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May 12, 2026

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



Company name: EIKEN CHEMICAL CO.,LTD.

Listing: Tokyo Stock Exchange

Securities code: 4549

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President & CEO

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Scheduled date of annual general meeting of shareholders: June 23, 2026

Scheduled date to commence dividend payments: June 9, 2026

Scheduled date to file annual securities report: June 18, 2026

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

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

### 1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended March 31, 2026	41,899	3.4	2,919	(2.7)	2,844	(11.1)	3,708	66.5
March 31, 2025	40,539	1.2	2,999	(11.2)	3,198	(10.4)	2,228	(15.4)

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥ 3,716 million [ 83.5%]  
For the fiscal year ended March 31, 2025: ¥ 2,025 million [ (30.9)%]

	Basic earnings per share		Diluted earnings per share		Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	Yen	Yen	%	%	%
Fiscal year ended March 31, 2026	112.52	112.08	112.08	112.08	8.5	4.5	7.0
March 31, 2025	64.82	64.27	64.27	64.27	5.0	5.2	7.4

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended March 31, 2026: ¥ (89) million

For the fiscal year ended March 31, 2025: ¥ - million

#### (2) Consolidated financial position

	Total assets		Net assets		Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	%	Yen
As of March 31, 2026	62,657	44,034	44,034	44,034	70.1	1,333.07
March 31, 2025	62,372	43,598	43,598	43,598	69.3	1,294.08

Reference: Equity

As of March 31, 2026: ¥ 43,945 million

As of March 31, 2025: ¥ 43,240 million

#### (3) Consolidated cash flows

	Cash flows from operating activities		Cash flows from investing activities		Cash flows from financing activities		Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Millions of yen	
Fiscal year ended March 31, 2026	4,045	(3,423)	(3,423)	(322)	(322)	7,943	
March 31, 2025	6,033	(4,499)	(4,499)	(4,857)	(4,857)	7,640	

## 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	-	26.00	-	27.00	53.00	1,802	81.8	4.1
Fiscal year ended March 31, 2026	-	29.00	-	29.00	58.00	1,912	51.5	4.4
Fiscal year ending March 31, 2027 (Forecast)	-	29.00	-	29.00	58.00		92.2	

Note: Breakdown of the year-end dividend for the fiscal year ended March 31, 2026 :

Commemorative dividend	- yen
Special dividend	- yen

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

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2026	21,100	3.3	1,720	(0.5)	1,640	(5.2)	1,170	(60.7)	35.49
Full year	42,000	0.2	3,070	5.2	2,900	2.0	2,070	(44.2)	62.79

### \* Notes

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

Newly included:	-	companies(	)
Excluded:	1	companies( EIKEN CHINA CO., LTD.	)

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

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(3) Number of issued shares (common shares)

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

As of March 31, 2026	34,541,438 shares
As of March 31, 2025	38,541,438 shares

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

As of March 31, 2026	1,575,865 shares
As of March 31, 2025	5,127,632 shares

(iii) Average number of shares outstanding during the period

Fiscal Year ended March 31, 2026	32,960,449 shares
Fiscal Year ended March 31, 2025	34,370,613 shares

**[Reference] Overview of non-consolidated financial results**

**1. Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)**

**(1) Non-consolidated operating results**

(Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	41,867	3.4	2,962	(2.8)	2,981	(7.8)	3,024	20.3
March 31, 2025	40,483	1.3	3,048	(10.9)	3,233	(9.7)	2,514	(5.0)

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2026	91.77	91.41
March 31, 2025	73.17	72.54

**(2) Non-consolidated financial position**

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	62,271	43,679	70.0	1,322.29
March 31, 2025	62,571	43,910	69.6	1,303.42

Reference: Equity

As of March 31, 2026: ¥ 43,590 million

As of March 31, 2025: ¥ 43,552 million

\* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

\* Proper use of earnings forecasts, and other special matters

## Table of Contents - Attachments

1. Overview of Consolidated Business Performance .....	2
(1) Summary of Consolidated Business Performance for This Term .....	2
(2) Summary of Consolidated Financial Position for This Term .....	2
(3) Summary of Cash Flows for This Term .....	3
(4) Future Prospects .....	4
(5) Policy on the Determination of Dividends from Surplus, etc. ....	4
2. Basic Stance Concerning Choice of Accounting Standards .....	4
3. Consolidated Financial Statements and Principal Notes .....	5
(1) Consolidated Balance Sheets .....	5
(2) Consolidated Statements of Income and Comprehensive Income .....	7
(3) Consolidated Statements of Changes in Equity .....	9
(4) Consolidated Statements of Cash Flows .....	11
(5) Notes to Consolidated Financial Statements .....	13
(Notes on going concern assumption) .....	13
(Material basis for the preparation of consolidated financial statements) .....	13
(Notes to Consolidated Balance Sheets) .....	16
(Notes to Consolidated Statements of Income) .....	16
(Notes to Consolidated Statements of Comprehensive Income) .....	18
(Notes to Consolidated Statements of Changes in Net Assets) .....	18
(Notes to Consolidated Statements of Cash Flows) .....	21
(Lease transactions) .....	23
(Business combinations and related matters) .....	25
(Segment information) .....	27
(Per share information) .....	27
(Significant subsequent events) .....	27
4. Non-consolidated Financial Statements and Principal Notes .....	28
(1) Non-consolidated Balance Sheets .....	28
(2) Non-consolidated Statements of Income .....	31
(3) Non-consolidated Statements of Changes in Equity .....	32
(4) Notes to Non-consolidated Financial Statements .....	36
(Notes on going concern assumption) .....	36
(Significant accounting policies) .....	36
(Notes to Non-consolidated Balance Sheets) .....	38
(Notes to Non-consolidated Statements of Income) .....	39
(Significant subsequent events) .....	39
5. Others .....	40
(1) Changes in Officers .....	40
(2) Sales .....	41

## 1. Overview of Consolidated Business Performance

### (1) Summary of Consolidated Business Performance for This Term

During the consolidated fiscal year under review, the domestic and overseas economies remained uncertain due to downside risks affected by surging resource prices, geopolitical risks, U.S. trade policies and the monetary policy of major countries. The business environment became increasingly severe in the clinical diagnostics industry due to measures to cap medical expenses and rising costs such as for logistics and raw material procurement, on account of yen depreciation and high crude oil prices. Corporations were obliged to focus on cost competitiveness and to actively expand overseas.

In the context of this business environment, the Eiken Group is implementing key measures focused on the three key business fields of “Contribution to cancer prevention and treatment,” “Contribution to the eradication and control of infectious diseases,” and “Provision of products and services useful for health care,” while also advancing fundamental reforms aimed at strengthening the Group’s overall earnings base, in accordance with the Medium-term Management Plan. In addition, as a Group with a mission to protect the health of people worldwide, the Eiken Group is addressing issues not only in “Medical,” but also in “Environment,” “Society,” and “Governance.” Through these efforts, we strive to further enhance our corporate value and achieve a sustainable society.

The net sales for the consolidated fiscal year under review remained strong growth in both domestic and overseas markets and amounted to 41,899 million yen (up 3.4% year-on-year), representing a 0.7% decrease over our company’s forecast. For net sales by product class and type, sales of microbiological testing reagents were 4,284 million yen (down 4.8% year-on-year), and sales of urinalysis reagents were 4,623 million yen (up 0.1% year-on-year). For sales of immunological and serological reagents were 23,287 million yen (up 3.3% year-on-year) amid sales of fecal immunochemical test reagents increased in overseas markets and products introduced and sold from Tosoh Corporation were strong growth. Sales of clinical chemistry reagents were 579 million yen (up 1.1% year-on-year), and sales of equipment and culture medium for food and environment related category were 1,818 million yen (down 7.2% year-on-year). Sales in other categories (medical devices, genetic-related products, etc.) were 7,305 million yen (up 15.2% year-on-year) amid a significant increase in sales of medical devices and royalty revenue for the LAMP method.

For overseas sales were 11,457 million yen (up 7.0% year-on-year) amid an increase in sales of fecal immunochemical test reagents and medical devices.

Regarding profit, although net sales remained strong growth, amid fluctuations in overseas markets following the closure of USAID and changes in the sales mix, operating profit was 2,919 million yen (down 2.7% year-on-year) and ordinary profit was 2,844 million yen (down 11.1% year-on-year). As a result of recording extraordinary income from the transfer of equity interests of consolidated subsidiary, profit attributable to owners of parent increased to 3,708 million yen (up 66.5% year-on-year).

### (2) Summary of Consolidated Financial Position for This Term

The financial position at the end of the consolidated fiscal year under review was as follows.

When compared to the end of the previous consolidated fiscal year, total assets increased by 285 million yen, liabilities decreased by 151 million yen, and net assets increased by 436 million yen.

Major increases and decreases in the category of assets include an increase of 1,069 million yen in cash and deposits. Property, plant and equipment increased by 1,216 million yen amid the construction of the new manufacturing building at Nogi Division and the relocation of the Head Office. In the category of liabilities, long-term borrowings increased by 2,650 million yen, and the current portion of long-term borrowings increased by 300 million yen. In the category of net assets, despite dividend payments and the purchase of treasury shares, shareholders’ equity increased by 697 million yen amid the recording of profit attributable to owners of parent.

As a result of the above, the equity ratio increased to 70.1% from 69.3% at the end of the previous consolidated fiscal year.

### (3) Summary of Cash Flows for This Term

Cash and cash equivalents for the consolidated fiscal year under review (hereinafter referred to as “net cash”) increased by 303 million yen compared to the end of the previous consolidated fiscal year to 7,943 million yen on March 31, 2026.

The following is a summary of cash flows and related causes for the consolidated fiscal year under review.

#### Cash flows from operating activities

Net cash provided by operating activities was 4,045 million yen (compared to net cash provided of 6,033 million yen in the previous consolidated fiscal year). This was mainly due to 341 million yen proceed due to decreased trade receivables, 507 million yen proceed caused by a decrease in inventories, 1,029 million yen expenditure caused by a decrease in trade payables, and 4,834 million yen in profit before income taxes.

Depreciation totaled 2,536 million yen.

#### Cash flows from investing activities

Net cash used in investing activities was an expenditure of 3,423 million yen (compared to net cash expenditure of 4,499 million yen in the previous consolidated fiscal year). This was mainly due to 5,756 million yen in purchase of property, plant and equipment, and 2,074 million yen in proceeds from sales of capital of subsidiaries resulting in change in scope of consolidation.

#### Cash flows from financing activities

Net cash used in financing activities was 322 million yen (compared to the net cash expenditure of 4,857 million yen in the previous consolidated fiscal year). This was mainly due to 3,000 million yen in proceeds from long-term borrowings, 1,675 million yen expenditure due to purchase of treasury shares, and dividends paid of 1,858 million yen.

#### (Reference) Change in cash flow related 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 (%)	72.8	74.2	74.0	69.3	70.1
Equity ratio based on fair value (%)	102.1	87.3	112.2	121.4	160.7
Years of debt redemption (Years)	0.2	0.4	0.9	0.6	1.6
Interest coverage ratio (Times)	983.3	468.5	222.9	344.0	136.9

Equity ratio: Shareholders' equity / Total assets

Equity ratio based on fair value: Total market value of shares / Total assets

Years of debt redemption: Interest-bearing debts / Cash flow

Interest coverage ratio: Cash flow / Interest paid

(Note 1) The indicators were calculated using consolidated financial figures.

(Note 2) The total market value of shares was calculated based on the total number of issued shares (excluding treasury shares).

(Note 3) Operating cash flow is used in Cash Flows.

(Note 4) Interest-bearing debts include all debts recorded on the Consolidated Balance Sheets for which interest is paid.

#### (4) Future Prospects

Regarding future prospects, difficult conditions will likely continue due to the unstable global situation, soaring resource prices, geopolitical risks, U.S. trade policies and the monetary policy of major countries.

In addition to responding to the unfolding changes in its business environment, the Eiken Group will identify existing business domains as its core businesses and implement key measures focused on the three key business fields of “Contribution to cancer prevention and treatment,” “Contribution to the eradication and control of infectious diseases,” and “Provision of products and services useful for health care.” In the field of “cancer,” we will focus on areas more directly related to treatment, while in the field of “infectious diseases,” we will focus on establishing simpler testing technologies. In the field of “health care,” the Group will expand products and services to serve the needs of remote diagnosis and home testing.

With a view to establishing a sustainable society, the Group has identified 11 materialities (key issues) for priority response and is developing detailed action plans for each. The Group sets key performance indicators (KPIs) for each materiality and proceeds with each materiality while monitoring progress toward achievement. As a Group with a mission to protect the health of people worldwide, the Group is addressing issues not only in “Medical,” but also in “Environment,” “Society,” and “Governance.” We believe that contributing solutions to social issues in this way will further bolster our corporate value and lead to achieving a sustainable society.

Regarding the performance forecast for the next fiscal year, we forecast sales of 42,000 million yen (up 0.2% year-on-year) amid increased overseas sales of fecal immunochemical test reagents. Overseas, we forecast sales of 11,790 million yen (up 2.9% year-on-year) and a sales ratio of 28.0%. Regarding profit, we forecast operating profit of 3,070 million yen (up 5.2% year-on-year) and ordinary profit of 2,900 million yen (up 2.0% year-on-year), driven by progress in initiatives aimed at improving profitability. We forecast profit attributable to owners of parent of 2,070 million yen (down 44.2% year-on-year), reflecting the recording of extraordinary income from the transfer of equity interests of consolidated subsidiary in the previous fiscal year.

#### (5) Policy on the Determination of Dividends from Surplus, etc.

The Company has positioned the strengthening of its financial structure and the sustainable enhancement of corporate value through proactive business development as its management objectives, and regards distribution of profits to its shareholders as one of the most important management issues. Our Company’s basic policy is to distribute profits by paying stable dividends twice annually in the form of an interim dividend and a year-end dividend. Specifically, based on the above-mentioned policies, the Company aims to achieve a total return ratio of 50% or more. In its Articles of Incorporation, the Company has set the decision-making body regarding dividends from surplus as follows: “Dividends from surplus, etc., can be distributed by a resolution of the Board of Directors in accordance with regulations of Article 459, Paragraph 1 of the Companies Act.”

The year-end dividend for the current fiscal year has been set at 29 yen per share. As we have already paid an interim dividend of 29 yen on December 1, 2025, dividends on an annual basis will amount to 58 yen per share.

In regard to per share dividends for the next fiscal year, we forecast ordinary dividends consisting of an interim dividend of 29 yen and a year-end dividend of 29 yen. Internal reserves will be used effectively from a mid to long-term perspective in investment for R&D aimed at strengthening our business structure, facilities investment, and efforts to improve business efficiency.

## 2. Basic Stance Concerning Choice of Accounting Standards

Taking into consideration the comparability of consolidated financial statements across periods and among companies, the Group prepares its consolidated financial statements using Japanese GAAP.

Regarding application of International Financial Reporting Standards, the Group’s policy is to deliberate in consideration of the future situation in Japan and overseas.

## Consolidated Financial Statements and Primary Notes

### Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	9,873	10,943
Notes and accounts receivable - trade, and contract assets	10,928	10,174
Electronically recorded monetary claims - operating	812	1,225
Investments in leases	377	354
Merchandise and finished goods	4,576	4,354
Work in process	2,140	2,024
Raw materials and supplies	1,783	1,613
Other	1,045	1,356
Allowance for doubtful accounts	(7)	(6)
<b>Total current assets</b>	<b>31,532</b>	<b>32,040</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures	26,311	32,206
Accumulated depreciation	(14,726)	(14,721)
<b>Buildings and structures, net</b>	<b>11,585</b>	<b>17,484</b>
Machinery, equipment and vehicles	8,338	8,735
Accumulated depreciation	(6,469)	(6,746)
<b>Machinery, equipment and vehicles, net</b>	<b>1,869</b>	<b>1,989</b>
Tools, furniture and fixtures	5,903	6,064
Accumulated depreciation	(4,973)	(5,103)
<b>Tools, furniture and fixtures, net</b>	<b>929</b>	<b>960</b>
Land	1,928	1,928
Leased assets	333	368
Accumulated depreciation	(124)	(161)
<b>Leased assets, net</b>	<b>208</b>	<b>206</b>
Construction in progress	5,600	767
<b>Total property, plant and equipment</b>	<b>22,121</b>	<b>23,338</b>
Intangible assets	670	332
<b>Investments and other assets</b>		
Investment securities	408	763
Shares of subsidiaries and associates	900	810
Long-term time deposits	3,000	1,200
Retirement benefit asset	1,787	2,409
Deferred tax assets	374	138
Other	1,601	1,646
Allowance for doubtful accounts	(23)	(23)
<b>Total investments and other assets</b>	<b>8,048</b>	<b>6,945</b>
<b>Total non-current assets</b>	<b>30,840</b>	<b>30,616</b>
<b>Total assets</b>	<b>62,372</b>	<b>62,657</b>

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable - trade	5,251	4,838
Electronically recorded obligations - operating	3,238	2,622
Current portion of bonds payable	-	3,000
Current portion of long-term borrowings	-	300
Lease liabilities	428	411
Income taxes payable	401	708
Provision for bonuses	671	693
Asset retirement obligations	121	-
Other	4,264	2,062
<b>Total current liabilities</b>	<b>14,376</b>	<b>14,636</b>
<b>Non-current liabilities</b>		
Bonds payable	3,000	-
Long-term borrowings	-	2,650
Lease liabilities	1,038	930
Asset retirement obligations	16	65
Other	342	340
<b>Total non-current liabilities</b>	<b>4,397</b>	<b>3,986</b>
<b>Total liabilities</b>	<b>18,773</b>	<b>18,622</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Share capital	6,897	6,897
Capital surplus	7,892	7,892
Retained earnings	34,700	30,884
Treasury shares	(6,756)	(2,242)
<b>Total shareholders' equity</b>	<b>42,734</b>	<b>43,432</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	0	25
Foreign currency translation adjustment	338	7
Remeasurements of defined benefit plans	166	480
<b>Total accumulated other comprehensive income</b>	<b>505</b>	<b>513</b>
Share acquisition rights	358	89
<b>Total net assets</b>	<b>43,598</b>	<b>44,034</b>
<b>Total liabilities and net assets</b>	<b>62,372</b>	<b>62,657</b>

## Consolidated Statements of Income and Comprehensive Income

### Consolidated Statement of Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	40,539	41,899
Cost of sales	24,027	25,723
Gross profit	16,512	16,175
Selling, general and administrative expenses	13,512	13,255
Operating profit	2,999	2,919
Non-operating income		
Interest income	14	17
Dividend income	3	4
Rental income	12	2
Compensation income for damage	64	15
Compensation income	12	5
Outsourcing service income	30	9
Subsidy income	31	52
Foreign exchange gains	1	12
Other	66	43
Total non-operating income	235	164
Non-operating expenses		
Interest expenses	17	29
Share of loss of entities accounted for using equity method	-	89
Compensation expenses	-	104
Commission for purchase of treasury shares	3	2
Other	15	13
Total non-operating expenses	36	239
Ordinary profit	3,198	2,844
Extraordinary income		
Gain on sale of non-current assets	-	8
Gain on sale of investment securities	49	-
Profit on transfer of capital investments in associated companies	-	2,004
Total extraordinary income	49	2,013
Extraordinary losses		
Loss on sale and retirement of non-current assets	6	22
Business structure improvement expenses of subsidiaries	250	-
Total extraordinary losses	256	22
Profit before income taxes	2,991	4,834
Income taxes - current	701	1,046
Income taxes - deferred	62	79
Total income taxes	763	1,125
Profit	2,228	3,708
Profit attributable to non-controlling interests	-	-
Profit attributable to owners of parent	2,228	3,708

## Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit	2,228	3,708
Other comprehensive income		
Valuation difference on available-for-sale securities	(35)	24
Foreign currency translation adjustment	(15)	(330)
Remeasurements of defined benefit plans, net of tax	(152)	314
Total other comprehensive income	(202)	7
Comprehensive income	2,025	3,716
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,025	3,716
Comprehensive income attributable to non-controlling interests	-	-

Consolidated Statement of Changes in Equity  
For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,897	7,892	35,801	(5,686)	44,904
Changes during period					
Dividends of surplus			(1,799)		(1,799)
Profit attributable to owners of parent			2,228		2,228
Purchase of treasury shares				(2,672)	(2,672)
Disposal of treasury shares			38	35	73
Cancellation of treasury shares			(1,567)	1,567	-
Net changes in items other than shareholders' equity					
Total changes during period	-	-	(1,100)	(1,069)	(2,170)
Balance at end of period	6,897	7,892	34,700	(6,756)	42,734

	Accumulated other comprehensive income				Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	35	353	319	708	358	45,971
Changes during period						
Dividends of surplus						(1,799)
Profit attributable to owners of parent						2,228
Purchase of treasury shares						(2,672)
Disposal of treasury shares						73
Cancellation of treasury shares						-
Net changes in items other than shareholders' equity	(35)	(15)	(152)	(202)	-	(202)
Total changes during period	(35)	(15)	(152)	(202)	-	(2,373)
Balance at end of period	0	338	166	505	358	43,598

For the fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,897	7,892	34,700	(6,756)	42,734
Changes during period					
Dividends of surplus			(1,858)		(1,858)
Profit attributable to owners of parent			3,708		3,708
Purchase of treasury shares				(1,673)	(1,673)
Disposal of treasury shares		35		485	520
Cancellation of treasury shares		(35)	(5,666)	5,702	-
Net changes in items other than shareholders' equity					
Total changes during period	-	-	(3,816)	4,513	697
Balance at end of period	6,897	7,892	30,884	(2,242)	43,432

	Accumulated other comprehensive income				Share acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	0	338	166	505	358	43,598
Changes during period						
Dividends of surplus						(1,858)
Profit attributable to owners of parent						3,708
Purchase of treasury shares						(1,673)
Disposal of treasury shares						520
Cancellation of treasury shares						-
Net changes in items other than shareholders' equity	24	(330)	314	7	(268)	(261)
Total changes during period	24	(330)	314	7	(268)	436
Balance at end of period	25	7	480	513	89	44,034

## Consolidated Statement of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
<b>Cash flows from operating activities</b>		
Profit before income taxes	2,991	4,834
Depreciation	2,554	2,536
Increase (decrease) in allowance for doubtful accounts	(0)	(0)
Increase (decrease) in provision for bonuses	(3)	22
Interest and dividend income	(17)	(21)
Interest expenses	17	29
Foreign exchange losses (gains)	0	1
Compensation income	(12)	(5)
Subsidy income	(31)	(52)
Compensation expenses	-	104
Share of loss (profit) of entities accounted for using equity method	-	89
Loss (gain) on sale and retirement of property, plant and equipment	6	3
Loss (gain) on sales of investments in capital of subsidiaries	-	(2,004)
Decrease (increase) in trade receivables	740	341
Decrease (increase) in inventories	(403)	507
Increase (decrease) in trade payables	1,081	(1,029)
Decrease (increase) in other investments	(1)	0
Loss (gain) on sale of investment securities	(49)	-
Decrease (increase) in retirement benefit asset	(125)	(91)
Decrease (increase) in other current assets	90	(382)
Increase (decrease) in other current liabilities	(585)	(8)
Other, net	39	(62)
Subtotal	6,292	4,810
Interest and dividends received	13	19
Interest paid	(17)	(29)
Proceeds from insurance income	7	-
Income taxes paid	(417)	(754)
Income taxes refund	155	-
Net cash provided by (used in) operating activities	6,033	4,045
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(5,214)	(5,756)
Proceeds from sale of property, plant and equipment	14	10
Purchase of investment securities	(83)	(319)
Proceeds from sale of investment securities	71	-
Proceeds from redemption of investment securities	200	-
Purchase of intangible assets	(164)	(90)
Payments for retirement of non-current assets	(7)	(10)
Payments for asset retirement obligations	-	(122)
Payments into time deposits	(3,467)	(1,200)
Proceeds from withdrawal of time deposits	5,470	2,238
Purchase of shares of subsidiaries and associates	(900)	-
Purchase of insurance funds	(142)	(57)
Proceeds from sales of capital of subsidiaries resulting in change in scope of consolidation	-	2,074
Other payments	(276)	(191)
Net cash provided by (used in) investing activities	(4,499)	(3,423)

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from financing activities		
Proceeds from long-term borrowings	-	3,000
Repayments of long-term borrowings	-	(50)
Purchase of treasury shares	(2,675)	(1,675)
Dividends paid	(1,799)	(1,858)
Other, net	(381)	261
Net cash provided by (used in) financing activities	(4,857)	(322)
Effect of exchange rate change on cash and cash equivalents	(2)	3
Net increase (decrease) in cash and cash equivalents	(3,326)	303
Cash and cash equivalents at beginning of period	10,966	7,640
Cash and cash equivalents at end of period	7,640	7,943

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Material basis for the preparation of consolidated financial statements)

1. The scope of consolidation

(1) Number and name of consolidated subsidiaries: 2

EIKEN MEDICAL AMERICA INC.

EIKEN MEDICAL SHANGHAI CORPORATION

EIKEN MEDICAL SHANGHAI CORPORATION was newly established in the consolidated fiscal year under review, it is included in the scope of consolidation. In addition, as a result of the transfer of all equity interests, EIKEN CHINA CO., LTD. was excluded from the scope of consolidation.

(2) Number and name of the principal non-consolidated subsidiary

Not applicable.

2. Equity method

(1) Number and Name of associated company: 1

Nanotis Corporation

(2) Names of major companies, etc. among non-consolidated subsidiaries and associated companies to which the equity method is not applied

Not applicable.

(3) Matters that are found to be particularly necessary to be stated regarding the procedures for application of the equity method

For companies that are accounted for by the equity method and have different closing dates, the financial statements for the respective fiscal years are used. In addition, goodwill equivalent arising from the application of the equity method is amortized on a straight-line basis over a period of 20.

3. Accounting period of consolidated subsidiaries

Of the consolidated subsidiaries, the fiscal closing date of EIKEN MEDICAL SHANGHAI CORPORATION is December 31.

Consolidated financial statements are prepared by implementing closing (provisional closing) in accordance with reasonable procedures based on formal closing.

The fiscal closing date of the other consolidated subsidiary is in line with the consolidated fiscal closing date.

4. Accounting policies

(1) Valuation standards and methods for significant assets

1) Securities

a. Held-to-maturity debt securities

Stated at amortized cost (straight-line method)

b. Shares of associated companies

Stated at cost determined by the moving-average method

c. Available-for-sale securities

Securities other than shares, etc., which do not have a market price

Market value method

(The valuation difference is directly included in net assets, and cost of sales is determined by the moving-average method.)

Shares, etc., which do not have a market price

Principally the cost method by the moving-average method

2) Derivative financial instruments

Market value method

3) Inventories

Merchandise and finished goods, raw materials, and work in process

Cost method by the moving-average method (carrying amount on the consolidated balance sheet calculated by writing down values based on decreased profitability) is adopted.

Supplies

Cost method by the last purchase price method (carrying amount on the consolidated balance sheet calculated by writing down values based on decreased profitability) is adopted.

(2) Depreciation method of significant depreciable assets

1) Property, plant and equipment (excluding leased assets)

The Company and its domestic consolidated subsidiaries adopt the declining-balance method, and overseas consolidated subsidiaries adopt the straight-line method.

However, the straight-line method is adopted for buildings purchased on or after April 1, 1998 (excluding facilities attached to buildings), and for facilities attached to buildings and structures purchased on or after April 1, 2016.

Major useful lives are as follows:

Buildings and structures: 7-40 years

Machinery, equipment, and vehicles: 4-8 years

Tools, furniture and fixtures 2-15 years

2) Intangible assets (excluding leased assets)

Straight-line method

For internal use software, the straight-line method based on amortization over the internally estimated useful lives (5 years) is adopted.

3) Leased assets

Leased assets are depreciated over the lease terms as useful lives using the straight-line method without any residual value.

(3) Accounting standards for significant reserves and allowances

1) Allowance for doubtful accounts

In order to prepare for possible credit losses on trade receivables, etc., the estimated amount of non-recoverable receivables based on the historical loss rate for general receivables and specific collectability for specific doubtful receivables are recorded.

2) Provision for bonuses

In order to prepare for payments of bonuses to the employees, the estimated payable amount to be used in the future attributable to the consolidated fiscal year under review is recorded as provision for bonuses.

(4) Accounting method for retirement benefits

1) Period attribution method for estimated retirement benefits

In calculating retirement benefit obligations, the method of attributing the estimated amount of retirement benefits to the periods up to the end of the consolidated fiscal year under review is based on the benefit formula basis.

2) Accounting method for actuarial difference and past service cost

Past service cost is expensed using the straight-line method over a period of definite years (3 years) within the employees' average remaining service years at the time when it is incurred.

Actuarial differences are accounted for as expenses over a certain number of years within the average remaining years of service of the corresponding employees (12 years) using the straight-line method, commencing with the consolidated fiscal year following the one in which they were incurred.

3) The accounting methods of unrecognized actuarial gain and loss and unrecognized past service cost

For the accounting methods of unrecognized actuarial gain and loss and unrecognized past service cost, after adjusting tax effect, they are recorded as remeasurements of defined benefit plans under accumulated other comprehensive income in net assets.

(5) Significant revenue and expense recognition standards

1) Sales of merchandise and finished goods

Sales of merchandise and finished goods include the manufacture and sale of clinical diagnostic reagents and clinical diagnostic equipment. The Company principally recognizes revenue from sales of merchandise and finished goods when making delivery of the goods to a customer as it satisfies a performance obligation by transferring control of the goods to a customer based on receipt of the goods. For clinical diagnostic equipment which requires installation at the time of sale, the Company recognizes revenue at inspection of installed equipment as it satisfies a performance obligation by transferring control of the goods to a customer based on inspection by a customer.

2) Royalty revenue

Royalty revenue includes upfront payment based on license agreement etc., milestone revenues, and running royalty calculated based on net sales etc. For upfront payment, the Company recognizes revenue at customers' receipt of the right which the Company promised to transfer to a customer based on the contract. For milestone revenues, the Company recognizes revenue at achievement of the milestone defined in the contract. For running royalty calculated based on net sales etc., the Company recognizes revenue when sales or usage occur, or it satisfies a performance obligation for which sales-based or usage-based royalty is allocated, whichever is later.

(6) Translation of significant foreign currency denominated assets and liabilities into Japanese yen

Foreign currency denominated monetary receivables and payables are translated into Japanese yen using the spot exchange rate on the closing date and the translation difference is charged or credited to income. The assets, liabilities, income, and expenses of overseas subsidiaries and affiliates are translated into yen at the year-end spot exchange rate, and translation adjustments are included in foreign currency translation adjustments in net assets.

(7) Significant hedge accounting method

1) Hedge accounting method

The appropriation procedure is adopted to foreign exchange fluctuation risk hedging that satisfies the relevant requirements.

2) Hedging instruments and hedged items, hedging policy

The risks of foreign exchange fluctuation are hedged in accordance with the Company's rules.

Hedging instruments and hedged items where hedge accounting was applied for the consolidated fiscal year under review are as follows.

Hedging instruments: Forward exchange contracts

Hedged items: Foreign currency denominated accounts payable, foreign currency denominated accounts payable - other

3) Assessment of hedge effectiveness

For forward exchange contracts, hedged items with the same date and amount and denominated in the same currency are allocated to each account payable, accounts payable – other. Therefore, the correlation by foreign exchange fluctuation thereafter is ensured completely, and the assessment of hedge effectiveness is omitted.

(8) Funds covered by consolidated statements of cash flows

Funds (cash and cash equivalents) as used in the consolidated statements of cash flows comprises cash on hand, deposits available for withdrawal as needed, and short-term investments due for redemption within three months from the date of acquisition, which are easily cashable and are subject to minimal risk of fluctuation in value.

(Notes to Consolidated Balance Sheets)

\*1. Receivables from contracts with customers in notes and accounts receivable - trade and contract assets are as follows.

	(Million yen)	
	As of March 31, 2025	As of March 31, 2026
Accounts receivable - trade	10,721	10,011
Electronically recorded monetary claims - operating	810	1,202

\*2. Contract liabilities in other is as follows.

	(Million yen)	
	As of March 31, 2025	As of March 31, 2026
Contract liability	97	77

3. Overdraft contracts and commitment lines are concluded for efficient procurement of working capital. The balance of unexecuted loans based on these contracts is as follows.

	(Million yen)	
	As of March 31, 2025	As of March 31, 2026
Total of overdraft maximum amount and commitment lines	8,600	8,600
Outstanding borrowings	-	-
Difference	8,600	8,600

(Notes to Consolidated Statements of Income)

\*1. Revenue from contracts with customers is not presented independently. Revenue from contracts with customers is as follows.

	(Million yen)	
	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
	40,300	41,704

\*2. Ending inventory is the amount after being written down due to decreased profitability, and the following loss on valuation of inventory (the amount after offset of reversal with reversal method), is included in total cost of sales.

	(Million yen)	
	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
	40	84

\*3. The main expense items and amounts of selling, general and administrative expenses are as follows.

	(Million yen)	
	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Salaries	2,492	2,460
Provision for bonuses	339	349
Retirement benefit expenses	53	56
Research and development expenses	4,386	3,676
Provision of allowance for doubtful accounts	(0)	(0)

\*4. Research and development expenses included in general and administrative expenses, and manufacturing costs incurred during the period are as follows.

	(Million yen)	
	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
	4,386	3,676

\*5. The details of gains on the sale of fixed assets are as follows.

	(Million yen)	
	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Machinery, equipment and vehicles	-	7
Tools, furniture and fixtures	-	1
Total	-	8

\*6. Description of loss on sale and retirement of non-current assets is as follows.

	(Million yen)	
	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Buildings and structures	0	7
Machinery, equipment and vehicles	0	0
Tools, furniture and fixtures	5	4
Software	0	-
Dismantlement cost	-	10
Total	6	22

\*7 Business structure improvement expenses of subsidiaries

This was amid the restructuring of manufacturing facilities and inventories with the review of business activities of subsidiaries in China and economic compensation for employees.

## (Notes to Consolidated Statements of Comprehensive Income)

## \*1. Reclassification adjustment and tax effect relating to other comprehensive income

	(Million yen)	
	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Valuation difference on available-for-sale securities:		
Amount incurred during the period	(0)	35
Reclassification adjustment	(49)	-
Before tax effect adjustment	(50)	35
Tax effect	15	(11)
Valuation difference on available-for-sale securities	(35)	24
Foreign currency translation adjustment:		
Amount incurred during the period	(15)	(300)
Remeasurements of defined benefit plans, net of tax:		
Amount incurred during the period	(159)	529
Reclassification adjustment	(58)	(70)
Before tax effect adjustment	(218)	459
Tax effect	65	(145)
Remeasurements of defined benefit plans, net of tax	(152)	314
Total other comprehensive income	(202)	7

## (Notes to Consolidated Statements of Changes in Net Assets)

For the fiscal year ended March 31, 2025

## 1. Class and total number of issued shares and class and total number of treasury shares

	(Shares)			
	Number of shares at beginning of period	Increase during period	Decrease during period	Number of shares at end of period
Issued shares				
Common shares (Note) 1.	40,041,438	—	1,500,000	38,541,438
Total	40,041,438	—	1,500,000	38,541,438
Treasury shares				
Common shares (Notes) 2. 3.	5,443,508	1,217,919	1,533,795	5,127,632
Total	5,443,508	1,217,919	1,533,795	5,127,632

(Notes) 1. The decrease in total number of issued shares by 1,500,000 shares of common shares is due to the cancellation of treasury shares based on a resolution of the Board of Directors.

2. The increase in treasury shares by 1,217,919 shares of common shares is due to the 1,217,200 shares increase caused by the purchase of treasury shares based on a resolution of the Board of Directors, the 110 shares increase caused by the purchase of odd-lot shares, the 609 shares increase caused by the free acquisition of restricted stock compensation.

3. The decrease in treasury shares by 1,533,795 shares of common shares is due to the 1,500,000 shares decrease caused by the cancellation of treasury shares based on a resolution of the Board of Directors, the 33,795 shares decrease caused by the disposal of treasury shares as restricted stock units.

## 2. Share acquisition rights and treasury share acquisition rights

Category	Description of Share acquisition rights	Class of shares for Share acquisition rights	Number of shares for Share acquisition rights (Share)				Balance at the end of the period (Million yen)
			Number of shares at beginning of period	Increase during period	Decrease during period	Number of shares at end of period	
The Company (Parent company)	Share acquisition rights as stock options	—	—	—	—	—	358
Total		—	—	—	—	—	358

## 3. Dividends

### (1) Cash dividends paid

(Resolution)	Class of shares	Total cash dividends (Million yen)	Dividend per share (Yen)	Record date	Effective date
May 9, 2024 Board of Directors meeting	Common shares	899	26	March 31, 2024	June 7, 2024
October 31, 2024 Board of Directors meeting	Common shares	900	26	September 30, 2024	December 2, 2024

### (2) Dividends for which the record date falls in the current period, but the effective date falls in the following period

(Resolution)	Class of shares	Total cash dividends (Million yen)	Dividend source	Dividend per share (Yen)	Record date	Effective date
May 13, 2025 Board of Directors meeting	Common shares	902	Retained earnings	27	March 31, 2025	June 10, 2025

For the fiscal year ended March 31, 2026

1. Class and total number of issued shares and class and total number of treasury shares

(Shares)				
	Number of shares at beginning of period	Increase during period	Decrease during period	Number of shares at end of period
Issued shares				
Common shares (Note) 1.	38,541,438	—	4,000,000	34,541,438
Total	38,541,438	—	4,000,000	34,541,438
Treasury shares				
Common shares (Notes) 2. 3.	5,127,632	789,442	4,341,209	1,575,865
Total	5,127,632	789,442	4,341,209	1,575,865

- (Notes) 1. The decrease in total number of issued shares by 4,000,000 shares of common shares is due to the cancellation of treasury shares based on a resolution of the Board of Directors.
2. The increase in treasury shares by 789,442 shares of common shares is due to the 782,800 shares increase caused by the purchase of treasury shares based on a resolution of the Board of Directors, the 96 shares increase caused by the purchase of odd-lot shares, the 6,546 shares increase caused by the free acquisition of restricted stock compensation.
3. The decrease in treasury shares by 4,341,209 shares of common shares is due to the 4,000,000 shares decrease caused by the cancellation of treasury shares based on a resolution of the Board of Directors, the 118,009 shares decrease caused by the disposal of treasury shares as restricted stock units, the 223,200 shares decrease caused by the exercise of stock options.

2. Share acquisition rights and treasury share acquisition rights

Category	Description of Share acquisition rights	Class of shares for Share acquisition rights	Number of shares for Share acquisition rights (Share)				Balance at the end of the period (Million yen)
			Number of shares at beginning of period	Increase during period	Decrease during period	Number of shares at end of period	
The Company (Parent company)	Share acquisition rights as stock options	—	—	—	—	—	89
Total		—	—	—	—	—	89

### 3. Dividends

#### (1) Cash dividends paid

(Resolution)	Class of shares	Total cash dividends (Million yen)	Dividend per share (Yen)	Record date	Effective date
May 13, 2025 Board of Directors meeting	Common shares	902	27	March 31, 2025	June 10, 2025
October 30, 2025 Board of Directors meeting	Common shares	956	29	September 30, 2025	December 1, 2025

#### (2) Dividends for which the record date falls in the current period, but the effective date falls in the following period

(Resolution)	Class of shares	Total cash dividends (Million yen)	Dividend source	Dividend per share (Yen)	Record date	Effective date
May 12, 2026 Board of Directors meeting	Common shares	956	Retained earnings	29	March 31, 2026	June 9, 2026

#### (Notes to Consolidated Statements of Cash Flows)

#### \*1. Relationship between cash and cash equivalents at end of year and account items listed in the consolidated balance sheets

	(Million yen)	
	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash and deposits	9,873	10,943
Time deposits with deposit terms of more than three months	(2,233)	(3,000)
Cash and cash equivalents	7,640	7,943

\*2. Major components of assets and liabilities of a company that ceased to be a consolidated subsidiary due to the transfer of equity interests

Previous Consolidated Fiscal Year (From April 1, 2024 to March 31, 2025)

Not applicable.

Consolidated fiscal year (From April 1, 2025 to March 31, 2026)

The breakdown of assets and liabilities at the time of transfer, and the relationship between the transfer price of equity interests and the net proceeds from the transfer, resulting from EIKEN CHINA CO., LTD. ceasing to be a consolidated subsidiary due to the transfer of all equity interests, are as follows:

	(Million yen)
Current assets	429
Non-current assets	415
Current liabilities	(1)
Foreign currency translation adjustment	(348)
Expenses related to the transfer	95
Gain on sale of investments in capital of subsidiaries	2,004
<hr/>	
Transfer price of equity interests	2,596
Cash and cash equivalents	(425)
Expenses related to the transfer	(95)
<hr/>	
Net proceeds from the transfer:	2,074

(Lease transactions)

(Lessee)

1. Finance lease transactions

Finance leases wherein ownership of the leased asset does not transfer to the lessee

1) Description of leased assets

Property, plant and equipment

Research and development facility, tools, furniture and fixtures, and machinery, equipment and vehicles

2) Depreciation method of leased assets

As described in “(2) Depreciation method of significant depreciable assets under 4. Accounting policies” of (Material basis for the preparation of consolidated financial statements).

2. Operating lease transactions

Future lease payments under non-cancelable operating lease transactions

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Within one year	205	429
Over one year	100	1,947
Total	306	2,376

(Lessor)

Finance lease transactions

(1) Description of investments in leases

1) Current assets

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Lease receivables	402	378
Interest income equivalents	(24)	(24)
Investments in leases	377	354

2) Investments and other assets

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Lease receivables	906	801
Interest income equivalents	(40)	(38)
Investments in leases	865	763

(2) Scheduled amount of debt recovery after the closing date for lease receivables associated with investments in leases

1) Current assets

(Million yen)

	As of March 31, 2025					
	Due in one year or less	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years	Due after five years
Lease receivables	—	—	—	—	—	—
Investments in leases	402	—	—	—	—	—

(Million yen)

	As of March 31, 2026					
	Due in one year or less	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years	Due after five years
Lease receivables	—	—	—	—	—	—
Investments in leases	378	—	—	—	—	—

2) Investments and other assets

(Million yen)

	As of March 31, 2025					
	Due in one year or less	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years	Due after five years
Lease receivables	—	—	—	—	—	—
Investments in leases	—	326	235	162	103	79

(Million yen)

	As of March 31, 2026					
	Due in one year or less	Due after one year through two years	Due after two years through three years	Due after three years through four years	Due after four years through five years	Due after five years
Lease receivables	—	—	—	—	—	—
Investments in leases	—	287	214	154	95	49

(Business combinations and related matters)

Business Separation

Transfer of Equity Interests of a Consolidated Subsidiary

At a meeting of the Board of Directors held on May 13, 2025, the Company resolved to transfer all equity interests in its consolidated subsidiary, EIKEN CHINA CO., LTD. (hereinafter, “Eiken China”), and entered into an equity transfer agreement on July 31, 2025. Based on this agreement, Eiken China was excluded from the scope of consolidation as of September 30, 2025.

1. Overview of the Business Separation

(1) Name of the transferee

Shanghai Yizhou Enterprise Management Limited Partnership

(2) Name and business of the separated subsidiary

Name: EIKEN CHINA CO., LTD.

Business: Manufacturing and sales of clinical diagnostics

(3) Main reason for the business separation

As part of our ongoing review of the product portfolio, we have determined that transferring the raw materials processing currently conducted at Eiken China to our Nogi Factory will lead to improved production efficiency. Furthermore, by switching from indirect sales through Eiken China to direct sales of our products, we expect to enhance management efficiency. Based on these considerations, we have concluded that the transfer of our equity interest in Eiken China will contribute to the enhancement of our company’s corporate value.

(4) Date of business separation

September 30, 2025

(5) Other details regarding the transaction including legal form

The transfer of equity interests was conducted in exchange for cash and other assets.

## 2. Overview of Accounting Treatment Implemented

### (1) Amount of gain on transfer

Profit on transfer of capital investments in associated companies: 2,004 million yen

### (2) Book value of assets and liabilities related to the transferred business and major components

	(Million yen)
Current assets	429
Non-current assets	415
<u>Total assets</u>	<u>845</u>
<u>Current liabilities</u>	<u>1</u>
Total liabilities	1

### (3) Accounting treatment

The difference between the consolidated book value of the transferred equity interests and the transfer price was recorded as “Profit on transfer of capital investments in associated companies” under extraordinary income.

## 3. Segment Information

As our group operates under a single segment of clinical diagnostics business, segment information is omitted.

## 4. Estimated Profit and Loss of the Separated Business Recorded in the Consolidated Statement of Income for the Consolidated Fiscal Year

Net sales	71 million yen
Operating loss	(43) million yen

(Segment information)

Segment information

Fiscal year ended March 31, 2025 and fiscal year ended March 31, 2026

Omitted since the Group's business is a single segment in the clinical diagnostics business.

(Per share information)

(Yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net assets per share	1,294.08	1,333.07
Basic earnings per share	64.82	112.52
Diluted earnings per share	64.27	112.08

(Note) The basis for the calculation of basic earnings per share and diluted earnings per share is as follows.

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Basic earnings per share		
Profit attributable to owners of parent (Million yen)	2,228	3,708
Amount not attributable to common shareholders (Million yen)	—	—
Profit attributable to owners of parent relating to common shares (Million yen)	2,228	3,708
Average number of shares of common shares outstanding during each fiscal year (Thousand shares)	34,370	32,960
Diluted earnings per share		
Adjustment for profit attributable to owners of parent (Million yen)	—	—
Increase in number of shares of common shares (Thousand shares)	297	130
(Bonds with share acquisition rights included in the above)	(297)	(130)
Overview of residual shares not included in calculation of diluted earnings per share due to lack of dilutive effect		—

(Significant subsequent events)

Not applicable.

## Non-consolidated Financial Statements and Primary Notes

### Non-consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	9,332	10,917
Accounts receivable - trade	10,928	10,174
Electronically recorded monetary claims - operating	812	1,225
Investments in leases	377	354
Merchandise and finished goods	4,585	4,354
Work in process	2,140	2,024
Raw materials and supplies	1,783	1,613
Prepaid expenses	265	392
Other	768	960
Allowance for doubtful accounts	(7)	(6)
<b>Total current assets</b>	<b>30,988</b>	<b>32,011</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings	23,642	30,374
Accumulated depreciation	(13,090)	(13,694)
Buildings, net	10,552	16,680
Structures	1,701	1,832
Accumulated depreciation	(917)	(1,027)
Structures, net	784	804
Machinery and equipment	8,051	8,669
Accumulated depreciation	(6,190)	(6,694)
Machinery and equipment, net	1,861	1,975
Vehicles	53	58
Accumulated depreciation	(45)	(50)
Vehicles, net	7	7
Tools, furniture and fixtures	5,875	6,051
Accumulated depreciation	(4,957)	(5,100)
Tools, furniture and fixtures, net	918	951
Land	1,928	1,928
Leased assets	289	326
Accumulated depreciation	(116)	(149)
Leased assets, net	173	176
Construction in progress	5,600	767
<b>Total property, plant and equipment</b>	<b>21,826</b>	<b>23,291</b>
<b>Intangible assets</b>		
Patent right	5	4
Software	469	316
Other	12	11
<b>Total intangible assets</b>	<b>487</b>	<b>332</b>

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Investments and other assets</b>		
Investment securities	408	763
Shares of subsidiaries and associates	972	972
Investments in capital	0	0
Investments in capital of subsidiaries and associates	1,316	10
Distressed receivables	20	20
Long-term prepaid expenses	118	29
Long-term time deposits	3,000	1,200
Life insurance funds	312	369
Prepaid pension costs	1,545	1,707
Deferred tax assets	450	359
Investments in leases	-	763
Other	1,148	462
Allowance for doubtful accounts	(23)	(23)
<b>Total investments and other assets</b>	<b>9,269</b>	<b>6,635</b>
<b>Total non-current assets</b>	<b>31,583</b>	<b>30,260</b>
<b>Total assets</b>	<b>62,571</b>	<b>62,271</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	5,257	4,838
Electronically recorded obligations - operating	3,238	2,622
Current portion of bonds payable	-	3,000
Current portion of long-term borrowings	-	300
Lease liabilities	428	411
Accounts payable - other	1,251	916
Accrued expenses	215	222
Income taxes payable	401	708
Refund liabilities	407	375
Contract liabilities	97	77
Deposits received	47	51
Provision for bonuses	671	693
Asset retirement obligations	121	-
Other	2,163	421
<b>Total current liabilities</b>	<b>14,300</b>	<b>14,638</b>
<b>Non-current liabilities</b>		
Bonds payable	3,000	-
Long-term borrowings	-	2,650
Lease liabilities	1,001	898
Asset retirement obligations	16	65
Other	342	340
<b>Total non-current liabilities</b>	<b>4,360</b>	<b>3,953</b>
<b>Total liabilities</b>	<b>18,661</b>	<b>18,592</b>

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Net assets		
Shareholders' equity		
Share capital	6,897	6,897
Capital surplus		
Legal capital surplus	7,892	7,892
Total capital surplus	7,892	7,892
Retained earnings		
Legal retained earnings	338	338
Other retained earnings		
Reserve for tax purpose reduction entry	51	49
Open innovation promotional tax system deposit	225	225
General reserve	4,330	4,330
Retained earnings brought forward	30,572	26,075
Total retained earnings	35,517	31,017
Treasury shares	(6,756)	(2,242)
Total shareholders' equity	43,551	43,564
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	0	25
Total valuation and translation adjustments	0	25
Share acquisition rights	358	89
Total net assets	43,910	43,679
Total liabilities and net assets	62,571	62,271

## Non-consolidated Statement of Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales		
Net sales of finished goods	18,175	18,193
Net sales of goods	22,307	23,674
Total net sales	40,483	41,867
Cost of sales		
Beginning inventory of merchandise and finished goods	4,172	4,585
Cost of products manufactured	8,354	9,050
Cost of purchased goods	16,218	16,447
Ending inventory of merchandise and finished goods	4,585	4,354
Total cost of sales	24,161	25,729
Gross profit	16,321	16,138
Selling, general and administrative expenses	13,273	13,176
Operating profit	3,048	2,962
Non-operating income		
Interest income	5	14
Dividend income	3	4
Compensation income for damage	64	15
Compensation income	12	5
Outsourcing service income	30	9
Foreign exchange gains	14	15
Subsidy income	31	52
Other	59	51
Total non-operating income	222	168
Non-operating expenses		
Interest expenses	4	15
Interest expenses on bonds	12	12
Commission for purchase of treasury shares	3	2
Commitment fees	7	7
Compensation expenses	-	104
Other	7	6
Total non-operating expenses	36	150
Ordinary profit	3,233	2,981
Extraordinary income		
Gain on sale of non-current assets	-	8
Gain on sale of investment securities	49	-
Profit on transfer of capital investments in associated companies	-	1,183
Total extraordinary income	49	1,192
Extraordinary losses		
Loss on sale and retirement of non-current assets	6	22
Total extraordinary losses	6	22
Profit before income taxes	3,276	4,150
Income taxes - current	701	1,046
Income taxes - deferred	61	79
Total income taxes	762	1,125
Profit	2,514	3,024

Non-consolidated Statement of Changes in Equity

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity						
	Share capital	Capital surplus		Retained earnings			
		Legal capital surplus	Other capital surplus	Legal retained earnings	Other retained earnings		
					Reserve for tax purpose reduction entry	Open innovation promotional tax system deposit	General reserve
Balance at beginning of period	6,897	7,892	-	338	54	-	4,330
Changes during period							
Reversal of reserve for tax purpose reduction entry					(3)		
Dividends of surplus							
Provision of reserve for tax purpose reduction to promote open innovation						225	
Profit							
Purchase of treasury shares							
Disposal of treasury shares							
Cancellation of treasury shares							
Net changes in items other than shareholders' equity							
Total changes during period	-	-	-	-	(3)	225	-
Balance at end of period	6,897	7,892	-	338	51	225	4,330

	Shareholders' equity			Valuation and translation adjustments	Share acquisition rights	Total net assets
	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities		
	Other retained earnings					
	Retained earnings brought forward					
Balance at beginning of period	31,608	(5,686)	45,434	35	358	45,828
Changes during period						
Reversal of reserve for tax purpose reduction entry	3		-			-
Dividends of surplus	(1,799)		(1,799)			(1,799)
Provision of reserve for tax purpose reduction to promote open innovation	(225)		-			-
Profit	2,514		2,514			2,514
Purchase of treasury shares		(2,672)	(2,672)			(2,672)
Disposal of treasury shares	38	35	73			73
Cancellation of treasury shares	(1,567)	1,567	-			-
Net changes in items other than shareholders' equity				(35)	-	(35)
Total changes during period	(1,035)	(1,069)	(1,883)	(35)	-	(1,918)
Balance at end of period	30,572	(6,756)	43,551	0	358	43,910

For the fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity						
	Share capital	Capital surplus		Legal retained earnings	Retained earnings		
		Legal capital surplus	Other capital surplus		Other retained earnings		
					Reserve for tax purpose reduction entry	Open innovation promotional tax system deposit	General reserve
Balance at beginning of period	6,897	7,892	-	338	51	225	4,330
Changes during period							
Reversal of reserve for tax purpose reduction entry					(2)		
Dividends of surplus							
Provision of reserve for tax purpose reduction to promote open innovation							
Profit							
Purchase of treasury shares							
Disposal of treasury shares			35				
Cancellation of treasury shares			(35)				
Net changes in items other than shareholders' equity							
Total changes during period	-	-	-	-	(2)	-	-
Balance at end of period	6,897	7,892	-	338	49	225	4,330

	Shareholders' equity			Valuation and translation adjustments	Share acquisition rights	Total net assets
	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities		
	Other retained earnings					
	Retained earnings brought forward					
Balance at beginning of period	30,572	(6,756)	43,551	0	358	43,910
Changes during period						
Reversal of reserve for tax purpose reduction entry	2		-			-
Dividends of surplus	(1,858)		(1,858)			(1,858)
Provision of reserve for tax purpose reduction to promote open innovation			-			-
Profit	3,024		3,024			3,024
Purchase of treasury shares		(1,673)	(1,673)			(1,673)
Disposal of treasury shares		485	520			520
Cancellation of treasury shares	(5,666)	5,702	-			-
Net changes in items other than shareholders' equity				24	(268)	(244)
Total changes during period	(4,497)	4,513	13	24	(268)	(231)
Balance at end of period	26,075	(2,242)	43,564	25	89	43,679

(4) Notes to Non-consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Significant accounting policies)

1. Valuation standards and methods for Significant Securities

(1) Held-to-maturity debt securities

Stated at amortized cost (straight-line method)

(2) Shares of subsidiary and shares of associated companies

Cost method by the moving-average method

(3) Available-for-sale securities

Securities other than shares, etc., which do not have a market price

Market value method

(The valuation difference is directly included in net assets, and cost of sales is determined by the moving-average method.)

Shares, etc., which do not have a market price

Principally cost method by the moving-average method

2. Valuation standards and methods for derivative financial instruments

Market value method

3. Valuation standards and methods for inventories

(1) Merchandise and finished goods, raw materials, and work in process

Cost method by the moving-average method (carrying amount is written down due to decreased profitability) is adopted.

(2) Supplies

Cost method by the last purchase price method (carrying amount is written down due to decreased profitability) is adopted.

4. Depreciation method of non-current assets

(1) Property, plant and equipment (excluding leased assets)

Declining-balance method

However, the straight-line method is adopted for buildings purchased on or after April 1, 1998 (excluding facilities attached to buildings), and for facilities attached to buildings and structures purchased on or after April 1, 2016.

Major useful lives are as follows:

Buildings	15-38 years
Structures	7-40 years
Machinery and equipment	8 years
Vehicles	4-6 years
Tools, furniture and fixtures	2-15 years

(2) Intangible assets (excluding leased assets)

Straight-line method

For internal use software, the straight-line method based on amortization over the internally estimated useful lives (5 years) is adopted.

(3) Leased assets

Leased assets are depreciated over the lease terms as useful lives using the straight-line method without any residual value.

5. Accounting standards for significant reserves and allowances

(1) Allowance for doubtful accounts

In order to prepare for possible credit losses on trade receivables, etc., the estimated amount of non-recoverable receivables based on the historical loss rate for general receivables and specific collectability for specific doubtful receivables are recorded.

(2) Provision for bonuses

In order to prepare for payments of bonuses to the employees, the estimated payable amount to be used in the future attributable to the current fiscal year is recorded as provision for bonuses.

(3) Provision for retirement benefits

In order to prepare for employees' retirement benefits, provision for retirement benefits is recorded based on the retirement benefit obligations and estimated plan assets as of the current fiscal year-end.

1) Period attribution method for estimated retirement benefits

In calculating retirement benefit obligations, the method of attributing the estimated amount of retirement benefits to the periods up to the end of the current fiscal year is based on the benefit formula basis.

2) Accounting method for actuarial difference and past service cost

Past service cost is expensed using the straight-line method over a period of definite years (3 years) within the employees' average remaining service years at the time when it is incurred.

Actuarial difference is expensed at the amount divided proportionally using the straight-line method over a period of definite years (12 years) within the employees' average remaining service years in each fiscal year when it is incurred, commencing from the fiscal year following the fiscal year in which the difference is incurred.

6. Revenue and expense recognition standards

(1) Sales of merchandise and finished goods

Sales of merchandise and finished goods include the manufacture and sale of clinical diagnostic reagents and clinical diagnostic equipment. The Company principally recognizes revenue from sales of merchandise and finished goods when making delivery of the goods to a customer as it satisfies a performance obligation by transferring control of the goods to a customer based on receipt of the goods. For clinical diagnostic equipment which requires installation at the time of sale, the Company recognizes revenue at inspection of installed equipment as it satisfies a performance obligation by transferring control of the goods to a customer based on inspection by a customer.

(2) Royalty revenue

Royalty revenue includes upfront payment based on license agreement etc., milestone revenues, and running royalty calculated based on net sales etc. For upfront payment, the Company recognizes revenue at customers' receipt of the right which the Company promised to transfer to a customer based on the contract. For milestone revenues, the Company recognizes revenue at achievement of the milestone which was defined in the contract. For running royalty calculated based on net sales etc., the Company recognizes revenue when sales or usage occur, or it satisfies a performance obligation which sales-based or usage-based royalty is allocated, whichever is later.

## 7. Translation of significant foreign currency denominated assets and liabilities into Japanese yen

Foreign currency denominated monetary receivables and payables are translated into Japanese yen using the spot exchange rate on the closing date and the translation difference is charged or credited to income.

## 8. Hedge accounting method

### (1) Hedge accounting method

The appropriation procedure is adopted to foreign exchange fluctuation risk hedging that satisfy the relevant requirements.

### (2) Hedging instruments and hedged items, hedging policy

The risks of foreign exchange fluctuation are hedged in accordance with the Company's rules.

Hedging instruments and hedged items where hedge accounting was applied for the consolidated fiscal year under review are as follows.

Hedging instruments: Forward exchange contracts

Hedged items: Foreign currency denominated accounts payable, foreign currency denominated accounts payable - other

### (3) Assessment of hedge effectiveness

For forward exchange contracts, hedged items with the same date and amount and denominated in the same currency are allocated to each account payable, accounts payable – other. Therefore, the correlation by foreign exchange fluctuation thereafter is ensured completely, and the assessment of hedge effectiveness is omitted.

## 9. Accounting treatment for retirement benefits

The accounting method for the unamortized balance of unrecognized actuarial gain and loss and unrecognized past service cost related to retirement benefits differs from the accounting method adopted in the consolidated financial statements.

### (Notes to Non-consolidated Balance Sheets)

1. Overdraft contract and commitment line are concluded for efficient procurement of working capital. Balance of unexecuted loans based on these contracts are as follows.

	(Million yen)	
	As of March 31, 2025	As of March 31, 2026
Total of overdraft maximum amount and commitment lines	8,600	8,600
Outstanding borrowings	-	-
Difference	8,600	8,600

(Notes to Non-consolidated Statements of Income)

\*1. Approximate percentages of expenses belonging to selling expenses are 43% for the previous fiscal year, 43% for the fiscal year under review, and approximate percentages of expenses belonging to general and administrative expenses are 57% for the previous fiscal year, 57% for the fiscal year under review.

The main expense items and amounts of selling, general and administrative expenses are as follows.

	(Million yen)	
	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Salaries	2,421	2,433
Provision for bonuses	339	349
Retirement benefit expenses	53	56
Legal welfare expenses	565	568
Travel and transportation expenses	469	466
Packaging and transportation expenses	863	893
Research and development expenses	4,386	3,676
Depreciation	407	404
Provision of allowance for doubtful accounts	(0)	(0)

\*2. The details of gains on the sale of fixed assets are as follows.

	(Million yen)	
	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Machinery, equipment and vehicles	-	7
Tools, furniture and fixtures	-	1
Total	-	8

\*3. Main losses on sales and retirement of non-current assets are as follows.

	(Million yen)	
	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Buildings	0	7
Structures	-	-
Machinery and equipment	0	0
Vehicles	-	0
Tools, furniture and fixtures	5	4
Software	0	-
Dismantlement cost	-	10
Total	6	22

(Significant subsequent events)

Not applicable.

5. Others

(1) Changes in Officers

1) Changes in Representative Executive Officers

Name	New Job Title	Job Title	Scheduled transfer date
Tsugunori Notomi	Advisor	Chairperson and Director	June 23, 2026

※Please refer to the "Notice regarding Changes in Representative Executive Officers" announced on May 12, 2026.

2) Changes in Other Officers

(Candidate for New Director)

Name	New Job Title	Job Title	Scheduled transfer date
Tomohiro Kudo	Director and Executive Officer General Manager of Corporate Management Division, CFO and CHRO	Executive Officer General Manager of Corporate Management Division, CFO and CHRO	June 23, 2026

※Please refer to the "Notice regarding Election of Director Candidates" announced on May 12, 2026.

(Retiring Directors)

Name	Job Title	Scheduled retirement date
Tsugunori Notomi	Chairperson and Director	June 23, 2026

※Please refer to the "Notice regarding Election of Director Candidates" announced on May 12, 2026.

(2) Sales

Sales are described by breaking down sales by classes and types of products since the Group's business is a single segment.

Sales performance

Sales performance for the consolidated fiscal year under review described by product class and type is as follows.

(Million yen)

Name of class and type of product	For the fiscal year ended March 31, 2026	Change from the previous corresponding period (%)
Microbiological testing reagents	4,284	95.2
Urinalysis reagents	4,623	100.1
Immunological and serological reagents	23,287	103.3
Clinical chemistry reagents	579	101.1
Equipment and culture medium for food and environment related category	1,818	92.8
Other category	7,305	115.2
Total	41,899	103.4