Kyowa Kirin Co., Ltd.

Consolidated Financial Summary (IFRS)
Fiscal 2025

(January 1, 2025 – December 31, 2025)

This document is an English translation of the Japanese-language original.

SUMMARY OF CONSOLIDATED FINANCIAL STATEMENTS (IFRS)
for Fiscal Year Ended December 31, 2025
(The twelve-month period from January 1, 2025 to December 31, 2025)

February 9, 2026

Company Name: Kyowa Kirin Co., Ltd.
Listed Exchanges: Tokyo Stock Exchange
Stock Code: 4151
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Scheduled date of Ordinary General Meeting of Shareholders: March 19, 2026
Scheduled start date of dividend payment: March 23, 2026
Scheduled date of submission of Annual Securities Report: March 10, 2026
Appendix materials to accompany the financial report: Yes
Results presentation meeting: Yes (for institutional investors and securities analysts)

(Millions of yen rounded off)

1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2025 (from January 1, 2025 to December 31, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Revenue		Core operating profit		Profit before tax		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2025	496,826	0.3	103,062	8.0	87,221	4.5	67,040	12.0
December 31, 2024	495,558	12.1	95,405	(1.4)	83,453	(14.2)	59,870	(26.3)

Total comprehensive income: Fiscal year ended December 31, 2025: ¥73,127 million; (14.3)%
Fiscal year ended December 31, 2024: ¥85,314 million; (16.5)%

Note: Core operating profit was calculated by deducting “selling, general and administrative expenses” and “research and development expenses” from “gross profit,” and adding “share of profit (loss) of investments accounted for using equity method” to the amount.

	Profit attributable to owners of parent		Basic earnings per share	Diluted earnings per share	Return on equity attributable to owners of parent	Profit before tax to total assets ratio
Fiscal year ended	Millions of yen	%	Yen	Yen	%	%
December 31, 2025	67,040	12.0	128.07	128.07	7.7	8.0
December 31, 2024	59,870	(26.3)	113.06	113.06	7.1	8.0

(Reference) Share of profit (loss) of investments accounted for using equity method:
Fiscal year ended December 31, 2025: ¥787 million;
Fiscal year ended December 31, 2024: ¥3,539 million

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
As of	Millions of yen	Millions of yen	Millions of yen	%	Yen
December 31, 2025	1,107,860	893,332	893,332	80.6	1,706.50
December 31, 2024	1,067,363	850,811	850,811	79.7	1,625.68

(3) Consolidated cash flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
December 31, 2025	100,016	(92,586)	(36,853)	218,769
December 31, 2024	67,884	(142,387)	(84,697)	244,681

2. Dividends

	Dividends per share					Total dividend amount	Dividend payout ratio (consolidated)	Ratio of dividends to equity attributable to owners of parent (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 December 31, 2024	–	29.00	–	29.00	58.00	30,481	47.8	3.7
Fiscal year ended December 31, 2025	–	30.00	–	32.00	62.00	32,456	40.5	3.7
Fiscal year ending December 31, 2026 (Forecast)	–	35.00	–	35.00	70.00		45.8	

Note: The figure of “dividend payout ratio (consolidated)” indicates the dividend payout ratio based on core EPS. Until the fiscal year ended December 31, 2025, it was calculated as an indicator showing recurring profitability by dividing core profit (determined by subtracting “other income,” “other expenses” and the related “income tax expense” from “profit”) by the average number of shares during the period. From the fiscal year ending December 31, 2026, it is calculated based on the redefined core base performance indicators. For details see page 18 of the attachment, “(5) Outlook for Fiscal 2026” in “1. Summary of Business Performance and Financial Position.”

3. Consolidated Earnings Forecasts for the Fiscal Year Ending December 31, 2026 (from January 1, 2026 to December 31, 2026)

(Percentages indicate year-on-year changes.)

	Revenue		Core operating profit		Profit before tax		Profit		Basic earnings per share	Core profit		Basic core earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen	Yen
Full year	520,000	4.7	100,000	(8.9)	95,000	8.9	75,000	11.9	143.27	80,000	(5.3)	152.82

Note: Core base performance indicators have been redefined as of the fiscal year ending December 31, 2026. For details, see page 18 of the attachment, “(5) Outlook for Fiscal 2026” in “1. Summary of Business Performance and Financial Position.” Note that the year-on-year changes are calculated based on the consolidated results for the fiscal year ended December 31, 2025, incorporating these changes.

*** Notes**

(1) Significant changes in the scope of consolidation during the period under review: No

(2) Changes in accounting policies, and accounting estimates:

a. Changes in accounting policies required by IFRS: No

b. Changes in accounting policies other than a. above: No

c. Changes in accounting estimates: No

(3) Number of shares issued (ordinary shares)

a. Number of shares issued (including treasury shares)

As of December 31, 2025	525,634,500 shares
As of December 31, 2024	525,634,500 shares

b. Number of treasury shares

As of December 31, 2025	2,146,320 shares
As of December 31, 2024	2,276,724 shares

c. Average number of shares during the period

FY ended December 31, 2025	523,451,602 shares
FY ended December 31, 2024	529,528,608 shares

(Reference)
Non-Consolidated Results for the Fiscal Year Ended December 31, 2025 (Japanese GAAP)
(from January 1, 2025 to December 31, 2025)

(1) Non-consolidated operating results *(Percentages indicate year-on-year changes.)*

	Net sales		Operating profit		Ordinary profit		Profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2025	297,273	3.8	60,047	–	56,925	(17.0)	32,439	(46.5)
December 31, 2024	286,510	3.4	(4,622)	–	68,606	2.1	60,670	20.4

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
December 31, 2025	61.97	61.97
December 31, 2024	114.57	114.57

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
December 31, 2025	808,467	614,850	76.1	1,174.53
December 31, 2024	797,917	613,038	76.8	1,171.30

(Reference) Equity:
As of December 31, 2025: ¥614,850 million;
As of December 31, 2024: ¥613,010 million

* These financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

* Notice regarding the appropriate use of the earnings forecasts and other special comments
The forward-looking statements, including earnings forecasts, contained in these materials are based on the information currently available to the Company and on certain assumptions deemed to be reasonable by management. As such, they do not constitute guarantees by the Company of future performance. Actual results may differ materially from these projections for a wide variety of reasons. For more information regarding our suppositions that form the assumptions for the earnings forecasts, please see page 18 of the attachment, “(5) Outlook for Fiscal 2026” in “1. Summary of Business Performance and Financial Position.”

Attachment Index

1. Summary of Business Performance and Financial Position

< Overview of business >

The pharmaceutical industry, which has always faced significant challenges in developing new drugs, continues to experience an increasingly challenging business environment driven by mounting pressure to control medical expenses worldwide and the growing extent to which national healthcare policies influence one another. In such a situation, the Company promoted initiatives to enhance the clarity of business strategy with the “Story for Vision 2030” and further clarify the focus toward realizing the 2030 vision. While continuing to strengthen production, quality assurance and logistics with the aim of providing drugs that satisfy unmet medical needs, the Group also conducted research and development activities in order to create new life-changing value.

For Crysvita[*1] and Poteligeo[*2], the Group pursued steady growth by working to expand the number of countries and regions where they have been released and penetrate the markets. With regard to Crysvita, the Company has launched a pre-filled syringe for subcutaneous injection in Japan and Europe. This formulation enables safer and more convenient self-administration at home, as desired by both patients and healthcare professionals. Additionally, Crysvita has been approved for reimbursement by health insurance in Italy for the treatment of tumor-induced osteomalacia.

OTL-200 (Product name in Europe/US: Libmeldy/Lenmeldy) has been approved for reimbursement by health insurance in Spain. In Japan, it has been granted orphan regenerative medicine product designation for early-onset metachromatic leukodystrophy (MLD), while in Saudi Arabia, it has received both orphan drug and priority review designation.

In the areas of bone and mineral diseases, development of KK8123 and KK8398 (generic name: infigratinib) has progressed in addition to Crysvita. In Japan, domestic Phase III trials have commenced for infigratinib as a treatment for achondroplasia.

In the areas of intractable hematological diseases and hemato oncology, ziftomenib (Product name in the US: KOMZIFTI) has received the world’s first approval in the United States as an oral menin inhibitor administered once daily for the treatment of adult relapsed or refractory (R/R) acute myeloid leukemia (AML) with a Nucleophosmin1 (NPM1) mutation. Phase III trials have commenced for patients with untreated AML.

Regarding the development of KHK4083 (rocatinlimab) in the therapeutic areas of immunology and allergy, multiple clinical studies in collaboration with Amgen were carried out. Interim results from the Phase III ROCKET-Ascend clinical trials evaluating the long-term safety and efficacy of rocatinlimab for atopic dermatitis have been announced, advancing efforts toward regulatory submission and launch in the United States. In addition, patient enrollment for a Phase III clinical study in prurigo nodularis has been completed. Furthermore, the Company granted Boehringer Ingelheim a license for its preclinical development program focused on autoimmune diseases, aimed at developing first-in-class small-molecule therapeutic candidates.

With regard to its Japan operations, the Company is advancing the product lifecycle management of long-listed products based on “Story for Vision 2030.” This is a crucial initiative to ensure the continued supply of products that have created and delivered value over many years, and for which continuous supply to patients is essential. Kyowa Kirin has transferred the manufacturing and marketing approval for “Depakene Tablets, R Tablets, Fine Granules, and Syrup” and “Allelock Granules” to another company.

In addition to the above, in accordance with “Story for Vision 2030,” the Company has completed the construction of HB7 building to further accelerate biopharmaceutical development. Further, amidst the increasingly challenging environment mentioned at the beginning, the Company has implemented a special voluntary retirement program aimed at further strengthening organizational capabilities and boldly transforming our business foundation into a more sustainable form in Japan towards the 2030 vision.

*1 Therapeutic medicine for the treatment of rare disease that is primarily genetic in origin and causes disorders of bone growth and metabolism.

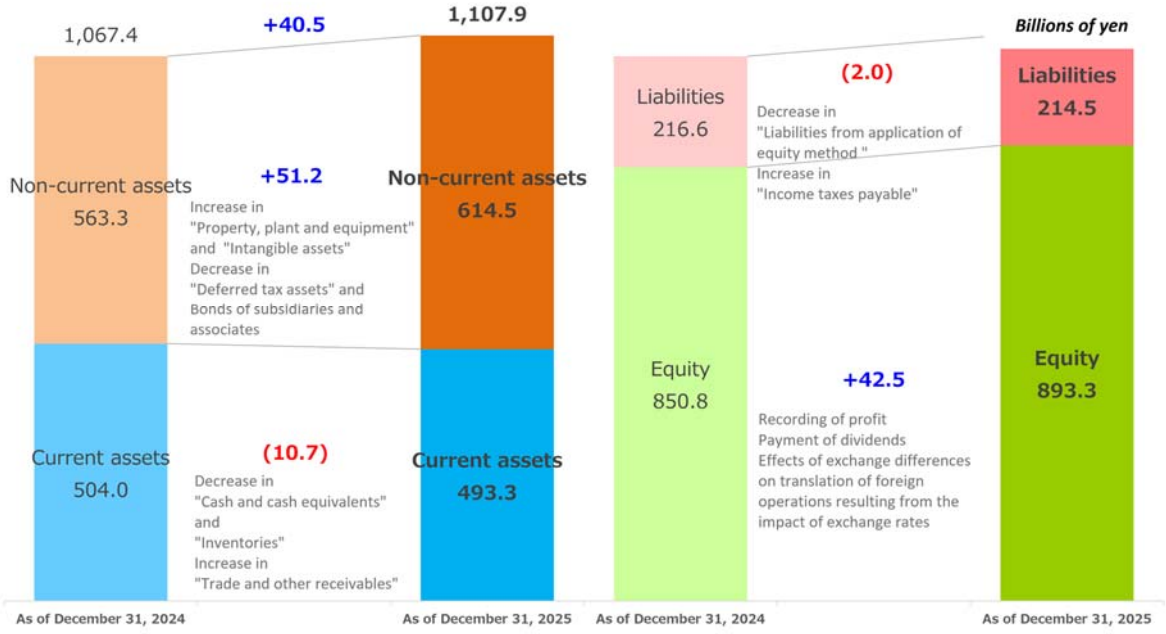
*2 Therapeutic medicine for the treatment of certain intractable hematological diseases.

(1) Summary of Consolidated Financial Position for Fiscal 2025

(Billions of yen)

	As of December 31, 2024	As of December 31, 2025	Year-on-year change
Assets	1,067.4	1,107.9	40.5
Non-current assets	563.3	614.5	51.2
Current assets	504.0	493.3	(10.7)
Liabilities	216.6	214.5	(2.0)
Equity	850.8	893.3	42.5
Ratio of equity attributable to owners of parent to total assets (%)	79.7%	80.6%	0.9%

- Assets as of December 31, 2025, were ¥1,107.9 billion, an increase of ¥40.5 billion compared to the end of the previous fiscal year.
  - Non-current assets increased by ¥51.2 billion compared to the end of the previous fiscal year to ¥614.5 billion, due mainly to increases in property, plant, and equipment; and intangible assets, despite decreases in deferred tax assets and bonds of subsidiaries and associates.
  - Current assets decreased by ¥10.7 billion compared to the end of the previous fiscal year, to ¥493.3 billion, due mainly to decreases in cash and cash equivalents and inventories, despite an increase in trade and other receivables.
- Liabilities as of December 31, 2025, were ¥214.5 billion, a decrease of ¥2.0 billion compared to the end of the previous fiscal year, due mainly to a decrease in liabilities from application of equity method, despite an increase in income taxes payable.
- Equity as of December 31, 2025, was ¥893.3 billion, an increase of ¥42.5 billion compared to the end of the previous fiscal year, due mainly to an increase due to the recording of profit attributable to owners of parent as well as an increase in exchange differences on translation of foreign operations resulting from the impact of exchange rates, despite a decrease due to the payment of dividends. As a result, the ratio of equity attributable to owners of parent to total assets was 80.6%, an increase of 0.9 percentage points compared to the end of the previous fiscal year.



(2) Summary of Business Performance in Fiscal 2025

1) Overview of results

The Group now applies the International Financial Reporting Standards ("IFRS") in line with its policy of expanding business globally, and adopts "core operating profit" as a level of profit that shows the recurring profitability from operating activities. Core operating profit is calculated by deducting "selling, general and administrative expenses" and "research and development expenses" from "gross profit," and adding "share of profit (loss) of investments accounted for using equity method" to the amount.

(Billions of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025	Year-on-year change	Rate of change (%)
Revenue	495.6	496.8	1.3	0.3%
Core operating profit	95.4	103.1	7.7	8.0%
Profit before tax	83.5	87.2	3.8	4.5%
Profit attributable to owners of parent	59.9	67.0	7.2	12.0%

< Average exchange rates for each period >

Currency	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025	Year-on-year change
USD (USD/¥)	¥151	¥150	Down ¥1
GBP (GBP/¥)	¥193	¥197	Up ¥4
EUR (EUR/¥)	¥164	¥168	Up ¥4

For the fiscal year ended December 31, 2025, revenue was ¥496.8 billion (up 0.3% compared to the previous fiscal year) and core operating profit was ¥103.1 billion (up 8.0%), both reaching record highs. In addition, profit attributable to owners of parent was ¥67.0 billion (up 12.0%).

- Revenue increased, driven by the growth of global strategic products, mainly in North America and EMEA, as well as increased revenue from technology out-licensing, despite the impact of business restructuring in the APAC region and the impact of reductions in drug price standards in Japan. The negative effect on revenue from foreign exchange was ¥0.4 billion.
- Core operating profit increased due mainly to decreases in selling, general and administrative expenses, and research and development expenses, in addition to an increase in gross profit. The negative effect on core operating profit from foreign exchange was ¥0.7 billion.
- Profit attributable to owners of parent increased due mainly to an increase in core operating profit, despite a decrease in other income resulting from the recording of gain on sale of investments in subsidiaries in China in the previous fiscal year.

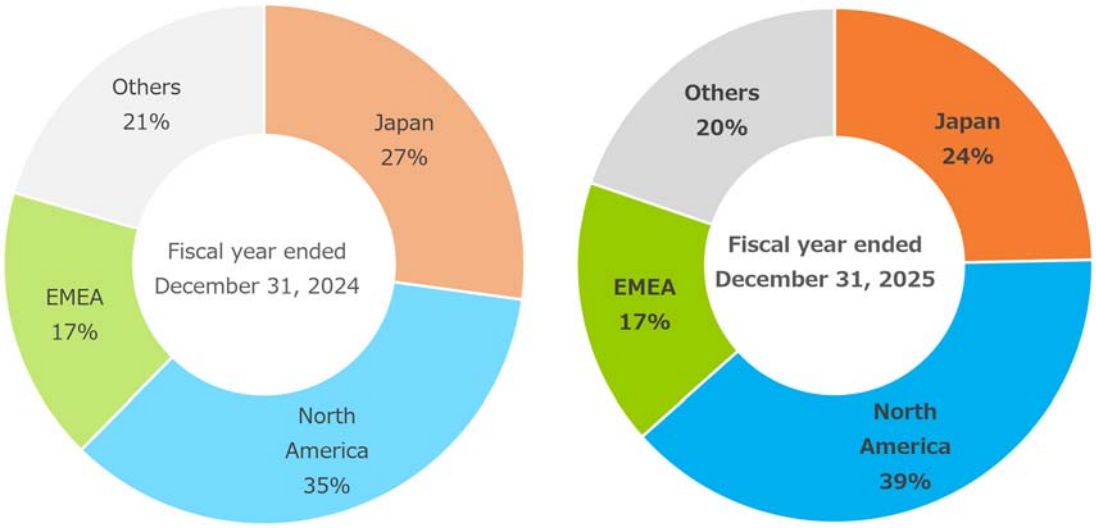
2) Revenue by regional control function

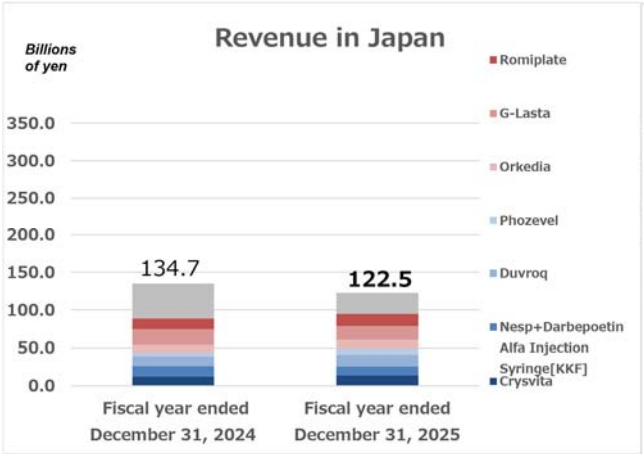
(Billions of yen)

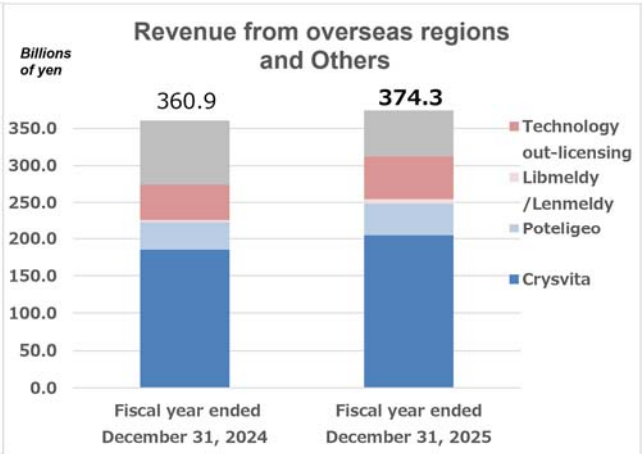
	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025	Year-on-year change	Rate of change (%)
Japan	134.7	122.5	(12.1)	(9.0)%
North America	174.4	192.5	18.1	10.4%
EMEA	84.9	83.7	(1.3)	(1.5)%
Others	101.5	98.1	(3.4)	(3.4)%
Total consolidated revenue	495.6	496.8	1.3	0.3%

Notes:
1. Revenue by regional control function is classified based on consolidated revenue from products of regional control functions in the One Kyowa Kirin (OKK) matrix global management structure, which combines a regional organization, a functional organization, and a product organization (product franchises).
2. EMEA consists of Europe, the Middle East, Africa, etc.
3. Others consists of revenue from technology out-licensing, hematopoietic stem cell gene therapy (revenue from Orchard Therapeutics), original equipment manufacturing, etc.
4. In conjunction with the business restructuring of the APAC region in 2024, the APAC revenue (¥41.6 billion) that was presented separately for the previous fiscal year, has been included in “Others” for the fiscal year ended December 31, 2025.

Composition of revenue by regional control function







<Revenue in Japan region >

(Billions of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025	Year-on-year change	Rate of change (%)
Crysvita	11.7	13.6	1.9	16.0%
Darbepoetin Alfa Injection Syringe [KKF]	11.6	10.4	(1.1)	(9.8)%
Duvroq	12.7	15.5	2.8	21.6%
PHOZEVEL	4.7	8.2	3.6	76.7%
G-Lasta	20.5	18.2	(2.4)	(11.5)%
Dovobet	7.9	–	(7.9)	–

- Revenue in Japan decreased year on year due mainly to the impact of the termination of the distribution and co-promotion agreement for the psoriasis vulgaris treatment Dovobet and the reductions in drug price standards implemented in April 2024 and April 2025, despite the growth in sales of PHOZEVEL, a treatment for hyperphosphatemia, etc.
  - Revenue from Crysvita, a treatment for FGF23-related diseases, has been growing steadily since its launch in 2019. Furthermore, November 2025 saw the launch of the Crysvita Prefilled Syringe Formulation, a syringe-type formulation designed to simplify self-administration at home.
  - Revenue from Darbepoetin Alfa Injection Syringe [KKF], a treatment for renal anemia, decreased due to the impact of the reductions in drug price standards and the market penetration of rival products.
  - Revenue from Duvroq, a treatment for renal anemia, has been growing steadily since its launch in 2020.
  - Revenue from PHOZEVEL, a treatment for hyperphosphatemia, has been growing steadily since its launch in February 2024.
  - Revenue from G-Lasta, an agent for decreasing the incidence of febrile neutropenia, decreased due to the impact of biosimilar products and the impact of the reductions in drug price standards.
  - Revenue from Dovobet, a psoriasis vulgaris treatment, decreased due to the termination of the distribution and co-promotion agreement with LEO Pharma K.K. on December 31, 2024.

<Revenue from overseas regions and Others>

(Billions of yen)

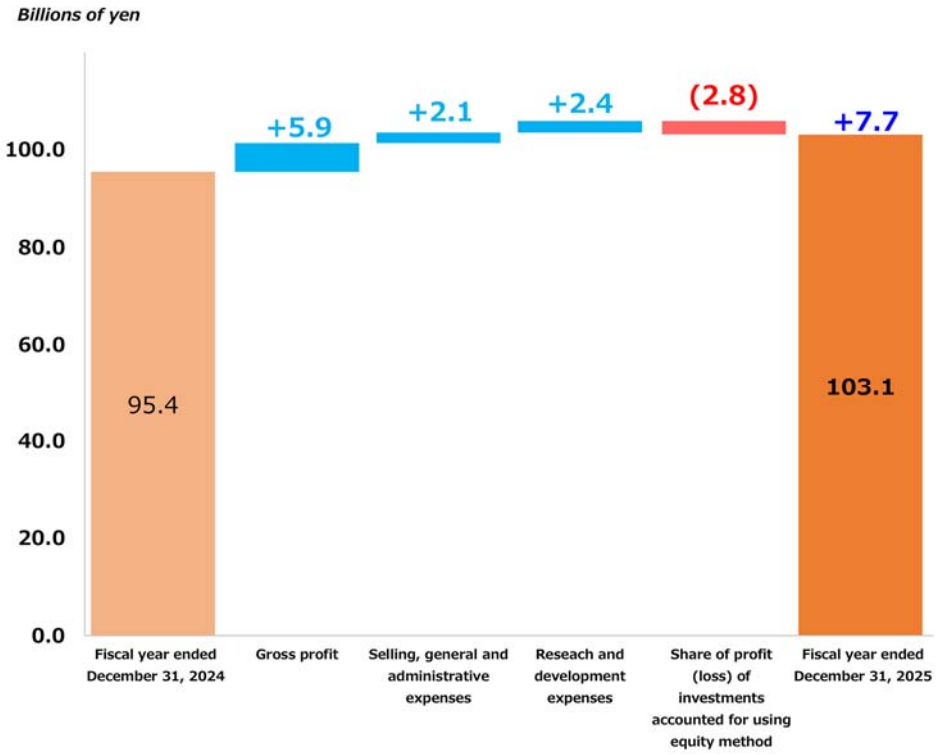
	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025	Year-on-year change	Rate of change (%)
Crysvita	184.8	202.8	18.0	9.7%
Poteligeo	38.1	44.1	6.0	15.6%
Libmeldy/Lenmeldy	3.3	6.4	3.2	96.1%

- Revenue in North America increased year on year due to the growth of global strategic products.
  - Revenue from Crysvita, a treatment for X-linked hypophosphatemia, has been growing steadily since its launch in 2018.
  - Revenue from Poteligeo, an anticancer agent, has been growing since its launch in 2018.
  - KOMZIFTI (generic name: ziftomenib) was approved by the US Food and Drug Administration (FDA) in November 2025 and launched in the United States for adult patients with relapsed or refractory acute myeloid leukemia (AML) with a sensitive NPM1 mutation and no satisfactory alternative treatment options. Profits from KOMZIFTI will be shared 50:50 in the United States in accordance with the strategic collaboration agreement with Kura Oncology. The Company recognizes net profit or loss after profit sharing as revenue when positive and as selling, general, and administrative expenses when negative. For the fiscal year ended December 31, 2025, net profit or loss was negative and is therefore recorded as selling, general, and administrative expenses.

- Revenue in EMEA was down compared to the fiscal year ended December 31, 2024, due to the absence of the proceeds that were recorded in 2024 from transfer of rights to three brands of ¥13.1 billion (£66.4 million) and despite factors such as the growth of global strategic products and proceeds from transfer of rights to one brand.
  - Revenue from Crysvita, a treatment for X-linked hypophosphatemia, has been growing since its launch in 2018, as the number of countries where it has been released and its indications have expanded.
  - Revenue from Poteligeo, an anticancer agent, has been growing as the number of countries where it has been released has been increasing since its launch in 2020.
  - Revenue of ¥7.7 billion (£38.5 million) was recorded due to the transfer (July 2025) of the rights (intellectual property) for one brand of established medicines to the joint venture. The amount includes the price adjustment differences related to the three brands transferred in July 2024.

- Revenue from Others decreased year on year due to the impact of the business restructuring in the APAC region.
  - Revenue from Libmeldy/Lenmeldy, a treatment for metachromatic leukodystrophy (MLD), grew steadily due to sales beginning to be recorded in the U.S., in addition to solid sales in Europe. In addition, in December 2025, metachromatic leukodystrophy (MLD) was added to the Recommended Uniform Screening Panel (RUSP) in the United States.
  - Revenue from technology out-licensing increased due to an increase in royalties revenue from AstraZeneca in relation to benralizumab, as well as proceeds from both an upfront payment and milestone revenue from Boehringer Ingelheim.
  - In conjunction with the business restructuring in the APAC region at the end of September 2024, revenue from established medicines, etc. significantly decreased (¥14.5 billion).

3) Core operating profit



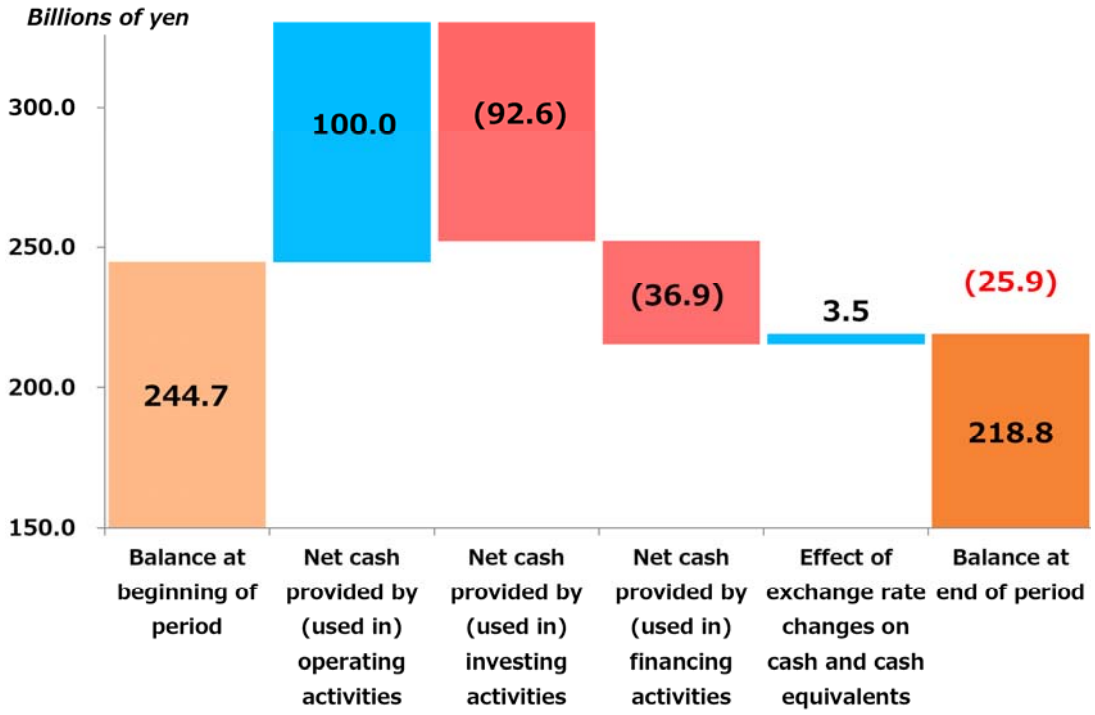
- Core operating profit increased year on year due mainly to decreases in selling, general and administrative expenses, and research and development expenses, in addition to an increase in gross profit.

(3) Cash Flow Summary for Fiscal 2025

(Billions of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025	Year-on-year change	Rate of change (%)
Net cash provided by (used in) operating activities	67.9	100.0	32.1	47.3%
Net cash provided by (used in) investing activities	(142.4)	(92.6)	49.8	(35.0)%
Net cash provided by (used in) financing activities	(84.7)	(36.9)	47.8	(56.5)%
Cash and cash equivalents at beginning of period	403.1	244.7	(158.4)	(39.3)%
Cash and cash equivalents at end of period	244.7	218.8	(25.9)	(10.6)%

- Cash and cash equivalents as of December 31, 2025 were ¥218.8 billion, a decrease of ¥25.9 billion compared with the balance of ¥244.7 billion as of December 31, 2024.
  The main contributing factors affecting cash flow during the current fiscal year were as follows:
- Net cash provided by operating activities was ¥100.0 billion, compared with net cash provided by operating activities of ¥67.9 billion in the previous fiscal year. Major inflows were depreciation and amortization of ¥26.1 billion, in addition to profit before tax of ¥87.2 billion. Major outflows were an increase in trade receivables of ¥22.4 billion and a decrease in contract liabilities of ¥6.1 billion.
- Net cash used in investing activities was ¥92.6 billion, compared with net cash used in investing activities of ¥142.4 billion in the previous fiscal year. Major outflows were purchase of intangible assets of ¥45.8 billion, purchase of property, plant and equipment of ¥41.1 billion, and transfers to escrow account of ¥7.7 billion, which is a part of the construction funds for a new biopharmaceutical drug substance manufacturing building
- Net cash used in financing activities was ¥36.9 billion, compared with net cash used in financing activities of ¥84.7 billion in the previous fiscal year. Major outflows were dividends paid of ¥30.9 billion and repayments of lease liabilities of ¥6.0 billion.



(4) Research and Development Activities

The Group continuously and actively invests management resources in research and development activities. The Group aims to continually create new drugs with life-changing value by including bone and mineral, intractable hematological diseases and hemato oncology, and rare disease in the disease science field in which is the area of focus for its in-house research and development, and, with regard to drug discovery technology, strengthening innovative modalities such as advanced antibody technologies and hematopoietic stem cell gene therapy. As part of the value creating process, the Group will also promote open innovation activities, collaborate with partners, invest in venture capital funds, and utilize corporate venture capital. In research and development, the Group will focus on creating life-changing value and utilize a business model that not only aims to maximize value through our own global deployment, but also through strategic collaboration with external partners.

For the fiscal year ended December 31, 2025, the Group's research and development expenses totaled ¥101.2 billion.

<Development status of major development products>

As of December 31, 2025

Code Name, Generic Name	Indication	Development status
KHK4083/AMG 451, rocatinlimab	Moderate and severe atopic dermatitis	Ph III clinical study: in progress
	Prurigo nodularis	Ph III clinical study: in progress
	Moderate and severe asthma	Ph II clinical study: in progress
ziftomenib	Adult Relapsed or Refractory (R/R) NPM1-mutant Acute Myeloid Leukemia (AML) (monotherapy)	Approval obtained Ph II clinical study: detailed results reported
	Acute Lymphoblastic Leukemia (ALL) (monotherapy)	Ph I clinical study: in progress
	Acute Myeloid Leukemia (AML) (combination)	Ph I clinical study: in progress
		Ph III clinical study: in progress
OTL-203	Mucopolysaccharidosis type IH (Hurler syndrome)	Pivotal study (Equivalent to Ph III study): in progress
KK8398, infigratinib	Achondroplasia	Ph III clinical study: in progress
	Hypochondroplasia	Ph III clinical study: preparation underway
KHK4951, tivozanib	Neovascular Age-related Macular Degeneration (nAMD)	Ph II clinical study: in progress
	Diabetic Macular Edema (DME)	Ph II clinical study: in progress
OTL-201	Mucopolysaccharidosis type IIIA (Sanfilippo syndrome type A)	PoC study (Equivalent to Ph I/II study): in progress
KK4277	Systemic Erythematosus (SLE)/Cutaneous Lupus Erythematosus (CLE)	Ph I clinical study: in progress
KK2260	Advanced or metastatic solid tumors	Ph I clinical study: in progress
KK2269	Advanced or metastatic solid tumors	Ph I clinical study: in progress
KK2845	Acute Myeloid Leukemia (AML)	Ph I clinical study: in progress
KK8123	X-linked Hypophosphatemia (XLH)	Ph I clinical study: in progress
KK3910	Essential Hypertension	Ph I clinical study: in progress
OTL-200, atidarsagene autotemcel	Early-onset Metachromatic Leukodystrophy (MLD)	Clinical trial: preparation underway

- KHK4083/AMG 451 (rocatinlimab) is a potential T cell rebalancing monoclonal antibody that is designed to selectively inhibit and reduce pathogenic T cells by targeting the OX40 receptor. One of the major causes of chronic inflammatory diseases including atopic dermatitis is due to the activation of T cells through OX40 signaling, leading to an increase in pathogenic T cells and induction of their effector functions. By selectively targeting the OX40 receptor, rocatinlimab may promote T cell rebalancing by suppressing the activity and number of pathogenic T cells. Its novel mechanism of action may lead to reduced disease chronicity and relapse, particularly by directly acting on memory T cells, and thus may offer symptom control with reduced dosing frequency, distinguishing it from conventional cytokine blockers and JAK inhibitors. The initial antibody was discovered in collaboration between research team of Kyowa Kirin in United States and La Jolla Institute for Immunology. On June 1, 2021, Kyowa Kirin and Amgen entered into an agreement to jointly develop and commercialize rocatinlimab. Under the terms of the agreement, Amgen will lead the development, manufacturing, and commercialization for rocatinlimab for all markets globally, except Japan, where Kyowa Kirin will retain all rights. If approved, the companies will co-promote the asset in the United States and Kyowa Kirin has opt-in rights to co-promote in certain other markets including Europe and Asia. Phase III clinical studies evaluating rocatinlimab in moderate to severe atopic dermatitis (ROCKET Program) is composed of eight studies enrolling adult and adolescent patients. To date, over 3,300 patients have been enrolled in the ROCKET Program with all studies having completed enrollment. HORIZON, IGNITE, SHUTTLE, and VOYAGER, which are part of the phase III trials in the ROCKET Program, met their coprimary endpoints and all key secondary endpoints as of June 2025. Amgen and Kyowa Kirin also announced top-line results from the interim analysis of the ASCEND study, one of the eight studies. In addition to the ROCKET Program, a Phase II clinical study in moderate to severe asthma and a Phase III clinical study in prurigo nodularis are being conducted.

- Ziftomenib (Product name in the U.S.: KOMZIFTI) is an oral menin inhibitor in development by Kura Oncology, Inc. for the treatment of genetically defined AML patients with high unmet need. In November 2024, Kura Oncology and Kyowa Kirin entered into a global strategic collaboration to develop and commercialize ziftomenib in acute leukemias. Under the terms of the agreement, the companies will jointly develop and commercialize ziftomenib. Kura Oncology, Inc. will lead development, regulatory and commercial strategy in the U.S. Outside the U.S., Kyowa Kirin will lead development, regulatory and commercial strategy. Multiple clinical trials are currently in progress for AML. Kura Oncology, Inc. submitted a New Drug Application (NDA) for ziftomenib for the treatment of adult patients with R/R NPM1-mutant AML to the U.S. Food and Drug Administration (FDA) in March 2025, and it was accepted in May. Ziftomenib was fully approved in November. Furthermore, Kura Oncology, Inc. and Kyowa Kirin started Phase III KOMET-017 trial for newly diagnosed NPM1-mutant or KMT2A-rearranged AML patients in September 2025. They also started a cohort for newly diagnosed FLT3/NPM1 co-mutated AML patients in October 2025 in the ongoing Phase I KOMET-007 trial. In December 2025, they reported intermediate data for combination regimen of ziftomenib with venetoclax and azacitidine in newly diagnosed and R/R AML.

- OTL-203 is an investigational HSC gene therapy in development for the treatment of mucopolysaccharidosis type IH (Hurler syndrome). Orchard Therapeutics is currently implementing a registrational study (equivalent to a Phase III clinical study) of OTL-203 as a therapy to potentially correct the underlying cause of Hurler syndrome.

- KK8398 (infigratinib) is a small-molecular FGFR3 inhibitor, which has been developed for bone diseases by QED Therapeutics, wholly owned by BridgeBio. In February 2024, a partnership wherein QED Therapeutics, grants Kyowa Kirin an exclusive license to develop and commercialize infigratinib for achondroplasia, hypochondroplasia, and other skeletal dysplasias in Japan. The Company started Phase III clinical trial for achondroplasia in Japan in November 2025. The Company is currently preparing for Phase III clinical trial for hypochondroplasia in Japan.

- Tivozanib, the active ingredient of KHK4951 is a small-molecule vascular endothelial growth factor receptor (VEGFR) -1, -2, and -3 tyrosine kinase inhibitor (TKI) discovered and developed by Kyowa Kirin. KHK4951 is a novel nano-crystalized tivozanib eye drops designed to deliver it efficiently to the posterior ocular tissues and has the potential to provide a novel non-invasive treatment option for patients with neovascular age-related macular degeneration (nAMD) and diabetic macular edema (DME). Phase II clinical studies are ongoing.

- OTL-201 is an investigational HSC gene therapy in development for the treatment of mucopolysaccharidosis type IIIA (Sanfilippo syndrome). A proof-of-concept (Equivalent to Phase I / II study) is ongoing.

- KK4277 is an optimized antibody based on antibodies licensed from SBI Biotech. It has been enhanced with antibody-dependent cell-mediated cytotoxicity (ADCC) activity using our POTELLIGENT technology. Phase I clinical study for the treatment of systemic lupus erythematosus and cutaneous lupus erythematosus has been conducted.

- KK2260 is an EGFR-TfR1 bispecific antibody developed using the Company's proprietary bispecific antibody technology REGULGENT. It is designed as an antibody that achieves selective iron depletion in cancer cells, and in non-clinical trials it showed high efficacy and tolerability. Phase I clinical trial is ongoing.

- KK2269 is an EpCAM-CD40 bispecific antibody developed using the Company's proprietary bispecific antibody technology REGULGENT. It is designed as an antibody that activates only antigen-presenting cells near the tumor by cross-linking EpCAM, which is highly expressed in various tumors, with CD40 on antigen-presenting cells. In non-clinical trials, it was found to exhibit the therapeutic effects of anti-tumor immunity while suppressing systemic side effects. Phase I clinical trial is ongoing.

- KK2845 is the Company's first antibody-drug conjugate (ADC). The target molecule is TIM-3, Phase I clinical trial for acute myeloid leukemia (AML) is ongoing.

- KK8123 is a human antibody targeting FGF23. Phase I study for XLH is ongoing.

- KK3910 is an antibody developed by Kyowa Kirin. Phase I clinical trial for healthy adults and essential hypertension is ongoing.

- OTL-200 (atidarsagene autotemcel, Product name in US : Lenmeldy, Product name in Europe : Libmeldy) is an investigational HSC gene therapy aimed at correcting the underlying genetic cause of Metachromatic Leukodystrophy (MLD). OTL-200 received designation as an orphan regenerative medicine product for early-onset MLD in Japan in October 2025. The Company is preparing a clinical trial in Japan.

<Major collaboration and licensing information>

- In October 2025, Boehringer Ingelheim and Kyowa Kirin entered into a licensing agreement under which Kyowa Kirin will out-license to Boehringer Ingelheim a novel compound aimed at developing a new treatment for autoimmune diseases.

R&D pipeline

small molecule　antibody　HSC-GT　Updated since Dec. 31, 2024　Updated since Sep. 30, 2025

As of Dec 31, 2025

Code Name / Generic Name / Formulation	Mechanism of Action	Indication	Stage (PhI / PhII / PhIII)	[In-House or Licensed] Remarks
KK8123 Injection	Anti-FGF23 Fully Human Antibody	X-linked Hypophosphatemia	PhI	[In-House] Clinical study is being conducted in NA and EU as a global product
KK8398 infigratinib Oral	FGFR3 Inhibitor	Achondroplasia	PhI / PhII / PhIII (✓)	[QED Therapeutics] Clinical study is being conducted in JP
		Hypochondroplasia		Preparation underway for Ph Ⅲ clinical trial in JP
ziftomenib ※ Oral	Menin Inhibitor	Acute Lymphoblastic Leukemia (ALL) (Monotherapy)	PhI	[Kura Oncology] Clinical study is being conducted in NA and EU as a global product KMT2A-rearranged ALL KOMET-001
		Acute Myeloid Leukemia (AML) (Monotherapy)	PhI	Clinical study is being conducted in NA and EU as a global product Non-NPM1-mutant AML/Non-KMT2A-rearranged AML KOMET-001
				Adult Relapsed or Refractory AML with a NPM1 Mutation Preparation underway for Ph Ⅱ clinical trial in JP
		Acute Myeloid Leukemia (AML) (Combination)	PhI	Clinical study is being conducted in NA as a global product NPM1-mutant AML/KMT2A-rearranged AML Combinations with venetoclax + azacitidine, and cytarabine + daunorubicin KOMET-007
			PhI (✓)	Clinical study is being conducted in NA as a global product FLT3/NPM1 co-mutated AML Combinations with cytarabine + daunorubicin, and quizartinib KOMET-007
			PhI	Clinical study is being conducted in NA and EU as a global product NPM1-mutant AML/KMT2A-rearranged AML Combinations with gilteritinib, FLAG-IDA, LDAC KOMET-008
			PhI / PhII / PhIII	Clinical study is being conducted as a global product NPM1-mutant AML/KMT2A-rearranged AML Combinations with venetoclax + azacitidine, and cytarabine + daunorubicin KOMET-017
KK2845	Anti-TIM-3 ADC	Acute Myeloid Leukemia (AML)	PhI	[In-House] Antibody-Drug Conjugate Clinical study is being conducted in JP as a global product
OTL-203	Hematopoietic Stem Cell (HSC) Gene Therapy	MPS-IH (Hurler Syndrome)	PhI / PhII / PhIII	[In-House] Rare Pediatric Disease (RPD) and Fast Track designations (FDA) Priority Medicines (PRIME) designation (EMA) Area of clinical study: NA and EU
OTL-201	Hematopoietic Stem Cell (HSC) Gene Therapy	MPS-IIIA (Sanfilippo Syndrome type A)	PhI / PhII (Ph I / Ph II)	[In-House] Rare Pediatric Disease (RPD) designation (FDA) Preparation underway for registrational study (equivalent to PhⅢ study)
KHK4083/AMG 451 rocatinlimab Injection	Anti-OX40 Antibody	Moderate to Severe Atopic Dermatitis	PhI / PhII / PhIII	[In-House] POTELLIGENT Human monoclonal antibody production technology Collaboration agreement with Amgen for the development of rocatinlimab in all the countries except for Japan Clinical study is being conducted in JP, NA, EU, UK, Middle East, Asia, Oceania, and other regions as a global product
		Prurigo Nodularis	PhI / PhII / PhIII	Clinical study is being conducted in JP, NA, EU, Asia, and Oceania as a global product
		Moderate to Severe Asthma	PhI / PhII	Clinical study is being conducted in JP, NA, EU, Asia, and Oceania as a global product
KHK4951 tivozanib Ophthalmic	VEGF Receptor Tyrosine Kinase Inhibitor	Diabetic Macular Edema	PhI / PhII	[In-House] Clinical study is being conducted in JP, NA, Asia, and Oceania as a global product
		Neovascular Age-Related Macular Degeneration	PhI / PhII	Clinical study is being conducted in JP, NA, Asia, and Oceania as a global product
KK2260 Injection	EGFR-TfR1Bispecific Antibody	Advanced or Metastatic Solid Tumors	PhI	[In-House] REGULGENT Fully human antibody production technology Clinical study is being conducted in JP, and a clinical study is prepared under way for PhI in NA as a global product

small molecule antibody HSC-GT Updated since Dec. 31, 2024 Updated since Sep. 30, 2025

As of Dec 31, 2025

Code Name Generic Name Formulation		Mechanism of Action	Indication	Stage			[In-House or Licensed] Remarks
				PhI	PhII	PhIII	
antibody	KK2269 Injection	EpCAM-CD40Bispecific Antibody	Advanced or Metastatic Solid Tumors				[In-House] REGULGENT Fully human antibody production technology Clinical study is being conducted in JP and NA as a global product
antibody	KK4277 Injection	Anti-PTPRS Humanized Antibody	Systemic Lupus Erythematosus/Cutaneous Lupus Erythematosus				[SBI Biotech] POTELLIGENT Clinical study is being conducted in JP and Asia
antibody	KK3910 Injection		Essential Hypertension				[In-House] Clinical study is being conducted in JP as a global product
HSC-GT	OTL-200 atidarsagene autotemcel	Hematopoietic Stem Cell (HSC) Gene Therapy	Early-onset Metachromatic Leukodystrophy (MLD)				[In-House] Orphan Regenerative Medicine Product Designation in JP Preparation underway for clinical trial in JP Product Name in US: Lenmeldy Product Name in Europe: Libmeldy

※For detailed information on ziftomenib(Product Name in US: KOMZIFTI)'s development status, please refer to Kura Oncology's website. https://kuraoncology.com/

Note: Our main progress from December 31, 2025 is as follows.

On January 30, 2026, Kyowa Kirin announced that termination of the current KHK4083/AMG 451 （rocatinlimab） collaboration with Amgen and Kyowa Kirin will regain control of KHK4083/AMG 451 development and commercialization program.

Major Applications and Approvals

Code Name, Generic Name, Product Name	Indication	Application/ Under Review	Countries/ Regions Received Approval in 2025
ziftomenib (Product name in the U.S.: KOMZIFTI)	Adult Relapsed or Refractory (R/R) Acute Myeloid Leukemia (AML) with a Nucleophosmin1 (NPM1) Mutation	—	US

(5) Outlook for Fiscal 2026

The Company has redefined core base performance indicators as of the fiscal year ending December 31, 2026.

New core operating profit is calculated by deducting SG&A (excl. amortization of intangible assets) and R&D from gross profit, and further excluding non-recurring items as determined by the Company. Compared to the conventional core operating profit, this excludes amortization of intangible assets (amortization of sales rights), share of profit or loss of investments accounted for using the equity method, and non-recurring gains or losses that the Company deems should be excluded.

New core profit is calculated by deducting income tax expenses related to the new core operating profit from the new core operating profit.

New core earnings per share are calculated by dividing new core profit by the average number of shares during the period. For the fiscal year ended December 31, 2025 and the outlook for fiscal 2026, the Company did not exclude any items as non-recurring gains or losses, as determined by the Company.

Furthermore, the core operating profit, core profit, and core earnings per share for the fiscal year ended December 31, 2025, as described below, also reflect this change in definition.

(Billions of yen, unless otherwise noted)

	Fiscal year ended December 31, 2025	**Outlook for fiscal 2026**	Year-on-year change	Rate of change (%)
Revenue	496.8	**520.0**	23.2	4.7%
Core operating profit	109.8	**100.0**	(9.8)	(9.0)%
Profit before tax	87.2	**95.0**	7.8	8.9%
Profit	67.0	**75.0**	8.0	11.9%
Basic earnings per share (Yen)	128.07	**143.27**	15.20	11.9%
Core profit	84.4	**80.0**	(4.4)	(5.2)%
Basic Core earnings per share (Yen)	161.28	**152.82**	(8.46)	(5.2)%

Note: These forecasts assume average exchange rates of ¥150/US$, ¥205/British pound and ¥180/Euro.

Financial performance indicators

	Fiscal year ended December 31, 2025	**Outlook for fiscal 2026**	
ROE (three year average)	8.3%	**7.7%**	The simple average of the ROE (Profit / Average beginning and ending equity) over the past three years
Core operating profit ratio	22.1%	**19.2%**	Core operating profit / Revenue
DOE	3.8%	**4.1%**	Amount of dividends / Beginning equity

- Consolidated financial earnings forecasts for fiscal 2026 are for revenue of ¥520.0 billion (up 4.7% compared to the current fiscal year), core operating profit of ¥100.0 billion (down 9.0%), profit before tax of ¥95.0 billion (up 8.9%), profit of ¥75.0 billion (up 11.9%), and core profit of ¥80.0 billion (down 5.3%).
- Revenue is expected to increase compared to the fiscal year ended December 31, 2025, driven by growth in global strategic products primarily in North America and EMEA, as well as anticipated increases in revenue from technology out-licensing, despite the impact of the reduction in the drug price standards in Japan and the expected reduction in royalty income and one-time revenue associated with the transfer of the established pharmaceuticals joint venture in EMEA (scheduled for February 2026).
- Core operating profit is expected to decrease compared to the fiscal year ended December 31, 2025, despite anticipated growth in gross profit driven by increased revenue. As stated in the news release dated

January 30, 2026, the Company has regained the development and commercialization program for rocatinlimab (KHK4083), resulting in the Company bearing 100% of the costs associated with this program. This includes an increase in development expenses related to rocatinlimab, in addition to higher research and development expenses due to the progress of other development projects, and anticipated increases in selling, general, and administrative expenses related to the U.S. launch of rocatinlimab.

- A year-on-year increase is forecasted for profit before tax, due to an expected decrease in other expenses, despite a decrease in core operating profit.
- A year-on-year increase is forecasted for profit due to an expected increase in profit before tax.
- A year-on-year decrease is forecasted for core profit due to an expected decrease in core operating profit.
- Concerning cash flows from operating activities, the Company expects an increase in net cash provided relative to that of the current fiscal year due to an expected increase in profit before tax.
- Concerning cash flows from investing activities, while expenditures for the purchase of property, plant, and equipment are expected to increase, the Company expects a decrease in net cash used relative to that of the current fiscal year due to anticipated proceeds from sale of investments in subsidiaries resulting in change in scope of consolidation and a decrease in expenditures for the purchase of intangible assets.
- Concerning cash flows from financing activities, the Company expects an increase in net cash used relative to that of the current fiscal year given the likelihood of an increase in cash outflows for the dividends paid due to increased dividends. As regards the purchase of treasury shares and the sourcing of funds, we will continue to remain flexible and act as appropriate for the economic and funding environment.

As a result of the above, cash and cash equivalents as of the end of fiscal 2026 are expected to increase from fiscal 2025.

Note: The above financial position outlook is based on information currently available to the Company and on certain assumptions deemed to be reasonable by management. As such, they do not constitute guarantees by the Company of future performance. Actual results may differ materially from these projections for a wide variety of reasons.

(6) Basic Policy on Profit Distribution: Fiscal 2025 and Fiscal 2026 Dividends

The Company regards the return of profits to its shareholders as one of its key management priorities. The basis of the Company's policy regarding the distribution of profits is to pay dividends stably in light of a comprehensive consideration of factors including consolidated results and dividend payout ratio for each fiscal year, while also increasing its retained earnings for future business development and other purposes. The Company plans to improve its capital efficiency with regards to the purchase of treasury shares by taking a flexible approach while considering the share price in the market and other factors. The Company considers it a top priority to use internal reserve funds for investments for future growth (R&D investments, strategic investments and capital expenditures) in order to achieve sustainable growth and maximize corporate value.

As the dividend policy for the FY2021-2025 Medium Term Business Plan, the Company set its target dividend payout ratio based on core EPS at 40%. The Company's policy is to ensure a stable and sustained increase in the level of dividend payment (continuous increase of dividend payments) in line with medium- to long-term growth in profits.

In accordance with the above-mentioned policy, the Board of Directors has resolved to pay a year-end dividend for fiscal 2025 of ¥32 per share. As a result, the Company expects to increase dividends for the ninth year in a row. The annual dividend is expected to be ¥62, an increase of ¥4 compared to the previous fiscal year, including an interim dividend of ¥30. With respect to the year-end dividend, the Company plans to submit a proposal at the 103rd Ordinary General Meeting of Shareholders to be held on March 19, 2026.

Dividends of Surplus

	Details of resolution (March 19, 2026)	Dividend forecast most recently announced (Announced on February 6, 2025)	Fiscal 2024 results (Fiscal year ended December 31, 2024)
Record date	December 31, 2025	Same as left	December 31, 2024
Dividend per share (Yen)	32.00	30.00	29.00
Total dividend amount (Millions of yen)	16,752	–	15,177
Effective date	March 23, 2026	–	March 21, 2025
Dividend resource	Retained earnings	–	Retained earnings

(Reference) Breakdown of Dividends per Share

(Yen)

	Fiscal 2025 (Fiscal year ended December 31, 2025)	Dividend forecast most recently announced (Announced on February 6, 2025)	Fiscal 2024 results (Fiscal year ended December 31, 2024)
[Second quarter-end]	[30.00]	[30.00]	[29.00]
Fiscal year-end	32.00 (Note)	30.00	29.00
Dividends per share	62.00	60.00	58.00

Note: The fiscal year-end dividend (¥32.00) for the current term (fiscal year ended December 31, 2025) is based on the assumption that it will be approved at the 103rd Ordinary General Meeting of Shareholders scheduled to be held on March 19, 2026.

For the next fiscal year (ending December 31, 2026) and beyond, the Company will change its dividend policy to one based on a DOE of 4% or higher and progressive dividends, in order to achieve more stable and sustainable dividends.

As part of its capital cost-conscious management, the Company will strive to further enhance shareholder returns and improve capital efficiency.

In accordance with the above-mentioned policy, for the fiscal year ending December 31, 2026, the Company expects to pay an annual dividend of ¥70 per share, an increase of ¥8 compared to the current fiscal year, consisting of an interim dividend of ¥35 and a year-end dividend of ¥35.

2. Basic Rationale for Selection of Accounting Standards

The Group has applied IFRS from fiscal 2017 to enhance the international comparability of its financial information in the capital markets, and unify the process of the Group’s accounting.

3. Consolidated Financial Statements and Significant Notes Thereto

(1) Consolidated Statement of Financial Position

(Millions of yen)

	As of December 31, 2024	As of December 31, 2025
Assets		
Non-current assets		
Property, plant and equipment	111,477	141,225
Goodwill	181,034	183,497
Intangible assets	165,297	201,415
Investments accounted for using equity method	3,185	9,244
Other financial assets	32,800	16,566
Retirement benefit asset	19,775	21,164
Deferred tax assets	41,258	32,052
Other non-current assets	8,511	9,349
Total non-current assets	563,337	614,512
Current assets		
Inventories	72,933	67,440
Trade and other receivables	157,015	181,205
Other financial assets	1,705	1,054
Other current assets	27,692	24,880
Cash and cash equivalents	244,681	218,769
Total current assets	504,026	493,348
Total assets	1,067,363	1,107,860

(1) Consolidated Statement of Financial Position (continued)

(Millions of yen)

	As of December 31, 2024	As of December 31, 2025
Equity		
Share capital	26,745	26,745
Capital surplus	427,733	427,733
Treasury shares	(5,887)	(5,585)
Retained earnings	371,050	406,321
Other components of equity	31,171	38,117
Total equity attributable to owners of parent	850,811	893,332
Total equity	850,811	893,332
Liabilities		
Non-current liabilities		
Liabilities from application of equity method	11,695	2,190
Retirement benefit liability	272	280
Provisions	6,470	4,414
Deferred tax liabilities	434	387
Other financial liabilities	24,119	22,283
Other non-current liabilities	8,887	3,896
Total non-current liabilities	51,876	33,450
Current liabilities		
Trade and other payables	121,063	125,041
Provisions	4,441	3,938
Other financial liabilities	4,628	8,836
Income taxes payable	3,384	9,668
Other current liabilities	31,159	33,595
Total current liabilities	164,675	181,078
Total liabilities	216,551	214,528
Total equity and liabilities	1,067,363	1,107,860

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

Consolidated Statement of Profit or Loss

(Millions of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Revenue	495,558	496,826
Cost of sales	(132,611)	(127,934)
Gross profit	362,947	368,892
Selling, general and administrative expenses	(167,537)	(165,434)
Research and development expenses	(103,544)	(101,183)
Share of profit (loss) of investments accounted for using equity method	3,539	787
Other income	13,102	1,086
Other expenses	(19,286)	(17,994)
Finance income	1,770	4,711
Finance costs	(7,538)	(3,644)
Profit before tax	83,453	87,221
Income tax expense	(23,583)	(20,182)
Profit	59,870	67,040
Profit attributable to		
Owners of parent	59,870	67,040
Earnings per share		
Basic earnings per share (Yen)	113.06	128.07
Diluted earnings per share (Yen)	113.06	128.07

Consolidated Statement of Comprehensive Income

(Millions of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Profit	59,870	67,040
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(596)	(562)
Remeasurements of defined benefit plans	2,404	(387)
Share of other comprehensive income of investments accounted for using equity method	–	4
Total of items that will not be reclassified to profit or loss	1,808	(945)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	21,741	7,315
Cash flow hedges	1,798	–
Share of other comprehensive income of investments accounted for using equity method	96	(283)
Total of items that may be reclassified to profit or loss	23,636	7,032
Other comprehensive income	25,444	6,088
Comprehensive income	85,314	73,127
Comprehensive income attributable to		
Owners of parent	85,314	73,127

(3) Consolidated Statement of Changes in Equity

Fiscal year ended December 31, 2024

(Millions of yen)

	Equity attributable to owners of parent					
					Other components of equity	
	Share capital	Capital surplus	Treasury shares	Retained earnings	Share acquisition rights	Exchange differences on translation of foreign operations
Balance at January 1, 2024	26,745	464,731	(2,933)	338,764	102	8,823
Profit	–	–	–	59,870	–	–
Other comprehensive income	–	–	–	–	–	21,837
Total comprehensive income	–	–	–	59,870	–	21,837
Dividends of surplus	–	–	–	(30,895)	–	–
Purchase of treasury shares	–	–	(40,014)	–	–	–
Disposal of treasury shares	–	(140)	109	–	–	–
Cancellation of treasury shares	–	(36,902)	36,902	–	–	–
Share-based remuneration transactions	–	45	49	–	(75)	–
Transfer from other components of equity to retained earnings	–	–	–	3,310	–	–
Total transactions with owners	–	(36,997)	(2,954)	(27,585)	(75)	–
Balance at December 31, 2024	26,745	427,733	(5,887)	371,050	27	30,661

	Equity attributable to owners of parent					Total equity
	Other components of equity				Total	
	Financial assets measured at fair value through other comprehensive income	Remeasure-ments of defined benefit plans	Cash flow hedges	Total		
Balance at January 1, 2024	1,984	–	(1,798)	9,112	836,418	836,418
Profit	–	–	–	–	59,870	59,870
Other comprehensive income	(596)	2,404	1,798	25,444	25,444	25,444
Total comprehensive income	(596)	2,404	1,798	25,444	85,314	85,314
Dividends of surplus	–	–	–	–	(30,895)	(30,895)
Purchase of treasury shares	–	–	–	–	(40,014)	(40,014)
Disposal of treasury shares	–	–	–	–	(31)	(31)
Cancellation of treasury shares	–	–	–	–	–	–
Share-based remuneration transactions	–	–	–	(75)	19	19
Transfer from other components of equity to retained earnings	(906)	(2,404)	–	(3,310)	–	–
Total transactions with owners	(906)	(2,404)	–	(3,385)	(70,921)	(70,921)
Balance at December 31, 2024	482	–	–	31,171	850,811	850,811

(3) Consolidated Statement of Changes in Equity (continued)

Fiscal year ended December 31, 2025

(Millions of yen)

	Equity attributable to owners of parent					
					Other components of equity	
	Share capital	Capital surplus	Treasury shares	Retained earnings	Share acquisition rights	Exchange differences on translation of foreign operations
Balance at January 1, 2025	26,745	427,733	(5,887)	371,050	27	30,661
Profit	–	–	–	67,040	–	–
Other comprehensive income	–	–	–	–	–	7,032
Total comprehensive income	–	–	–	67,040	–	7,032
Dividends of surplus	–	–	–	(30,882)	–	–
Purchase of treasury shares	–	–	(9)	–	–	–
Disposal of treasury shares	–	(8)	56	–	–	–
Cancellation of treasury shares	–	–	–	–	–	–
Share-based remuneration transactions	–	8	255	–	(27)	–
Transfer from other components of equity to retained earnings	–	–	–	(886)	–	–
Total transactions with owners	–	(0)	302	(31,768)	(27)	–
Balance at December 31, 2025	26,745	427,733	(5,585)	406,321	–	37,693

	Equity attributable to owners of parent					Total equity
	Other components of equity				Total	
	Financial assets measured at fair value through other comprehensive income	Remeasure-ments of defined benefit plans	Cash flow hedges	Total		
Balance at January 1, 2025	482	–	–	31,171	850,811	850,811
Profit	–	–	–	–	67,040	67,040
Other comprehensive income	(558)	(387)	–	6,088	6,088	6,088
Total comprehensive income	(558)	(387)	–	6,088	73,127	73,127
Dividends of surplus	–	–	–	–	(30,882)	(30,882)
Purchase of treasury shares	–	–	–	–	(9)	(9)
Disposal of treasury shares	–	–	–	–	48	48
Cancellation of treasury shares	–	–	–	–	–	–
Share-based remuneration transactions	–	–	–	(27)	235	235
Transfer from other components of equity to retained earnings	499	387	–	886	–	–
Total transactions with owners	499	387	–	859	(30,607)	(30,607)
Balance at December 31, 2025	424	–	–	38,117	893,332	893,332

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Cash flows from operating activities		
Profit before tax	83,453	87,221
Depreciation and amortization	24,780	26,144
Impairment losses (reversal of impairment losses)	2,060	2,772
Increase (decrease) in provisions	(203)	(2,824)
Share of loss (profit) of investments accounted for using equity method	(3,539)	(787)
Gain on sales of share and valuation of remaining share (gain)	(7,372)	–
Foreign exchange loss (gain)	8,347	3,800
Decrease (increase) in inventories	(1,646)	2,798
Decrease (increase) in trade receivables	(31,531)	(22,416)
Increase (decrease) in trade payables	(694)	(5,242)
Increase (decrease) in contract liabilities	(9,910)	(6,131)
Income taxes refund (paid)	(17,663)	204
Other	21,802	14,477
Net cash provided by (used in) operating activities	67,884	100,016
Cash flows from investing activities		
Purchase of property, plant and equipment	(26,037)	(41,112)
Proceeds from sale of property, plant and equipment	3,397	136
Purchase of intangible assets	(79,231)	(45,804)
Purchase of investments accounted for using equity method	–	(1,200)
Purchase of investment securities	(2,187)	(1,271)
Proceeds from sale of investment securities	2,892	277
Collection of loans receivable	4,503	–
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(48,196)	–
Proceeds from sale of investments in subsidiaries resulting in change in scope of consolidation	1,343	–
Proceeds from redemption of bonds of subsidiaries and associates	1,000	4,000
Transfers to escrow account	–	(7,700)
Other	127	87
Net cash provided by (used in) investing activities	(142,387)	(92,586)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Cash flows from financing activities		
Redemption of bonds with share acquisition rights	(9,621)	–
Repayments of lease liabilities	(4,004)	(5,983)
Purchase of treasury shares	(40,014)	(9)
Dividends paid	(30,895)	(30,882)
Other	(163)	21
Net cash provided by (used in) financing activities	(84,697)	(36,853)
Effect of exchange rate changes on cash and cash equivalents	799	3,511
Net increase (decrease) in cash and cash equivalents	(158,402)	(25,912)
Cash and cash equivalents at beginning of period	403,083	244,681
Cash and cash equivalents at end of period	244,681	218,769

(5) Notes to Consolidated Financial Statements

Notes on going concern assumption

No applicable items.

Changes in presentation

Consolidated Statement of Cash Flows

“Income taxes paid,” which had been presented separately under “Cash flows from operating activities” in the previous fiscal year, has been changed to “Income taxes refund (paid)” to better reflect the actual situation. To reflect this change in the presentation method, the Group has reclassified the amounts in its Consolidated Financial Statements for the fiscal year ended December 31, 2024.
As a result, negative ¥17,663 million presented as “Income taxes paid” in “Cash flows from operating activities” in the Consolidated Statement of Cash Flows for the fiscal year ended December 31, 2024 was reclassified as “Income taxes refund (paid)” of negative ¥17,663 million.

Segment information

(1) Outline of reportable segments

The Group omitted information by reportable segment as the Group consists of only the one reportable segment, which is the Pharmaceuticals business.

(2) Information about products and services

Breakdown of revenue from external customers by product and service is as follows.

(Millions of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Products	446,786	438,380
Revenue from technology out-licensing	48,772	58,446
Total	495,558	496,826

(3) Information about geographical areas

i. Revenue

(Millions of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Japan	141,167	128,837
Americas	220,414	245,494
(Of which, the U.S.)	214,871	238,907
Europe	80,248	84,822
Asia	52,466	36,294
Other	1,263	1,379
Total	495,558	496,826

Note: Revenue is classified by region or country based on location of customer.

ii. Non-current assets

(Millions of yen)

	As of December 31, 2024	As of December 31, 2025
Japan	291,280	314,343
Americas	51,746	90,646
Europe	124,741	130,353
Asia	109	144
Total	467,877	535,486

Note: Non-current assets are classified based on the location of assets, and do not include investments accounted for using the equity method, financial instruments, retirement benefit asset and deferred tax assets.

(4) Information about major customers

The customer that accounts for 10% or more of revenue in the consolidated statement of profit or loss is as follows:

(Millions of yen)

Customer	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
CVS Caremark Corporation	58,476	71,036

Per share information

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Profit attributable to ordinary equity holders of parent		
Profit attributable to owners of parent (Millions of yen)	59,870	67,040
Profit not attributable to ordinary equity holders of parent (Millions of yen)	–	–
Profit used to calculate earnings per share (Millions of yen)	59,870	67,040
Weighted average number of ordinary shares outstanding during year (Shares)	529,528,608	523,451,602
Increase in number of ordinary shares		
Share acquisition rights (Shares)	28,335	476
Weighted average number of dilutive potential ordinary shares during year (Shares)	529,556,943	523,452,078
Earnings per share		
Basic earnings per share (Yen)	113.06	128.07
Diluted earnings per share (Yen)	113.06	128.07

Cash flow information

Negative ¥9,621 million in “Redemption of bonds with share acquisition rights” in the fiscal year ended December 31, 2024 is an expenditure related to bonds with share acquisition rights issued by Orchard Therapeutics before the business combination.
Negative ¥7,700 million in “Transfers to escrow account” during the fiscal year ended December 31, 2025 is a deposit made to the escrow account (account with restrictions on deposits and withdrawals) as part of the construction funds for a new biopharmaceutical drug substance manufacturing building.

Significant subsequent events

Regaining control of rocatinlimab development and commercialization program

On January 30, 2026, the Company terminated the existing development and commercialization collaboration with Amgen pertaining to KHK4083 (rocatinlimab), which is under development for atopic dermatitis and other conditions, and regained control of the rocatinlimab development and commercialization program.

(1) Outline and background of this matter

The Company regained control of the global rocatinlimab program, including regulatory filings and future commercialization. This business decision is the result of a strategic portfolio prioritization by Amgen.

(2) Significant impacts of this matter on business activities, etc.

Rocatinlimab's novel approach as an investigational, T-cell rebalancing therapy directly targeting the OX40 receptor expressed on pathogenic T-cells shows potential to deliver long-term disease control in patients with moderate-to-severe atopic dermatitis (msAD). The Company and Amgen will initiate a smooth and orderly transition of the program, with the focus on ensuring continuity for participants currently enrolled in the clinical trial program.

Amgen, which has partnered with the Company on numerous compounds over 41 years, will continue to manufacture rocatinlimab.

As a result of this event, in the fiscal year ending December 31, 2026, we expect revenue to increase by ¥1.9 billion due to the one-time reversal of the upfront payment previously deferred as a contract liability, while the combined total of SG&A and R&D expenses is expected to increase by approximately ¥15.0–20.0 billion.