Total property, plant and equipment	13,285	13,256
Intangible assets	1,910	1,808
Investments and other assets		
Investment securities	7,374	7,391
Long-term loans receivable	2,691	2,643
Retirement benefit asset	405	416
Other	6,871	6,068
Allowance for doubtful accounts	(1,753)	(1,736)
Total investments and other assets	15,590	14,782
Total fixed assets	30,786	29,847
Total assets	75,123	71,169
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	4,358	3,782
Short-term borrowings	3,500	3,500
Current portion of long-term borrowings	120	90
Accounts payable - other	947	1,446
Income taxes payable	1,703	369
Provision for bonuses	1,946	883
Provision for bonuses for directors	79	7
Other	1,678	1,954
Total current liabilities	14,334	12,034
Long-term liabilities		
Provision for director's stock based compensation	164	135
Other	709	654
Total long-term liabilities	874	789
Total liabilities	15,208	12,823
<b>Net assets</b>		
Shareholders' equity		
Share capital	2,115	2,115
Capital surplus	8,888	4,418
Retained earnings	53,455	52,035
Treasury stock	(5,784)	(1,279)
Total shareholders' equity	58,675	57,289
Accumulated other comprehensive income		
Net unrealized holding gains or losses on available-for-sale securities	(32)	(18)
Foreign currency translation adjustment	788	667
Remeasurements of defined benefit plans	483	406
Total accumulated other comprehensive income	1,239	1,056
Total net assets	59,914	58,346
Total liabilities and net assets	75,123	71,169

(2) Quarterly consolidated statements of income and quarterly consolidated statements of comprehensive income  
(Quarterly consolidated statements of income)

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	14,010	14,616
Cost of sales	5,427	5,846
Gross profit	8,583	8,769
Selling, general and administrative expenses	5,388	5,497
Operating profit	3,194	3,272
Non-operating income		
Interest income	60	14
Dividend income	13	7
Foreign exchange gains	40	—
Reversal of allowance for doubtful accounts	—	3
Gain on valuation of investment securities	11	—
Other	4	3
Total non-operating income	131	28
Non-operating expenses		
Interest expenses	7	9
Loss on valuation of investment securities	—	3
Foreign exchange losses	—	50
Provision of allowance for doubtful accounts	13	—
Commission expenses	60	4
Other	28	8
Total non-operating expenses	110	77
Ordinary profit	3,215	3,223
Extraordinary income		
Gain on sale of fixed assets	0	—
Gain on sale of investment securities	20	—
Total extraordinary income	20	—
Extraordinary losses		
Loss on sale of fixed assets	1	—
Loss on retirement of fixed assets	10	26
Total extraordinary losses	11	26
Profit before income taxes	3,224	3,197
Income taxes - current	389	295
Income taxes - deferred	494	599
Total income taxes	884	894
Net income	2,340	2,302
Net income attributable to owners of the parent	2,340	2,302

(Quarterly consolidated statements of comprehensive income)

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net income	2,340	2,302
Other comprehensive income		
Net unrealized holding gains or losses on securities	71	14
Foreign currency translation adjustment	116	(120)
Retirement benefits liability adjustment	(8)	(76)
Total other comprehensive income	179	(183)
Comprehensive income	2,519	2,119
Comprehensive income attributable to:		
Owners of the parent	2,519	2,119

(3) Notes to quarterly consolidated financial statements

*Going concern assumption*

None

*Significant changes in shareholders' equity*

*Cancellation of treasury stock*

The Company canceled 4,458,470 shares of its treasury stock on May 16, 2025, pursuant to the resolution passed at the Board of Directors meeting held on May 7, 2025. As a result, during the three months ended June 30, 2025, capital surplus and treasury stock both decreased by 4,469 million yen.

As of June 30, 2025, capital surplus stood at 4,418 million yen, and treasury stock totaled 1,279 million yen

*Quarterly consolidated statements of cash flows*

Quarterly consolidated statements of cash flows were not prepared for the three months ended June 30, 2025.

The amounts of depreciation (including amortization for intangible assets) for the three months ended June 30, 2024 and 2025 are as follows:

	(Millions of yen)	
	Three months ended June 30, 2024	Three months ended June 30, 2025
Depreciation	424	404

*Segment information, etc.*

[Segment information]

Fiscal year ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

The Company and its consolidated subsidiaries are engaged in the manufacture and sale of medical devices, with principal customers located in Japan. There are no reportable segments among the components of the Company and its consolidated subsidiaries for which discrete financial information is available and whose operating results are regularly reviewed by the Board of Directors to make decisions about management resources to be allocated and assess business performance.

Fiscal year ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

The Company and its consolidated subsidiaries are engaged in the manufacture and sale of medical devices, with principal customers located in Japan. There are no reportable segments among the components of the Company and its consolidated subsidiaries for which discrete financial information is available and whose operating results are regularly reviewed by the Board of Directors to make decisions about management resources to be allocated and assess business performance.

*Significant subsequent events*

*Issuance of share acquisition rights (paid stock options)*

At the Board of Directors meeting held on July 31, 2025, the Company resolved to issue share acquisition rights as stock options to its Directors (excluding Audit and Supervisory Committee Members) and employees (serving as Operating Officers), in accordance with the provisions of Articles 236, 238, and 240 of the Companies Act. For more information, please refer to "Japan Lifeline Announces Issuance of Paid Stock Options (Stock Acquisition Rights)," released on July 31, 2025.

### 3. Other

Status of production, orders received and sales

#### (i) Production

The production results for the three months ended June 30, 2024 and 2025, by product category, were as follows. There were no significant changes.

(Millions of yen)

Product Category	Three months ended June 30, 2024	Three months ended June 30, 2025	YoY % increase/ (decrease)
Cardiac Rhythm Management	6	2	(56.1)
EP/Ablation	1,518	1,587	4.6
Cardiovascular	364	414	13.8
Gastrointestinal	138	222	60.6
Total	2,026	2,226	9.9

Note: Figures are based on manufacturing cost.

#### (ii) Orders received

As the Group's business model generally does not generate order backlogs, this information is omitted.

#### (iii) Sales results

Please refer to "1. Overview of Financial Performance (1) Operating results" on page 2 of the attached materials.