August 7, 2026

# Consolidated Financial Results for the Three Months Ended June 30, 2026 (Under Japanese GAAP)

Company name: SUZUKEN CO., LTD.
Listing: Tokyo Stock Exchange, Nagoya Stock Exchange, Sapporo Securities Exchange
Securities code: 9987
URL: https://www.suzuken.co.jp/en/
Representative: Shigeru Asano 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: None

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

## 1. Consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

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

(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, 2026 | 628,962 | 6.1 | 4,190 | (25.0) | 5,074 | (12.3) | 3,381 | (10.6) |
| June 30, 2025 | 592,872 | 1.8 | 5,586 | 5.3 | 5,783 | 16.5 | 3,782 | (23.8) |

Note: Comprehensive income For the three months ended June 30, 2026: ¥ 3,218 million [ 29.3%]
For the three months ended June 30, 2025: ¥ 2,488 million [ (39.1) %]

| | Basic earnings per share | Diluted earnings per share |
|---|---|---|
| Three months ended | Yen | Yen |
| June 30, 2026 | 49.99 | - |
| June 30, 2025 | 52.63 | - |

### (2) Consolidated financial position

| | Total assets | Net assets | Equity-to-asset ratio |
|---|---|---|---|
| As of | Millions of yen | Millions of yen | % |
| June 30, 2026 | 1,195,684 | 415,888 | 34.8 |
| March 31, 2026 | 1,155,766 | 416,012 | 36.0 |

Reference: Equity
As of June 30, 2026: ¥ 415,705 million
As of March 31, 2026: ¥ 415,876 million

## 2. Cash dividends

| | Annual dividends per share | | | | |
|---|---|---|---|---|---|
| | First quarter-end | Second quarter-end | Third quarter-end | Fiscal year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended March 31, 2026 | - | 50.00 | - | 50.00 | 100.00 |
| Fiscal year ending March 31, 2027 | - | | | | |
| Fiscal year ending March 31, 2027 (Forecast) | | 60.00 | - | 30.00 | - |

Notes: 1. Revisions to the forecast of cash dividends most recently announced: None
2. The Company plans to conduct a stock split of its common stock, splitting each share into two (2) shares, with October 1, 2026 as the effective date. The forecast year-end dividend per share for the fiscal year ending March 31, 2027 reflects the impact of this stock split, and therefore the total annual dividend per share is listed as "-." If the stock split is not taken into account, the forecast year-end dividend per share for the fiscal year ending March 31, 2027 would be ¥60, and the total annual dividend would be ¥120.

**3. Consolidated financial result forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)**

(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, 2026 | 1,245,000 | 2.1 | 11,900 | (29.8) | 13,560 | (24.8) | 10,310 | (36.5) | 152.43 |
| Full year | 2,563,000 | 3.1 | 31,200 | (14.2) | 34,300 | (13.7) | 25,000 | (34.4) | 184.81 |

Notes: 1. Revisions to the financial result forecast most recently announced: None
2. The Company plans to conduct a stock split of its common stock, splitting each share into two (2) shares, with October 1, 2026 as the effective date. Basic earnings per share for the full year in the financial result forecasts for the fiscal year ending March 31, 2027 reflects the impact of this stock split. If the stock split is not taken into account, basic earnings per share would be ¥369.62.

*** Notes**

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

Newly included: - companies( )

Excluded: - companies( )

(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

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

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

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

| | |
|---|---|
| As of June 30, 2026 | 72,167,204 shares |
| As of March 31, 2026 | 72,167,204 shares |

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

| | |
|---|---|
| As of June 30, 2026 | 4,529,359 shares |
| As of March 31, 2026 | 4,529,359 shares |

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

| | |
|---|---|
| Three months ended June 30, 2026 | 67,637,845 shares |
| Three months ended June 30, 2025 | 71,857,945 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.

○ Contents of Attached Documentation

## 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, 2026, 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, as well as the uncertainty regarding the impact on crude oil prices and product procurement stemming from heightened tensions in the Middle East that surfaced toward the end of the previous fiscal year, among other factors, the outlook for the domestic economy and corporate earnings has continued to remain unclear.

In the healthcare sector, challenges related to the sustainability of the healthcare delivery system have become increasingly apparent, including increasing demand for medical care driven by the rapidly declining birthrate and aging population, shortages of medical and nursing care personnel, ensuring a stable supply of pharmaceuticals, appropriate inventory management of high-cost drugs, and disaster response in local communities.

Under these circumstances, the Suzuken Group has formulated a new Medium-Term Management Plan covering the period through the fiscal year ending March 31, 2029. This Plan represents a three-year period focused on translating the initiatives and investments we have pursued to date into tangible business results. Under the theme, “Becoming a Health Creation Enterprise in Our Third Phase of Development —Evolving into a Next-Generation Distributor Beyond the Traditional Concept of Wholesaling—,” we are advancing three key initiatives: “Evolving into a next-generation distributor,” “Rebuilding of the business portfolio,” and “Strengthening of the management foundation.”

〇Theme

Becoming a Health Creation Enterprise in Our Third Phase of Development
—Evolving into a Next-Generation Distributor Beyond the Traditional Concept of Wholesaling—

〇Slogan

Change makes Challenge
Embrace change. Take on challenges.
Challenge makes Change
Our challenges shape the future of the Suzuken Group

〇Key Initiatives

(1) Evolving into a next-generation distributor

In our core pharmaceutical distribution business, we will take on the challenge of developing a fee-based business driven by our functions (i.e., monetizing our capabilities), in addition to the traditional margin-based business.

To evolve into a next-generation distributor, we will further enhance efficiency in the order-to-delivery process while ensuring a stable supply. At the same time, by earning fair compensation for services that address customers’ challenges, we will diversify our earnings structure and enhance value creation.

(2) Rebuilding of the business portfolio

While maintaining the pharmaceutical distribution business as its core, we will work to evolve our business structure through the advancement of existing businesses and alliances with external partners.

To adapt to changes in the environment without being constrained by traditional business frameworks, the Group will combine its functions and assets to transform toward higher value-added business models.

(3) Strengthening of the management foundation

We recognize that developing human resources responsible for executing this Medium-Term Management Plan is essential to its successful implementation.

Accordingly, we will strengthen the development and recruitment of personnel with expertise in digital transformation fields such as digital technologies and data analytics, in addition to developing next-generation leaders in a planned manner.

We will also enhance Group-wide utilization of human resources and interdepartmental collaboration, while strengthening the management foundation that supports sustainable growth by fostering an environment in which diverse talent can fully demonstrate their capabilities.

As a key initiative toward evolving into a next-generation distributor during the three months ended June 30, 2026, we worked to build a healthcare distribution platform by installing Cubixx, our specialty drug traceability solution, at regional core hospitals nationwide, thereby improving the quality of pharmaceutical distribution. In the distribution of specialty drugs, we continued to respond to the requirements of pharmaceutical companies seeking market entry and new product launches in Japan, while strengthening our distribution base to ensure the reliable delivery of new drugs to patients awaiting treatment. As of the end of June, a total of 742 units were in operation at 620 customer facilities nationwide, with adoption exceeding half of designated cancer care hospitals and reaching approximately 80% of national university hospitals. Looking ahead, in addition to further promoting the adoption of Cubixx, we will enhance its functionality through integration with peripheral services, enabling more accurate data acquisition, improved visibility of distribution inventory, and demand forecasting using inventory and consumption data.

In our digital business, which is focused on addressing customer needs, COLLABO Portal[*1], a portal for medical and nursing care professionals, provides access to a wide range of services and information offered by the Suzuken Group. It is also equipped with functions that connect customers with the Suzuken Group, pharmaceutical companies, and multidisciplinary healthcare professionals and specialist staff. In addition, it enables the integrated delivery of digital health services from partner companies. Through these initiatives, we have worked to create a safe and secure environment in which digital health services can be utilized in medical and nursing care settings. As a result, COLLABO ID, the common platform for medical and nursing care professionals, has expanded to approximately 470,000 registered IDs as of the end of June.

Moving forward, we will accelerate efforts to create new information-driven revenue streams, including marketing support initiatives that leverage our existing connections with approximately 160,000 customer facilities nationwide in our pharmaceutical wholesale business and our newly built network of over 470,000 individual medical and nursing care professionals.

Furthermore, medimo, Inc., which became our wholly owned subsidiary in February 2026, provides “medimo”[*2], a generative AI-powered SaaS platform for medical documentation that enables voice-based input and automated summarization. The service has been adopted and utilized by more than 1,000 medical institutions nationwide on a cumulative basis, and trial implementations have progressed at several hundred additional facilities since the company joined the Suzuken Group. Moving forward, we aim for this service to become part of the infrastructure supporting the sustainability of Japan’s healthcare system, while pursuing further medium- to long-term growth.

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 centralized monitoring and management of the Group's security level, as well as its continuous enhancement and improvement.

Regarding shareholder returns, we announced a new shareholder return policy for the period of this Medium-Term Management Plan in May 2026. Under this policy, we promote management with a strong focus on return on equity (ROE), and while preventing the excessive accumulation of shareholders' equity, we strive to enhance capital efficiency, and will pay dividends and flexibly conduct share repurchases, using a total payout ratio of 100% as a guideline. With respect to our dividend policy, in order to enhance the stability and predictability of dividends, we have adopted dividend on equity (DOE) as a key dividend indicator, and intend to increase DOE on a phased basis during the period of this Medium-Term Management Plan, setting a target level of approximately 3% in the final fiscal year ending March 31, 2029.

The consolidated dividend forecast for the fiscal year ending March 31, 2027 is expected to be ¥120 per share annually, if the stock split described below is not taken into account.

In addition, with the aim of reducing the minimum investment amount through a stock split, thereby creating an environment that makes it easier for investors to invest, and with the aim of further enhancing the liquidity of the Company's shares and expanding its investor base, we have resolved and announced that, with September 30, 2026 as the record date, each share of the Company's common stock held by shareholders recorded in the shareholder register as of that date will be split into two (2) shares.

Regarding financial results for the three months ended June 30, 2026, net sales increased due to growth in the prescription drug market and contributions from new drugs, including specialty drugs. In terms of profits, we continued efforts to ensure appropriate levels of profitability and to review and control selling, general, and administrative expenses. However, operating profit decreased due to rising procurement costs for pharmaceuticals and other items, as well as inflation-driven increases in operating expenses, including higher outsourcing costs.

Based on the above, net sales were ¥628,962 million (up 6.1% year on year), operating profit was ¥4,190 million (down 25.0% year on year), ordinary profit was ¥5,074 million (down 12.3% year on year), and quarterly profit attributable to owners of the parent was ¥3,381 million (down 10.6% year on year).

*1 COLLABO Portal

: A comprehensive digital health portal operated by Collabo Square Co., Ltd., a wholly owned subsidiary of the Company. It provides one-stop access to the solution functions providing a variety of services offered by the Suzuken Group, the communications functions that enable Marketing Specialists (MSs) of the Suzuken Group, MRs and specialized staff to interact remotely with customers via chat and video, and the purchasing functions linked with Amazon Business. 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.

*2 “medimo”, a generative AI-powered SaaS platform for medical documentation

: A generative AI-powered system that automatically creates highly accurate draft medical records based on conversations during patient consultations. By leveraging speech recognition technology optimized for medical terminology, it contributes to work style reform and improved operational efficiency in healthcare settings.

Operating results by segment were as follows.

Beginning with the first quarter of the current fiscal year, we have revised our reporting segment classification to clarify the business strategies and quantitative targets set forth in the current Medium-Term Management Plan and to present them more appropriately.

The reporting segments have been changed from the previous five segments of Pharmaceutical Distribution, Healthcare Product Development, Community Healthcare and Nursing Care Support, Specialty Drug Contract Distribution, and Healthcare-Related Services to six segments: Pharmaceutical Distribution, Digital, Logistics, Healthcare Product Development, Community Healthcare and Nursing Care Support, and Other Operations. The Specialty Drug Contract Distribution segment has been integrated into the Pharmaceutical Distribution segment.

Accordingly, comparisons with the corresponding period of the previous fiscal year are based on figures reclassified under the revised segment structure.

For details of the segment revisions, please refer to “Notes on Segment Information etc. 3. Matters concerning changes to reporting segments,” described below.

(Millions of yen)

| Name of business segment | | For the three months ended June 30, 2025 | For the three months ended June 30, 2026 | Change (%) |
|---|---|---|---|---|
| Pharmaceutical Distribution | Net sales | 571,610 | 607,825 | 6.3 |
| | Operating profit | 3,965 | 3,528 | (11.0) |
| Digital | Net sales | 606 | 808 | 33.4 |
| | Operating profit/(loss) | (45) | (329) | — |
| Logistics | Net sales | 14,062 | 14,476 | 2.9 |
| | Operating profit | 756 | 943 | 24.7 |
| Healthcare Product Development | Net sales | 12,663 | 12,934 | 2.1 |
| | Operating profit | 853 | 292 | (65.8) |
| Community Healthcare and Nursing Care Support | Net sales | 23,116 | 22,719 | (1.7) |
| | Operating profit/(loss) | 22 | (229) | — |
| Other Operations | Net sales | 1,393 | 1,363 | (2.2) |
| | Operating profit | 39 | 22 | (43.2) |

(Note) Segment net sales results include intersegment transactions.

(Pharmaceutical Distribution)

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

At present, sales prices have not yet been finalized for slightly less than 90% of our customers across the Group. For those customers, revenue has been estimated based on the pricing levels requested by each customer.

Under these circumstances, segment net sales totaled ¥607,825 million (up 6.3% year on year) due to contributions of new drugs, including specialty drugs, and the growth of the prescription drug market. Operating profit amounted to ¥3,528 million (down 11.0% year on year), due to increases in procurement costs for pharmaceuticals and other items, as well as higher logistics outsourcing costs and other pharmaceutical distribution-related expenses.

As we continue negotiations toward finalizing prices, we will respond sincerely to the Guidelines for the Improvement of Commercial Transaction Practices and focus on price negotiations that appropriately reflect the value of individual pharmaceutical products, while persistently seeking agreements based on our proposed prices and continuing our efforts to secure appropriate profit margins.

(Digital)

Segment net sales increased significantly, driven by promotion revenue related to AI-MS[*3] at Collabo Square Co., Ltd. Operating loss was recorded due primarily to an increase in selling, general and administrative expenses associated with upfront investments, including the development of new services.

As a result, net sales totaled ¥808 million (up 33.4% year on year), while operating loss amounted to ¥329 million, compared with an operating loss of ¥45 million in the same period of the previous fiscal year.

*3 AI-MS

: An AI avatar that replicates the expertise accumulated by our Marketing Specialists (MSs) as well as their customer engagement capabilities through artificial intelligence. Through a virtual environment on our online platform, COLLABO Portal, it provides information via voice interaction to healthcare professionals, including physicians and pharmacists.

(Logistics)

Net sales increased, driven by the revision of contract pricing in the wholesale logistics business and higher distribution volumes in the contract logistics services for pharmaceutical manufacturers. Operating profit also increased as a result of continued efforts to improve productivity, despite the escalation of various costs.

As a result, net sales totaled ¥14,476 million (up 2.9% year on year), while operating profit amounted to ¥943 million (up 24.7% year on year).

(Healthcare Product Development)

Segment net sales increased despite the impact of drug price revisions, driven by growth in sales of UPASITA IV Injection Syringe for Dialysis for the treatment of secondary hyperparathyroidism and Darbepoetin Alfa BS Syringe for Injection, a long-acting erythropoiesis-stimulating agent, within the pharmaceutical manufacturing division. Operating profit decreased due to a decline in the gross profit margin resulting from factors such as drug price revisions, as well as an increase in research and development expenses associated with the progress in the development of Paltusotine[*4], an orally administered selective somatostatin receptor type 2 (SSTR2) agonist.

As a result, net sales totaled ¥12,934 million (up 2.1% year on year), and operating profit amounted to ¥292 million (down 65.8% year on year).

*4 Paltusotine

: A selective somatostatin receptor type 2 (SSTR2) agonist and the world’s first once-daily, orally administered small-molecule therapeutic approved in the United States for the treatment of acromegaly in adults for whom surgical intervention is inadequate or not an option. Paltusotine was discovered and designed by Crinetics Pharmaceuticals, Inc. to provide a once-daily oral treatment option for patients with acromegaly as well as for patients with carcinoid syndrome associated with neuroendocrine tumors. It has been designated as an orphan drug by the Ministry of Health, Labour and Welfare for the treatment of acromegaly and pituitary gigantism.

(Community Healthcare and Nursing Care Support)

In the pharmacy division, although the average drug cost and dispensing fee revenue per prescription increased, driven by a higher number of prescriptions for high-cost pharmaceuticals and wider adoption of medical DX-related reimbursement add-ons, revenue declined due to a decrease in the number of prescriptions processed. This reflected both fewer prescription visits associated with longer prescription durations and a reduction in the number of operating pharmacy stores following closures. Operating profit also decreased due to a decrease in gross profit resulting from lower revenue, despite efforts to control selling, general and administrative expenses.

As a result, net sales totaled ¥22,719 million (down 1.7% year on year), while operating loss amounted to ¥229 million, compared with an operating profit of ¥22 million in the same period of the previous fiscal year.

(Other Operations)

Segment net sales decreased due to factors including a decline in the equipment procurement business. Operating profit also decreased due to lower sales revenue.

As a result, net sales totaled ¥1,363 million (down 2.2% year on year), and operating profit amounted to ¥22 million (down 43.2% 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, 2026 increased by ¥39,917 million from March 31, 2026 to reach ¥1,195,684 million. The main factors of this increase were as follows:

Current assets increased by ¥41,945 million from March 31, 2026. This was mainly due to increases of ¥4,726 million in cash and deposits, ¥27,054 million in notes and accounts receivable - trade, and ¥9,044 million in merchandise and finished goods.

Non-current assets decreased by ¥2,027 million from March 31, 2026. This was mainly due to decreases of ¥921 million in property, plant and equipment, ¥673 million in intangible assets, and ¥432 million in investments and other assets.

(Liabilities)

Total liabilities as of June 30, 2026 increased by ¥40,041 million from March 31, 2026 to reach ¥779,795 million. This was mainly due to increases of ¥34,860 million in notes and accounts payable - trade and ¥19,248 million in "Other" under "Current liabilities," despite decreases of ¥8,208 million in income taxes payable and ¥5,692 million in provision for bonuses.

(Net assets)

Total net assets as of June 30, 2026 decreased by ¥123 million from March 31, 2026 to reach ¥415,888 million. This was mainly due to the payment of ¥3,381 million in dividends of surplus, a decrease of ¥99 million in valuation difference on available-for-sale securities, and a decrease of ¥72 million in remeasurements of defined benefit plans, despite the posting of ¥3,381 million in profit attributable to owners of parent.

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

With regard to the forecasts of consolidated financial results, there have been no changes to the figures announced on May 14, 2026.

## 2. Quarterly Consolidated Financial Statements and Key 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 | 116,695 | 121,421 |
| Notes and accounts receivable - trade | 554,190 | 581,244 |
| Securities | 24,976 | 27,362 |
| Merchandise and finished goods | 145,140 | 154,184 |
| Work in process | 1,649 | 1,394 |
| Raw materials and supplies | 5,762 | 5,971 |
| Other | 28,187 | 26,918 |
| Allowance for doubtful accounts | (429) | (379) |
| Total current assets | 876,172 | 918,118 |
| Non-current assets | | |
| Property, plant and equipment | 139,563 | 138,642 |
| Intangible assets | | |
| Goodwill | 3,523 | 3,442 |
| Other | 12,150 | 11,557 |
| Total intangible assets | 15,673 | 15,000 |
| Investments and other assets | | |
| Investment securities | 79,212 | 78,829 |
| Other | 46,156 | 46,108 |
| Allowance for doubtful accounts | (1,013) | (1,015) |
| Total investments and other assets | 124,355 | 123,922 |
| Total non-current assets | 279,593 | 277,565 |
| Total assets | 1,155,766 | 1,195,684 |

(Millions of yen)

| | As of March 31, 2026 | As of June 30, 2026 |
|---|---|---|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 665,757 | 700,617 |
| Income taxes payable | 10,001 | 1,793 |
| Provision for bonuses | 9,585 | 3,893 |
| Other | 27,707 | 46,955 |
| Total current liabilities | 713,052 | 753,260 |
| Non-current liabilities | | |
| Retirement benefit liability | 2,142 | 2,151 |
| Other | 24,558 | 24,383 |
| Total non-current liabilities | 26,701 | 26,535 |
| Total liabilities | 739,753 | 779,795 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 13,546 | 13,546 |
| Capital surplus | 32,147 | 32,147 |
| Retained earnings | 363,582 | 363,582 |
| Treasury shares | (26,344) | (26,344) |
| Total shareholders’ equity | 382,932 | 382,931 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 32,500 | 32,401 |
| Revaluation reserve for land | (4,809) | (4,809) |
| Foreign currency translation adjustment | 2,736 | 2,737 |
| Remeasurements of defined benefit plans | 2,516 | 2,443 |
| Total accumulated other comprehensive income | 32,944 | 32,774 |
| Non-controlling interests | 135 | 183 |
| Total net assets | 416,012 | 415,888 |
| Total liabilities and net assets | 1,155,766 | 1,195,684 |

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

Quarterly Consolidated Statement of Income

First quarter consolidated accounting period

(Millions of yen)

| | For the three months ended June 30, 2025 | For the three months ended June 30, 2026 |
|---|---|---|
| Net sales | 592,872 | 628,962 |
| Cost of sales | 549,606 | 585,612 |
| Gross profit | 43,266 | 43,349 |
| Selling, general and administrative expenses | 37,679 | 39,158 |
| Operating profit | 5,586 | 4,190 |
| Non-operating income | | |
| Interest income | 42 | 41 |
| Dividend income | 447 | 284 |
| Share of profit of entities accounted for using equity method | - | 248 |
| Rental income from real estate | 69 | 70 |
| Other | 184 | 346 |
| Total non-operating income | 744 | 991 |
| Non-operating expenses | | |
| Interest expenses | 10 | 10 |
| Share of loss of entities accounted for using equity method | 439 | - |
| Rental expenses on real estate | 58 | 47 |
| Other | 38 | 49 |
| Total non-operating expenses | 547 | 107 |
| Ordinary profit | 5,783 | 5,074 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 10 | 16 |
| Subsidy income | - | 50 |
| Other | 518 | 1 |
| Total extraordinary income | 528 | 68 |
| Extraordinary losses | | |
| Loss on sale and retirement of non-current assets | 9 | 20 |
| Loss on valuation of investment securities | 17 | - |
| Other | 0 | 0 |
| Total extraordinary losses | 26 | 21 |
| Profit before income taxes | 6,285 | 5,121 |
| Income taxes | 2,501 | 1,732 |
| Profit | 3,783 | 3,388 |
| Profit attributable to non-controlling interests | 1 | 7 |
| Profit attributable to owners of parent | 3,782 | 3,381 |

Quarterly Consolidated Statement of Comprehensive Income

First quarter consolidated accounting period

(Millions of yen)

| | For the three months ended June 30, 2025 | For the three months ended June 30, 2026 |
|---|---|---|
| Profit | 3,783 | 3,388 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | (541) | (99) |
| Foreign currency translation adjustment | (19) | 4 |
| Remeasurements of defined benefit plans, net of tax | (0) | (77) |
| Share of other comprehensive income of entities accounted for using equity method | (734) | 2 |
| Total other comprehensive income | (1,295) | (170) |
| Comprehensive income | 2,488 | 3,218 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 2,486 | 3,210 |
| Comprehensive income attributable to non-controlling interests | 1 | 7 |

### (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 accounting standards generally accepted in Japan applicable to interim consolidated financial statements. 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, 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 | Digital | Logistics | Healthcare Product Development | Community Healthcare and Nursing Care Support | Other Operations | |
| Net sales | | | | | | | |
| Sales to external customers | 560,519 | 161 | 5,219 | 2,956 | 23,115 | 900 | 592,872 |
| Intersegment sales and transactions | 11,091 | 444 | 8,843 | 9,706 | 1 | 493 | 30,580 |
| Total | 571,610 | 606 | 14,062 | 12,663 | 23,116 | 1,393 | 623,453 |
| Segment income/(loss) | 3,965 | (45) | 756 | 853 | 22 | 39 | 5,591 |

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 | 5,591 |
| Elimination of intersegment transactions | (4) |
| Operating profit on the consolidated financial statements | 5,586 |

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, 2026 (From April 1, 2026 to June 30, 2026)

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

(Millions of yen)

| | Reporting segment | | | | | | Total |
|---|---|---|---|---|---|---|---|
| | Pharmaceutical Distribution | Digital | Logistics | Healthcare Product Development | Community Healthcare and Nursing Care Support | Other Operations | |
| Net sales | | | | | | | |
| Sales to external customers | 597,158 | 275 | 5,241 | 2,659 | 22,713 | 913 | 628,962 |
| Intersegment sales and transactions | 10,666 | 533 | 9,234 | 10,274 | 5 | 450 | 31,165 |
| Total | 607,825 | 808 | 14,476 | 12,934 | 22,719 | 1,363 | 660,127 |
| Segment income/(loss) | 3,528 | (329) | 943 | 292 | (229) | 22 | 4,227 |

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 | 4,227 |
| Elimination of intersegment transactions | (37) |
| Operating profit on the consolidated financial statements | 4,190 |

3. Matters concerning changes to reporting segments

Under the new Medium-Term Management Plan, which commenced in the current fiscal year, the Group has positioned its evolution into a next-generation distributor as a key initiative. In the pharmaceutical distribution business, in addition to the traditional margin-based business, the Group aims to develop a fee-based business utilizing its functions (i.e., monetizing its capabilities). To support this initiative, we have changed our reporting segments as set out below, from the previous business categories to a framework in which each capability is managed and assessed as an independent business.

Note that the segment information for the three months ended June 30, 2025 is presented upon reclassification into the reporting segments after the change.

Details of the changes to the reporting segments are as follows:

| Previous segments | |
|---|---|
| Name of segment | Main companies |
| Pharmaceutical Distribution | SUZUKEN CO., LTD.<br>Sanki Corporation<br>ASTIS Co., Ltd.<br>Shoyaku Co., Ltd.<br>Suzuken Okinawa Yakuhin Co., Ltd.<br>Nakano Yakuhin Co., Ltd.<br>Suzuken Iwate Co., Ltd.<br>S.D.Logi CO., LTD. |
| Healthcare Product Development | <Pharmaceutical manufacturing><br>Sanwa Kagaku Kenkyusho Co., Ltd.<br><Manufacturing of medical equipment and materials><br>Kenzmedico Co., Ltd. |
| | <Pharmacy><br>UNISMILE Co., Ltd.<br><Nursing care><br>Sanki Wellbe Co., Ltd.<br>S-Care Mate Co., Ltd.<br><Medical and nursing care support><br>Medicare Collabo CO., LTD. |
| Specialty Drug Contract Distribution | S.D. Collabo Co., Ltd. |
| Healthcare-Related Services | <External logistics><br>CHUOUNYU CO., LTD.<br>S.D. Collabo Co., Ltd. (contract logistics services for pharmaceutical manufacturers)<br><Other><br>Collabo Square Co., Ltd. |

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| New segments | |
|---|---|
| Name of segment | Main companies |
| Pharmaceutical Distribution | SUZUKEN CO., LTD.<br>Sanki Corporation<br>ASTIS Co., Ltd.<br>Shoyaku Co., Ltd.<br>Suzuken Okinawa Yakuhin Co., Ltd.<br>Nakano Yakuhin Co., Ltd.<br>Suzuken Iwate Co., Ltd.<br>S.D. Collabo Co., Ltd. |
| Digital | Collabo Square Co., Ltd.<br>medimo, Inc. |
| Logistics | Collabo CREATE CO., LTD.<br>S.D.Logi CO., LTD.<br>CHUOUNYU CO., LTD. |
| Healthcare Product Development | <Pharmaceutical manufacturing><br>Sanwa Kagaku Kenkyusho Co., Ltd.<br><Manufacturing of medical equipment and materials><br>Kenzmedico Co., Ltd. |
| Community Healthcare and Nursing Care Support | <Pharmacy><br>UNISMILE Co., Ltd.<br><Nursing care><br>Sanki Wellbe Co., Ltd.<br>S-Care Mate Co., Ltd.<br><Medical and nursing care support><br>Medicare Collabo CO., LTD. |
| Other Operations (Note) | Life Support Co., Ltd. |

(Note) The Other Operations Segment comprises businesses that are not attributable to any of the other reporting segments.

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>**

N/A

**<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, 2025 | Three months ended June 30, 2026 |
|---|---|---|
| Depreciation and amortization | 2,921 | 3,141 |
| Amortization of goodwill | 2 | 80 |

**<Important Subsequent Events>**

Impact of the 2026 Kumamoto Earthquake

The status of damage caused by the 2026 Kumamoto Earthquake, which occurred on July 28, 2026, on the Company's subsidiaries is as follows.

(1) Status of employee safety

We have confirmed the safety of all employees engaged in business operations at Shoyaku Co., Ltd. (pharmaceutical distribution business), Sanwa Kagaku Kenkyusho Co., Ltd. (pharmaceutical manufacturing business), and UNISMILE Co., Ltd. (pharmacy business).

(2) Status of damage to facilities

At the Kumamoto Plant (Uto City, Kumamoto Prefecture) of Sanwa Kagaku Kenkyusho Co., Ltd., partial damage to the building and manufacturing facilities has been confirmed as a result of the earthquake, and operations are currently suspended. Inventories of products manufactured at the plant have been secured, and we believe that any immediate risk of supply disruption can be avoided. We are currently investigating the extent of the damage and taking necessary measures, including assessing the timing of the plant's restart.

Regarding our other subsidiaries, no significant damage has been confirmed.

The impact on the Company's financial results for the fiscal year ending March 31, 2027 is currently under review.