



July 31, 2025

Consolidated Financial Results for the First Three Months of the Year Ending March 31, 2026 (Fiscal 2025) <under IFRS>

Listed company name: Daiichi Sankyo Company, Limited
Listed exchange: the Tokyo Stock Exchange
Stock code number: 4568
URL: <https://www.daiichisankyo.com>
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Scheduled date to commence dividend payments: –
Preparing supplementary material (Reference Data) on quarterly financial results: Yes
Holding of financial results briefing: Yes (for institutional investors, analysts and the press)

(All amounts have been rounded down to the nearest million JPY)

1. Consolidated Financial Results for the First Three Months of the Year Ending March 31, 2026 (from April 1, 2025 to June 30, 2025)

(1) Consolidated Financial Results

(Percentages indicate changes from the same period in the previous fiscal year)

	Revenue		Core operating profit		Operating profit		Profit before tax	
	Millions of JPY	%	Millions of JPY	%	Millions of JPY	%	Millions of JPY	%
Three months ended June 30, 2025	474,597	8.8	96,307	32.1	96,711	4.0	105,442	(4.3)
Three months ended June 30, 2024	436,175	24.3	72,882	63.9	92,979	111.2	110,198	111.4

	Profit for the period		Profit attributable to owners of the Company		Total comprehensive income		Basic earnings per share	Diluted earnings per share
	Millions of JPY	%	Millions of JPY	%	Millions of JPY	%	JPY	JPY
Three months ended June 30, 2025	85,500	0.1	85,500	0.1	68,217	(49.6)	46.03	46.01
Three months ended June 30, 2024	85,383	49.8	85,383	49.8	135,469	19.7	44.60	44.57

Note: Daiichi Sankyo discloses core operating profit, which excludes non-recurring gains and losses from operating profit, as an indicator of underlying profitability. For the definition of core operating profit, please refer to “1. Results of Operations (1) Operating Results for the first three months of the year ending March 31, 2026” on page 2 of the attached material.

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the Company	Ratio of equity attributable to owners of the Company to total assets	Equity per share attributable to owners of the Company
	Millions of JPY	Millions of JPY	Millions of JPY	%	JPY
As of June 30, 2025	3,459,617	1,578,561	1,578,561	45.6	852.84
As of March 31, 2025	3,456,119	1,623,416	1,623,416	47.0	869.69

2. Cash Dividends

	Annual dividend per share				
	First quarter	Second quarter	Third quarter	Fiscal year-end	Total
	JPY	JPY	JPY	JPY	JPY
Fiscal year ended March 31, 2025	—	30.00	—	30.00	60.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Forecast)		39.00	—	39.00	78.00

Note: Revision of the forecast of cash dividends from most recently announced figures: None

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

(Percentages indicate changes from the previous fiscal year)

	Revenue		Core operating profit		Operating profit		Profit before tax		Profit for the year	
	Millions of JPY	%	Millions of JPY	%	Millions of JPY	%	Millions of JPY	%	Millions of JPY	%
Full year	2,000,000	6.0	350,000	11.9	350,000	5.4	370,000	4.0	300,000	1.4

	Profit attributable to owners of the Company		Basic earnings per share
	Millions of JPY	%	JPY
Full year	300,000	1.4	160.72

Note: Revision of the forecast from most recently announced figures: None

*Notes

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: None

Excluded: 2 companies (Daiichi Sankyo Propharma Co., Ltd. and Daiichi Sankyo Chemical Pharma Co., Ltd.)

(2) Changes in accounting policies and changes in accounting estimates

1) Changes in accounting policies required by IFRS: None

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

3) Changes in accounting estimates: None

(3) Number of ordinary shares issued

1) Number of shares issued at the end of the period (including own shares)

As of June 30, 2025	1,894,350,529 shares
As of March 31, 2025	1,908,322,129 shares

2) Number of own shares at the end of the period

As of June 30, 2025	43,408,562 shares
As of March 31, 2025	41,668,788 shares

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

Three months ended June 30, 2025	1,857,351,428 shares
Three months ended June 30, 2024	1,914,362,840 shares

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

*Disclaimer regarding forward-looking information including appropriate use of forecast financial results

The forecast information included in these materials is based on information currently available and certain assumptions that Daiichi Sankyo regards as reasonable. Actual performance and results may differ from those forecast due to various factors.

Please see “1. Qualitative Information about Consolidated Results for the First Three Months (3) Information about Forecasts of Consolidated Financial Results and Other Forward-Looking Statements” on page 7 for matters related to the above forecasts.

Attached Material

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1. Results of Operations

(1) Operating Results for the first three months of the year ending March 31, 2026

1) Overview

[Consolidated Financial Results (Core Base)]

(Millions of JPY; all amounts have been rounded down to the nearest million JPY.)

	Three months ended June 30, 2024	Three months ended June 30, 2025	YoY change
Revenue	436,175	474,597	38,421 8.8%
Cost of sales*	94,985	92,343	-2,641 -2.8%
Selling, general and administrative expenses*	167,618	179,997	12,379 7.4%
Research and development expenses*	100,689	105,948	5,259 5.2%
Core operating profit*	72,882	96,307	23,425 32.1%
Temporary income*	20,096	711	-19,385 -96.5%
Temporary expenses*	0	307	307 —
Operating profit	92,979	96,711	3,732 4.0%
Profit before tax	110,198	105,442	-4,755 -4.3%
Profit attributable to owners of the Company	85,383	85,500	116 0.1%
Total comprehensive income	135,469	68,217	-67,252 -49.6%

* Daiichi Sankyo Group (hereinafter, “the Group”) discloses core operating profit, which excludes temporary income and expenses from operating profit, as an indicator of ordinary profitability. Temporary income and expenses include gains/losses on sale of non-current assets, gains/losses associated with business restructuring (excluding gains/losses on sales of developed products and products on the market), impairment losses on property, plant and equipment, intangible assets, and goodwill, compensation for damages or settlement, and non-recurring and large gains/losses.

This table shows the actual results of cost of sales, selling, general and administrative expenses, and research and development expenses, exclusive of temporary income and expenses. The adjustment table from operating profit to core operating profit is stated in the Reference Data.

<JPY exchange rates for major currencies (average rate for the period)>

	Three months ended June 30, 2024	Three months ended June 30, 2025
USD/JPY	155.89	144.60
EUR/JPY	167.88	163.81

a. Revenue

- Revenue in the first three months of the year ending March 31, 2026 increased by JPY38.4 billion, or 8.8% year on year, to JPY474.6 billion.
- Despite the negative effect from foreign exchange by the appreciation of JPY, revenue increased due to the growth of global mainstay products such as Enhertu (generic name: trastuzumab deruxtecan, T-DXd/DS-8201) and the sales contribution of Datroway (generic name: datopotamab deruxtecan: Dato-DXd/DS-1062).
- The negative effect on revenue from foreign exchange was JPY19.2 billion in total.

b. Core operating profit

- Core operating profit increased by JPY23.4 billion, or 32.1% year on year, to JPY96.3 billion.
- Cost of sales was JPY92.3 billion, constituting a decrease of JPY2.6 billion, or 2.8% year on year, due to an improvement in cost-to-sales ratio as a result of a change in the product mix and others, despite an increase in revenue.
- Selling, general and administrative expenses increased by JPY12.4 billion, or 7.4%, to JPY180.0 billion due to the cost increase by an increase in profit sharing with AstraZeneca.
- Research and development expenses increased by JPY5.3 billion, or 5.2% year on year, to JPY105.9 billion due to increased R&D investment in 5DXd ADCs (trastuzumab deruxtecan, datopotamab deruxtecan, patritumab deruxtecan: HER3-DXd/U3-1402, ifinatamab deruxtecan: I-DXd/DS-7300, raludotatug deruxtecan:R-DXd/DS-6000).
- The positive effect on core operating profit from foreign exchange was JPY0.4 billion in total.

c. Operating profit

- Operating profit increased by JPY3.7 billion, or 4.0% year on year, to JPY96.7 billion.
- A temporary income as a result of the gain on share transfer of Daiichi Sankyo Espha Co., Ltd. was recorded in the three months ended June 30, 2024. Without this gain in the current period, temporary income decreased, resulting in a smaller decline in operating profit compared to core operating profit.

d. Profit before tax

- Profit before tax decreased by JPY4.8 billion, or 4.3% year on year, to JPY105.4 billion.
- The decrease was a result of a deterioration of the financial balance by a deterioration in loss (gain) on exchange differences.

e. Profit attributable to owners of the Company

- Profit attributable to owners of the Company increased by JPY0.1 billion, or 0.1% year on year, to JPY85.5 billion.

f. Total comprehensive income

- Total comprehensive income decreased by JPY67.3 billion, or 49.6% year on year, to JPY68.2 billion due to the decrease in the currency translation difference related to net assets of overseas subsidiaries and other factors.

[Revenue by Business Unit]

Revenue by business unit in the first three months of the year ending March 31, 2026 is as follows. Revenue by product is stated in the Reference Data.

a. Japan Business Unit

Revenue from Japan Business Unit includes revenue from products generated by the innovative pharmaceuticals business and the vaccine business.

Revenue from the Unit increased by JPY7.3 billion, or 6.2% year on year, to JPY125.0 billion due to the growth of Lixiana, Tarlige and others, and the sales contribution of Belsomra.

b. Daiichi Sankyo Healthcare Unit

Revenue from Daiichi Sankyo Healthcare Unit increased by JPY0.9 billion, or 4.5% year on year, to JPY20.9 billion as a result of the increase in sales of Clean Dental, CALONAL and others.

c. Oncology Business Unit

Revenue from Oncology Business Unit includes revenue from cancer treatment products generated by Daiichi Sankyo, Inc. (the U.S.) and Daiichi Sankyo Europe GmbH.

Revenue from the Unit increased by JPY24.8 billion, or 23.3% year on year, to JPY131.2 billion and the revenue in local currency increased by USD225 million, or 32.9%, to USD907 million due to the growth of Enhertu and others, and the sales contribution of Datroway in the U.S. and Europe.

The following describes the major progress in the first three months of the year ending March 31, 2026.

- In June 2025, Datroway was launched in Europe (Indications: HR positive and HER2 negative breast cancer (IHC 0, IHC 1+ or IHC 2+/ISH-) after prior endocrine therapy and chemotherapy).
- In June 2025, Datroway was approved in the U.S. for treatment of EGFR-mutated NSCLC and the promotion started.

d. American Regent Unit

Revenue from American Regent Unit decreased by JPY6.7 billion, or 11.9% year on year, to JPY49.3 billion and the revenue in local currency decreased by USD18 million, or 5.0%, to USD341 million due to decreases in sales of Injectafer and Venofer.

e. EU Specialty Business Unit

Revenue from EU Specialty Business Unit includes revenue from products other than from cancer treatment products generated by Daiichi Sankyo Europe GmbH.

Revenue from the Unit increased by JPY4.6 billion, or 7.7% year on year, to JPY63.8 billion and the revenue in local currency increased by EUR37 million, or 10.4%, to EUR390 million due to the growth in sales of Nilemdo/Nustendi and others.

f. ASCA Business Unit

Revenue from ASCA^{*1} Business Unit includes sales to overseas licensees.

Revenue from the Unit increased by JPY8.0 billion, or 16.5% year on year, to JPY56.8 billion due to an increase of Enhertu in China and others.

^{*1} Asia, South & Central America

2) Status of R&D

The Group focuses on accelerating global clinical development and is working on research and development in accordance with the “5DXd ADCs^{*1} and Next Wave” Strategy, which intensively allocates resources to five DXd ADCs for maximizing their product values, and aims to deliver medicines that change SOC^{*2} for realization of sustainable growth (Next Wave).

In the medium to long term, the Group aims to develop therapeutic drugs for various diseases in addition to oncology by utilizing its competitive science and technology, and strives to strengthen drug discovering capabilities by technology research of new modalities^{*3}.

^{*1} ADC: Abbreviation for Antibody Drug Conjugate, drug composed of an antibody drug and a payload (a small molecule drug) linked via appropriate linker. By using a monoclonal antibody that binds to a specific target expressed on cancer cells, a cytotoxic payload is delivered to cancer cells effectively with reducing systemic exposure. DXd ADCs are drugs that combine the Company’s proprietary drugs and linkers with antibodies.

^{*2} Standard of Care: Universally applied best treatment practice in today’s medical science.

^{*3} Modality: Medical treatment such as small molecule drugs, antibody drugs, ADC, nucleic acid drugs and gene therapy.

【5DXd ADCs】

The following describes the Group’s clinical development of 5DXd ADCs projects in the first three months of the year ending March 31, 2026 (from April 1, 2025 to June 30, 2025). The status of each clinical trial is stated in the Reference Data.

The Group is developing trastuzumab deruxtecan and datopotamab deruxtecan jointly with AstraZeneca. In addition, the Group is developing patritumab deruxtecan, ifinatamab deruxtecan, and raludotatug deruxtecan (DS-6000) jointly with Merck & Co., Inc., Rahway, NJ, USA (hereinafter “Merck in the U.S.”), with which the Company entered into a strategic collaboration agreement in October 2023.

a. Trastuzumab deruxtecan (T-DXd/DS-8201: HER2-directed ADC, brand name: Enhertu)

The following describes the major progress in the first three months of the year ending March 31, 2026.

- In April 2025, the application was approved in Europe and the application for approval was accepted in China for chemotherapy naïve hormone receptor (HR) positive, HER2 low, or HER2 ultralow breast cancer.
- In April 2025, the Phase III clinical trial to evaluate triple combination therapy with fluoropyrimidine and pembrolizumab as the first line treatment for HER2 positive gastric cancer (trial name: DESTINY-Gastric05) was initiated.
- In April 2025, the outline of the interim analysis data of the Phase III clinical trial for the first line treatment for HER2 positive breast cancer (trial name: DESTINY-Breast09) was presented.
- In April 2025, the application for approval was accepted in Japan for HER2 positive advanced or recurrent multiple solid tumors.
- In May 2025, the outline of the major analysis data of the Phase III clinical trial for neoadjuvant therapy of high-recurrence-risk HER2 positive early-stage breast cancer (trial name: DESTINY-Breast11) was presented.

- In June 2025, the first data of the Phase III clinical trial for the second line treatment for HER2 positive gastric cancer (trial name: DESTINY-Gastric04) was presented at the American Society of Clinical Oncology (ASCO).
- In June 2025, first data of the DESTINY-Breast09 clinical trial was presented at ASCO.
- In June 2025, the Phase III clinical trial to evaluate combination therapy with rilvegostomig or pembrolizumab as the first line treatment for HER2 expressing (IHC 3+ or 2+) endometrial cancer (trial name: DESTINY-Endometrial01) was initiated.

b. Datopotamab deruxtecan (Dato-DXd/DS-1062: TROP2-directed ADC, brand name: Datroway)

The following describes the major progress in the first three months of the year ending March 31, 2026.

- In April 2025, the application was approved in Europe for the treatment of HR positive and HER2 negative (IHC 0, IHC 1+, or IHC 2+/ISH-) breast cancer after prior endocrine therapy and one or more chemotherapies.
- In June 2025, the latest data for combination therapy with immune checkpoint inhibitors from the two Phase Ib clinical trials for the first line treatment for NSCLC without actionable gene mutations*⁴ (trial names: TROPION-Lung02, TROPION-Lung04) and from the Phase II clinical trial for neoadjuvant/adjuvant therapy (trial name: NeoCOAST-2) were presented at ASCO.
- In June 2025, the application was approved in the U.S. for NSCLC with EGFR (epidermal growth factor receptor) gene mutations and history of EGFR-targeted therapy and platinum-based chemotherapy.

*⁴ Genetic mutations that can be presently targeted for cancer treatment.

c. Patritumab deruxtecan (HER3-DXd/U3-1402: HER3-directed ADC)

The following describes the major progress in the first three months of the year ending March 31, 2026.

- In May 2025, the application for approval in the U.S. for EGFR-mutated NSCLC*⁵ was voluntarily withdrawn.
- In June 2025, the first data from the Phase III clinical trial for the second line treatment for EGFR-mutated NSCLC (trial name: HERTHENA-Lung02) was presented at ASCO.

*⁵ The application for approval was based on the results from the Phase II clinical trial (trial name: HERTHENA-Lung01).

d. Ifinatamab deruxtecan (I-DXd/DS-7300: B7-H3-directed ADC)

The following describes the major progress in the first three months of the year ending March 31, 2026.

- In April 2025, trial results were obtained from the Phase II clinical trial for the second or later line treatment for extensive-stage small cell lung cancer (trial name: IDEate-Lung01).
- In May 2025, the Phase III clinical trial for the second line treatment for esophageal squamous cell carcinoma (trial name: IDEate-Esophageal01) was initiated.
- In June 2025, the Phase III clinical trial for metastatic castration-resistant prostate cancer with no history of chemotherapy (trial name: IDEate-Prostate01) was initiated.

(2) Analysis of Financial Position as of June 30, 2025

- Total assets as of June 30, 2025 were JPY3,459.6 billion, an increase of JPY3.5 billion from the previous fiscal year-end, mainly due to an increase in inventories, which were partially offset by a decrease in cash and cash equivalents.

- Total liabilities as of June 30, 2025 were JPY1,881.1 billion, an increase of JPY48.4 billion from the previous fiscal year-end, mainly due to increases in bonds and borrowings (current liabilities) , which were partially offset by a decrease in trade and other payables .
- Total equity as of June 30, 2025 was JPY1,578.6 billion, a decrease of JPY44.9 billion from the previous fiscal year-end, mainly due to cash dividend payment and purchase of own shares (15.74 million shares at an aggregate purchase cost of JPY58.5 billion), which were partially offset by profit for the period.
- The ratio of equity attributable to owners of the Company to total assets was 45.6%, a decrease of 1.3 points from the previous fiscal year-end.

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

- There are no changes from the forecasts of consolidated financial results for the year ending March 31, 2026 publicly announced on April 25, 2025.

(4) Information about Return to Shareholders

- In order to secure sustainable growth in corporate value, one of the fundamental business policies of Daiichi Sankyo is to decide profit distributions based on a comprehensive consideration of the investments essential for implementing its growth strategy and returning profits to shareholders.
- During the 5-Year Business Plan (fiscal 2021-fiscal 2025) period, the Company aims to maximize shareholder value by further enhancing shareholder returns through dividend increase in line with profit growth and flexible acquisition of its own shares.

<Dividend increase in line with profit growth>

- For fiscal 2024, the Company paid a year-end dividend of JPY30 per share on June 24, 2025. Accordingly, the annual dividend for the fiscal year, together with the interim dividend of JPY30 per share paid on December 10, 2024, was JPY60 per share in total.
- For fiscal 2025, the Company intends to pay the annual dividend of JPY78 (interim dividend forecast: JPY39, year-end dividend forecast: JPY39) per share, an increase of JPY18 from the annual dividend of fiscal 2024 mainly due to the continued expected profit growth following further sales expansion of Enhertu.

<Flexible acquisition of own shares>

- In order to take flexible actions in response to the situation where the Company believes its future profitability is not fully reflected in its share price, the Company acquired 13.97 million own shares for the cost of JPY50.0 billion between March 3, 2025 to April 8, 2025, and canceled all the acquired shares on May 30, 2025.
- Furthermore, the Company decided at the meeting of the Board of Directors held on April 25, 2025 to establish upper limits of JPY200.0 billion or 80 million shares from May 1, 2025 to March 24, 2026 for acquisition of its own shares in order to enable flexible acquisition of its own shares based on comprehensive consideration such as share price level and other factors.

2. Condensed Interim Consolidated Financial Statements with Primary Notes

(1) Condensed Interim Consolidated Statement of Financial Position

(Millions of JPY)

	As of March 31, 2025	As of June 30, 2025
ASSETS		
Current assets		
Cash and cash equivalents	639,838	574,297
Trade and other receivables	619,101	611,760
Other financial assets	80,890	50,644
Inventories	514,910	563,969
Other current assets	47,443	46,223
Subtotal	1,902,183	1,846,895
Assets held for sale	7,250	–
Total current assets	1,909,433	1,846,895
Non-current assets		
Property, plant and equipment	498,517	517,468
Goodwill	108,429	105,748
Intangible assets	235,839	234,211
Investments accounted for using the equity method	5,600	5,080
Other financial assets	139,175	139,111
Long-term advance payments	167,428	190,122
Deferred tax assets	305,019	332,872
Other non-current assets	86,675	88,106
Total non-current assets	1,546,685	1,612,721
Total assets	3,456,119	3,459,617

(Millions of JPY)

	As of March 31, 2025	As of June 30, 2025
LIABILITIES AND EQUITY		
Liabilities		
Current liabilities		
Trade and other payables	579,957	518,543
Bonds and borrowings	399	100,398
Other financial liabilities	14,720	15,072
Income taxes payable	60,369	63,844
Provisions	5,804	3,837
Contract liabilities	67,956	69,784
Other current liabilities	24,825	28,485
Total current liabilities	754,032	799,967
Non-current liabilities		
Bonds and borrowings	100,933	100,837
Other financial liabilities	43,675	42,918
Post-employment benefit liabilities	1,559	1,736
Provisions	13,030	13,059
Contract liabilities	751,038	743,442
Deferred tax liabilities	11,066	10,354
Other non-current liabilities	157,365	168,740
Total non-current liabilities	1,078,670	1,081,089
Total liabilities	1,832,703	1,881,056
Equity		
Equity attributable to owners of the Company		
Share capital	50,000	50,000
Own shares	(147,321)	(156,734)
Other components of equity	263,693	245,298
Retained earnings	1,457,044	1,439,997
Total equity attributable to owners of the Company	1,623,416	1,578,561
Total equity	1,623,416	1,578,561
Total liabilities and equity	3,456,119	3,459,617

(2) Condensed Interim Consolidated Statement of Profit or Loss and Condensed Interim Consolidated Statement of Comprehensive Income

Condensed Interim Consolidated Statement of Profit or Loss

	(Millions of JPY)	
	Three months ended June 30, 2024	Three months ended June 30, 2025
Revenue	436,175	474,597
Cost of sales	95,049	92,346
Gross profit	341,125	382,250
Selling, general and administrative expenses	175,115	180,348
Research and development expenses	100,714	105,950
Other income	27,683	760
Other expenses	0	0
Operating profit	92,979	96,711
Financial income	19,133	9,776
Financial expenses	1,974	1,419
Share of profit (loss) of investments accounted for using the equity method	60	373
Profit before tax	110,198	105,442
Income taxes	24,815	19,942
Profit for the period	85,383	85,500
Profit attributable to:		
Owners of the Company	85,383	85,500
Earnings per share		
Basic earnings per share (JPY)	44.60	46.03
Diluted earnings per share (JPY)	44.57	46.01

Condensed Interim Consolidated Statement of Comprehensive Income

(Millions of JPY)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit for the period	85,383	85,500
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	4,457	419
Remeasurements of defined benefit plans	(0)	0
Items that are or may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	44,890	(17,780)
Cash flow hedges	738	77
Total other comprehensive income for the period, net of tax	50,086	(17,283)
Total comprehensive income for the period	135,469	68,217
Total comprehensive income attributable to:		
Owners of the Company	135,469	68,217

(3) Condensed Interim Consolidated Statement of Changes in Equity

Three months ended June 30, 2024

(Millions of JPY)

	Equity attributable to owners of the Company						
	Other components of equity						
	Share capital	Capital surplus	Own shares	Subscription rights to shares	Exchange differences on translation of foreign operations	Cash flow hedges	Financial assets measured at fair value through other comprehensive income
Balance as of April 1, 2024	50,000	1,962	(36,629)	560	243,928	(232)	39,742
Profit for the period	—	—	—	—	—	—	—
Other comprehensive income for the period	—	—	—	—	44,890	738	4,457
Total comprehensive income for the period	—	—	—	—	44,890	738	4,457
Purchase of own shares	—	—	(45,712)	—	—	—	—
Disposal of own shares	—	(11)	15	(3)	—	—	—
Dividend	—	—	—	—	—	—	—
Share-based compensation	—	770	—	—	—	—	—
Changes associated with losing control of subsidiaries	—	—	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	—	—	—	1
Transfer to non-financial assets and similar items	—	—	—	—	—	(505)	—
Others	—	—	—	—	—	—	—
Total transactions with owners of the Company	—	758	(45,696)	(3)	—	(505)	1
Balance as of June 30, 2024	50,000	2,721	(82,326)	556	288,818	—	44,201

(Millions of JPY)

	Equity attributable to owners of the Company					
	Other components of equity				Non-controlling interests	Total equity
	Remeasurements of defined benefit plans	Total other components of equity	Retained earnings	Total equity attributable to owners of the Company		
Balance as of April 1, 2024	—	283,998	1,388,842	1,688,173	429	1,688,603
Profit for the period	—	—	85,383	85,383	—	85,383
Other comprehensive income for the period	(0)	50,086	—	50,086	—	50,086
Total comprehensive income for the period	(0)	50,086	85,383	135,469	—	135,469
Purchase of own shares	—	—	—	(45,712)	—	(45,712)
Disposal of own shares	—	(3)	—	0	—	0
Dividend	—	—	(57,525)	(57,525)	—	(57,525)
Share-based compensation	—	—	—	770	—	770
Changes associated with losing control of subsidiaries	—	—	—	—	(429)	(429)
Transfer from other components of equity to retained earnings	0	1	(1)	—	—	—
Transfer to non-financial assets and similar items	—	(505)	—	(505)	—	(505)
Others	—	—	178	178	—	178
Total transactions with owners of the Company	0	(507)	(57,348)	(102,794)	(429)	(103,223)
Balance as of June 30, 2024	—	333,576	1,416,877	1,720,849	—	1,720,849

Three months ended June 30, 2025

(Millions of JPY)

	Equity attributable to owners of the Company						
	Share capital	Capital surplus	Own shares	Other components of equity			
				Subscription rights to shares	Exchange differences on translation of foreign operations	Cash flow hedges	Financial assets measured at fair value through other comprehensive income
Balance as of April 1, 2025	50,000	–	(147,321)	424	228,137	–	35,130
Profit for the period	–	–	–	–	–	–	–
Other comprehensive income for the period	–	–	–	–	(17,780)	77	419
Total comprehensive income for the period	–	–	–	–	(17,780)	77	419
Purchase of own shares	–	(52)	(58,484)	–	–	–	–
Disposal of own shares	–	–	100	(1)	–	–	–
Cancellation of own shares	–	(1,393)	48,971	–	–	–	–
Dividend	–	–	–	–	–	–	–
Share-based compensation	–	1,446	–	–	–	–	–
Changes associated with losing control of subsidiaries	–	–	–	–	–	–	–
Transfer from other components of equity to retained earnings	–	–	–	–	–	–	(1,032)
Transfer to non-financial assets and similar items	–	–	–	–	–	(77)	–
Others	–	–	–	–	–	–	–
Total transactions with owners of the Company	–	–	(9,412)	(1)	–	(77)	(1,032)
Balance as of June 30, 2025	50,000	–	(156,734)	422	210,357	–	34,517

(Millions of JPY)

	Equity attributable to owners of the Company				Non-controlling interests	Total equity
	Other components of equity		Retained earnings	Total equity attributable to owners of the Company		
	Remeasurements of defined benefit plans	Total other components of equity				
Balance as of April 1, 2025	–	263,693	1,457,044	1,623,416	–	1,623,416
Profit for the period	–	–	85,500	85,500	–	85,500
Other comprehensive income for the period	0	(17,283)	–	(17,283)	–	(17,283)
Total comprehensive income for the period	0	(17,283)	85,500	68,217	–	68,217
Purchase of own shares	–	–	–	(58,536)	–	(58,536)
Disposal of own shares	–	(1)	(7)	91	–	91
Cancellation of own shares	–	–	(47,577)	–	–	–
Dividend	–	–	(56,053)	(56,053)	–	(56,053)
Share-based compensation	–	–	–	1,446	–	1,446
Changes associated with losing control of subsidiaries	–	–	–	–	–	–
Transfer from other components of equity to retained earnings	(0)	(1,032)	1,032	–	–	–
Transfer to non-financial assets and similar items	–	(77)	–	(77)	–	(77)
Others	–	–	57	57	–	57
Total transactions with owners of the Company	(0)	(1,111)	(102,547)	(113,072)	–	(113,072)
Balance as of June 30, 2025	–	245,298	1,439,997	1,578,561	–	1,578,561

(4) Condensed Interim Consolidated Statement of Cash Flows

(Millions of JPY)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Cash flows from operating activities		
Profit before tax	110,198	105,442
Depreciation and amortization	16,615	17,801
Impairment losses (reversal of impairment losses)	—	275
Financial income	(19,133)	(9,776)
Financial expenses	1,974	1,419
Share of (profit) loss of investments accounted for using the equity method	(60)	(373)
(Gain) loss on sale and disposal of non-current assets	(3,249)	199
(Increase) decrease in trade and other receivables	(66,425)	8,383
(Increase) decrease in inventories	(761)	(37,141)
(Increase) decrease in long-term advance payments	(43,786)	(22,693)
Increase (decrease) in trade and other payables	(45,878)	(61,224)
Increase (decrease) in contract liabilities	(14,652)	(5,830)
Others, net	(10,152)	14,535
Subtotal	(75,310)	11,017
Interest and dividend received	7,189	7,230
Interest paid	(180)	(165)
Income taxes paid	(41,741)	(54,649)
Net cash flows from (used in) operating activities	(110,042)	(36,567)
Cash flows from investing activities		
Payments into time deposits	(2,611)	(4,998)
Proceeds from maturities of time deposits	285,102	4,397
Acquisition of securities	(47,582)	(16,629)
Proceeds from sale and redemption of securities	144,611	45,888
Acquisition of property, plant and equipment	(21,179)	(28,720)
Proceeds from sale of property, plant and equipment	477	9
Acquisition of intangible assets	(10,833)	(7,414)
Proceeds from sale of subsidiaries and affiliates	5,250	7,250
Payments for loans receivable	—	(1)
Proceeds from collection of loans receivable	12	—
Others, net	4,052	(595)
Net cash flows from (used in) investing activities	357,299	(815)

(Millions of JPY)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Cash flows from financing activities		
Proceeds from bonds and borrowings	—	100,000
Repayments of bonds and borrowings	(99)	(101)
Purchase of own shares	(45,712)	(58,536)
Proceeds from sale of own shares	—	0
Dividend paid	(57,570)	(56,103)
Repayments of lease liabilities	(4,174)	(4,409)
Others, net	0	0
Net cash flows from (used in) financing activities	(107,557)	(19,151)
Net increase (decrease) in cash and cash equivalents	139,699	(56,535)
Cash and cash equivalents at the beginning of the period	647,180	639,838
Effect of exchange rate changes on cash and cash equivalents	18,379	(9,005)
Cash and cash equivalents at the end of the period	805,259	574,297

(5) Notes to Condensed Interim Consolidated Financial Statements

Going Concern Assumption

Not applicable.

Changes in Presentation

(Condensed Interim Consolidated Statement of Financial Position)

"Long-term advance payments", which was included in "Other non-current assets" under non-current assets in the previous consolidated fiscal year, is disclosed separately from the first quarter of the fiscal year ending March 31, 2026, since the monetary significance has increased.

To reflect this change in presentation, the Condensed Consolidated Statement of Financial Position as of March 31, 2025 has been reclassified on a consistent basis.

As a result, a portion of the amounts reported in "Other non-current assets" under non-current assets as of March 31, 2025 amounting to JPY167,428 million, has been reclassified as "Long-term advance payments" under non-current assets.

(Condensed Interim Consolidated Statement of Cash Flows)

"(Increase) decrease in long-term advance payments", which was included in "Others, net" under cash flows from operating activities in the previous consolidated fiscal year, is disclosed separately from the first quarter of the fiscal year ending March 31, 2026, since the monetary significance has increased.

To reflect this change in presentation, the Condensed Interim Consolidated Statement of Cash Flows for the first quarter of the fiscal year ended March 31, 2025, has been reclassified on a consistent basis.

As a result, a portion of the amounts reported in "Others, net" under cash flows from operating activities in the Condensed Interim Consolidated Statement of Cash Flows for the first quarter of the fiscal year ended March 31, 2025 amounting to JPY(43,786) million has been reclassified as "(Increase) decrease in long-term advance payments" under cash flows from operating activities.

Operating Segment Information

Disclosure is omitted as the Group has a single segment, "Pharmaceutical Operation".

Subsequent Events

The Company's Board of Directors made a comprehensive decision at the board meeting on July 31, 2025, to issue unsecured corporate bonds as follows:

(1) Type of bonds issued, issue price, total amount of issue, interest rate, redemption method, maturity

a. Type

Unsecured Corporate Bonds

b. Issue price

JPY100 for each corporate bond amount of JPY100

c. Total amount of issue

Up to JPY200 billion (however, may be issued in multiple tranches)

d. Interest rate

No more than 1.5% above the market yield of Japanese national government bonds of comparable maturity as the corporate bond.

e. Redemption methods

Lump-sum repayments at maturity

f. Maturity

Within 10 years

(2) Estimated Period of Issuance

From September 1, 2025 to December 31, 2025

(3) Security or guarantee

The bonds are not secured by any collateral nor guaranteed, and there are no particular assets reserved as security for the bonds.

(4) Use of funds procured

Debt repayment, treasury stock acquisition, capital investment and working capital

(5) Negative pledge

In the case that, after the issuance of these bonds, the Company provides security for other unsecured bonds already issued or to be issued by the Company in Japan the Company shall establish a security interest of the same order of priority for these bonds.

(6) Other

Decisions on the matters set forth in each item of Article 676 of the Companies Act and all other matters necessary for the issuance of bonds shall be left to the discretion of the President and Representative Director within the aforementioned scope.