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Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Japanese GAAP)

May 8, 2026

Company name: Medical System Network Co., Ltd.
Stock code: 4350

Listing: Tokyo Stock Exchange
URL: <https://www.msnw.co.jp/eng/>

Representative: Inao Tajiri, President and Representative Director
Contact: Eiji Hirashima, Director, Managing Executive Officer, and Head of Accounting and Finance Division
Tel: +81-11-613-7750

Scheduled date for Ordinary General Meeting of Shareholders: June 23, 2026
Scheduled date for dividend payment: June 24, 2026
Scheduled date for annual securities report submission: June 19, 2026
Preparation of supplemental explanatory materials: Yes
Results briefing to be held: Yes (for institutional investors and analysts)

(Amounts of less than one million yen are rounded down)

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

(1) Consolidated operating results

(Percentages indicate YoY change)

Fiscal year ended	Net sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2026	132,186	8.0	6,730	2.5	3,313	5.0	3,193	1.0	1,070	(15.2)
March 31, 2025	122,387	6.1	6,569	(6.1)	3,154	(17.7)	3,162	(17.3)	1,262	(32.2)

Note: Comprehensive income: Fiscal year ended March 31, 2026 1,425 million yen (-4.2% YoY)
Fiscal year ended March 31, 2025 1,488 million yen (-21.6% YoY)

Note: EBITDA = (operating profit + depreciation + goodwill amortization)

Fiscal year ended	Earnings per share	Diluted earnings per share	Return on equity	Ordinary profit to total assets	Operating profit margin
	Yen	Yen	%	%	%
March 31, 2026	36.64	—	6.4	4.2	2.5
March 31, 2025	43.20	—	8.0	4.6	2.6

Reference: Equity in earnings (losses) of affiliates: Fiscal year ended March 31, 2026 (84) million yen
Fiscal year ended March 31, 2025 0 million yen

Note: Please refer to "Appropriate use of earnings forecast and other special notes 2" for details of earnings per share and return on equity calculations.

(2) Consolidated financial position

As of	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
March 31, 2026	80,100	17,413	21.6	591.38
March 31, 2025	70,586	16,345	23.0	556.31

Reference: Shareholders' equity: As of March 31, 2026 17,285 million yen
As of March 31, 2025 16,260 million yen

Note: Please refer to "Appropriate use of earnings forecast and other special notes 2" for details of shareholders' equity, equity ratio, and net assets per share calculations.

(3) Consolidated cash flows

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
March 31, 2026	(3,441)	(4,036)	6,789	7,743
March 31, 2025	4,459	(3,726)	(544)	8,431

2. Dividends

	Dividends per share					Total dividends	Payout ratio (consolidated)	Dividend on equity ratio (consolidated)
	End of Q1	End of Q2	End of Q3	Year-end	Total			
Fiscal year ended/ending	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
March 31, 2025	—	6.00	—	6.00	12.00	357	27.8	2.2
March 31, 2026	—	6.00	—	6.00	12.00	357	32.7	2.1
March 31, 2027 (forecast)	—	6.00	—	6.00	12.00		—	

Note: Please refer to "Appropriate use of earnings forecast and other special notes 2" for details of payout ratio (consolidated) and dividend on equity ratio (consolidated) calculations.

3. Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2027 (April 1, 2026 to March 31, 2027)

(Percentages indicate YoY change)

	Net sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	65,800	3.0	2,352	(21.4)	700	(45.6)	570	(53.1)	-	-	-
Full-year	136,000	2.9	6,420	(4.6)	3,000	(9.4)	2,700	(15.4)	1,000	(6.6)	34.21

Note: EBITDA = (operating profit + depreciation + goodwill amortization)

Notes

(1) Changes in significant subsidiaries during the period under review: Yes

(Transfers of specified subsidiaries associated with changes in the Company's scope of consolidation)

Newly added: 3 companies (Medico Planning, Inc., Climber Co., Ltd., Akamaru Co., Ltd.)

Excluded: 5 companies (Nagatomi Dispensing Pharmacy Co., Ltd., Tsurumaru Dispensing Pharmacy Co., Ltd., Hakujuji General Pharmacy Co., Ltd., Medico Planning, Inc., Akamaru Co., Ltd.)

(2) Changes in accounting policies, accounting estimates and retrospective restatements

1. Accounting policy changes due to accounting standard revisions, etc.: None
2. Other accounting policy changes: None
3. Changes in accounting estimates: None
4. Retrospective restatements: None

(3) Number of shares outstanding (common stock)

1. Shares outstanding (including treasury shares)	As of March 31, 2026	30,642,600	As of March 31, 2025	30,642,600
2. Treasury shares outstanding	As of March 31, 2026	1,414,124	As of March 31, 2025	1,414,055
3. Period-average shares outstanding	Fiscal year ended March 31, 2026	29,228,500	Fiscal year ended March 31, 2025	29,228,545

Note: Please refer to "Appropriate use of earnings forecast and other special notes 2" for details of calculation method regarding period-end treasury shares outstanding and period-average shares outstanding.

(Reference) Summary of Non-Consolidated Financial Results

1. Non-Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(1) Non-consolidated operating results

(Percentages indicate YoY change)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2026	9,924	6.5	1,511	58.0	3,290	14.9	2,641	(1.1)
March 31, 2025	9,322	6.0	956	3.3	2,864	5.6	2,670	13.9

Fiscal year ended	Earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2026	90.36	—
March 31, 2025	91.37	—

Note: Please refer to "Appropriate use of earnings forecast and other special notes 2" for details of earnings per share calculations.

(2) Non-consolidated financial position

As of	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
March 31, 2026	60,880	24,373	40.0	833.89
March 31, 2025	54,522	22,067	40.5	755.01

Reference: Shareholders' equity: As of March 31, 2026 24,373 million yen
As of March 31, 2025 22,067 million yen

Note: Please refer to "Appropriate use of earnings forecast and other special notes 2" for details of shareholders' equity, equity ratio, and net assets per share calculations.

*The financial information in this report is not subject to audits by certified public accountants or auditing firms.

*Appropriate use of earnings forecast and other special notes

1. The earnings forecasts and other forward-looking statements contained in this document are based on information currently available to the Company, and certain assumptions it considers reasonable, but are not intended to be a promise that the Company will achieve. Actual results may vary from forecasts due to a variety of factors. For matters concerning earnings forecasts, please refer to page 5 of the attached materials "1. Overview of Operating Results (4) Future Outlook."

2. In both consolidated and non-consolidated balance sheets for the fiscal year ended March 31, 2026, the Company's shares held as trust assets of the Board Benefit Trust (BBT) are recorded as treasury shares. They are included in treasury shares in calculations of earnings per share, return on equity, equity ratio, net assets per share, shareholders' equity, dividend payout ratio (consolidated), dividend on equity ratio (consolidated), period-end treasury shares outstanding and period-average shares outstanding.

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1. Overview of Operating Results

(1) Overview of Operating Results for the Fiscal Year Under Review

In the fiscal year ended March 31, 2026, the Japanese economy continued to recover gradually, supported by improvements in employment and income conditions. However, the outlook remains uncertain, due to ongoing inflation, U.S. trade policy developments, geopolitical risks in the Middle East, and volatility in the financial and capital markets.

Under these economic conditions, the Group announced its long-term vision, *Machino Akari Vision 2035*, in October 2025. The Group aims to contribute to the well-being of all by serving as *Machino Akari*—a beacon of light in the community—that supports people throughout their lives, while building healthcare infrastructure that enables everyone to live safely, comfortably, and authentically.

For the fiscal year under review, personnel expenses increased due to higher wage levels, and the number of prescriptions filled at existing pharmacies declined year-on-year in the Community Pharmacy Business due to a decrease in patients with acute illnesses. However, these factors were offset by an increase in new network affiliates in the Pharmaceutical Network Business and improved profitability of the Pharmaceutical Logistics Business, which was launched in the previous fiscal year. As a result, net sales amounted to 132,186 million yen (+8.0% YoY), operating profit to 3,313 million yen (+5.0% YoY), ordinary profit to 3,193 million yen (+1.0% YoY), and profit attributable to owners of parent to 1,070 million yen (-15.2% YoY).

Results by segment were as follows. Sales in each segment include intersegment sales.

1) Community Pharmacy Network Segment

In this segment, the Group aims to deliver value across the entire pharmaceutical supply chain. To this end, it operates community pharmacies; provides pharmacy management support to pharmacies through its pharmaceutical network; supports the transition to family pharmacies through the use of the LINE platform; and engages in the manufacturing, marketing, and distribution of pharmaceuticals.

In the Community Pharmacy Business, the Group continued to focus on new pharmacy openings. During the fiscal year under review, the Group opened 17 community pharmacies, including 13 located in medical malls, and acquired nine pharmacies through M&A. Meanwhile, 11 pharmacies were closed or divested. As a result, as of March 31, 2026, the Group operated 472 community pharmacies, one In-Home care plan support center, and seven drugstores.

In the Pharmaceutical Network Business, the Group continued to expand its service offerings, including region-based pharmaceutical inventory information-sharing services and various training programs. The number of new network affiliates increased steadily, and as of March 31, 2026, pharmaceutical network affiliates totaled 12,003, an increase of 1,000 from March 31, 2025, consisting of 472 Group pharmacies and 11,531 general affiliates.

In the Digital Shift Business, the Group is working to expand its customer base by providing digital transformation (DX) experiences for both patients and pharmacies. The number of participating pharmacies grew steadily, reaching 6,658 as of March 31, 2026, an increase of 638 from March 31, 2025.

In the Manufacture and Market Pharmaceutical Business, the number of partner pharmacies increased steadily, supported by efforts to develop new partnerships. As of March 31, 2026, the Group had 9,082 partner pharmacies, an increase of 1,901 from March 31, 2025. As of the same date, the Group marketed 130 products covering 56 active ingredients (APIs), of which shipments of 20 products (10 APIs) were under adjustment.

In the Pharmaceutical Logistics Business, the Group is working to expand its network of partner pharmacies. The number of partner pharmacies grew steadily, reaching 3,690 as of March 31, 2026, an increase of 2,118 from March 31, 2025.

As a result, segment sales for the fiscal year ended March 31, 2026 totaled 127,180 million yen (+8.7% YoY), and operating profit amounted to 6,025 million yen (+7.1% YoY).

2) Leasing and Facility-related Segment

In this segment, the Group engages in pharmacy site development; leasing and management of pharmacy buildings; support for clinic openings for physicians; the development, design, construction supervision, and operation of medical facilities; and the operation of serviced residences for the elderly.

Reflecting the absence of a large project that had contributed to results in the previous fiscal year, segment sales totaled 3,380 million yen (-2.6% YoY), and operating profit amounted to 155 million yen (-18.3% YoY).

As of March 31, 2026, the occupancy rate at the four serviced residences for the elderly was 89.9%.

3) Meal Catering Segment

In this segment, the Group provides contracted food service operations at hospitals and welfare facilities. In response to chronic labor shortages, the Group introduced fully prepared food products and implemented measures to improve profitability, including price revisions. However, due to increases in raw materials and personnel costs, segment sales amounted to 2,289 million yen (-3.0% YoY), and the segment recorded an operating loss of 18 million yen (compared with operating profit of 10 million yen in the previous fiscal year).

4) Other Segment

In this segment, the Group provides home-visit nursing care. As a result of improved efficiency in sales activities, segment sales amounted to 336 million yen (-1.8% YoY), and the operating loss narrowed to 22 million yen (compared with a loss of 29 million yen in the previous fiscal year).

(2) Overview of Financial Position

As of March 31, 2026, total assets stood at 80,100 million yen, an increase of 9,513 million yen from March 31, 2025. Current assets were 31,800 million yen, up 9,173 million yen from March 31, 2025. This was primarily due to increases in accounts receivable—trade and merchandise, which more than offset a decrease in cash and deposits.

Non-current assets were 48,299 million yen, up 339 million yen from March 31, 2025. This mainly reflected increases in tools, furniture and fixtures (net), land, leased assets (net), and software, despite a decrease in goodwill.

Meanwhile, total liabilities amounted to 62,686 million yen, an increase of 8,445 million yen from March 31, 2025. Current liabilities were 34,592 million yen, up 10,215 million yen from March 31, 2025. This was primarily due to an increase in short-term borrowings. Non-current liabilities were 28,093 million yen, down 1,769 million yen from March 31, 2025, mainly reflecting a decrease in long-term borrowings, which more than offset an increase in lease liabilities.

Net assets totaled 17,413 million yen, an increase of 1,068 million yen from March 31, 2025. This was primarily due to increases in retained earnings and remeasurements of defined benefit plans.

(3) Overview of Cash Flows

(Status of cash flows)

As of March 31, 2026, the balance of cash and cash equivalents was 7,743 million yen, down 688 million yen from March 31, 2025. The status of cash flows for the fiscal year under review is detailed below.

(Cash flows from operating activities)

Net cash used in operating activities was 3,441 million yen (compared with net cash provided of 4,459 million yen in the previous fiscal year). This was primarily due to an increase in trade receivables of 8,436 million yen, reflecting a temporary suspension of receivables securitization for insurance claims at some community pharmacies, which offset profit before income taxes of 2,552 million yen and depreciation of 2,438 million yen.

(Cash flows from investing activities)

Net cash used in investing activities totaled 4,036 million yen (net cash used of 3,726 million yen in the previous fiscal year). This mainly reflected 2,490 million yen for the purchase of property, plant and equipment, 568 million yen in payments for acquisition of businesses, and 533 million yen in payments for guarantee deposits.

(Cash flows from financing activities)

Net cash provided by financing activities was 6,789 million yen (compared with net cash used of 544 million yen in the previous fiscal year). This was primarily due to an increase in borrowings of 7,620 million yen, partially offset by repayments of lease obligations of 474 million yen and dividends paid of 356 million yen.

Reference: Cash Flow Indicators

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Equity ratio (%)	21.1	21.8	22.3	23.0	21.6
Equity ratio based on market value (%)	26.2	18.2	28.5	16.3	19.7
Interest-bearing debt to cash flow ratio (years)	7.4	6.1	3.8	6.7	(10.9)
Interest coverage ratio (times)	21.9	18.0	29.3	15.9	(9.7)

Equity ratio: Shareholders' equity/total assets

Equity ratio based on market value: Market capitalization/total assets

Interest-bearing debt to cash flow ratio: Interest-bearing debt/cash flow

Interest coverage ratio: Cash flow/interest payment

Note:

1. Indicators are calculated based on consolidated figures.
2. Market capitalization is determined based on the number of shares outstanding excluding treasury shares.
3. Cash flow refers to cash flows from operating activities.
4. Interest-bearing debt refers to all liabilities on the consolidated balance sheet requiring the payment of interest.

(4) Outlook

Looking ahead, the economy is expected to continue recovering gradually, supported by ongoing improvements in the employment and income environment. However, the outlook remains uncertain due to factors such as rising domestic prices, geopolitical risks in the international landscape, the impact of U.S. trade policies, and volatility in financial and capital markets.

Under these circumstances, the Group announced its Seventh Medium-Term Management Plan, which spans the four years from the fiscal year ending March 31, 2027 to the fiscal year ending March 31, 2030, in May 2026. Aiming to realize its long-term vision, *Machino Akari Vision 2035*, the Group has positioned the four-year period as a phase of structural transformation. Leveraging its market foundation, namely its customer touchpoints and transaction networks, the Group intends to reform both its business operations and sales activities. Through these initiatives, it will drive a transition to a more profitable business portfolio.

For the fiscal year ending March 31, 2027, the Group expects a temporary increase in expenses associated with the integration of its data infrastructure to enable centralized management of customer data. These costs are considered strategic investments aimed at future sales growth. The Group will work to strengthen its management foundation and establish a more efficient operating structure, thereby enhancing corporate value.

Based on the above, for the fiscal year ending March 31, 2027, the Group forecasts net sales of 136,000 million yen (+2.9% YoY), EBITDA of 6,420 million yen (-4.6% YoY), operating profit of 3,000 million yen (-9.4% YoY), ordinary profit of 2,700 million yen (-15.4% YoY), and profit attributable to owners of parent of 1,000 million yen (+6.6% YoY).

(5) Dividend Policy and Dividends for the Fiscal Year Ended March 2026 and the Fiscal Year Ending March 2027

The Company's policy is to gradually increase the dividend payout ratio in line with earnings growth, while securing the internal reserves necessary for business expansion, human resource development, and the strengthening of its financial position.

For the fiscal year ended March 31, 2026, we plan to pay a year-end dividend of six yen per share. Annual dividends will be 12 yen per share, including an interim dividend of six yen per share previously paid on December 8, 2025.

For the fiscal year ending March 31, 2027, we plan to pay an interim dividend and a year-end dividend of six yen per share each (annual dividend of 12 yen per share). This amount was determined based on the consolidated earnings forecast for the fiscal year ending March 31, 2027.

2. Group Companies

As of March 31, 2026, our corporate group consists of Medical System Network Co., Ltd. (the Company) and 13 consolidated subsidiaries. Its business segments include the Community Pharmacy Network Segment, the Leasing and Facility-related Segment, the Meal Catering Segment, and the Other Segment. Included below is a summary of how these segments are arranged in accordance with our business activities.

The classifications indicated below correspond to the Company's business segments.

(1) Community Pharmacy Network Segment

1) Community Pharmacy Business

This business consists primarily of pharmacy management and operation conducted by seven of our consolidated subsidiaries. Additionally, consolidated subsidiary Hokkaido Institute for Pharmacy Benefit Co., Ltd. publishes technical books for pharmacists and other healthcare professionals while also analyzing pharmaceutical data.

2) Pharmaceutical Network Business

Within this business, we have adopted a business model focused on improving the efficiency of the pharmaceutical distribution process and providing comprehensive management support services to pharmacies by facilitating the purchase and sale of pharmaceuticals between pharmacies, hospitals and clinics, and pharmaceutical wholesalers. The Pharmaceutical Network Business comprises the following three specific operations.

a. Pharmaceutical network operations

These activities form the operational core of the Pharmaceutical Network Business. They involve negotiating prices in an appropriate manner (i.e., prices of individual items) with pharmaceutical wholesalers and making payments on behalf of pharmacies, hospitals, and clinics, while also proposing inventory management systems and providing slow moving inventory clearance services. Through these activities, we help improve the operational efficiency of these institutions while also facilitating the stabilization of their business operations.

b. Pharmaceutical system-related services

These activities focus on the development, sale, and maintenance of computer systems for preparing medical fee statements and associated peripherals for pharmacies. Through these operations, we also sell dispensing equipment, as well as fixtures and fittings, to pharmacies and other customers.

c. Receivable securitization support services

Through these services, we provide means of financing to corporate members of our pharmaceutical network affiliates. Specifically, we help member pharmacies, hospitals, and clinics that examine and fill prescriptions for patients with health insurance coverage raise funds by facilitating the securitization of insurance claims (dispensing, medical treatment, and nursing care fee receivables) issued by Health Insurance Claims Review & Reimbursement Services or the National Health Insurance Organization.

3) Manufacture and Market Pharmaceuticals Business

In this business, consolidated subsidiary Feldsenf Pharma Co., Ltd. manufactures and markets generic pharmaceuticals.

4) Pharmaceutical Logistics Business

Consolidated subsidiary MEDI LOGI NET Co., Ltd. operates the pharmaceutical distribution business.

5) Digital Shift Business

Through this business, consolidated subsidiary PharmaShift Co., Ltd. supports the transition of standard pharmacies

into family pharmacies with the goal of establishing a new pharmaceutical platform actualized through the implementation of digital technologies.

(2) Leasing and Facility-related Segment

In this business, the Company and its consolidated subsidiary Palteco Co., Ltd. are engaged in site development for pharmacies, as well as the leasing and management of pharmacy buildings. We also provide consulting services for physicians opening their own practices and are involved in the development and operation of medical facilities that house multiple clinics across different specialties. Further, we operate serviced residences for the elderly, design, construct, and supervise medical facilities, and provide insurance services.

(3) Meal Catering Segment

Through this segment, consolidated subsidiaries Total Medical Service Co., Ltd. and SAKURAFood Co., Ltd. perform meal catering services for hospitals and welfare facilities.

(4) Other Segment

Through this business, we dispatch nurses and other personnel to the domiciles of the elderly and infirm, where they provide services such as nursing care and advisory counseling regarding medical treatment.

3. Management Policy

(1) Our Basic Management Policy

The Group's corporate philosophy is to "Contribute to healthy and enriched lives as a 'beacon of light for the community' that creates high-quality healthcare infrastructure and supports people throughout their lives." The Group contributes to regional healthcare by providing optimal distribution and services in the medical and pharmaceutical fields. At the same time, it aims to achieve sustainable growth and enhance corporate value by leveraging its established customer touchpoints and transaction networks. At the same time, we maintain a basic management policy focused on ensuring healthy lives for local residents by laying groundwork for proper healthcare and robust livelihoods and by facilitating community development that allows these individuals to live safely and securely in their established places of residence throughout their lives.

(2) Medium- to long-term management strategy and key performance indicators

The Group is pursuing its long-term vision, *Machino Akari Vision 2035*, and its Seventh Medium-Term Management Plan, which spans the four-year period from the fiscal year ending March 31, 2027 to the fiscal year ending March 31, 2030, based on this vision.

1. Long-term vision, *Machino Akari Vision 2035*

The Group has revisited its founding philosophy and formulated its long-term vision, *Machino Akari Vision 2035*, to define its desired future state over the next decade and the path to achieving it.

(1) Management targets (for the fiscal year ending March 31, 2035)

- Consolidated operating profit: 10.0 billion yen
- ROE: 15%
- Number of supported facilities: 45,000 (market coverage: 75%–80%)

(2) Desired future state (target business structure)

To realize its long-term vision, the Group has classified its business into three domains: the medical, medical support, and medical supply domains.

1) Medical domain

Create new value for pharmacies by serving as a hub connecting healthcare and daily life, providing specialized expertise and advanced technologies tailored to local communities

2) Medical support domain

Provide diverse services supporting approximately 60,000 pharmacies nationwide, creating value for both pharmacies and patients

3) Medical supply domain

Contribute to the enhancement of overall societal value by improving efficiency and ensuring stable supply in pharmaceutical distribution through the MediSys Network*

*MediSys Network: A platform comprising pharmacies nationwide that utilize the Group's services, together with the diverse data generated from these services

2. Seventh Medium-Term Management Plan (from the fiscal year ending March 31, 2027 to the fiscal year ending March 31, 2030)

The Group has positioned the first four years toward achieving the long-term vision as a period of structural transformation. Leveraging its market foundation—its customer touchpoints and transaction network—the Group will drive reforms in both its business operations and sales activities. Through these efforts, it aims to shift to a more profitable business portfolio.

(1) Management targets (for the fiscal year ending March 31, 2030)

- Consolidated operating profit: 5.0 billion yen
- ROE: 11%
- Number of supported facilities: 25,000 (market coverage: approximately 40%)

(2) Strategic themes

1) Medical domain

Transition from a prescription-dependent model to a people-centered approach

2) Medical support domain

Maximize customer value through comprehensive solutions supported by cross-selling initiatives

3) Medical supply domain

Enhance social value and profitability by ensuring optimal supply-demand balance and stable supply

(3) Challenges for the Company to Address

The business environment surrounding the Group is becoming increasingly complex, driven by factors such as the expansion and diversification of healthcare demand, shortages of healthcare professionals, and changes in regulatory frameworks. As a result, a higher level of sophistication in business operations is required.

Under these circumstances, the Group recognizes several key challenges: strengthening its earnings capacity by leveraging the customer touchpoints and transaction networks it has developed to date; enhancing coordination across its business and sales functions; and transitioning to a more profitable business portfolio. Establishing a more efficient operating structure is also a key management priority.

To address these challenges, the Group will drive transformation in its business operations and sales activities by leveraging its market foundation, namely its customer touchpoints and transaction networks. It will also enhance its services through the development and utilization of its data infrastructure.

Through these initiatives, the Group aims to transition to a more profitable business portfolio and strengthen its management foundation, thereby achieving sustainable growth and enhancing corporate value.

(4) Other Significant Matters Concerning Corporate Management

None to be reported.

4. Basic Policy on the Selection of Accounting Standards

The Group's operations are currently limited to Japan and it is not engaging in any overseas activities at this time. Therefore, for the foreseeable future, the Group will maintain a policy of preparing its consolidated financial statements in accordance with Japanese GAAP.

The Company will apply IFRS when it determines that such application would be appropriate based on considerations of various conditions in Japan and overseas.

5. Consolidated Financial Statements and Primary Notes

(1) Consolidated Balance Sheet

(Millions of yen)

	Fiscal year ended March 31, 2025 (as of March 31, 2025)	Fiscal year ended March 31, 2026 (as of March 31, 2026)
Assets		
Current assets		
Cash and deposits	8,461	7,743
Accounts receivable - trade	5,053	13,686
Unearned revenue from sale of accounts receivable	1,054	774
Purchased receivables - dispensing fees	475	489
Merchandise	6,112	7,378
Raw materials	16	17
Work in process	24	0
Supplies	83	72
Other	1,363	1,656
Allowance for doubtful accounts	(18)	(17)
Total current assets	22,627	31,800
Non-current assets		
Property, plant and equipment		
Buildings and structures	24,017	24,945
Accumulated depreciation	(11,312)	(12,158)
Buildings and structures, net	12,705	12,787
Vehicles	107	92
Accumulated depreciation	(105)	(90)
Vehicles, net	2	2
Tools, furniture and fixtures	6,640	7,551
Accumulated depreciation	(4,846)	(5,560)
Tools, furniture and fixtures, net	1,793	1,990
Land 土地	9,378	9,715
Leased assets	6,567	7,189
Accumulated depreciation	(2,064)	(2,503)
Leased assets, net	4,503	4,686
Construction in progress	89	60
Total property, plant and equipment	28,473	29,242
Intangible assets		
Goodwill	9,063	8,507
Software	778	932
Other	66	56
Total intangible assets	9,908	9,496
Investments and other assets		
Investment securities	702	664
Guarantee deposits	4,456	4,541
Deferred tax assets	3,432	3,331
Other	1,006	1,043
Allowance for doubtful accounts	(20)	(20)
Total investments and other assets	9,578	9,560
Total non-current assets	47,959	48,299
Total assets	70,586	80,100

(Millions of yen)

	Fiscal year ended March 31, 2025 (as of March 31, 2025)	Fiscal year ended March 31, 2026 (as of March 31, 2026)
Liabilities		
Current liabilities		
Accounts payable – trade	11,480	12,448
Short-term borrowings	588	9,761
Current portion of long-term borrowings	5,596	6,028
Lease obligations	453	514
Income taxes payable	864	663
Provision for bonuses	1,768	1,611
Provision for bonuses for directors (and other officers)	–	24
Other	3,625	3,540
Total current liabilities	24,377	34,592
Non-current liabilities		
Long-term borrowings	18,085	16,150
Lease obligations	5,067	5,216
Provision for retirement benefits for directors (and other officers)	557	551
Provision for share awards for directors (and other officers)	299	333
Retirement benefit liability	4,666	4,599
Other	1,187	1,242
Total non-current liabilities	29,863	28,093
Total liabilities	54,241	62,686
Net assets		
Shareholders' equity		
Share capital	2,128	2,128
Capital surplus	946	946
Retained earnings	14,001	14,714
Treasury shares	(891)	(891)
Total shareholders' equity	16,184	16,897
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	34	70
Deferred gains or losses on hedges	4	0
Remeasurements of defined benefit plans	37	316
Total accumulated other comprehensive income	75	387
Non-controlling interests	85	128
Total net assets	16,345	17,413
Total liabilities and net assets	70,586	80,100

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

Consolidated Statement of Income

(Millions of yen)

	Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)	Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)
Net sales	122,387	132,186
Cost of sales	71,651	78,440
Gross profit	50,736	53,745
Selling, general and administrative expenses	47,582	50,432
Operating profit	3,154	3,313
Non-operating income		
Interest income	3	9
Dividend income	4	5
Outsourcing service income	48	60
Rental income from facilities	138	148
Subsidy income	166	140
Share of profit of entities accounted for using equity method	0	—
Miscellaneous income	85	71
Total non-operating income	446	435
Non-operating expenses		
Interest expenses	278	343
Loss on sale of receivables	103	105
Share of loss of entities accounted for using equity method	—	84
Miscellaneous losses	56	22
Total non-operating expenses	438	555
Ordinary profit	3,162	3,193
Extraordinary income		
Gain on sale of non-current assets	332	16
Gain on sale of businesses	36	8
Other	5	2
Total extraordinary income	374	27
Extraordinary losses		
Loss on sale of non-current assets	—	5
Loss on retirement of non-current assets	15	35
Impairment losses	752	529
Loss on store closings	35	94
Other	8	4
Total extraordinary losses	811	668
Profit before income taxes	2,724	2,552
Income taxes - current	1,577	1,291
Income taxes – deferred	(153)	145
Total income taxes	1,424	1,437
Profit	1,300	1,114
Profit (loss) attributable to non-controlling interests	37	43
Profit (loss) attributable to owners of parent	1,262	1,070

Consolidated Statement Of Comprehensive Income

	(Millions of yen)	
	Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)	Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)
Profit	1,300	1,114
Other comprehensive income		
Valuation difference on available-for-sale securities	14	36
Deferred gains or losses on hedges	1	(3)
Remeasurements of defined benefit plans, net of tax	171	278
Total other comprehensive income	188	311
Comprehensive income	1,488	1,425
(Breakdown)		
Comprehensive income attributable to owners of parent	1,450	1,382
Comprehensive income attributable to non-controlling interests	37	43

(3) Consolidated Statement of Changes in Shareholders' Equity

Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,128	937	13,100	(882)	15,284
Changes during period					
Dividends of surplus			(356)		(356)
Profit attributable to owners of parent			1,262		1,262
Acquisition of treasury stock				(113)	(113)
Disposal of treasury shares		9		104	113
Change in scope of consolidation			(5)		(5)
Net changes of items other than shareholders' equity					
Total changes during period	—	9	900	(9)	900
Balance at end of period	2,128	946	14,001	(891)	16,184

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	19	2	(134)	(112)	47	15,219
Changes during period						
Dividends of surplus						(356)
Profit attributable to owners of parent						1,262
Acquisition of treasury stock						(113)
Disposal of treasury shares						113
Change in scope of consolidation						(5)
Net changes of items other than shareholders' equity	14	1	171	188	37	226
Total changes during period	14	1	171	188	37	1,126
Balance at end of period	34	4	37	75	85	16,345

Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	2,128	946	14,001	(891)	16,184
Changes during period					
Dividends of surplus			(357)		(357)
Profit attributable to owners of parent			1,070		1,070
Acquisition of treasury stock				(0)	(0)
Disposal of treasury shares					—
Change in scope of consolidation					—
Net changes in items other than shareholders' equity					
Total changes during period	—	—	713	(0)	713
Balance at end of period	2,128	946	14,714	(891)	16,897

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	34	4	37	75	85	16,345
Changes during period						
Dividends of surplus						(357)
Profit attributable to owners of parent						1,070
Acquisition of treasury stock						(0)
Disposal of treasury shares						—
Change in scope of consolidation						—
Net changes of items other than shareholders' equity	36	(3)	278	311	43	354
Total changes during period	36	(3)	278	311	43	1,068
Balance at end of period	70	0	316	387	128	17,413

(4) Consolidated Statement of Cash Flows

	(Millions of yen)	
	Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)	Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)
Cash flows from operating activities		
Profit before income taxes	2,724	2,552
Depreciation	2,281	2,438
Impairment losses	752	529
Amortization of goodwill	1,133	979
Increase (decrease) in provision for bonuses	75	(172)
Increase (decrease) in provision for bonuses for directors (and other officers)	(86)	24
Increase (decrease) in allowance for doubtful accounts	5	(1)
Increase (decrease) in provision for share awards for directors (and other officers)	21	33
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(134)	(6)
Increase (decrease) in retirement benefit liability	385	357
Interest and dividend income	(7)	(15)
Interest expenses	278	343
Loss (gain) on sale of investment securities	—	0
Loss (gain) on sale of non-current assets	(5)	(11)
Loss on retirement of non-current assets	15	35
Loss (gain) on sale of businesses	(36)	(8)
Decrease (increase) in trade receivables	(777)	(8,436)
Decrease (increase) in unearned revenue from sale of accounts receivable	23	280
Decrease (increase) in purchased receivables - dispensing fees	(51)	(13)
Decrease (increase) in inventories	(707)	(1,151)
Increase (decrease) in trade payables	512	706
Increase (decrease) in accrued consumption taxes	131	(246)
Share of loss (profit) of entities accounted for using equity method	(0)	84
Other	27	217
Subtotal	6,560	(1,481)
Interest and dividends received	6	13
Interest paid	(281)	(353)
Income taxes paid	(1,826)	(1,619)
Net cash provided by (used in) operating activities	4,459	(3,441)

(Millions of yen)

	Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)	Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,708)	(2,490)
Proceeds from sale of property, plant and equipment	21	135
Purchase of intangible assets	(377)	(372)
Proceeds from sale of investment securities	—	7
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(14)	(317)
Payments for acquisition of businesses	—	(568)
Proceeds from sale of businesses	1,428	24
Loan advances	(171)	(335)
Proceeds from collection of loans receivable	1	202
Purchase of shares of subsidiaries and associates	(500)	—
Payments of guarantee deposits	(1,215)	(533)
Proceeds from refund of guarantee deposits	139	425
Other	(330)	(213)
Net cash provided by (used in) investing activities	(3,726)	(4,036)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	—	9,173
Proceeds from long-term borrowings	6,772	4,300
Repayments of long-term borrowings	(6,522)	(5,852)
Repayments of lease obligations	(438)	(474)
Purchase of treasury shares	—	(0)
Dividends paid	(355)	(356)
Net cash provided by (used in) financing activities	(544)	6,789
Net increase (decrease) in cash and cash equivalents	188	(688)
Cash and cash equivalents at beginning of period	8,242	8,431
Cash and cash equivalents at end of period	8,431	7,743

(5) Notes to Consolidated Financial Statements

(Notes to going concern assumptions)

None to be reported.

(Changes in presentation of Consolidated Statement of Changes in Shareholders' Equity)

Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

1. Issued Shares

Class of shares	Number of shares at beginning of period	Increase	Decrease	Number of shares at end of period
Common shares	30,642,600	—	—	30,642,600

2. Treasury Shares

Class of shares	Number of shares at beginning of period	Increase	Decrease	Number of shares at end of period
Common shares	1,414,055	—	—	1,414,055

Note: The number of treasury shares at the end of the fiscal year ended March 31, 2025 includes 581,000 shares in the Company held by Custody Bank of Japan, Ltd. (Trust account E) as trust assets of the Board Benefit Trust (BBT).

3. Dividends

(1) Dividends Paid

Resolution	Class of shares	Total dividends (million yen)	Dividend per share (yen)	Record date	Effective date
June 20, 2024 Ordinary General Meeting of Shareholders	Common shares	177	6.00	March 31, 2024	June 21, 2024
November 8, 2024 Board of Directors meeting	Common shares	178	6.00	September 30, 2024	December 9, 2024

Notes:

- Total dividends based on resolutions adopted during the Ordinary General Meeting of Shareholders held on June 20, 2024 include dividends of two million yen on the Company's shares held by Custody Bank of Japan, Ltd. (Trust account E) as trust assets of the Board Benefit Trust (BBT).
- Total dividends based on resolutions adopted by the Board of Directors during a meeting held on November 8, 2024 include dividends of three million yen on the Company's common shares held by Custody Bank of Japan, Ltd. (Trust account E) as trust assets of the Board Benefit Trust (BBT).

(2) Dividends for which the record date fell in the fiscal year ended March 31, 2021, but the effective date fell in the following fiscal year

Resolution	Class of shares	Source of dividends	Total dividends (million yen)	Dividend per share (yen)	Record date	Effective date
June 24, 2025 Ordinary General Meeting of Shareholders	Common shares	Retained earnings	178	6.00	March 31, 2025	June 25, 2025

Note: Total dividends based on resolutions to be adopted during the Ordinary General Meeting of Shareholders to be held on June 24, 2025 include dividends of three million yen on the Company's common shares held by Custody Bank of Japan, Ltd. (Trust account E) as trust assets of the Board Benefit Trust (BBT).

Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)

1. Issued Shares

Class of shares	Number of shares at beginning of period	Increase	Decrease	Number of shares at end of period
Common shares	30,642,600	—	—	30,642,600

2. Treasury Shares

Class of shares	Number of shares at beginning of period	Increase	Decrease	Number of shares at end of period
Common shares	1,414,055	69	—	1,414,124

Note: The number of treasury shares at the end of the fiscal year ended March 31, 2026 includes 581,000 shares in the Company held by Custody Bank of Japan, Ltd. (Trust account E) as trust assets of the Board Benefit Trust (BBT).

3. Dividends

(1) Dividends Paid

Resolution	Class of shares	Total dividends (million yen)	Dividend per share (yen)	Record date	Effective date
June 24, 2025 Ordinary General Meeting of Shareholders	Common shares	178	6.00	March 31, 2025	June 25, 2025
November 7, 2025 Board of Directors meeting	Common shares	178	6.00	September 30, 2025	December 8, 2025

Notes:

- Total dividends based on resolutions adopted during the Ordinary General Meeting of Shareholders held on June 24, 2025 include dividends of three million yen on the Company's shares held by Custody Bank of Japan, Ltd. (Trust account E) as trust assets of the Board Benefit Trust (BBT).
- Total dividends based on resolutions adopted by the Board of Directors during a meeting held on November 7, 2025 include dividends of three million yen on the Company's common shares held by Custody Bank of Japan, Ltd. (Trust account E) as trust assets of the Board Benefit Trust (BBT).

(2) Dividends for which the record date fell in the fiscal year ended March 31, 2024, but the effective date falls in the following year

Resolution	Class of shares	Source of dividends	Total cash dividends (million yen)	Dividend per share (yen)	Record date	Effective date
June 23, 2026 Ordinary General Meeting of Shareholders	Common shares	Retained earnings	178	6.00	March 31, 2026	June 24, 2026

Note: Total dividends based on resolutions to be adopted during the Ordinary General Meeting of Shareholders to be held on June 23, 2026 include dividends of three million yen on the Company's common shares held by Custody Bank of Japan, Ltd. (Trust account E) as trust assets of the Board Benefit Trust (BBT).

(Segment information)

(Segment information, etc.)

1. Description of reporting segments

The Company's reporting segments represent components of its overall composition for which separate financial information is available and are regularly evaluated by the Board of Directors to determine how management resources will be allocated and to assess performance

In the Community Pharmacy Network Segment, the Company supports pharmacy management through its pharmaceutical networks, operates community pharmacies, manufactures, markets, and distributes pharmaceuticals, and assists pharmacies transition into family pharmacies using the Tsunagaru Pharmacy official LINE account.

In the Leasing and Facility-related Segment, we develop locations for dispensing pharmacies, provide building

leasing services, operate serviced residences for the elderly, and engage in design and construction supervision of medical facilities. Through the Meal Catering Segment, we perform meal catering services for hospitals and welfare facilities. Our Other Segment focuses on the dispatch of nurses who provide at-home care.

2. Method of Calculating Net Sales, Profit (Loss), Assets, Liabilities, and Other Items by Reporting Segment

The accounting methods used for the reported segments are consistent with the accounting policies adopted for the preparation of the consolidated financial statements.

Individual segment profits indicate operating profit. Intersegment sales and transfers are based on market values.

3. Information on net sales, profit (loss), assets, liabilities, and other items by reporting segment

Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reporting segment					Adjustments (Note 1)	Amounts on consolidated financial statements (Note 2)
	Community Pharmacy Network	Leasing and Facility- related	Meal Catering	Other	Total		
Net sales							
Sales to external customers	116,918	2,767	2,359	342	122,387	—	122,387
Intersegment sales or transfers	49	701	0	—	751	(751)	—
Total	116,968	3,468	2,359	342	123,139	(751)	122,387
Segment profit (loss)	5,626	190	10	(29)	5,798	(2,644)	3,154
Segment assets	51,970	15,387	908	62	68,329	2,257	70,586
Other items							
Depreciation	1,427	629	1	2	2,060	220	2,281
Amortization of goodwill	1,133	—	—	—	1,133	—	1,133
Impairment loss	740	7	—	3	752	—	752
Increase in property, plant and equipment and intangible assets	3,760	71	0	2	3,834	109	3,944

Notes:

1. Adjustments are as follows:

(1) Adjustment of -2,644 million yen for segment profit (loss) includes 304 million yen in elimination of intersegment transactions and -2,949 million yen in companywide expenses not allocated to any reporting segment. Companywide expenses mainly refer to general expenses that do not belong to any reporting segment.

(2) Adjustment of 2,257 million yen for segment assets includes -7,956 million yen in elimination of intersegment receivables and payables and companywide assets of 10,213 million yen not allocated to any reporting segment. Companywide assets mainly refer to companywide non-current assets that do not belong to any reporting segment.

(3) Adjustment of 109 million yen for increase in property, plant and equipment and intangible assets mainly represents the acquisition of property, plant and equipment and intangible assets related to companywide assets.

2. Segment profit (loss) is adjusted with operating profit in the consolidated statement of income.

Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reporting segment					Adjustments (Note 1)	Amounts on consolidated financial statements (Note 2)
	Community Pharmacy Network	Leasing and Facility- related	Meal Catering	Other	Total		
Net sales							
Sales to external customers	127,140	2,421	2,287	336	132,186	—	132,186
Intersegment sales or transfers	39	958	1	—	999	(999)	—
Total	127,180	3,380	2,289	336	133,186	(999)	132,186
Segment profit (loss)	6,025	155	(18)	(22)	6,141	(2,828)	3,313
Segment assets	58,542	14,812	737	61	74,152	5,947	80,100
Other items							
Depreciation	1,607	597	1	0	2,207	231	2,438
Amortization of goodwill	979	—	—	—	979	—	979
Impairment loss	505	0	—	—	506	22	529
Increase in property, plant and equipment and intangible assets	4,142	123	—	0	4,266	227	4,494

Notes:

1. Adjustments are as follows:

(1) Adjustment of -2,828 million yen for segment profit (loss) includes 335 million yen in elimination of intersegment transactions and -3,164 million yen in companywide expenses not allocated to any reporting segment. Companywide expenses mainly refer to general expenses that do not belong to any reporting segment.

(2) Adjustment of 5,947 million yen for segment assets includes -10,890 million yen in elimination of intersegment receivables and payables and companywide assets of 16,838 million yen not allocated to any reporting segment. Companywide assets mainly refer to companywide non-current assets that do not belong to any reporting segment.

(3) Adjustment of 227 million yen for increase in property, plant and equipment and intangible assets mainly represents the acquisition of property, plant and equipment and intangible assets related to companywide assets.

2. Segment profit (loss) is adjusted with operating profit in the consolidated statement of income.

(Associated information)

Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

1. Information for individual products or services

Descriptions have been omitted because similar information is disclosed in the segment information section.

2. Information for individual regions

(1) Net Sales

Not applicable since the Company generated no sales through external customers outside of Japan.

(2) Property, Plant and Equipment

Not applicable since the Company holds no property, plant or equipment outside of Japan.

3. Information for individual primary customers

Not applicable since the Company did not generate 10% or more of the net sales indicated by its consolidated statement of income through any individual customer.

Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)

1. Information for individual products or services

Descriptions have been omitted because similar information is disclosed in the segment information section.

2. Information for individual regions

(1) Net Sales

Not applicable since the Company generated no sales through external customers outside of Japan.

(2) Property, Plant and Equipment

Not applicable since the Company holds no property, plant or equipment outside of Japan.

3. Information for individual primary customers

Not applicable since the Company did not generate 10% or more of the net sales indicated by its consolidated statement of income through any individual customer.

(Disclosure of impairment losses on non-current assets for each reporting segment)

Fiscal year ended March 31, 2025(April 1, 2024 to March 31, 2025)

Descriptions have been omitted because similar information is disclosed in the segment information section.

Fiscal year ended March 31, 2026(April 1, 2025 to March 31, 2026)

Descriptions have been omitted because similar information is disclosed in the segment information section.

(Amortization and unamortized balance of goodwill for each reporting segment)

Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reporting segment					Companywide and eliminations	Total
	Community Pharmacy Network	Leasing and Facility-related	Meal Catering	Other	Unadjusted Total		
Balance at end of period	9,063	—	—	—	9,063	—	9,063

Note: Information concerning amortization of goodwill has been omitted because similar information has been disclosed in the segment information section.

Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reporting segment					Companywide and eliminations	Total
	Community Pharmacy Network	Leasing and Facility-related	Meal Catering	Other	Unadjusted Total		
Balance at end of period	8,507	—	—	—	8,507	—	8,507

Note: Information concerning amortization of goodwill has been omitted because similar information has been disclosed in the segment information section.

(Information on gain on negative goodwill by reportable segment)

Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)

None to be reported.

Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)

None to be reported.

(Per share information)

Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)		Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)	
Net assets per share (yen)	556.31	Net assets per share (yen)	591.38
Earnings per share (yen)	43.20	Earnings per share (yen)	36.64

Notes:

- Information regarding diluted earnings per share has been omitted due to the absence of dilutive shares.
- The basis for calculation of net assets per share is as follows:

Item	Fiscal year ended March 31, 2025 (as of March 31, 2025)	Fiscal year ended March 31, 2026 (as of March 31, 2026)
Total net assets (million yen)	16,345	17,413
Amount deducted from total net assets (million yen)	85	128
Of which, non-controlling interests (million yen)	85	128
Net assets associated with common shares in the Company (million yen)	16,260	17,285
Number of year-end common shares used in the calculation of net assets per share	29,228,545	29,228,476

Note: Shares in the Company held by Board Benefit Trust (BBT), which are recorded as treasury shares in shareholders' equity, are included in number of the treasury shares deducted from the total number of shares outstanding at the fiscal year-end for the purpose of calculating net assets per share. The number of such treasury shares deducted for the calculation of net assets per share was 581,000 shares for the fiscal year ended March 31, 2025 and 581,000 shares for the fiscal year ended March 31, 2026.

- The basis for calculation of earnings per share is as follows.

Item	Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)	Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)
Earnings per share		
Profit attributable to owners of parent (million yen)	1,262	1,070
Amount not attributed to common shareholders (million yen)	—	—
Net income attributable to owners of common shares in the parent company (million yen)	1,262	1,070
Average number of common shares during the period	29,228,545	29,228,500

Note: Shares in the Company held by Board Benefit Trust (BBT), which are recorded as treasury shares in shareholders' equity, are included in number of the treasury shares deducted from the period-average number of shares outstanding for the purpose of calculating earnings per share. The number of such treasury shares deducted for the calculation of earnings per share was 552,397 shares for the fiscal year ended March 31, 2025 and 581,000 shares for the fiscal year ended March 31, 2026.

(Significant subsequent events)

None to be reported.