



Consolidated Financial Results for the Three Months Ended June 30, 2025 [Japanese GAAP]

August 13, 2025

Company name: SUZUKEN CO., LTD.

Listing: Tokyo Stock Exchange, Nagoya Stock Exchange, Sapporo Securities Exchange

Securities code: 9987

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Scheduled date to commence dividend payments: —

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: None

(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 to June 30, 2025)

(1) Consolidated Operating Results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	592,872	1.8	5,586	5.3	5,783	16.5	3,782	(23.8)
June 30, 2024	582,196	1.5	5,305	30.8	4,965	(0.3)	4,962	48.5

(Note) Comprehensive income: Three months ended June 30, 2025: ¥ 2,488 million [(39.1) %]
Three months ended June 30, 2024: ¥ 4,088 million [(56.8) %]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2025	52.63	—
June 30, 2024	63.91	—

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Millions of yen	Millions of yen	%
June 30, 2025	1,146,413	402,293	35.1
March 31, 2025	1,113,831	407,420	36.6

(Reference) Equity: As of June 30, 2025: ¥ 402,162 million
As of March 31, 2025: ¥ 407,291 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	50.00	—	50.00	100.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Forecast)		50.00	—	50.00	100.00

(Note) Revision to the forecast for dividends announced most recently: None

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

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2025	1,232,000	2.9	16,000	(6.4)	17,000	(0.1)	10,900	(46.2)	151.25
Full year	2,468,000	2.8	33,600	(9.5)	35,100	(9.6)	32,800	(4.9)	455.13

(Note) Revision to the financial results forecast announced most recently: None

* The average number of shares outstanding during the period used to calculate basic earnings per share does not reflect the impact of the share repurchase announced, on May 13, 2025, in the release titled “Suzuken Announces Share Repurchase Program.”

* Notes:

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

Newly included: — (Company name:)

Excluded: — (Company name:)

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

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

1) Changes in accounting policies due to revisions to accounting standards and other regulations: None

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(4) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

June 30, 2025: 72,167,204 shares

March 31, 2025: 72,167,204 shares

2) Number of treasury shares at the end of the period:

June 30, 2025: 859,974 shares

March 31, 2025: 100,049 shares

3) Average number of shares outstanding during the period:

Three months ended June 30, 2025: 71,857,945 shares

Three months ended June 30, 2024: 77,640,549 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

* Proper use of earnings forecasts, and other special matters

Earnings forecasts and other statements about the future that are included in this material are based on information currently in the possession of the Company, and certain conditions judged reasonable by the Company. These statements do not guarantee that the Company will achieve its earnings forecasts. In addition, actual results, etc., may differ significantly due to various factors. For notes, etc., on the conditions for earnings forecasts and the use of earnings forecasts, please refer to “1. Overview of Operating Results (3) Explanation of Forecasts of Consolidated Financial Results and Other Forward-Looking Statements” on page 6 of the attached documentation.

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1. Overview of Operating Results

(1) Overview of Operating Results for the First Quarter of the Fiscal Year

During the three months ended June 30, 2025, we saw continued currency market fluctuations and inflation reflecting rising prices of electrical power, energy, and raw materials for multiple reasons, including uncertainties about the policy trends of the US administration. Furthermore, alongside the policy-driven wage hikes, the increasing labor shortages, symbolized by the so-called "2024 Problem," have led to rising costs across various areas. Meanwhile, with uncertainty surrounding the ability to pass on these costs through price increases, the outlook for the domestic economy and corporate earnings has continued to remain unclear.

Under these circumstances, the Suzuken Group has formulated a medium-term management plan that concludes with the current fiscal year. Through the implementation of this medium-term management plan, the Group will carry out its transformation into a health creation enterprise working as "One Team" and in order to continue creating new value as an entity that provides new solutions and hope to the changing healthcare ecosystem, thereby further enhancing corporate value and contributing to solving social issues.

This medium-term management plan positions "Reform of existing businesses" and "Preparation for new growth businesses" as our main focuses in the lead-up to the 100th anniversary in 2032.

During the three months ended June 30, 2025, we worked on several measures as part of "Reform of existing businesses." Such measures included the reinforcement of its distribution model for specialty drugs including orphan drugs and regenerative medicine products through collaboration with various companies, and the creation of a new profit model through MS*¹ activities.

Specifically, in order to build a healthcare distribution platform, we are working on enhancing the quality of our pharmaceutical distribution by implementing the specialty drug traceability solution Cubixx® in regional core hospitals and other medical institutions nationwide. In the distribution of specialty drugs, we have strived to meet the requirements of pharmaceutical companies aiming for market entry and new product launches in Japan and strengthened its distribution base to ensure reliable delivery of new drugs to patients awaiting treatment.

Additionally, as a program aimed at allowing real-time visualization and optimization of pharmaceutical distribution, we have developed and introduced systems that help reduce the workloads of medical institutions and pharmacies through pharmaceutical shipping adjustments and improve productivity at our company. In May 2023, we introduced the Delivery Schedule Notification Service and the Delivery Schedule Notification app which allow the delivery dates of ordered pharmaceuticals, inventory of substitute products, and other information to be checked on the internet. They are already in use by over approximately 97,000 customers (number registered as of the end of June 2025). In addition, we have introduced the Order Proposal app in October 2023, to provide ordering support based on demand forecasts, which is in use by over approximately 17,000 customers (number registered as of the end of June 2025).

Taking the "2024 Problem" into account, we established the Greater Tokyo Distribution Center in Soka City, Saitama Prefecture, and commenced full operations in April 2024. It is the industry's first complex distribution center that incorporates a contract manufacturing and manufacturer distribution area within a wholesale distribution base, employing cutting-edge robotic technology for enhanced automation and labor efficiency. Additionally, in May 2025, we entered into a provisional land sale agreement with Kasugai City in Aichi Prefecture for the construction of a new logistics hub, tentatively named the Chubu Distribution Center, to serve the Chubu region (central Japan) (with construction scheduled to start in October 2027). In the future, we aim to achieve a variety of benefits, including improved efficiency through automation, reduced transportation and delivery costs, quality assurance that complies with GDP*² standards, environmental benefits such as reduced CO₂ emissions, and further strengthening our BCP response in the event of a disaster by maximizing the use of the Group's distribution network, starting with both the Greater Tokyo Distribution Center and Chubu Distribution Center.

Moving forward, the Suzuken Group will continue to sequentially introduce new systems to realize the "Reform of existing businesses."

For "Preparation for new growth businesses," the Suzuken Group has been working with its partner companies to establish new distribution channels, accelerate the development of the digital health business through collaborations, and advance innovative services and information businesses, in order to provide new value to pharmaceutical companies, medical institutions, pharmacies, and patients.

Specifically, we have been offering services through the COLLABO Portal*³, a portal site for medical and nursing care professionals. In addition to distributing various services and information owned by the Suzuken Group, the COLLABO Portal is equipped with functions that connect customers with the Suzuken Group, pharmaceutical

companies, and healthcare professionals and specialist staff, as well as functions that deliver digital health services from cooperating companies in an integrated manner. Our focus is to create an environment in which medical and nursing care facilities can use digital health services safely and securely.

By linking COLLABO Portal with “Medical Care Station (MCS)”^{*4}, a social healthcare collaboration platform specialized in medical and nursing care deployed by Embrace Co., Ltd., our wholly owned subsidiary, we have established a new connection between the Company and over 300,000 medical and nursing care professionals (registered IDs). Moving forward, we will accelerate our efforts to develop a new information-driven revenue business, including marketing support that leverages our existing connections with approximately 160,000 pharmaceutical wholesale customers nationwide and the newly built connections with over 300,000 individual medical and nursing care professionals.

The Suzuken Group, in collaboration with health-tech companies and other external partners, will continue to accelerate its efforts towards transforming into a health creation enterprise.

As part of risk management measures, we established the Information Security Practices Committee on April 1, 2025 as a practices committee under the Risk Management and Compliance Committee, which works under the Board of Directors. Behind this was a growing need to address increasingly sophisticated and serious information security risks as witnessed in a large number of incidents such as ransomware. Through the Information Security Practices Committee, we will further promote the grasping, management, and enhancement of the security level of the Group centrally.

Regarding our shareholder return policy, we revised and strengthened the policy disclosed in May 2023 on November 10, 2023. Our policy is based on the continuation of stable dividends, with a commitment to implement shareholder returns exceeding a total return ratio of 100% over the three-year average up to the fiscal year ending March 2026, the final year of our medium-term management plan, aiming to enhance shareholder returns. Additionally, through investment in strengthening our existing businesses and creating new ventures, we aim to improve our corporate value and capital efficiency. In line with the above policy, at the Board of Directors meeting held on May 13, 2025, we resolved to repurchase shares in accordance with the provisions of Article 459, Paragraph 1 of the Companies Act.

<Details of the Share Repurchase>

Class of shares to be repurchased:	Common shares
Total number of shares to be repurchased:	Up to 5,200,000 shares
Total amount of repurchase:	Up to ¥26,000 million
Period of repurchase:	May 15, 2025 to March 19, 2026
Method of repurchase:	Market purchases on the Tokyo Stock Exchange including purchases through the Off-Auction Own Share Repurchase Trading System (ToSTNet-3)

Our consolidated business results for the three months ended June 30, 2025, showed an increase in net sales due to growth in the ethical drug market and contributions from new drugs, including specialty drugs, despite a year-on-year decrease in sales of COVID-19-related products (therapeutic and diagnostic agents, etc.). In terms of profits, in addition to the positive impact of higher revenue, we continued efforts to ensure appropriate levels of profitability.

As a result, net sales were ¥592,872 million (up 1.8% year on year), operating profit was ¥5,586 million (up 5.3% year on year), ordinary profit was ¥5,783 million (up 16.5% year on year), and profit attributable to owners of parent was ¥3,782 million (down 23.8% year on year).

The main factor for the decline in profit attributable to owners of parent was the absence of gains recorded from the reduction in cross-shareholdings (investment securities), which had been implemented in the same period of the previous fiscal year.

*1 MS (Marketing Specialist)

: This refers to a person responsible for sales in the pharmaceutical distribution business.

An MS visits places such as medical institutions and pharmacies to introduce drugs, conduct business negotiations, and provide and collect information.

***2 GDP (Good Distribution Practice)**

: This refers to the standards for the proper distribution of pharmaceuticals.

The purpose of GDP is to ensure the management of distribution channels in the pharmaceutical market, maintain the integrity of pharmaceuticals, and prevent the infiltration of counterfeit drugs into the regular distribution channels.

***3 COLLABO Portal**

: This refers to a comprehensive portal site that provides convenient one-stop digital health services including solutions functions that provide a variety of services operated by the Suzuken Group, communications functions that enable the Suzuken Group MSs, MRs, and specialized staff to make points of contact with customers remotely by utilizing chat, video, and other functions, and the purchasing functions which are linked with Amazon Business as well as other functions. It also contributes to more efficient operations at medical and nursing care workplaces by utilizing SSO (Single Sign-On: a mechanism that allows multiple systems to be used based on a single user authentication) and data integration, and by increasing accessibility.

***4 Medical Care Station (MCS)**

: This refers to a private timeline-based social networking service (SNS) for medical and nursing care collaboration. It is user-friendly and is compatible with a variety of devices including tablets, smartphones, and computers. With robust security measures, it allows easy access and sharing of necessary information not only within hospitals and facilities but also from outside locations. It facilitates comprehensive community care and interprofessional work by connecting doctors and allied health professionals, nursing care workers, patients, and their families across different professions and roles.

Operating results by segment were as follows:

(Millions of yen)

Name of business segment		Three months ended June 30, 2024	Three months ended June 30, 2025	Change (%)
Pharmaceutical Distribution	Net sales	562,277	573,282	2.0
	Operating profit	4,135	4,299	4.0
Healthcare Product Development	Net sales	13,347	12,663	(5.1)
	Operating profit	869	853	(1.8)
Community Healthcare and Nursing Care Support	Net sales	23,064	23,116	0.2
	Operating profit/(loss)	(93)	22	—
Specialty Drug Contract Distribution	Net sales	69,371	100,468	44.8
	Operating profit	185	275	48.4
Healthcare-Related Services	Net sales	10,613	9,776	(7.9)
	Operating profit	181	236	30.0

(Note) Segment sales results include intersegment transactions.

(Pharmaceutical Distribution)

The growth of the ethical drug market is presumed to be due to the expansion of the market for oncological drugs and the contribution of new drugs, including specialty drugs.

Under these circumstances, segment net sales were ¥573,282 million (up 2.0% year on year) due to contributions of new drugs, including specialty drugs, and the growth of the ethical drug market, despite a year-on-year decrease in sales of COVID-19-related products (therapeutic and diagnostic agents, etc.). Operating profit was ¥4,299 million (up 4.0% year on year) due to higher revenue, our responsive initiatives to the Guidelines for the Improvement of Commercial Transaction Practices revised in April 2024, and continued efforts to review and control selling, general and administrative expenses, despite the escalation of various costs related to pharmaceutical distribution, including distribution and outsourcing fees.

(Healthcare Product Development)

Segment net sales decreased due to the impact of drug price revisions, etc., despite growth in the pharmaceutical manufacturing business from UPASITA IV Injection Syringe for Dialysis (medical treatment for secondary hyperparathyroidism) and Darbepoetin Alfa BS Syringe for Injection (a long-acting erythropoiesis-stimulating agent). Operating profit decreased despite efforts to optimize selling, general and administrative expenses.

As a result of the above, net sales were ¥12,663 million (down 5.1% year on year), and operating profit was ¥853 million (down 1.8% year on year).

(Community Healthcare and Nursing Care Support)

Segment net sales increased slightly as a result of an increase in revenue in the nursing care business. This offset the decrease in revenue from the pharmacy business, which was affected by a reduced number of operating pharmacy stores following closures, leading to fewer prescriptions processed. Operating profit increased as a result of efforts to optimize selling, general and administrative expenses.

As a result of the above, net sales were ¥23,116 million (up 0.2% year on year), and operating profit was ¥22 million (compared with an operating loss of ¥93 million in the same period of the previous fiscal year).

(Specialty Drug Contract Distribution^{*5})

Segment net sales increased significantly due to factors including growth in the market for existing contracted pharmaceuticals and an increase in newly contracted pharmaceuticals. Operating profit also increased due to higher revenue.

As a result of the above, net sales were ¥100,468 million (up 44.8% year on year), and operating profit was ¥275 million (up 48.4% year on year).

^{*5} Specialty Drug Contract Distribution Business

: This refers to a business where we contract distribution of pharmaceutical products including orphan drugs that requires stricter quality control and distribution management compared to the typical distribution channels, from

manufacturers. Most of the net sales in the Specialty Drug Contract Distribution Business are generated from internal transactions with the Pharmaceutical Distribution Business, as actual distribution operations including sales and delivery to medical institutions are carried out by our Pharmaceutical Distribution Business.

(Healthcare-Related Services)

Segment net sales decreased due to factors including a decline in the distribution volume of some products in the external logistics business. Operating profit increased partly due to profitability improvement in the digital health business.

As a result of the above, net sales were ¥9,776 million (down 7.9% year on year), and operating profit was ¥236 million (up 30.0 % year on year).

(2) Overview of Financial Condition for the First Quarter of the Fiscal Year

Assets, liabilities, and net assets at the end of the first quarter consolidated accounting period were as follows:

(Assets)

Total assets as of June 30, 2025 increased by ¥32,582 million from March 31, 2025 to reach ¥1,146,413 million. The main factors of this increase were as follows:

Current assets increased by ¥36,320 million from March 31, 2025. This was mainly due to increases of ¥8,617 million in cash and deposits and ¥34,090 million in notes and accounts receivable - trade, despite a decrease of ¥7,999 million in securities.

Non-current assets decreased by ¥3,738 million from March 31, 2025. This was mainly due to decreases of ¥1,092 million in property, plant and equipment and ¥2,688 million in investments and other assets.

(Liabilities)

Total liabilities as of June 30, 2025 increased by ¥37,709 million from March 31, 2025 to reach ¥744,120 million. This was mainly due to increases of ¥28,283 million in notes and accounts payable - trade, and ¥24,014 million in “Other” under “Current liabilities” despite decreases of ¥7,570 million in income taxes payable and ¥5,739 million in provision for bonuses.

(Net assets)

Total net assets as of June 30, 2025 decreased by ¥5,127 million from March 31, 2025 to reach ¥402,293 million. This was mainly due to the payment of ¥3,603 million in dividends of surplus, a decrease of ¥4,012 million due to purchase of treasury shares, and a decrease of ¥723 million in foreign currency translation adjustment, despite the posting of ¥3,782 million in profit attributable to owners of parent.

(3) Explanation of Forecasts of Consolidated Financial Results and Other Forward-Looking Statements

In regard to the forecast of consolidated financial results, we have not changed the forecast figures announced on May 13, 2025.

2. Quarterly Consolidated Financial Statements and Key Notes

(1) Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	102,655	111,273
Notes and accounts receivable - trade	524,134	558,224
Securities	38,927	30,927
Merchandise and finished goods	146,668	148,073
Work in process	1,470	1,097
Raw materials and supplies	5,052	5,846
Other	26,387	25,970
Allowance for doubtful accounts	(1,197)	(993)
Total current assets	844,099	880,419
Non-current assets		
Property, plant and equipment	133,512	132,419
Intangible assets		
Goodwill	14	11
Other	12,094	12,140
Total intangible assets	12,108	12,151
Investments and other assets		
Investment securities	84,399	82,300
Other	40,472	39,890
Allowance for doubtful accounts	(760)	(768)
Total investments and other assets	124,111	121,423
Total non-current assets	269,732	265,994
Total assets	1,113,831	1,146,413

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	635,752	664,036
Income taxes payable	9,949	2,378
Provision for bonuses	9,293	3,553
Provision for loss on Anti-Monopoly Act	3,090	3,090
Other	21,028	45,043
Total current liabilities	679,114	718,102
Non-current liabilities		
Retirement benefit liability	2,186	2,170
Other	25,110	23,847
Total non-current liabilities	27,296	26,018
Total liabilities	706,410	744,120
Net assets		
Shareholders' equity		
Share capital	13,546	13,546
Capital surplus	32,147	32,147
Retained earnings	332,375	332,554
Treasury shares	(499)	(4,512)
Total shareholders' equity	377,569	373,735
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	32,773	32,200
Revaluation reserve for land	(4,803)	(4,803)
Foreign currency translation adjustment	2,365	1,642
Remeasurements of defined benefit plans	(613)	(612)
Total accumulated other comprehensive income	29,722	28,427
Non-controlling interests	128	130
Total net assets	407,420	402,293
Total liabilities and net assets	1,113,831	1,146,413

(2) Quarterly Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

Quarterly Consolidated Statements of Income

First quarter consolidated accounting period

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Net sales	582,196	592,872
Cost of sales	538,879	549,606
Gross profit	43,317	43,266
Selling, general and administrative expenses	38,011	37,679
Operating profit	5,305	5,586
Non-operating income		
Interest income	33	42
Dividend income	483	447
Rental income from real estate	72	69
Other	171	184
Total non-operating income	761	744
Non-operating expenses		
Interest expenses	9	10
Share of loss of entities accounted for using equity method	972	439
Rental expenses on real estate	62	58
Other	57	38
Total non-operating expenses	1,102	547
Ordinary profit	4,965	5,783
Extraordinary income		
Gain on sale of non-current assets	9	10
Gain on sale of investment securities	750	514
Gain on sale of shares of subsidiaries and associates	1,856	-
Other	33	3
Total extraordinary income	2,649	528
Extraordinary losses		
Loss on sale and retirement of non-current assets	20	9
Loss on valuation of investment securities	183	17
Other	3	0
Total extraordinary losses	206	26
Profit before income taxes	7,407	6,285
Income taxes	2,446	2,501
Profit	4,960	3,783
Profit (loss) attributable to non-controlling interests	(1)	1
Profit attributable to owners of parent	4,962	3,782

Quarterly Consolidated Statements of Comprehensive Income
First quarter consolidated accounting period

(Millions of yen)

	For the three months ended June 30, 2024	For the three months ended June 30, 2025
Profit	4,960	3,783
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,175)	(541)
Foreign currency translation adjustment	(0)	(19)
Remeasurements of defined benefit plans, net of tax	(97)	(0)
Share of other comprehensive income of entities accounted for using equity method	401	(734)
Total other comprehensive income	(872)	(1,295)
Comprehensive income	4,088	2,488
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,089	2,486
Comprehensive income attributable to non-controlling interests	(1)	1

(3) Notes on Quarterly Consolidated Financial Statements

<Significant Matters for Preparation of Quarterly Consolidated Financial Statements>

Our quarterly consolidated financial statements have been prepared in accordance with Article 4, Paragraph 1 of the Practical Policy Concerning the Preparation of Quarterly Financial Statements, etc. of the Tokyo Stock Exchange, Inc., the Nagoya Stock Exchange, Inc., and the Sapporo Securities Exchange, as well as the generally accepted accounting standards for quarterly financial statements in Japan. However, certain disclosures have been omitted as stipulated in Article 4, Paragraph 2 of the Practical Policy Concerning the Preparation of Quarterly Financial Statements, etc.

<Notes on Segment Information etc.>

Three months ended June 30, 2024 (From April 1, 2024 to June 30, 2024)

1. Information on sales, income and loss classified by reporting segment

(Millions of yen)

	Reporting segment					Total
	Pharmaceutical Distribution	Healthcare Product Development	Community Healthcare and Nursing Care Support	Specialty Drug Contract Distribution	Healthcare-Related Services	
Net sales						
Sales to external customers	548,645	3,090	23,060	1,753	5,645	582,196
Intersegment sales and transactions	13,631	10,257	3	67,617	4,967	96,477
Total	562,277	13,347	23,064	69,371	10,613	678,673
Segment income/(loss)	4,135	869	(93)	185	181	5,277

2. Reconciliation of reporting segments totals to quarterly consolidated statements of income/(loss) amounts and main components of reconciliation (matters concerning reconciliation)

(Millions of yen)

Income	Value
Reporting segment total	5,277
Elimination of intersegment transactions	27
Operating profit on the consolidated financial statements	5,305

3. Information on impairment loss on non-current assets and goodwill by reporting segment

(Significant Impairment Loss on Non-Current Assets)

N/A

(Significant Changes in the Amount of Goodwill)

N/A

(Significant Gain on Negative Goodwill)

N/A

Three months ended June 30, 2025 (From April 1, 2025 to June 30, 2025)

1. Information on sales, income and loss classified by reporting segment

(Millions of yen)

	Reporting segment					Total
	Pharmaceutical Distribution	Healthcare Product Development	Community Healthcare and Nursing Care Support	Specialty Drug Contract Distribution	Healthcare-Related Services	
Net sales						
Sales to external customers	558,995	2,956	23,115	1,675	6,129	592,872
Intersegment sales and transactions	14,287	9,706	1	98,793	3,646	126,435
Total	573,282	12,663	23,116	100,468	9,776	719,308
Segment income	4,299	853	22	275	236	5,687

2. Reconciliation of reporting segments totals to quarterly consolidated statements of income/(loss) amounts and main components of reconciliation (matters concerning reconciliation)

(Millions of yen)

Income	Value
Reporting segment total	5,687
Elimination of intersegment transactions	(100)
Operating profit on the consolidated financial statements	5,586

3. Matters concerning changes to reporting segments

Effective from the previous fiscal year, we have changed to a method that presents the Specialty Drug Contract Distribution Business as a new reporting segment, which was previously included in the Healthcare-Related Services Business segment, due to the increased quantitative materiality of the business.

Note that the segment information of three months ended June 30, 2024 was created using the categories after the change.

4. Information on impairment loss on non-current assets and goodwill by reporting segment

(Significant Impairment Loss on Non-Current Assets)

N/A

(Significant Changes in the Amount of Goodwill)

N/A

(Significant Gain on Negative Goodwill)

N/A

<Notes to any Significant Changes in the Amount of Shareholders' Equity>

Based on a resolution from the Board of Directors meeting held on May 13, 2025, we repurchased 759,800 shares (acquisition price of ¥4,011 million) during the first quarter of the consolidated accounting period ended June 30, 2025.

Primarily for the reason mentioned above, our treasury shares amounted to ¥4,512 million as of June 30, 2025.

<Notes on the Assumption of the Company as a Going Concern>

N/A

<Notes on Quarterly Consolidated Cash Flow Statements>

The quarterly consolidated statement of cash flows for the cumulative first quarter of the current fiscal year has not been prepared.

However, depreciation and amortization expenses (including amortization expenses related to intangible assets, excluding goodwill) and the amortization amount of goodwill for the cumulative first quarter are as follows:

	(Millions of yen)	
	Three months ended June 30, 2024	Three months ended June 30, 2025
Depreciation and amortization	2,830	2,921
Amortization of goodwill	2	2