CONSOLIDATED FINANCIAL REPORT [IFRS]
for the Three-Month Period Ended June 30, 2025

August 5, 2025
Eisai Co., Ltd.

Stock exchange listing: Tokyo Stock Exchange (TSE)
TSE Code: 4523
URL: https://www.eisai.com

Representative: Haruo Naito, Representative Corporate Officer & CEO
Contact: Teruyuki Masaka, Vice President, Corporate Communications
Telephone: +81-3-3817-5120
Expected date of dividend payment commencement: —
Preparation of supplementary explanatory material: Yes
Financial results briefing held: Yes

(Figures are rounded to the nearest million yen)

1. Consolidated Financial Results for the Three-Month Period Ended June 30, 2025

(1) Consolidated Operating Results

(Percentage figures show year on year change)

	Revenue		Operating profit		Profit before income taxes		Profit for the period		Profit for the period attributable to owners of the parent		Comprehensive income for the period	
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)
Three-month period ended June 30, 2025	202,651	7.2	20,744	54.7	22,404	40.3	15,337	33.2	14,474	36.8	11,067	-79.0
Three-month period ended June 30, 2024	189,029	-4.0	13,407	-48.5	15,969	-43.5	11,510	-44.9	10,581	-48.0	52,625	-23.1

	Earnings per share attributable to owners of the parent (basic)	Earnings per share attributable to owners of the parent (diluted)
	(¥)	(¥)
Three-month period ended June 30, 2025	51.35	—
Three-month period ended June 30, 2024	36.95	—

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent	Equity per share attributable to owners of the parent
	(¥ million)	(¥ million)	(¥ million)	(%)	(¥)
As of June 30, 2025	1,409,619	853,532	828,507	58.8	2,939.14
As of March 31, 2025	1,386,547	865,968	841,417	60.7	2,984.93

2. Dividends

	Annual dividend per share				
	End of Q1	End of Q2	End of Q3	End of FY	Total
	(¥)	(¥)	(¥)	(¥)	(¥)
FY 2024	—	80.00	—	80.00	160.00
FY 2025	—				
FY 2025 (Forecast)		80.00	—	80.00	160.00

(Note) Revisions to the latest dividend forecast: No

3. Consolidated Financial Forecast for Fiscal 2025 (April 1, 2025 – March 31, 2026)

(Percentage figures show year on year change)

	Revenue		Operating profit		Profit before income taxes		Profit for the year		Profit for the year attributable to owners of the parent		Earnings per share attributable to owners of the parent (basic)
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥)
Fiscal Year	790,000	0.1	54,500	0.2	59,000	-3.4	43,500	-9.5	41,500	-10.6	147.20

(Note) Revisions to the latest financial forecast: No

* Explanatory Notes

(1) Changes in number of significant subsidiaries during the period (changes in specified subsidiaries resulting in a change in scope of consolidation): No

(2) Changes in accounting policies and accounting estimates:
1) Changes in accounting policies required by IFRS: Yes
2) Changes in accounting policies other than 1): No
3) Changes in accounting estimates: No

(3) Number of shares issued (common shares):

1) Number of shares issued (including treasury shares)	As of June 30, 2025	291,649,149	As of March 31, 2025	291,649,149
2) Number of treasury shares	As of June 30, 2025	9,533,941	As of March 31, 2025	9,533,249
3) Weighted average number of shares outstanding	For the three-month period ended June 30, 2025	281,887,947	For the three-month period ended June 30, 2024	286,347,412

The Company's shares held through a trust (227,695 shares) are not included in the number of treasury shares as of the end of the period, but are included in the average number of shares outstanding as treasury shares that are deducted from the calculation of earnings per share.

* Review of attached Interim Consolidated Financial Statements by independent auditors: No

* Explanation concerning the appropriate use of results forecast and other special instructions:

(Caution concerning forward-looking statements)
Materials and information provided in this financial disclosure may contain "forward-looking statements" based on expectations, business goals, estimates, forecasts and assumptions that are subject to risks and uncertainties as of the publication date of these materials. Accordingly, actual outcomes and results may differ materially from these statements depending on a number of important factors. Please refer to the page 7 for details with regard to the assumptions and other related matters concerning the consolidated financial forecast.

(Methods for obtaining supplementary materials and content of financial results disclosure meeting)
Supplementary materials are attached to this financial report. The Company plans to hold a financial results disclosure meeting for institutional investors and securities analysts on Tuesday, August 5, 2025. The handouts for the disclosure meeting will be made available on the Company's website.

Supplemental Materials: Table of Contents

		(Page)
1. Qualitative Information regarding Financial Results for the Period		
(1) Operating Results	·····	2
(2) Financial Position	·····	4
(3) Research & Development Pipeline, Alliances, and Other Events	·····	5
(4) Information on Outlook for the Future including Financial Forecast	·····	7
2. Condensed Interim Consolidated Financial Statements and Major Notes		
(1) Condensed Interim Consolidated Statement of Income	·····	8
(2) Condensed Interim Consolidated Statement of Comprehensive Income	·····	9
(3) Condensed Interim Consolidated Statement of Financial Position	·····	10
(4) Condensed Interim Consolidated Statement of Changes in Equity	·····	12
(5) Condensed Interim Consolidated Statement of Cash Flows	·····	14
(6) Notes to Condensed Interim Consolidated Financial Statements		
(Going Concern)	·····	15
(Changes in Accounting Policies)	·····	15
(Segment Information)	·····	16
(Consolidated Statement of Income)	·····	17
(Consolidated Statement of Cash Flows)	·····	17
(Business Combination)	·····	17
(Significant Subsequent Events)	·····	18

1. Qualitative Information regarding Financial Results for the Period

(1) Operating Results

[Revenue and Profit]

○ Eisai Co., Ltd. (“the Company”) and its affiliates (collectively referred to as “the Group”) recorded the following consolidated financial results for the three-month period ended June 30, 2025.

(¥billion)

	Three-month period ended June 30, 2024	**Three-month period ended June 30, 2025**	Year on year change (%)
Revenue	189.0	202.7	107.2
Cost of sales	39.8	42.6	107.2
Gross profit	149.3	160.1	107.2
Selling, general and administrative expenses	99.5	100.2	100.6
Research and development expenses	41.7	38.8	92.9
Other income	5.5	0.3	4.7
Operating profit	13.4	20.7	154.7
Profit before income taxes	16.0	22.4	140.3
Profit for the period	11.5	15.3	133.2
Profit for the period attributable to owners of the parent	10.6	14.5	136.8

○ Revenue increased due to continued growth of Alzheimer’s disease (AD) treatment Leqembi, and insomnia treatment Dayvigo. Revenue of pharmaceutical business came to ¥198.4 billion (106.4% year on year).

○ Regarding revenue from major products, revenue for anticancer agent Lenvima, Leqembi, Dayvigo, and antiepileptic agent Fycompa was ¥83.9 billion (100.4% year on year), ¥23.1 billion (369.3% year on year), ¥13.7 billion (113.5% year on year), and ¥8.1 billion (109.5% year on year), respectively.

○ While there was a decrease due to the appreciation of the Japanese yen, selling, general and administrative expenses stood at the same level as in the same period of the previous fiscal year due to proactive resource investment for Leqembi.

○ While proactive resource investment in important projects such as Leqembi and anti-microtubule binding region (MTBR) tau antibody E2814 continued, research and development expenses decreased due to reevaluation of development themes and the appreciation of the Japanese yen.

○ Other income decreased due to the recording of ¥4.8 billion as reversal profit of the deposit in the same period of the previous fiscal year.

○ As a result of the above, operating profit increased. Segment profit of pharmaceutical business came to ¥95.3 billion (104.5% year on year).

[Performance by Segment]

(Revenue for each segment indicates revenue from external customers)

The Group's business is comprised of pharmaceutical business and other business. The pharmaceutical business is organized into the following five reporting segments in this report: Japan, Americas (North America), China, EMEA (Europe, the Middle East, Africa, Russia and Oceania), and East Asia Global South (primarily South Korea, Taiwan, India, ASEAN, Central and South America, and South Africa).

<Japan pharmaceutical business>

○ Total revenue came to ¥56.0 billion (106.1 % year on year), with a segment profit of ¥19.4 billion (101.6% year on year). Breakdown of revenue was ¥50.6 billion (106.6% year on year) from prescription medicines and ¥5.4 billion (101.6% year on year) from OTC and others.

○ Regarding revenue by product, from neurology products, revenue for Leqembi achieved significant growth coming to ¥5.5 billion (371.4% year on year). Revenue for Dayvigo and Fycompa both achieved growth coming to ¥11.0 billion (107.8% year on year) and ¥2.1 billion (108.8% year on year), respectively. Among oncology products, revenue for Lenvima achieved growth coming to ¥3.6 billion (106.4% year on year). Revenue for JAK (Janus kinase) inhibitor Jyseleca achieved significant growth coming to ¥4.3 billion (120.7% year on year). Chronic constipation treatment Goofice achieved growth coming to ¥2.2 billion (109.9% year on year). In OTC and others, revenue for Chocola BB Group achieved growth coming to ¥3.8 billion (108.1% year on year).

○ Proton pump inhibitor Pariet S, an OTC medicine, was launched in June 2025.

<Americas pharmaceutical business>

○ Total revenue came to ¥70.8 billion (101.4% year on year), with a segment profit of ¥41.5 billion (100.8% year on year).

○ Regarding revenue by product, from neurology products, revenue for Leqembi and Dayvigo both achieved significant growth coming to ¥9.1 billion (198.4% year on year) and ¥1.9 billion (128.5% year on year), respectively. Among oncology products, while revenue for Lenvima achieved growth in local currency, it stood at ¥58.1 billion (97.2% year on year) due to the appreciation of the Japanese yen.

<China pharmaceutical business>

○ Total revenue came to ¥36.5 billion (120.8% year on year), with a segment profit of ¥17.9 billion (115.1% year on year).

○ Regarding revenue by product, revenue for Leqembi came to ¥7.7 billion (¥0.2 billion in the same period of the previous fiscal year), due to increasing demand and stockpiling by distributors in response to the risk of tariffs. Revenue for Lenvima, vertigo and equilibrium disturbance treatment Merislon, and peripheral neuropathy treatment Methycobal, came to ¥6.9 billion (97.7% year on year), ¥3.1 billion (68.3% year on year), and ¥2.9 billion (94.6% year on year), respectively.

<EMEA pharmaceutical business>

○ Total revenue came to ¥19.0 billion (97.5% year on year), with a segment profit of ¥8.2 billion (93.0% year on year).

○ Regarding revenue by product, from neurology products, revenue for Fycompa came to ¥4.0 billion (101.2% year on year) achieving growth. Revenue for Leqembi came to ¥0.1 billion (¥0.0 billion in the same period of the previous fiscal year). Among oncology products, revenue for Lenvima/Kisplyx achieved growth coming to ¥11.0 billion (109.7% year on year).

<East Asia Global South pharmaceutical business>

○ Total revenue came to ¥16.1 billion (113.0% year on year), with a segment profit of ¥8.2 billion (127.3% year on year).

○ Regarding revenue by product, Lenvima achieved significant growth, recording revenue of ¥4.3 billion (131.3% year on year). Revenue for Aricept, a treatment for Alzheimer's disease dementia, came to ¥3.7 billion (97.7% year on year). Revenue for Leqembi came to ¥0.8 billion.

○ Leqembi was launched in Taiwan and Singapore in June 2025.

(2) Financial Position

[Assets, Liabilities, and Equity]

○ Total assets as of the end of the period amounted to ¥1,409.6 billion (up ¥23.1 billion from the end of the previous fiscal year). Inventories increased due to proceeding the production of Leqembi and others.

○ Total liabilities as of the end of the period amounted to ¥556.1 billion (up ¥35.5 billion from the end of the previous fiscal year). While accounts payable-other and accrued expenses decreased, short-term borrowings increased.

○ Total equity as of the end of the period amounted to ¥853.5 billion (down ¥12.4 billion from the end of the previous fiscal year). In addition to a decrease in retained earnings due to payment for dividends, exchange differences on translation of foreign operations decreased due to impact of the exchange rate.

○ As a result of the above, the ratio of equity attributable to owners of the parent was 58.8% (down 1.9 percentage points from the end of the previous fiscal year).

[Cash Flows]

○ Net cash from operating activities amounted to an inflow of ¥1.1 billion (outflow of ¥8.6 billion in the same period of previous fiscal year). Working capital increased mainly due to an increase in inventories for Leqembi and others, as well as a decrease in accrued expenses.

○ Net cash used in investing activities amounted to an outflow of ¥9.4 billion (inflow of ¥3.6 billion in the same period of previous fiscal year). While there were proceeds from sale of financial assets, there was net cash outflow on acquisition of subsidiaries.

○ Net cash from financing activities amounted to an inflow of ¥26.1 billion (outflow of ¥11.9 billion in the same period of previous fiscal year). While dividends were paid, short-term borrowings increased.

○ As a result of the above, cash and cash equivalents as of the end of the period stood at ¥285.4 billion (up ¥19.8 billion from the end of the previous fiscal year). Free cash flow (cash flow from operating activities excluding capital expenditures) for the year was an outflow of ¥8.2 billion.

(3) Research & Development Pipeline, Alliances, and Other Events

[Status of Ongoing Research & Development Pipelines]

○ Anticancer agent Lenvima (lenvatinib, jointly developed with Merck & Co., Inc., Rahway, NJ, USA)

- Approved as a monotherapy for use in the treatment of thyroid cancer and hepatocellular carcinoma (first-line) mainly in Japan, the United States, Europe, China and Asia.
- Approved as a monotherapy for use in the treatment of unresectable thymic carcinoma in Japan.
- Approved in combination with everolimus for use in the treatment of renal cell carcinoma (second-line) mainly in the United States, Europe and Asia.
- Approved in combination with pembrolizumab, Merck & Co., Inc., Rahway, NJ, USA's anti-PD-1 therapy, for use in the treatment of renal cell carcinoma (first-line) and endometrial carcinoma (following prior systemic therapy) mainly in Japan, the United States, Europe and Asia.
- A Phase III study in combination with pembrolizumab for hepatocellular carcinoma (in combination with transcatheter arterial chemoembolization) is underway in Japan, the United States, Europe and China, and the combination was approved in China in July 2025 for this indication.
- A Phase III study in combination with pembrolizumab for esophageal carcinoma (first-line, in combination with chemotherapy) in Japan, the United States, Europe and China, was discontinued based on the recommendation of an independent Data Monitoring Committee.

○ AD treatment Leqembi (lecanemab, jointly developed with Biogen Inc. (U.S.))

- Approved as a treatment for early AD in 47 countries and regions such as Japan, the United States, China, Europe (European Union), South Korea, Taiwan and Saudi Arabia. Applications have been submitted in 11 countries.
- Approved in the United States for once every four weeks intravenous maintenance dosing after an 18 months initiation phase with once every two weeks of dosing. Applications have been submitted in 7 countries and regions.
- A Biologics License Application (BLA) for subcutaneous autoinjector for weekly maintenance dosing was accepted in the United States under the Fast Track status, and a Prescription Drug User Fee Act (PDUFA) date is set on August 31, 2025.

- AHEAD 3-45 (Phase III study) for preclinical (asymptomatic) AD is underway in partnership with the Alzheimer's Clinical Trials Consortium (ACTC) in countries including Japan, the United States and Europe.

○ Insomnia treatment Dayvigo (lemborexant)
- Approved for the treatment of insomnia mainly in Japan, the United States and Asia. Approved for the treatment of adults with insomnia, characterized by difficulties with sleep onset and/or sleep maintenance in China in May 2025.

○ The notification was received from Japan's Ministry of Health, Labour, and Welfare (MHLW) about the clearance of the "all-case surveillance" post-marketing observational study condition required at the time of approval of anticancer agent "Remitoro for Intravenous Drip Infusion 300μg" (Denileukin Diftitox (Genetical Recombination)) for the indications of T-cell Lymphoma.
○ Regarding folate receptor α targeted antibody drug conjugate MORAb-202, a Phase II study for non-small cell lung cancer in the United States and Europe has finished.

[Major Alliances and Agreements]
○ In May 2025, as the conditions for the success of a public tender offer (TOB) to acquire the common shares and share acquisition rights of EcoNaviSta, Inc. (Tokyo, hereinafter EcoNavista) were met, it became Eisai's consolidated subsidiary. In June 2025, EcoNaviSta became a wholly owned subsidiary of Eisai through a squeeze-out procedure.

[Other Events]
○ In May 2025, Eisai received a favorable decision regarding the lawsuit in the United States for Lenvima against Shilpa Medicare Limited.
○ In July 2025, Eisai was selected for the highest rating of "Supplier Engagement Leader" in the Supplier Engagement Rating by the non-profit organization CDP (UK).

(4) Information on Outlook for the Future including Financial Forecast (April 1, 2025 – March 31, 2026)

[Consolidated Financial Forecast]

○ There are no changes to the consolidated financial forecast announced on May 15, 2025.

	FY2024	**FY2025 Forecast**	Year on year change
Revenue	¥789.4 billion	**¥790.0 billion**	100.1%
Operating profit	¥54.4 billion	**¥54.5 billion**	100.2%
Profit before income taxes	¥61.1 billion	**¥59.0 billion**	96.6%
Profit for the year	¥48.1 billion	**¥43.5 billion**	90.5%
Profit for the year attributable to owners of the parent	¥46.4 billion	**¥41.5 billion**	89.4%
Earnings per share attributable to owners of the parent (basic)	¥167.76	**¥147.20**	89.9%

(Assumptions: 1 USD = ¥148.0, 1 EUR = ¥157.0, 1 GBP = ¥188.0, 1 RMB = ¥20.8)

[Forecasts and Risk Factors]

The materials and information provided in this announcement include current forecasts, targets, evaluations, estimates, assumptions that are accompanied by risks, and other matters that are based on uncertain factors. Accordingly, it is possible that actual results will deviate significantly from forecasts, etc., due to changes to a variety of factors. These risks and uncertainties include general industry and market conditions, changes in tariff policies in various countries, fluctuation of interest rates and currency exchange rates, and other aspects of economic conditions in Japan and internationally.

For further details on risks and uncertainties that could cause significant fluctuations in the results of the Group or have a material effect on investment decisions, please refer to the "Risk Factors" section of the Annual Securities Report in the previous fiscal year. However, these do not cover all of the risks and uncertainties faced by the Group, and it is possible that they will be affected in the future by other factors that cannot be foreseen, or are not deemed to be important, at this point in time.

These are judgments as of the time of the announcement, and statements in the text regarding the future are not guarantees that they will occur or be achieved.

2. Condensed Interim Consolidated Financial Statements and Major Notes

(1) Condensed Interim Consolidated Statement of Income

(Millions of yen)

	Three-month period ended June 30, 2025	Three-month period ended June 30, 2024
Revenue	202,651	189,029
Cost of sales	(42,600)	(39,757)
Gross profit	160,051	149,272
Selling, general and administrative expenses	(100,164)	(99,544)
Research and development expenses	(38,792)	(41,736)
Other income	262	5,534
Other expenses	(615)	(118)
Operating profit	20,744	13,407
Financial income	2,577	3,277
Financial costs	(916)	(715)
Profit before income taxes	22,404	15,969
Income taxes	(7,068)	(4,459)
Profit for the period	15,337	11,510
Profit for the period attributable to		
Owners of the parent	14,474	10,581
Non-controlling interests	862	929
Earnings per share		
Basic (yen)	51.35	36.95
Diluted (yen)	—	—

(2) Condensed Interim Consolidated Statement of Comprehensive Income

(Millions of yen)

	Three-month period ended June 30, 2025	Three-month period ended June 30, 2024
Profit for the period	15,337	11,510
Other comprehensive income (loss)		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income (loss)	3,036	116
Subtotal	3,036	116
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations	(7,293)	40,856
Cash flow hedges	(12)	142
Subtotal	(7,305)	40,999
Total other comprehensive income (loss), net of tax	(4,270)	41,115
Comprehensive income (loss) for the period	11,067	52,625
Comprehensive income (loss) for the period attributable to		
Owners of the parent	10,214	51,684
Non-controlling interests	853	941

(3) Condensed Interim Consolidated Statement of Financial Position

(Millions of yen)

	As of June 30, 2025	As of March 31, 2025
Assets		
Non-current assets		
Property, plant and equipment	153,145	158,088
Goodwill	235,724	233,441
Intangible assets	76,977	75,263
Other financial assets	57,946	64,740
Other assets	26,455	26,045
Deferred tax assets	96,223	101,311
Total non-current assets	646,469	658,888
Current assets		
Inventories	227,317	215,905
Trade and other receivables	219,980	220,022
Other financial assets	704	488
Other assets	29,768	25,682
Cash and cash equivalents	285,380	265,561
Total current assets	763,149	727,659
Total assets	1,409,619	1,386,547

(Millions of yen)

	As of June 30, 2025	As of March 31, 2025
Equity		
Equity attributable to owners of the parent		
Share capital	44,986	44,986
Capital surplus	74,291	74,843
Treasury shares	(42,297)	(42,294)
Retained earnings	506,858	511,917
Other components of equity	244,669	251,965
Total equity attributable to owners of the parent	828,507	841,417
Non-controlling interests	25,025	24,551
Total equity	853,532	865,968
Liabilities		
Non-current liabilities		
Borrowings	99,841	99,832
Other financial liabilities	33,150	34,429
Provisions	1,437	1,424
Other liabilities	9,314	11,866
Deferred tax liabilities	737	732
Total non-current liabilities	144,479	148,284
Current liabilities		
Borrowings	139,079	87,691
Trade and other payables	82,984	91,571
Other financial liabilities	16,791	15,385
Income taxes payable	7,498	4,260
Provisions	37,561	35,644
Other liabilities	127,695	137,744
Total current liabilities	411,608	372,294
Total liabilities	556,087	520,578
Total equity and liabilities	1,409,619	1,386,547

(4) Condensed Interim Consolidated Statement of Changes in Equity

For the three-month period ended June 30, 2025

(Millions of yen)

	Equity attributable to owners of the parent				
					Other components of equity
	Share capital	Capital surplus	Treasury shares	Retained earnings	Financial assets measured at fair value through other comprehensive income (loss)
As of April 1, 2025	44,986	74,843	(42,294)	511,917	—
Profit for the period	—	—	—	14,474	—
Total other comprehensive income (loss)	—	—	—	—	3,036
Comprehensive income (loss) for the period	—	—	—	14,474	3,036
Dividends	—	—	—	(22,569)	—
Acquisition of treasury shares	—	—	(3)	—	—
Disposal of treasury shares	—	(0)	0	—	—
Acquisition of subsidiaries	—	—	—	—	—
Changes in ownership interest in subsidiaries	—	(552)	—	—	—
Reclassification	—	—	—	3,036	(3,036)
Total transactions with owners	—	(552)	(3)	(19,534)	(3,036)
As of June 30, 2025	44,986	74,291	(42,297)	506,858	—

	Equity attributable to owners of the parent				Non-controlling interests	Total equity
	Other components of equity			Total equity attributable to owners of the parent		
	Exchange differences on translation of foreign operations	Cash flow hedges	Total other components of equity			
As of April 1, 2025	251,796	169	251,965	841,417	24,551	865,968
Profit for the period	—	—	—	14,474	862	15,337
Total other comprehensive income (loss)	(7,283)	(12)	(4,260)	(4,260)	(10)	(4,270)
Comprehensive income (loss) for the period	(7,283)	(12)	(4,260)	10,214	853	11,067
Dividends	—	—	—	(22,569)	(513)	(23,083)
Acquisition of treasury shares	—	—	—	(3)	—	(3)
Disposal of treasury shares	—	—	—	0	—	0
Acquisition of subsidiaries	—	—	—	—	179	179
Changes in ownership interest in subsidiaries	—	—	—	(552)	(44)	(596)
Reclassification	—	—	(3,036)	—	—	—
Total transactions with owners	—	—	(3,036)	(23,124)	(379)	(23,503)
As of June 30, 2025	244,512	157	244,669	828,507	25,025	853,532

For the three-month period ended June 30, 2024

(Millions of yen)

	Equity attributable to owners of the parent				
					Other components of equity
	Share capital	Capital surplus	Treasury shares	Retained earnings	Financial assets measured at fair value through other comprehensive income (loss)
As of April 1, 2024	44,986	78,863	(33,612)	526,490	—
Profit for the period	—	—	—	10,581	—
Total other comprehensive income (loss)	—	—	—	—	116
Comprehensive income (loss) for the period	—	—	—	10,581	116
Dividends	—	—	—	(22,963)	—
Acquisition of treasury shares	—	—	(8,479)	—	—
Reclassification	—	—	—	116	(116)
Other	—	(91)	—	—	—
Total transactions with owners	—	(91)	(8,479)	(22,847)	(116)
As of June 30, 2024	44,986	78,772	(42,090)	514,225	—

	Equity attributable to owners of the parent					
	Other components of equity					
	Exchange differences on translation of foreign operations	Cash flow hedges	Total other components of equity	Total equity attributable to owners of the parent	Non-controlling interests	Total equity
As of April 1, 2024	258,855	32	258,886	875,614	23,361	898,975
Profit for the period	—	—	—	10,581	929	11,510
Total other comprehensive income (loss)	40,844	142	41,103	41,103	12	41,115
Comprehensive income (loss) for the period	40,844	142	41,103	51,684	941	52,625
Dividends	—	—	—	(22,963)	(462)	(23,425)
Acquisition of treasury shares	—	—	—	(8,479)	—	(8,479)
Reclassification	—	—	(116)	—	—	—
Other	—	—	—	(91)	91	—
Total transactions with owners	—	—	(116)	(31,532)	(371)	(31,904)
As of June 30, 2024	299,699	174	299,873	895,766	23,930	919,696

(5) Condensed Interim Consolidated Statement of Cash Flows

(Millions of yen)

	For the three-month period ended June 30, 2025	For the three-month period ended June 30, 2024
Operating activities		
Profit before income taxes	22,404	15,969
Depreciation and amortization	9,697	10,062
Impairment losses	1,309	―
(Increase) decrease in working capital	(25,972)	(24,865)
Interest and dividends received	2,102	2,878
Interest paid	(879)	(604)
Income taxes paid	(4,331)	(6,063)
Other	(3,236)	(5,959)
Net cash from (used in) operating activities	1,094	(8,581)
Investing activities		
Purchases of property, plant and equipment	(4,534)	(3,595)
Purchases of intangible assets	(2,597)	(1,019)
Proceeds from sale of property, plant and equipment and intangible assets	113	9,489
Net cash outflow on acquisition of subsidiaries	(12,584)	―
Payments on investments in joint ventures	―	(260)
Purchases of financial assets	(196)	(1,143)
Proceeds from sale and redemption of financial assets	10,473	64
Payments of time deposits exceeding three months	(1)	―
Proceeds from redemption of time deposits exceeding three months	0	0
Other	(44)	48
Net cash from (used in) investing activities	(9,369)	3,584
Financing activities		
Net increase (decrease) in short-term borrowings	51,677	22,526
Repayments of long-term borrowings	(2)	(2)
Repayments of lease liabilities	(2,585)	(2,508)
Payments for acquisition of treasury shares	(3)	(8,479)
Dividends paid	(22,569)	(22,963)
Other	(422)	(465)
Net cash from (used in) financing activities	26,095	(11,890)
Effect of exchange rate change on cash and cash equivalents	2,000	16,144
Net increase (decrease) in cash and cash equivalents	19,819	(743)
Cash and cash equivalents at beginning of period	265,561	304,678
Cash and cash equivalents at end of period	285,380	303,935

(6) Notes to Condensed Interim Consolidated Financial Statements

(Going Concern)

Not applicable

(Changes in Accounting Policies)

With the exception of the following, all material accounting policies that are applied to these condensed interim consolidated financial statements for this period are the same as those that were applied to the consolidated financial statements for the previous fiscal year. None of the following accounting standards and interpretations applied by the Group has any major impact on the condensed interim consolidated financial statements for this period.

Accounting standards and interpretations		Mandatory application (Date of commencement)	To be applied by the Group	Description
IAS 21	The Effects of Changes in Foreign Exchange Rates	January 1, 2025	Fiscal year ending March 31, 2026	Clarifying a consistent approach to assess whether a currency lacks exchangeablity

(Segment Information)

Reporting segments are units for which the Group can obtain independent financial information and for which top management undertakes periodic reviews in order to determine the allocation of management resources and evaluate performance.

The Group's business is comprised of pharmaceutical business and other business. The pharmaceutical business is organized into the following five reporting segments in this report: Japan, Americas (North America), China, EMEA (Europe, the Middle East, Africa, Russia and Oceania), and East Asia Global South (primarily South Korea, Taiwan, India, ASEAN, Central and South America,and South Africa).

(Millions of yen)

	Three-month period ended June 30, 2025		Three-month period ended June 30, 2024	
	Revenue	Segment profit (loss)	Revenue	Segment profit (loss)
Pharmaceutical business				
Japan	56,048	19,448	52,807	19,134
Americas	70,801	41,540	69,799	41,209
China	36,461	17,917	30,173	15,565
EMEA	19,007	8,200	19,499	8,819
East Asia Global South	16,130	8,241	14,273	6,476
Reporting segment total	198,448	95,347	186,551	91,202
Other business (Note 1)	4,203	2,234	2,478	1,138
Total	202,651	97,581	189,029	92,340
R&D expenses (Note 2)	—	(34,239)	—	(36,531)
Group headquarters' management costs and other expenses (Note 3)	—	(42,598)	—	(42,402)
Operating profit in the condensed interim consolidated statement of income	—	20,744	—	13,407

(Note 1) "Other business" mainly includes the license revenue and pharmaceutical ingredient business of the parent company.

(Note 2) "R&D expenses" do not include expenses associated with medical activities, which are reflected in each reporting segment.

(Note 3) "Group headquarters' management costs and other expenses" are the costs and expenses covering Group-wide operations which include the amount of other income and expenses, and the amount of profits and expenses shared under strategic collaborations with partners. For the three-month period ended June 30, 2025, shared profit of ¥36,022 million (¥38,355 million for the three-month period ended June 30, 2024) for anticancer agent Lenvima paid by the Group to Merck & Co., Inc., Rahway, NJ, USA was included in Group headquarters' management costs and other expenses.

(Consolidated Statement of Income)

(1) Selling, general and administrative expenses (SG&A expenses)

For the three-month period ended June 30, 2025, the Group recognized shared profit of ¥36,022 million (¥38,355 million for the three-month period ended June 30, 2024) for anticancer agent Lenvima paid by the Group to Merck & Co., Inc., Rahway, NJ, USA as SG&A expenses.

(2) Other income

For the three-month period ended June 30, 2024, the Company agreed to end its global strategic collaboration with Bristol Myers Squibb for the antibody-drug conjugate farletuzumab ecteribulin (development code: MORAb-202). Following the agreement to end the collaboration, of the unused portion of the deposit received from Bristol Myers Squibb for the Company's future R&D, the Company recorded ¥4,830 million, which is not required to be refunded, as other income.

(Consolidated Statement of Cash Flows)

(1) Net cash outflow on acquisition of subsidiaries

It is described in “(Business Combinations) (8) Cash outflows due to acquisition of the subsidiary”.

(Business Combination)

The Company decided to acquire the common shares and share acquisition rights of EcoNaviSta, Inc. (hereinafter referred to as "EcoNaviSta") through a public tender offer (hereinafter referred to as "TOB") on March 14, 2025, which commenced on March 17, 2025. Subsequently, as the conditions for the success of the TOB were met, EcoNaviSta became a consolidated subsidiary on May 14, 2025. After the successful completion of the TOB, the Company acquired 100% of the shares of EcoNaviSta through a squeeze-out procedure and made it a wholly owned subsidiary of the Company on June 19, 2025.

(1) Name of the acquired company:

EcoNaviSta, Inc.

(2) Acquisition date:

May 14, 2025

(3) Method of acquiring the common shares and share acquisition rights:

Acquired 7,031,940 common shares and 60,000 share acquistion rights by cash through a TOB

(Additional acquisition of 212,715 common shares through a squeeze-out procedure)

(4) Percentage of voting equity interests acquired:

97.1% (100% after a squeeze-out procedure)

(5) The primary reason for the business combination

Based on the *human healthcare (hhc)* concept, the Company is promoting business activities towards building a dementia platform. Through this platform, the Company aims to support the prevention and early detection of MCI (mild cognitive impairment) and dementia in healthy people and people at high risk before the onset of these conditions. Additionally, the Company aims to support people after the onset of dementia to live their lives in their own way, not only through medication but also by providing other solutions such as communication apps and exercise programs.

EcoNaviSta offers SaaS type monitoring services for the elderly, and their "Life Rhythm Navi," which enables users to check the life rhythms of facility residents, could become one of the core solutions in the Company’s dementia platform. The Company aims to create synergies and benefits by leveraging the strengths of both companies and achieve the prevention and early diagnosis of MCI and dementia by building an ecosystem in the dementia field, which is an urgent issue in Japan's super-aging society.

(6) Fair value of consideration transferred, assets acquired and liabilities assumed, non-controlling interests and goodwill:

(Millions of yen)

	Acquisition date (May 14, 2025)
Consideration transferred	15,527
Non-controlling interests (Note1, 2)	179
Assets acquired and liabilities assumed	
Property, plant and equipment	318
Intangible assets	3,888
Cash	2,943
Other assets	409
Non-current liabilities	(1,176)
Current liabilities	(221)
Total	6,161
Goodwill	9,545

(Note 1) Non-controlling interests are measured as the ratio of non-controlling interests to the fair value of the acquired company's identifiable net assets.

(Note 2) In June 2025, the Company acquired an additional 212,715 common shares of EcoNaviSta through a squeeze-out procedure, making EcoNaviSta a wholly owned subsidiary. The consideration for the additional common shares acquired was ¥596 million. As a result of the additional acquisition, non-controlling interests decreased by ¥177 million, and capital surplus decreased by ¥419 million.

As of the date of the condensed consolidated interim financial statements, the fair value measurement of the acquired assets and assumed liabilities by independent advisors has not been completed. Accordingly, these items are reported based on provisional amounts. Within one year from the acquisition date, if complete information regarding facts and circumstances that existed as of the acquisition date becomes available, the provisional amounts may be retrospectively adjusted based on such information.

(7) Acquisition-related costs:

Acquisition-related costs incurred in connection with the business combination amounted to ¥271 million and were recognized as "Selling, General and Administrative Expenses." For the three-month period ended June 30, 2025, the Company recorded acquisition related costs of ¥196 million. For the year ended March 31, 2025, the Company recorded acquisition related costs of ¥76 million.

(8) Cash outflows due to acquisition of the subsidiary:

Cash outflows related to the acquisition of the subsidiary amounted to ¥12,584 million, calculated by deducting ¥2,943 million in cash held by the acquiree from the total consideration of ¥15,527 million.

(9) Revenue and profit of the acquiree:

The revenue and profit of the acquiree recognized in the condensed consolidated statement of income for the three-month period ended June 30, 2025 since the acquisition date in consolidated statement of income were immaterial and therefore not disclosed.

Similarly, the impact on the Group’s revenue and profit as though the acquisition date for all business combinations occurred during the year had been as of April 1, 2025, was also immaterial and therefore not disclosed.

(Significant Subsequent Events)

Not applicable