

Note: This document has been translated from the Japanese-language original (hereinafter, the "original") for reference purposes only. In the event of any discrepancy between this translated document and the original, the original shall prevail.



## Summary of Consolidated Financial Results for the Nine Months Ended December 31, 2025 [IFRS]

January 30, 2026

<b>Company Name:</b>	SUMITOMO PHARMA CO., LTD.	
<b>Stock Exchange Listings:</b>	Tokyo	
<b>Security Code Number:</b>	4506 (URL <a href="https://www.sumitomo-pharma.com">https://www.sumitomo-pharma.com</a> )	
<b>Representative:</b>	Toru Kimura, Representative Director, President and Chief Executive Officer	
<b>Contact:</b>	Koichi Kino, Vice President, Head of Corporate Governance	
<b>Telephone:</b>	06-6203-5321	
<b>Starting Date of Dividend Payments:</b>	—	
<b>Preparation of Supplementary Financial Data for Quarterly Financial Results:</b>	Yes	
<b>Information Meeting for Quarterly Financial Results to be held:</b>	Yes (for institutional investors, analysts and the press)	

*(Note: All amounts are rounded to the nearest million JPY)*

### 1. Consolidated Financial Results for the Nine Months Ended December 31, 2025 (April 1, 2025 to December 31, 2025)

#### (1) Results of Operations

(% represents changes from the previous year)

	Revenue		Core operating profit		Operating profit		Net profit		Net profit attributable to owners of the parent		Total comprehensive income	
	Millions of JPY	%	Millions of JPY	%	Millions of JPY	%	Millions of JPY	%	Millions of JPY	%	Millions of JPY	%
Nine months ended December 31, 2025	347,746	18.6	109,442	408.5	109,774	730.0	107,677	407.4	107,677	407.5	119,462	—
Nine months ended December 31, 2024	293,183	24.7	21,521	—	13,226	—	21,220	—	21,219	—	10,053	—

Reference: Profit before taxes      Nine months ended December 31, 2025: 101,539 million JPY  
Nine months ended December 31, 2024: 24,026 million JPY

"Core operating profit" is calculated by deducting certain items from operating profit.

	Basic earnings per share	Earnings per share (diluted)
Nine months ended December 31, 2025	JPY 271.03	JPY —
Nine months ended December 31 2024	JPY 53.41	JPY —

## (2) Financial Position

	Total assets	Net assets	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent to total assets	Equity attributable to owners of the parent per share
As of December 31, 2025	Millions of JPY 815,521	Millions of JPY 288,939	Millions of JPY 288,939	% 35.4	JPY 727.28
As of March 31, 2025	742,604	169,479	169,479	22.8	426.59

## 2. Dividends

	Dividends per share				
	1st quarter	2nd quarter	3rd quarter	Year-End	Annual
Fiscal year ended March 31, 2025	JPY —	JPY 0.00	JPY —	JPY 0.00	JPY 0.00
Fiscal year ending March 31, 2026	—	0.00	—		
Fiscal year ending March 31, 2026 (Forecasts)				0.00	0.00

Note: Revision of dividend forecasts from the latest announcement: None

## 3. Consolidated Financial Forecasts for the Fiscal year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(% represents changes from the previous year)

	Revenue		Core operating profit		Operating profit		Net profit attributable to owners of parent		Earnings per share
	Millions of JPY	%	Millions of JPY	%	Millions of JPY	%	Millions of JPY	%	JPY
Fiscal year ending March 31, 2026	429,000	7.6	97,000	124.8	98,000	240.2	92,000	289.3	231.57

Note: Revision of consolidated financial forecasts from the latest announcement: None

## Notes:

(1) Significant changes in the scope of consolidation during the period: Yes  
(New: None)  
(Excluded: 4 companies) Sumitomo Pharma (China) Co., Ltd.  
Sumitomo Pharma (Suzhou) Co., Ltd.  
Sumitomo Pharma UK Holdings, Ltd.  
Onspira Therapeutics, Inc.

(2) Changes in accounting policies, accounting estimates  
① Changes in accounting policy required by IFRS: None  
② Changes in accounting policy other than (2),①: None  
③ Changes in accounting estimates: None

(3) Number of shares issued (Common stock)  
① Number of shares issued (Including treasury stock) at the end of period  
December 31, 2025: 397,900,154 shares  
March 31, 2025: 397,900,154 shares  
② Number of treasury stock at the end of period  
December 31, 2025: 610,981 shares  
March 31, 2025: 610,242 shares  
③ Average number of shares outstanding during the period  
Nine Months ended December 31, 2025: 397,289,621 shares  
Nine Months ended December 31, 2024: 397,290,365 shares

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

#### *Explanation for Appropriate Use of Forecasts and Other Notes:*

*This material contains forecasts, projections, goals, plans, and other forward-looking statements regarding the Group's financial results and other data. Such forward-looking statements are based on the Company's assumptions, estimates, outlook, and other judgments made in light of information available at the time of disclosure of such statements and involve both known and unknown risks and uncertainties. Accordingly, due to various subsequent factors, forecasts, plans, goals, and other statements may not be realized as described, and actual financial results, success/failure or progress of development, and other projections may differ materially from those presented herein. Please refer to page 4 of Attachment Documents, "1. Qualitative Information of Financial Results for the Nine Months Ended December 31, 2025 (5) Consolidated Financial Forecasts."*

*Information concerning pharmaceuticals and other products (including those under development) contained herein is not intended as advertising or as medical advice.*

*Supplementary financial data and the presentation materials for the earnings presentation are disclosed together with this summary.*

*The Company holds an earnings presentation for institutional investors, analysts and the press on Friday January 30, 2026. The audio of the presentation will be posted on its website promptly after the presentation.*

**【Attachment Documents】**

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## 1. Qualitative Information of Financial Results for the Nine Months Ended December 31, 2025

The Group discloses its consolidated financial statements that are prepared in accordance with International Financial Reporting Standards (IFRS).

Forward-looking statements contained herein are based on the Group's judgments in light of information available as of the last day of the nine-month period.

### (1) Business Results

(About the performance indicator of "Core operating profit")

With the adoption of IFRS, the Group has set "core operating profit" which shows the Group's profitability as its original performance indicator.

"Core operating profit" is calculated by deducting certain items from operating profit. The deduction items mainly include impairment losses, business structure improvement expenses and changes in fair value of contingent consideration.

Highlights of the Group's consolidated financial results for the nine months ended December 31, 2025 are as follows:

	Nine months ended December 31, 2024	Nine months ended December 31, 2025	Change	(Billions of JPY) Change %
Revenue	293.2	347.7	54.6	18.6
Core operating profit	21.5	109.4	87.9	408.5
Operating profit	13.2	109.8	96.5	730.0
Profit before taxes	24.0	101.5	77.5	322.6
Net profit attributable to owners of the parent	21.2	107.7	86.5	407.5

#### ■ Revenue increased by 18.6% year-on-year to 347.7 billion JPY.

Revenue showed an increase primarily owing to sales expansion of ORGOVYX® (therapeutic agent for advanced prostate cancer) and GEMTESA® (therapeutic agent for overactive bladder) in North America, as well as the recording of sales milestone revenue from ORGOVYX®, despite lower sales for the Japan and Asia segments.

#### ■ Core operating profit increased by 408.5% year-on-year to 109.4 billion JPY.

Core operating profit increased significantly year-on-year, due to the increase in revenue, reductions in selling, general and administrative expenses and in research and development expenses – primarily reflecting the positive impact of business structure improvement and the restructuring of the regenerative medicine and cell therapy business – and the recognition of gains on sales of shares of subsidiaries in other income following the partial transfer of the Asian business.

#### ■ Operating profit increased by 730.0% year-on-year to 109.8 billion JPY.

Operating profit recorded a significant increase year-on-year, due to an increase in core operating profit and a decline in the business structure improvement expenses.

#### ■ Profit before taxes increased by 322.6% year-on-year to 101.5 billion JPY.

Profit before taxes increased significantly year-on-year, as the increase in operating profit more than offset a decrease in financial income/costs – a balance of financial income after the deduction of financial costs. The decrease in financial income/costs was mainly attributable to the recording of foreign exchange losses for the reporting period, compared with significant foreign exchange gains recorded in the corresponding period of the previous year.

#### ■ Net profit attributable to owners of the parent increased by 407.5% year-on-year to 107.7 billion JPY.

Net profit attributable to owners of the parent increased significantly year-on-year, mainly due to an increase in profit before taxes.

(About "core segment profit" set as a segment performance indicator)

For segment performance, the Group has set "core segment profit" as an original performance indicator to show each segment's recurring profitability.

"Core segment profit" indicates each segment profit calculated by deducting any items such as research and development expenses and gains and losses on business transfers, which are managed globally and thus cannot be allocated to individual segments, from "core operating profit."

Status of each reportable segment are as follows:

#### **[Japan segment]**

##### **■ Revenue decreased by 11.8% year-on-year to 69.2 billion JPY.**

Despite growing sales of TWYMEEG® (therapeutic agent for type 2 diabetes), revenue showed a decline mainly due to decreases in sales of Equa® and EquMet® (both therapeutic agent for type 2 diabetes) owing to the loss of exclusivity.

##### **■ Core segment profit increased by 23.7% year-on-year to 11.5 billion JPY.**

Core segment profit increased mainly due to lower selling, general and administrative expenses resulting from business structure improvement initiatives, including the early retirement program implemented in the previous fiscal year, despite a decrease in gross profit caused by lower revenue.

#### **[North America segment]**

##### **■ Revenue increased by 43.6% year-on-year to 257.5 billion JPY.**

Revenue showed an increase as a decline in sales of APTIOM® (treatment for antiepileptic) due to the loss of exclusivity was more than offset by sales expansion of ORGOVYX® and GEMTESA® and the recording of sales milestone revenue from ORGOVYX®.

##### **■ Core segment profit increased by 130.5% year-on-year to 65.2 billion JPY.**

Core segment profit showed a substantial increase, driven by higher gross profit from revenue growth.

#### **[Asia segment]**

##### **■ Revenue decreased by 40.5% year-on-year to 21.0 billion JPY.**

Revenue showed a decrease as Sumitomo Pharma (China) Co., Ltd. and Sumitomo Pharma Asia Pacific Pte. Ltd. are no longer consolidated subsidiaries, following the partial transfer of the Asian business previously operated by these former consolidated subsidiaries and their respective subsidiaries.

##### **■ Core segment profit decreased by 46.5% year-on-year to 9.4 billion JPY.**

Core segment profit declined due to the partial transfer of the Asian business.

## **(2) Financial Condition**

Total assets increased by 72.9 billion JPY from the previous fiscal year-end to 815.5 billion JPY.

Non-current assets increased by 30.2 billion JPY from the previous fiscal year-end, due to an increase in investments accounted for using the equity method following the partial transfer of the Asian business.

Current assets increased by 42.8 billion JPY from the previous fiscal year-end as a result of increases in trade and other receivables and cash and cash equivalents, despite decreases in assets held for sale and inventories.

Liabilities decreased by 46.5 billion JPY from the previous fiscal year-end to 526.6 billion JPY, primarily owing to decreases in borrowings and deferred tax liabilities.

Total equity increased by 119.5 billion JPY from the previous fiscal year-end to 288.9 billion JPY as a result of an increase in retained earnings following the recording of net profit.

The ratio of equity attributable to owners of the parent to total assets as of December 31, 2025 was 35.4%.

## **(3) Cash Flows**

Cash flows provided by operating activities amounted to 42.3 billion JPY, reflecting a year-on-year increase in net cash inflow of 36.8 billion JPY. This was primarily due to a significant increase in net profit.

Cash flows provided by investing activities amounted to 24.4 billion JPY, reflecting a year-on-year decrease in net cash inflow of 73.1 billion JPY. This decline was due to the absence of significant proceeds from the sale of the shares of Roivant Sciences Ltd. and other investment securities in the corresponding period of the previous year, despite proceeds from loss of control of subsidiaries following the partial transfer of the Asian business.

Cash flows used in financial activities amounted to 48.7 billion JPY, reflecting a year-on-year increase in net cash outflow of 3.4 billion JPY. This increase was primarily due to a decline in short-term borrowings during the reporting period, in contrast to repayments of long-term borrowings in the corresponding period of the previous year.

After adding the translation adjustments for cash and cash equivalents and the reversal of assets held for sale, the balance of cash and cash equivalents as of December 31, 2025 was 57.3 billion JPY, which represents an increase of 34.2 billion JPY from the previous fiscal year-end.

## **(4) Research and Development Activities**

Research and development expenses for the nine months ended December 31, 2025 amounted to 27.9 billion JPY (down by 24.1% year-on-year). Please note that research and development expenses on a core basis excluding the business structure improvement expenses in North America amounted to 27.8 billion JPY (down by 21.3% year-on-year). The Group manages its research and development expenses globally and so does not allocate such expenses to individual segments.

In the Psychiatry & Neurology area, in August 2025, an application of manufacturing and marketing authorization for raguneprocel (allogeneic iPS cell-derived dopaminergic neural progenitor cells) was submitted in Japan for indication of the improvement of motor functions during the off-time period of patients with advanced Parkinson's disease.

In the Oncology area, in June 2025, the U.S. Food and Drug Administration (FDA) granted Fast Track Designation\* to nuvisertib (product code: TP-3654) for the treatment of patients with intermediate or high-risk myelofibrosis (MF).

\* Granted to investigational therapies expected to treat serious or life-threatening conditions that demonstrate the potential to address unmet medical needs, with the aim of facilitating development and expediting review.

## **(5) Consolidated Financial Forecasts**

The Company has not revised its consolidated financial forecasts for the fiscal year ending March 31, 2026, which were announced on October 31, 2025.

## 2. Condensed Consolidated Financial Statements and Major Notes

### (1) Condensed Consolidated Statement of Profit or Loss and Condensed Consolidated Statement of Comprehensive Income

#### Condensed Consolidated Statement of Profit or Loss

(Millions of JPY)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Revenue	293,183	347,746
Cost of sales	113,766	145,138
Gross profit	179,417	202,608
Selling, general and administrative expenses	131,040	119,496
Research and development expenses	36,739	27,874
Other income	2,587	54,212
Other expenses	989	841
Share of profit (loss) of investments accounted for using the equity method	(10)	1,165
Operating profit	13,226	109,774
Finance income	16,849	1,497
Finance costs	6,049	9,732
Profit before taxes	24,026	101,539
Income tax expenses	2,806	(6,138)
Net profit	21,220	107,677
Net profit attributable to:		
Owners of the parent	21,219	107,677
Non-controlling interests	1	—
Net profit total	21,220	107,677
Earnings per share (JPY)		
Basic earnings per share	53.41	271.03

**Condensed Consolidated Statement of Comprehensive Income**

(Millions of JPY)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Net profit	21,220	107,677
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Changes in financial assets measured at fair value through other comprehensive income	(10,900)	1,415
Items that may be reclassified subsequently to profit or loss:		
Changes in financial assets measured at fair value through other comprehensive income	(52)	58
Exchange differences on translation of foreign operations	(215)	10,312
Total other comprehensive income	(11,167)	11,785
Total comprehensive income	10,053	119,462
Total comprehensive income attributable to:		
Owners of the parent	10,052	119,462
Non-controlling interests	1	—
Total comprehensive income	10,053	119,462

**(2) Condensed Consolidated Statement of Financial Position**

(Millions of JPY)

	As of March 31, 2025	As of December 31, 2025
<b>Assets</b>		
Non-current assets		
Property, plant and equipment	46,648	44,600
Goodwill	197,406	206,649
Intangible assets	172,509	163,531
Other financial assets	44,148	46,083
Income taxes receivable	6,765	7,082
Retirement benefit assets	14,727	15,048
Investments accounted for using the equity method	5,588	34,866
Other non-current assets	1,111	1,275
Deferred tax assets	534	469
<b>Total non-current assets</b>	<b>489,436</b>	<b>519,603</b>
Current assets		
Inventories	94,222	82,276
Trade and other receivables	74,840	132,752
Other financial assets	16,840	10,006
Income taxes receivable	2,886	2,908
Other current assets	10,902	10,653
Cash and cash equivalents	23,116	57,323
<b>Subtotal</b>	<b>222,806</b>	<b>295,918</b>
Assets held for sale	30,362	—
<b>Total current assets</b>	<b>253,168</b>	<b>295,918</b>
<b>Total assets</b>	<b>742,604</b>	<b>815,521</b>

	(Millions of JPY)	
	As of March 31, 2025	As of December 31, 2025
Liabilities and equity		
Liabilities		
Non-current liabilities		
Bonds and borrowings	258,982	258,954
Other financial liabilities	15,818	17,456
Retirement benefit liabilities	6,534	6,218
Other non-current liabilities	24,638	17,484
Deferred tax liabilities	26,550	14,689
Total non-current liabilities	332,522	314,801
Current liabilities		
Borrowings	46,440	—
Trade and other payables	38,544	35,108
Other financial liabilities	32,916	37,118
Income taxes payable	1,577	1,194
Provisions	71,999	89,463
Other current liabilities	45,663	48,898
Subtotal	237,139	211,781
Liabilities directly associated with assets held for sale	3,464	—
Total current liabilities	240,603	211,781
Total liabilities	573,125	526,582
Equity		
Share capital	22,400	22,400
Treasury shares	(682)	(684)
Retained earnings	46,784	156,389
Other components of equity	97,525	110,834
Other comprehensive income associated with assets held for sale	3,452	—
Equity attributable to owners of the parent	169,479	288,939
Total equity	169,479	288,939
Total liabilities and equity	742,604	815,521

**(3) Condensed Consolidated Statement of Changes in Equity**

(Millions of JPY)

	Equity attributable to owners of the parent					
	Share capital	Treasury shares	Retained earnings	Other components of equity		
				Changes in financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations	Total
Balance as of April 1, 2024	22,400	(682)	(22,665)	64,526	92,484	157,010
Net profit	—	—	21,219	—	—	—
Other comprehensive income	—	—	—	(10,952)	(215)	(11,167)
Total comprehensive income	—	—	21,219	(10,952)	(215)	(11,167)
Purchase of treasury shares	—	(0)	—	—	—	—
Changes associated with losing control of subsidiaries	—	—	—	—	—	—
Reclassification from other components of equity to retained earnings	—	—	43,047	(43,047)	—	(43,047)
Transfers to other comprehensive income associated with assets held for sale	—	—	—	62	—	62
Total transactions with owners	—	(0)	43,047	(42,985)	—	(42,985)
Balance as of December 31, 2024	22,400	(682)	41,601	10,589	92,269	102,858

Balance as of April 1, 2025	22,400	(682)	46,784	9,306	88,219	97,525
Net profit	—	—	107,677	—	—	—
Other comprehensive income	—	—	—	1,473	13,764	15,237
Total comprehensive income	—	—	107,677	1,473	13,764	15,237
Purchase of treasury shares	—	(2)	—	—	—	—
Changes associated with losing control of subsidiaries	—	—	—	—	—	—
Reclassification from other components of equity to retained earnings	—	—	1,928	(1,928)	—	(1,928)
Transfers to other comprehensive income associated with assets held for sale	—	—	—	—	—	—
Total transactions with owners	—	(2)	1,928	(1,928)	—	(1,928)
Balance as of December 31, 2025	22,400	(684)	156,389	8,851	101,983	110,834

(Millions of JPY)				
	Equity attributable to owners of the parent		Non-controlling interests	Total equity
	Other comprehensive income associated with assets held for sale	Total		
Balance as of April 1, 2024	—	156,063	73	156,136
Net profit	—	21,219	1	21,220
Other comprehensive income	—	(11,167)	—	(11,167)
Total comprehensive income	—	10,052	1	10,053
Purchase of treasury shares	—	(0)	—	(0)
Changes associated with losing control of subsidiaries	—	—	(74)	(74)
Reclassification from other components of equity to retained earnings	—	—	—	—
Transfers to other comprehensive income associated with assets held for sale	(62)	—	—	—
Total transactions with owners	(62)	(0)	(74)	(74)
Balance as of December 31, 2024	(62)	166,115	—	166,115
Balance as of April 1, 2025	3,452	169,479	—	169,479
Net profit	—	107,677	—	107,677
Other comprehensive income	(3,452)	11,785	—	11,785
Total comprehensive income	(3,452)	119,462	—	119,462
Purchase of treasury shares	—	(2)	—	(2)
Changes associated with losing control of subsidiaries	—	—	—	—
Reclassification from other components of equity to retained earnings	—	—	—	—
Transfers to other comprehensive income associated with assets held for sale	—	—	—	—
Total transactions with owners	—	(2)	—	(2)
Balance as of December 31, 2025	—	288,939	—	288,939

**(4) Condensed Consolidated Statement of Cash Flows**

(Millions of JPY)

	Nine months ended December 31, 2024	Nine months ended December 31, 2025
<b>Cash flows from operating activities</b>		
Net profit	21,220	107,677
Depreciation and amortization	19,755	15,799
Gain on sales of shares in subsidiaries	—	(49,043)
Impairment losses	107	2,033
Changes in fair value of financial assets and liabilities related to contingent consideration arrangements	(1,037)	(1,777)
Interest and dividend income	(1,197)	(896)
Interest expenses	4,143	5,942
Income tax expenses	2,806	(6,138)
(Increase) decrease in trade and other receivables	(10,223)	(36,447)
(Increase) decrease in inventories	11,761	11,469
Increase (decrease) in trade and other payables	(19,017)	2,123
Increase (decrease) in unearned revenue	(22,493)	(9,737)
Increase (decrease) in other financial liabilities	26,159	7,169
Increase or decrease in retirement benefit assets and liabilities	(3,224)	(637)
Increase (decrease) in provisions	9,180	13,417
Others, net	(42,323)	(12,362)
<b>Subtotal</b>	<b>(4,383)</b>	<b>48,592</b>
Interest received	667	704
Dividends received	575	273
Interest paid	(3,629)	(2,926)
Income taxes paid	(1,745)	(4,375)
Income taxes refunded	14,006	—
<b>Net cash provided by (used in) operating activities</b>	<b>5,491</b>	<b>42,268</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(6,123)	(3,810)
Proceeds from sales of property, plant and equipment	1,412	406
Purchase of intangible assets	(4,773)	(2,048)
Purchase of shares of subsidiaries and associates	—	(4,008)
Purchase of investments	(1,386)	(1,124)
Proceeds from sales and redemption of investments	108,430	3,486
Proceeds from loss of control of subsidiaries	—	30,477
Expenditure from loss of control of subsidiaries	(539)	—
Others, net	422	994
<b>Net cash provided by (used in) investing activities</b>	<b>97,443</b>	<b>24,373</b>
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(412)	(42,530)
Repayments of long-term borrowings	(43,000)	(4,000)
Repayments of lease liabilities	(2,343)	(1,911)
Dividends paid	(2)	(2)
Others, net	456	(223)
<b>Net cash provided by (used in) financing activities</b>	<b>(45,301)</b>	<b>(48,666)</b>
Net increase (decrease) in cash and cash equivalents	57,633	17,975
Cash and cash equivalents at beginning of year	29,047	23,116
(Condensed Consolidated Statement of Financial Position)		
Reversal of cash and cash equivalents included in assets held for sale	—	13,172
Cash and cash equivalents at beginning of year	29,047	36,288
Effect of exchange rate changes on cash and cash equivalents	(1,287)	3,060
<b>Cash and cash equivalents at end of period</b>	<b>85,393</b>	<b>57,323</b>

## **(5) Notes to Condensed Consolidated Financial Statements**

(Notes regarding Going Concern Assumption)

Not applicable.

(Material Accounting Policies)

The material accounting policies applied to the Condensed Consolidated Financial Statements are the same as those for the previous fiscal year's consolidated financial statements.

Income tax expenses for the nine months ended December 31, 2025 are calculated based on the estimated average annual effective tax rate.

(Segment information)

With the adoption of IFRS, the Group has set "core operating profit" which shows the Group's profitability as its original performance indicator.

"Core operating profit" is calculated by deducting certain items from operating profit. The deduction items mainly include impairment losses, business structure improvement expenses and changes in fair value of contingent consideration.

### **(1) Reportable segments**

The Group is mainly engaged in manufacture, purchase and sales of pharmaceuticals for medical treatment and manages the performance by market in Japan, North America, and Asia. Therefore, the Group has three reportable segments: Japan, North America, and Asia

The Group's reportable segments are the components of the Group for which discrete financial information is available and whose operating results are regularly reviewed by the board of directors to make decisions about resources to be allocated to the segments and assess their performances.

### **(2) Revenue and operating results of the reportable segments**

Revenue and profit or loss by each of the Group's reportable segments are shown below.

For segment performance, the Group has set "core segment profit" as an original performance indicator to show each segment's recurring profitability.

"Core segment profit" indicates each segment profit calculated by deducting any items such as research and development expenses and gains and losses on business transfers, which are managed globally and thus cannot be allocated to individual segments, from "core operating profit."

#### **① Nine months ended December 31, 2024**

(Millions of JPY)

	Reportable segments			Total
	Japan	North America	Asia	
Revenues from external customers, etc.	78,481	179,374	35,328	293,183
Segment profit (Core segment profit)	9,323	28,293	17,625	55,241

#### **② Nine months ended December 31, 2025**

(Millions of JPY)

	Reportable segments			Total
	Japan	North America	Asia	
Revenues from external customers, etc.	69,213	257,521	21,012	347,746
Segment profit (Core segment profit)	11,537	65,210	9,429	86,176

(3) Reconciliations between the total amounts of reportable segments and the amounts in the condensed consolidated financial statements (reconciliation items)

The details of reconciliation are as follows:

Profit	Nine months ended December 31, 2024	Nine months ended December 31, 2025	(Millions of JPY)
Total of reportable segments	55,241	86,176	
Research and development expenses (Note1)	(35,355)	(27,826)	
Gains on sales of shares of subsidiaries, etc.	1,645	49,927	
Others	(10)	1,165	
Core operating profit	21,521	109,442	
Changes in fair value of contingent consideration	1,038	1,777	
Impairment losses	(107)	(2,033)	
Business structure improvement expenses (Note2)	(8,549)	(207)	
Other income	942	2,388	
Other expenses	(989)	(828)	
Others	(630)	(765)	
Operating profit in the condensed consolidated financial statements	13,226	109,774	

(Note) 1. The Group does not allocate research and development expenses to the reportable segments because such expenses are managed on a global basis. Differences from research and development expenses on the Condensed Consolidated Statement of Profit or Loss consist of expenses related to research and development excluded from calculation of core operating profit.

2. Business structure improvement expenses for the nine months ended December 31, 2024 mainly comprise retirement expenses, etc. associated with the rationalization of the Company, domestic group company and group companies in North America.

(Material subsequent event)

Not applicable.