July 30, 2026

# Consolidated Financial Results for the Three Months Ended June 30, 2026 (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
Inquiries: Takeyoshi Egawa, Director and Chief Financial Officer
Telephone: +81-3-6711-5200
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, 2026 (April 1, 2026–June 30, 2026)

### (1) Consolidated operating results (cumulative)

(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, 2026 | 15,904 | 8.8 | 2,965 | (9.4) | 3,281 | 1.8 | 2,309 | 0.3 |
| June 30, 2025 | 14,616 | 4.3 | 3,272 | 2.4 | 3,223 | 0.3 | 2,302 | (1.6) |

Note: Comprehensive income Three months ended June 30, 2026: ¥2,330 million [10.0%]
Three months ended June 30, 2025: ¥2,119 million [(15.9)%]

| | Basic earnings per share | Diluted earnings per share |
|---|---|---|
| Three months ended | Yen | Yen |
| June 30, 2026 | 32.93 | – |
| June 30, 2025 | 32.85 | – |

### (2) Consolidated financial position

| | Total assets | Total net assets | Equity ratio |
|---|---|---|---|
| As of | Millions of yen | Millions of yen | % |
| June 30, 2026 | 76,619 | 64,458 | 84.0 |
| March 31, 2026 | 80,211 | 65,897 | 82.1 |

Reference: Equity (Shareholders' equity + Accumulated other comprehensive income)
As of June 30, 2026: ¥64,393 million
As of March 31, 2026: ¥65,850 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, 2026 | – | 0.00 | – | 54.00 | 54.00 |
| Fiscal year ending March 31, 2027 | – | | | | |
| Fiscal year ending March 31, 2027 (forecast) | | 25.00 | – | 56.00 | 81.00 |

Notes: 1. Revisions to the most recently announced dividends forecast: Yes
2. Breakdown of Q2-end dividend for the fiscal year ending March 31, 2027 (forecast):
Ordinary dividend: ¥0.00; commemorative dividend: ¥25.00
Breakdown of year-end dividend for the fiscal year ending March 31, 2027 (forecast):
Ordinary dividend: ¥56.00; commemorative dividend: ¥0.00

## 3. Consolidated earnings forecast for the fiscal year ending March 31, 2027 (April 1, 2026–March 31, 2027)

(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 | 30,700 | 4.8 | 4,500 | (32.0) | 4,600 | (30.6) | 3,500 | (26.7) | 49.88 |
| Full year | 63,200 | 6.8 | 10,700 | (15.1) | 10,800 | (14.2) | 8,000 | (14.4) | 114.02 |

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 treatments 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, 2026 | 71,300,000 shares |
| As of March 31, 2026 | 71,300,000 shares |

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

| | |
|---|---|
| As of June 30, 2026 | 1,141,968 shares |
| As of March 31, 2026 | 1,145,522 shares |

(iii) Average number of shares outstanding during the period

| | |
|---|---|
| Three months ended June 30, 2026 | 70,155,591 shares |
| Three months ended June 30, 2025 | 70,102,342 shares |

Note: The Company has adopted a Board Incentive Plan (BIP) trust, and the Company's shares held by the trust are included in the treasury stock deducted in the calculation of the number of shares of treasury stock at the end of the period and the average number of shares outstanding during the period.

* 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, 2026.

*Business environment*

Japan Lifeline is engaged mainly in the manufacture and sales of highly controlled medical devices, primarily focusing on cardiac devices, for general hospitals in Japan.

The business environment surrounding Japan's medical devices industry is characterized by the three main dynamics of 1) expanding structural demand driven by increase in the elderly population, 2) strained medical care delivery system, and 3) changes in the macroeconomy such as weak yen and inflation, and they are having an increasingly significant impact on the performance of individual companies. In this environment, medical trends in the market have been constantly changing and the demand for efficient and relevant solutions to various challenges faced by medical professionals have been increasing more than ever.

First, on the demand side, the market continues to expand against the backdrop of the increase in the elderly population. In particular, the number of atrial fibrillation cases in the cardiovascular field has continued to increase at a strong pace since the mid-2010s. Further, with the number of people aged 75 and older increasing significantly in the years ahead, the shift from surgeries to less physically taxing endovascular therapy (minimally invasive treatment) is also expected to gather pace. As minimally invasive treatment will gradually lower the age of eligible patients, it will lead to expansion of the medical device market, and provide a tailwind for the industry. We expect such structural expansion in demand to form a base that supports market growth in the future.

Secondly, chronic shortage of resources at medical institutions, which are on the supply side of medical care, has become a serious issue. Given the shortened working hours and staff shortage following workstyle reform of doctors, there is strong demand for medical devices that support streamlining of medical care including simplification of procedures and shortening of treatment time in a clinical environment. This is not just about the pursuit of therapeutic effects but signals that we are now moving into an era where products that succeed will be the ones contributing toward sustaining the medical care delivery system.

Thirdly, in terms of macroeconomy, the weakening of the yen and the worldwide inflation could also have an impact on our profit structure. Even as manufacturing expenses including raw material costs, logistics costs, and labor costs as well as selling, general and administrative expenses are increasing, it is difficult for us to pass on the rise in such costs immediately to the selling prices as the official prices of medical devices are set by the government under Japan's universal healthcare system. For that reason, we need to continuously monitor inflation as a risk that could put pressure on our profits.

In light of the above recognition of the environment, our important management challenges include diversifying domestic risk by expanding the business globally and implementing appropriate growth strategies to address the changes in the medical care trends. As for globalization, our urgent tasks are optimizing domestic products for the overseas market and establishing global quality standards. In terms of addressing the changes in the medical care trends, R&D related to pulsed field ablation (PFA) for arrhythmia treatment and the acquisition of pipeline assets such as stent graft and transcatheter aortic valve implantation (TAVI) for endovascular therapy are examples of our efforts to capture the opportunity. We aim to achieve both sustainable growth and profitability in this rapidly changing business environment through early incorporation of market needs into our product lineup, leveraging the unique hybrid business model combining our dual roles of manufacturer and distributor.

*Status of business*

For the three months ended June 30, 2026, we saw varied year-over-year performance across key financial metrics. Net sales grew by 8.8% and gross profit rose by 4.6%. Operating profit declined by 9.4%, while net income attributable to owners of the parent increased by 0.3%. In the fourth year of the medium-term management plan (a five-year period from the fiscal year ended March 31, 2024 to the fiscal year ending March 31, 2028), we continued to work on the following five key initiatives of "Continuous Introduction of Competitive Products," "Expansion into New Therapeutic Areas," "Expansion of Global Sales," "Promotion of the OEM Business," and "Strengthening Management with a Focus on Capital Efficiency." Meanwhile, as part of our investments for future growth, we accelerated R&D activities related to the development of new products and the global optimization of our proprietary products, resulting in higher selling, general and administrative expenses. As a result, for the three months ended June 30, 2026, net sales increased while operating profit declined.

In terms of sales, both our existing business areas (EP/Ablation and Cardiovascular) and new business areas (Neurovascular and Gastrointestinal) grew. Despite the revision to reimbursement prices implemented in June 2026, net sales reached a record high for a first quarter. Net sales from EP/Ablation and Cardiovascular, which are positioned as core businesses within our existing business areas, increased by 12.5% and 5.2% year on year, respectively. Our new business areas also saw sales increase by 47.3% in Neurovascular and 29.9%* in Gastrointestinal, sustaining double-digit growth. Cardiac Rhythm Management, positioned as a stable business, posted a 4.7% decrease in sales.

Selling, general and administrative expenses increased by 711 million yen year-over-year due to our prioritization of R&D activities and higher personnel expenses, including salary increases. This resulted in a year-over-year decrease of 306 million yen in operating profit, with the operating margin of 18.6%.

While an excessive depreciation of the yen is likely to have a negative impact on our business performance in the long term, we recognize that its impact on our earnings is relatively small in the short term. This is because our purchases of products from third parties made in yen accounted for approximately 70% of all transactions. Additionally, we use the moving-average method for cost of sales. These structures spread the impact of any temporary increases in procurement costs over time.

Furthermore, we have mitigated supply risks associated with the deteriorating situation in the Middle East by securing raw materials in advance. As a result, there has been no material impact on product supply to date.

* Sales of Gastrointestinal included those from the terminated coronary intervention business; without this business, sales would have increased 40.2% year-over-year.

*Business Performance*

The earnings for the three months ended June 30, 2026 were as follows:

(Millions of yen, unless otherwise noted)

| Product Category | Three months ended June 30, 2025 | | Three months ended June 30, 2026 | | YoY increase/ (decrease) | YoY % increase/ (decrease) |
|---|---|---|---|---|---|---|
| | Amount | % of net sales | Amount | % of net sales | | |
| (i) Net sales | 14,616 | 100.0 | 15,904 | 100.0 | 1,287 | 8.8 |
| (ii) Gross profit | 8,769 | 60.0 | 9,174 | 57.7 | 404 | 4.6 |
| (iii) Operating profit | 3,272 | 22.4 | 2,965 | 18.6 | (306) | (9.4) |
| (iv) Ordinary profit | 3,223 | 22.1 | 3,281 | 20.6 | 57 | 1.8 |
| (v) Net income attributable to owners of the parent | 2,302 | 15.8 | 2,309 | 14.5 | 7 | 0.3 |

(i) Net sales

Net sales were 15,904 million yen, an increase of 8.8% year-over-year. For more details, please refer to the "Sales by product" section later in this report.

(ii) Gross profit

Gross profit was 9,174 million yen, up 4.6% year-over-year. Lower selling prices due to new product promotions, revisions to reimbursement prices, and other factors had an impact. However, increased sales volume more than compensated for this impact, resulting in higher gross profit.

The gross margin was 57.7%, a decrease of 230 bps year-over-year, due to the decline in selling prices noted above and higher manufacturing costs driven by increased raw material and other costs. Meanwhile, the proprietary product sales ratio increased by 160 bps year-over-year to 57.2%, reflecting increased sales of intracardiac defibrillation catheter, radiofrequency transseptal wires, and other products.

(iii) Operating profit

We reported operating profit of 2,965 million yen, a decrease of 9.4% year-over-year, and operating margin of 18.6% (a decrease of 380 bps year-over-year). Selling, general and administrative expenses were 6,209 million yen, an increase of 12.9% year-over-year. The main reasons for the increase are as follows:

- An increase in research and development expenses related to the development of PFA systems and other projects
- Higher personnel expenses from salary increases
- An increase in outsourcing expenses related to the exploration of new business opportunities

(iv) Ordinary profit

Ordinary profit was 3,281 million yen, up 1.8% year-over-year. Non-operating income totaled 334 million yen, including reversal of allowance for doubtful accounts, foreign exchange gains, and gain on valuation of investment securities. Non-operating expenses of 18 million yen were recognized, mainly consisting of interest expenses.

(v) Net income attributable to owners of the parent

Net income attributable to owners of the parent was 2,309 million yen, marking a 0.3% increase year-over-year. The income tax burden was 29.1%, up 110 bps.

*Sales by product*

(Millions of yen, unless otherwise noted)

| Product Category | Three months ended June 30, 2025 | Three months ended June 30, 2026 | YoY increase/ (decrease) | YoY % increase/ (decrease) |
|---|---|---|---|---|
| Cardiac Rhythm Management | 3,386 | 3,226 | (159) | (4.7) |
| EP/Ablation | 7,276 | 8,187 | 910 | 12.5 |
| Cardiovascular | 3,010 | 3,167 | 157 | 5.2 |
| Neurovascular | 562 | 829 | 266 | 47.3 |
| Gastrointestinal | 380 | 494 | 113 | 29.9 |
| Total | 14,616 | 15,904 | 1,287 | 8.8 |

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

| | |
|---|---|
| Cardiac Rhythm Management | Pacemaker, T-ICD (Transvenous 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, intracardiac defibrillation catheter, esophageal temperature monitoring catheter, steerable sheath, hemostatic device for femoral vein, radiofrequency transseptal wire |
| 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, ERCP guide wire, colonic stent, gastro duodenal stent, Radiofrequency ablation system for oncology |

(i) Cardiac Rhythm Management

Net sales in Cardiac Rhythm Management reached 3,226 million yen, a decrease of 4.7% year-over-year. Pacemaker sales were sluggish as competitors' leadless pacemakers gained market share, while the revision to reimbursement prices had only a limited impact on our selling prices. Although supported by the expansion in the new implant market, net sales of the core product S-ICD temporarily plateaued following the launch of competitors' new products.

(ii) EP/Ablation

Net sales in EP/Ablation reached 8,187 million yen, an increase of 12.5% year-over-year. Sales of core product groups spearheaded overall sales growth, driven by an approximately 10% year-over-year rise in atrial fibrillation ablation procedures. By product category, intracardiac defibrillation catheters recorded growth, while net sales of hemostatic devices for femoral vein also remained strong thanks to an increase in the number of facilities adopting the product as well as an expanded product lineup. Further, radiofrequency transseptal wires, a proprietary product launched in March 2026, had an exceptionally strong start.

(iii) Cardiovascular

Net sales in Cardiovascular reached 3,167 million yen, an increase of 5.2% year-over-year. The core product Frozen Elephant Trunk maintained its high market share in a stable market. Vascular graft performed well as a scale-down of product lineup at some companies served as a tailwind, while sales of abdominal stent graft grew as enhanced sales measures proved effective.

(iv) Neurovascular

Net sales in Neurovascular reached 829 million yen, an increase of 47.3% year-over-year. Aspiration catheters recorded growth, supported by the effectiveness of marketing measures, despite an approximately 10% decline in selling prices following the revision to reimbursement prices. Embolic coils also benefited from the steady expansion of sales channels for abdominal applications and radiology, as well as higher sales volumes in the neurovascular field. Stent retrievers also drove revenue growth as their market share expanded following the launch of an upgraded model.

(v) Gastrointestinal

Net sales in Gastrointestinal amounted to 494 million yen, an increase of 29.9% year-over-year. Excluding the coronary intervention business, which was terminated in the fiscal year ended March 31, 2024, adjusted net sales increased 40.2%. Sales of the mainstay bile-duct tube stent significantly grew as supply constraints for the well-received new model eased, enabling a full-scale market rollout. Other products such as biliary dilation balloons and ERCP guide wires also contributed to revenue increase due to continued strength in sales volume.

(2) Financial position

*Analysis of the quarterly consolidated balance sheets*

(i) Assets

The balance of current assets as of June 30, 2026 was 47,436 million yen, a decrease of 1,610 million yen from the end of the previous fiscal year. This was mainly due to a decrease of 2,876 million yen in cash and deposits, resulting from payments for dividends and income taxes, partially offset by an increase of 1,422 million yen in notes and accounts receivable – trade.

The balance of fixed assets was 29,182 million yen, a decrease of 1,982 million yen from the end of the previous fiscal year. This was mainly due to decreases of 1,138 million yen in long-term loans receivable and 657 million yen in accrued interest in “Other” under investments and other assets.

As a result, the balance of total assets was 76,619 million yen, a decrease of 3,592 million yen from the end of the previous fiscal year.

(ii) Liabilities

The balance of current liabilities as of June 30, 2026 was 11,371 million yen, a decrease of 2,225 million yen from the end of the previous fiscal year. This was primarily due to decreases of 1,346 million yen in income taxes payable and 961 million yen in provisions for bonuses.

The balance of long-term liabilities was 788 million yen, an increase of 72 million yen from the end of the previous fiscal year. This was mainly due to an increase of 74 million yen in asset retirement obligations included in “Other.”

As a result, the balance of total liabilities was 12,160 million yen, a decrease of 2,153 million yen from the end of the previous fiscal year.

(iii) Net assets

The balance of net assets as of June 30, 2026 was 64,458 million yen, a decrease of 1,439 million yen from the end of the previous fiscal year. This was mainly due to dividend payments of 3,792 million yen, partially offset by the recording of net income attributable to owners of the parent of 2,309 million yen.

(3) Consolidated financial guidance

*Earnings forecast*

The Company reaffirms its full-year consolidated earnings forecast for the fiscal year ending March 31, 2027, as announced on May 7, 2026. Our performance for the three months ended June 30, 2026 was slightly ahead of our initial forecast. In terms of sales, EP/Ablation and Neurovascular performed strongly relative to the forecast, offsetting somewhat weaker sales of Cardiac Rhythm Management. We anticipate that sales will be generally in line with our initial guidance in the second quarter and beyond, while expenditure is also expected to remain broadly aligned with planned allocations.

Should any revisions become necessary due to various factors, we will promptly disclose them.

*Dividend forecast*

The Company has revised upward its dividend forecast for the fiscal year ending March 31, 2027. The revised forecast calls for an interim commemorative dividend of 25.00 yen and a year-end ordinary dividend of 56.00 yen, for a total annual dividend of 81.00 yen per share. The interim commemorative dividend, with a record date of September 30, 2026, is intended to express our sincere appreciation to our shareholders for their continued support as we mark the 25th anniversary of our founding as a medical device manufacturer. Please also refer to the "Japan Lifeline Revises Dividend Forecast (Interim Commemorative Dividend)" announced separately today.

| | Annual dividends per share | | |
|---|---|---|---|
| | Q2-end | Year-end | Total |
| | Yen | Yen | Yen |
| Previous forecast (announced on May 7, 2026) | – | 56.00 | 56.00 |
| Revised forecast | 25.00<br>(Ordinary: 0.00)<br>(Commemorative: 25.00) | 56.00<br>(Ordinary: 56.00)<br>(Commemorative: 0.00) | 81.00<br>(Ordinary: 56.00)<br>(Commemorative: 25.00) |
| Actual results (FY ended March 31, 2026) | – | 54.00 | 54.00 |

## 2. Quarterly Consolidated Financial Statements and Major Notes

### (1) Quarterly consolidated balance sheets

(Millions of yen)

| | As of March 31, 2026 | As of June 30, 2026 |
|---|---|---|
| Assets | | |
| Current assets | | |
| Cash and deposits | 12,494 | 9,617 |
| Notes and accounts receivable - trade | 14,550 | 15,973 |
| Inventories | 20,129 | 20,133 |
| Other | 1,871 | 1,712 |
| Total current assets | 49,046 | 47,436 |
| Fixed assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 6,823 | 7,602 |
| Other, net | 7,087 | 6,919 |
| Total property, plant and equipment | 13,911 | 14,521 |
| Intangible assets | 1,564 | 1,513 |
| Investments and other assets | | |
| Investment securities | 7,350 | 7,111 |
| Long-term loans receivable | 2,793 | 1,654 |
| Retirement benefit asset | 162 | 201 |
| Other | 6,938 | 5,533 |
| Allowance for doubtful accounts | (1,557) | (1,354) |
| Total investments and other assets | 15,688 | 13,147 |
| Total fixed assets | 31,164 | 29,182 |
| Total assets | 80,211 | 76,619 |
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 4,432 | 4,063 |
| Short-term borrowings | 2,900 | 2,896 |
| Accounts payable - other | 1,128 | 1,333 |
| Income taxes payable | 1,694 | 347 |
| Provision for bonuses | 1,870 | 909 |
| Provision for bonuses for directors | 30 | 8 |
| Other | 1,541 | 1,813 |
| Total current liabilities | 13,597 | 11,371 |
| Long-term liabilities | | |
| Provision for director’s stock based compensation | 85 | 94 |
| Other | 630 | 694 |
| Total long-term liabilities | 716 | 788 |
| Total liabilities | 14,314 | 12,160 |
| Net assets | | |
| Shareholders’ equity | | |
| Share capital | 2,115 | 2,115 |
| Capital surplus | 4,418 | 4,416 |
| Retained earnings | 59,083 | 57,600 |
| Treasury stock | (1,208) | (1,200) |
| Total shareholders’ equity | 64,409 | 62,931 |
| Accumulated other comprehensive income | | |
| Net unrealized holding gains or losses on securities | 58 | 83 |
| Foreign currency translation adjustment | 1,138 | 1,153 |
| Remeasurements of defined benefit plans | 243 | 224 |
| Total accumulated other comprehensive income | 1,441 | 1,462 |
| Share acquisition rights | 47 | 64 |
| Total net assets | 65,897 | 64,458 |
| Total liabilities and net assets | 80,211 | 76,619 |

(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, 2025 | Three months ended June 30, 2026 |
|---|---|---|
| Net sales | 14,616 | 15,904 |
| Cost of sales | 5,846 | 6,729 |
| Gross profit | 8,769 | 9,174 |
| Selling, general and administrative expenses | 5,497 | 6,209 |
| Operating profit | 3,272 | 2,965 |
| Non-operating income | | |
| Interest income | 14 | 17 |
| Dividend income | 7 | 4 |
| Foreign exchange gains | – | 28 |
| Reversal of allowance for doubtful accounts | 3 | 203 |
| Gain on valuation of investment securities | – | 75 |
| Other | 3 | 5 |
| Total non-operating income | 28 | 334 |
| Non-operating expenses | | |
| Interest expenses | 9 | 6 |
| Loss on valuation of investment securities | 3 | – |
| Foreign exchange losses | 50 | – |
| Commission expenses | 4 | 4 |
| Other | 8 | 7 |
| Total non-operating expenses | 77 | 18 |
| Ordinary profit | 3,223 | 3,281 |
| Extraordinary income | | |
| Gain on sale of fixed assets | – | 1 |
| Total extraordinary income | – | 1 |
| Extraordinary losses | | |
| Loss on retirement of fixed assets | 26 | 25 |
| Total extraordinary losses | 26 | 25 |
| Profit before income taxes | 3,197 | 3,256 |
| Income taxes - current | 295 | 373 |
| Income taxes - deferred | 599 | 572 |
| Total income taxes | 894 | 946 |
| Net income | 2,302 | 2,309 |
| Net income attributable to owners of the parent | 2,302 | 2,309 |

(Quarterly consolidated statements of comprehensive income)

(Millions of yen)

| | Three months ended June 30, 2025 | Three months ended June 30, 2026 |
|---|---|---|
| Net income | 2,302 | 2,309 |
| Other comprehensive income | | |
| Net unrealized holding gains or losses on securities | 14 | 24 |
| Foreign currency translation adjustment | (120) | 14 |
| Retirement benefits liability adjustment | (76) | (19) |
| Total other comprehensive income | (183) | 20 |
| Comprehensive income | 2,119 | 2,330 |
| Comprehensive income attributable to: | | |
| Owners of the parent | 2,119 | 2,330 |

(3) Notes to quarterly consolidated financial statements

*Going concern assumption*

None

*Significant changes in shareholders' equity*

None

*Quarterly consolidated statements of cash flows*

Quarterly consolidated statements of cash flows were not prepared for the three months ended June 30, 2026

The amounts of depreciation (including amortization for intangible assets) for the three months ended June 30, 2025 and 2026 are as follows:

(Millions of yen)

| | Three months ended June 30, 2025 | Three months ended June 30, 2026 |
|---|---|---|
| Depreciation | 404 | 403 |

*Segment information, etc.*

[Segment information]

Three months 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.

Three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

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*

*Disposal of treasury shares through third-party allotment*

The Company resolved to dispose of treasury shares through a third-party allotment (the "Disposal of Treasury Shares") at a meeting of its Board of Directors held on July 30, 2026, as described below.

1. Summary of the Disposal of Treasury Shares

| | |
|---|---|
| (1) Disposal date | August 20, 2026 |
| (2) Class and number of shares to be disposed of | 163,600 shares of the Company's common stock |
| (3) Disposal price | 1,450 yen per share |
| (4) Total disposal price | 237,220,000 yen |
| (5) Planned allottee | The Master Trust Bank of Japan, Ltd.<br>(Board Incentive Plan (BIP) Trust Account) |

The Company has filed an Extraordinary Report as required by the Financial Instruments and Exchange Act in connection with the Disposal of Treasury Shares.

2. Purpose and Reason for the Disposal of Treasury Shares

The Disposal of Treasury Shares is being conducted in connection with a partial revision to the Company's performance-linked stock-based compensation system for directors (excluding directors who are Audit and Supervisory Committee Members and outside directors). Accordingly, the Company will dispose of its treasury shares through a third-party allotment to The Master Trust Bank of Japan, Ltd., acting as co-trustee under the BIP Trust agreement established with Mitsubishi UFJ Trust and Banking Corporation.

## 3. Other

Status of production, orders received and sales

(i) Production

The production results for the three months ended June 30, 2025 and 2026, by product category, were as follows. There were no significant changes.

(Millions of yen)

| Product Category | Three months ended June 30, 2025 | Three months ended June 30, 2026 | YoY % increase/ (decrease) |
|---|---|---|---|
| Cardiac Rhythm Management | 2 | 3 | 16.6 |
| EP/Ablation | 1,587 | 1,774 | 11.8 |
| Cardiovascular | 414 | 440 | 6.2 |
| Gastrointestinal | 222 | 188 | (15.2) |
| Total | 2,226 | 2,406 | 8.1 |

Notes: 1. Figures are based on manufacturing cost.

2. Neurovascular has been omitted because there was no production during either the three months ended June 30, 2025, or the three months ended June 30, 2026.

(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.