

Summary of Consolidated Financial Results for the Fiscal Year Ended March 31, 2026

[Japanese GAAP]

Company name: NIHON TRIM CO., LTD.

Securities code: 6788

Representative: Norio Tahara, President

Contact: Yasuhiro Daikoku, Senior Managing Executive Officer and General Manager of Administration
Division

Tel: +81-(0) 6-6456-4600

Listing: Tokyo Stock Exchange

URL: <https://www.nihon-trim.co.jp/>

Scheduled date of Annual General Meeting of Shareholders: June 23, 2026

Scheduled date of filing of Annual Securities Report: June 22, 2026

Scheduled date of dividend payment: June 24, 2026

Supplementary materials for financial results: Yes

Holding of financial results meeting: Yes (for institutional investors)

(All amounts are rounded down to the nearest million yen)

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

(1) Consolidated results of operations

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended Mar. 31, 2026	24,159	7.5	2,940	(10.5)	3,147	(11.0)	2,030	(9.4)
Fiscal year ended Mar. 31, 2025	22,463	10.0	3,285	6.7	3,535	9.5	2,241	4.2

Note: Comprehensive income (million yen) Fiscal year ended Mar. 31, 2026: 2,195 (down 15.1%)

Fiscal year ended Mar. 31, 2025: 2,584 (up 4.6%)

	Net income per share	Diluted net income per share	Return on equity	Ordinary profit on total assets	Operating profit on net sales
	Yen	Yen	%	%	%
Fiscal year ended Mar. 31, 2026	269.58	—	8.5	8.8	12.2
Fiscal year ended Mar. 31, 2025	292.41	—	9.7	10.6	14.6

Reference: Investment gain (loss) by equity method (million yen) Fiscal year ended Mar. 31, 2026: (0)

Fiscal year ended Mar. 31, 2025: 2

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Mar. 31, 2026	36,067	25,481	65.8	3,193.56
As of Mar. 31, 2025	35,353	25,546	67.8	3,125.80

Reference: Shareholders' equity (million yen)

As of Mar. 31, 2026: 23,741

As of Mar. 31, 2025: 23,967

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended Mar. 31, 2026	2,851	(2,074)	(2,411)	13,709
Fiscal year ended Mar. 31, 2025	2,675	(1,887)	552	15,394

2. Dividends

	Dividend per share					Total dividends	Dividend payout ratio (consolidated)	Dividend on equity (consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended Mar. 31, 2025	—	0.00	—	130.00	130.00	1,077	44.5	4.3
Fiscal year ended Mar. 31, 2026	—	0.00	—	130.00	130.00	1,044	48.2	4.1
Fiscal year ending Mar. 31, 2027 (forecasts)	—	0.00	—	130.00	130.00		44.5	

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

(Percentages represent year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	13,740	10.8	1,870	19.6	1,980	18.1	1,250	12.9	165.95
Full year	27,000	11.8	3,300	12.2	3,500	11.2	2,200	8.3	292.06

*** Notes**

(1) Significant changes in the scope of consolidation during the period: None

Newly added: –

Excluded: –

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

(i) Changes in accounting policies due to revisions in accounting standards, others: None

(ii) Changes in accounting policies other than (i) above: None

(iii) Changes in accounting estimates: None

(iv) Restatements: None

(3) Number of outstanding shares (common shares)

(i) Number of shares issued at end of period (including treasury shares)

As of Mar. 31 2026: 8,656,780 shares

As of Mar. 31, 2025: 8,656,780 shares

(ii) Number of treasury shares at end of period

As of Mar. 31 2026: 1,222,590 shares

As of Mar. 31, 2025: 989,256 shares

(iii) Average number of shares outstanding during the period

Fiscal year ended Mar. 31, 2026: 7,532,616 shares

Fiscal year ended Mar. 31, 2025: 7,665,202 shares

Note: The Company has adopted the Employee Stock Ownership Plan (J-ESOP) and the Trust-Type Employee Shareholding Incentive Plan (E-Ship). The company shares held by these trusts are included in the number of treasury shares, which are to be deducted from the calculation of the number of treasury shares at end of period and the average number of shares outstanding during the period.

* The current financial report is not subject to audit by certified public accountants or auditing firms.

* Cautionary statement with respect to forward-looking statements, and other special items

Earnings forecasts regarding future performance in this material are based on assumptions judged to be valid and information currently available to the Company, and the Company does not in any way guarantee the achievement of the forecasts. Actual results may differ significantly from these forecasts for a number of factors. Please refer to “1. Overview of Results of Operations, etc., (4) Future Outlook” on page 5 of the attachments for assumptions for forecasts and notes of caution for usage.

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1. Overview of Results of Operations, etc.

(1) Overview of Results of Operations for the Current Fiscal Year

The Nihon Trim Group (“the Group”) is committed to “contributing to the creation of healthy and comfortable lives” under its corporate philosophy. To this end, the Group operates its business under the main theme of health and medical care. The Group’s mission is to contribute to people’s well-being through its businesses including Electrolyzed Hydrogen Water (EHW), electrolyzed water hemodialysis, and regenerative medicine.

The Group’s EHW apparatus is a controlled medical device that has been approved for its effects on **improvement of gastrointestinal conditions**, and its water purification cartridge is equipped with a function to remove PFAS (generic name for organic fluorine compounds) (*1), whose environmental impact has become a global issue in recent years, thereby contributing to the creation of an environment where people can live in good health with peace of mind. In addition, applications of EHW are expected in a wide range of fields, including contribution to improving the QOL of hemodialysis patients in the medical field, and increases in crop yields and higher added value for crops in the agricultural field. Its possibilities are expanding further and further.

Under the slogan “Society will always need our products, at any point in time,” the Group will contribute to the realization of a sustainable society and achieve sustainable enhancement of its corporate and shareholder value.

(*1) Water purification capacity was tested using the method specified in voluntary standards of Japan Water Purifier Association (JWPAS B). We have confirmed that the removal rate of PFOS and PFOA, which are particularly harmful among PFAS, is 80% or higher for all types of our water purification cartridges (results of JWPAS B.210 test).

During the current fiscal year, the Group’s net sales increased 7.5% year on year to 24,159 million yen, reaching a record high. On the other hand, operating profit decreased 10.5% to 2,940 million yen, ordinary profit decreased 11.0% to 3,147 million yen, and profit attributable to owners of parent decreased 9.4% to 2,030 million yen. In terms of profit, results were lower than in the previous fiscal year, mainly due to the strengthening of human resource investment, which we have been working on since the beginning of the fiscal year, the expansion of advertising investment in the bottled water business in Indonesia, and the impact of higher raw material cost burdens caused by significant changes in the external environment, such as the sharp rise in the price of platinum, which is used as a catalyst in the electrode plates of EHW apparatus.

Results by business segment were as follows.

Water Healthcare Business

In the EHW apparatus sales business in Japan, net sales of EHW apparatus for the current fiscal year increased 1.8% year on year to 9,242 million yen.

In the direct sales division, the DS Division, which primarily focuses on workplace sales, posted a 4.0% year-on-year increase in net sales. As the most efficient sales channel in the direct sales division, we have focused on expanding the DS Division. Measures such as appropriate personnel allocation, the launch of new products, and the review of sales prices were effective, leading to revenue expansion. In addition, sales channel development has progressed steadily in the sports and beauty care fields, financial institutions, and other areas.

In the wholesale and OEM division (MS Division), which covers indirect sales, net sales decreased 4.6% year on year. In the current fiscal year, sales started with a decrease in revenue due to the impact of a slowdown in sales to some existing agents in the first quarter. However, sales then continued to recover thanks to enhancements in sales support for agents, and we have gained a positive response toward sales expansion from the next fiscal year onward.

With regard to sales of water purification cartridges in Japan, which generate a consistent revenue stream once an EHW apparatus is installed, net sales increased 4.2% to 5,836 million yen, showing strong performance. We will continue to strengthen customer service, including regular information distribution and follow-up calls, aiming to maintain and expand a stable revenue base.

PT. SUPER WAHANA TEHNO, which operates a bottled water business in Indonesia, recorded net sales of 4,785 million yen (up 29.2% year on year). The business is growing steadily, driven by the strengthening of TV

commercials, advertisements on social networking services, and various promotional measures aimed at expanding market share, with monthly net sales reaching record highs seven times. In Indonesia, health awareness is steadily increasing, supported by higher income levels that have come with stable economic growth. This market environment has high compatibility with the branding of “water that is good for health,” which is a strength of the company, and it is an environment where the superiority of the Company’s brand can be easily demonstrated. The Company positions this business as a medium- to long-term growth driver. We will accurately capture future demand growth and aim for further significant growth. In addition, to respond to growing demand, we are proceeding with the new construction of our own factories. We will work to reinforce production capacity and improve management efficiency, with the goal of starting operations during fiscal 2027.

As a result of the above, the water healthcare business recorded net sales of 21,135 million yen (up 8.0% year on year), with segment profit of 2,711 million yen (down 6.4% year on year). The decrease in segment profit is due to the above-mentioned expansion of human resource investment, the increase of advertising expenses in the bottled water business in Indonesia, and the increase in raw material costs.

Medical Business

In the electrolyzed water hemodialysis (*2) business, net sales decreased 5.6% year on year to 102 million yen. The number of facilities that have adopted electrolyzed water hemodialysis has currently reached 37 facilities with 1,127 beds, including 3 facilities that newly adopted it in the current fiscal year, and approximately 3,400 people are currently receiving treatments with electrolyzed water hemodialysis. Interest at the Annual Meeting of the Japanese Society for Dialysis Therapy has been increasing, and we are progressing business discussions with facilities that became interested in electrolyzed water hemodialysis through this conference.

We take pride in our electrolyzed water hemodialysis, a revolutionary technology that can significantly enhance the well-being of dialysis patients. We have thus strengthened our efforts to collect evidence and improve dialysis machines, aiming to expand their use as a next generation therapy that sets the global standard for dialysis treatment. We will continue focusing on building foundations for the widespread use of electrolyzed water hemodialysis. Specifically, we are working to raise awareness by holding seminars, including nephrology conferences, at organizations around the country such as the Association for Clinical Engineers and by other means. We are also seeking new contract opportunities by bolstering cooperation with agencies, and strengthening information dissemination to dialysis patients.

(*2) Electrolyzed water hemodialysis offers a next-generation of new dialysis treatment using electrolyzed RO water containing dissolved hydrogen, which is produced by our technology, to dilute dialysate. It is the world’s first technology that focuses attention on the functions of water as a solvent. We obtained data suggesting that electrolyzed water hemodialysis may reduce the dosage of drugs, the complication rate, and the annual crude death rate (CDR) compared to traditional hemodialysis, which has drawn attention.

In the field of regenerative medicine, StemCell Institute Inc. (listed on TSE Growth Market, Securities Code: 7096, our share: 71.2%) achieved new record-high sales. The company published its earnings results for the fiscal year ended March 31, 2026, on May 13 this year, the same date as did the Group. For details, please refer to the StemCell Institute’s Summary of Financial Results for the Fiscal Year Ended March 31, 2026.

As a result of the above, the medical business recorded net sales of 3,024 million yen (up 4.4% year on year) with segment profit of 228 million yen (down 41.3% year on year). The decrease in segment profit is due to the expansion of human resource investment and the restructuring of the sales organization for StemCell Institute Inc., and expenses associated with the launch of business in Singapore with a view towards expansion across Southeast Asia.

(2) Overview of Financial Position for the Current Fiscal Year

Total assets increased 713 million yen, or 2.0%, from the end of the previous fiscal year to 36,067 million yen at the end of the current fiscal year on a consolidated basis.

(i) Assets

Current assets decreased 1,395 million yen, or 5.6%, from the end of the previous fiscal year to 23,355 million

yen. The main factors were decreases in cash and deposits of 1,185 million yen and securities of 1,001 million yen, despite an increase in notes and accounts receivable–trade of 776 million yen.

Non-current assets increased 2,108 million yen, or 19.9%, from the end of the previous fiscal year to 12,712 million yen. The main factors were increases in investment securities of 1,553 million yen and insurance funds included in other under investments and other assets of 474 million yen.

(ii) Liabilities

Current liabilities increased 572 million yen, or 8.0%, from the end of the previous fiscal year to 7,727 million yen. The main factors were increases in advances received of 371 million yen and accounts payable-other included in other of 152 million yen.

Non-current liabilities increased 206 million yen, or 7.8%, from the end of the previous fiscal year to 2,858 million yen. The main factors were increases in provision for share-based payments of 98 million yen, retirement benefit liability of 54 million yen, and long-term guarantee deposits included in other of 67 million yen, despite a decrease in long-term borrowings of 119 million yen.

(iii) Net assets

Net assets decreased 64 million yen, or 0.3%, from the end of the previous fiscal year to 25,481 million yen. The main factors were dividend payments of 1,077 million yen and an increase in treasury shares of 1,076 million yen, which were partially offset by the recognition of profit attributable to owners of parent of 2,030 million yen and an increase in non-controlling interests of 161 million yen.

(3) Overview of Cash Flows for the Current Fiscal Year

Cash and cash equivalents (hereinafter “net cash”) decreased 1,685 million yen from the end of the previous fiscal year to 13,709 million yen at the end of the current fiscal year on a consolidated basis.

Cash flows from operating activities

Net cash provided by operating activities was 2,851 million yen (2,675 million yen provided in the previous fiscal year).

The main factors include profit before income taxes of 3,146 million yen, depreciation of 512 million yen, a 370 million yen increase in advances received, and a 100 million yen increase in provision for share-based payments, which were partially offset by a 783 million yen increase in trade receivables and income taxes paid of 954 million yen.

Cash flows from investing activities

Net cash used in investing activities was 2,074 million yen (1,887 million yen used in the previous fiscal year).

The main factors were purchase of investment securities of 1,200 million yen, purchase of property, plant and equipment of 520 million yen, payments into time deposits of 500 million yen, purchase of insurance funds of 474 million yen, and purchase of shares of subsidiaries and associates of 374 million yen, which were partially offset by proceeds from redemption of securities of 1,000 million yen.

Cash flows from financing activities

Net cash used in financing activities was 2,411 million yen (552 million yen provided in the previous fiscal year).

The main factors were purchase of treasury shares of 1,161 million yen, dividends paid of 1,076 million yen, and repayments of long-term borrowings of 120 million yen.

Reference: Trends in Cash flow indicators

	FY3/22	FY3/23	FY3/24	FY3/25	FY3/26
Shareholders' equity ratio	74.5	72.4	70.7	67.8	65.8
Shareholders' equity ratio based on market value	74.2	80.0	98.4	83.6	88.0
Debt repayment period (years)	0.0	0.0	0.0	0.4	0.4

Notes: Shareholders' equity ratio: Shareholders' equity / Total assets
Shareholders' equity ratio based on market value: Market capitalization / Total assets

Debt repayment period: Interest-bearing debt / Operating cash flows

- * All indicators are calculated based on consolidated figures.
- * Market capitalization is calculated by multiplying the closing price at the end of period by the number of shares outstanding at the end of period (excluding treasury stock).
- * Operating cash flows are the figures for operating cash flows in the consolidated statement of cash flows. Interest-bearing debt includes all debt on the consolidated balance sheet that incurs interest.
- * Disclosure of interest coverage ratio (operating cash flows / interest payments) is omitted because the amount of interest payments is insignificant.

(4) Future Outlook

The Group has formulated a medium-term management plan that targets 31,000 million yen in consolidated net sales for the fiscal year ending March 31, 2028. With the EHW apparatus sales business as a pillar, we will also vigorously develop the bottled water business, electrolyzed water hemodialysis business, and businesses in the field of regenerative medicine, and aim to achieve the medium-term management plan and increase corporate value over the medium to long term.

With regard to the consolidated forecast for the fiscal year ending March 31, 2027, we forecast net sales of 27,000 million yen (up 11.8% year on year), operating profit of 3,300 million yen (up 12.2% year on year), ordinary profit of 3,500 million yen (up 11.2% year on year), and profit attributable to owners of parent of 2,200 million yen (up 8.3% year on year).

The Company's basic capital policy is to aim for a sustainable increase in shareholder value by achieving a solid balance of capital efficiency, shareholder returns and financial soundness.

Regarding capital efficiency, we have set ROE (return on equity) of 10% or higher as a target indicator. We will aim to increase corporate value over the medium to long term by actively investing in human capital and conducting research and development activities that form the basis for improving business performance and expanding business areas. We also recognize that the Company's capital cost is generally around 8%, and we will always secure a level of profitability that exceeds this level.

Regarding shareholder returns, we have set DOE (dividend on equity) of 4% as the standard. Unless there is a significant impact on business performance, we will pay progressive dividends while ensuring financial soundness. The dividend forecast for the fiscal year ending March 31, 2027 is 130 yen per share. As a result, the DOE for the fiscal year ending March 31, 2027 is expected to be 4.0%, with a dividend payout ratio of 44.5%.

Forecasts by business segment are as follows.

Water Healthcare Business

Regarding the EHW apparatus sales business, in recent years, interest in the "quality" and safety of water has been increasing due to growing awareness of health and beauty driven by the intestinal health boom, as well as water pollution in certain regions resulting from organic fluorine compounds (PFOS and PFOA). Our EHW apparatus is classified as a controlled medical device that has been approved for its effects on **improvement of gastrointestinal conditions**. In addition, the activated carbon filters used in our cartridges can effectively filter out certain organic fluorine compounds, and as such, we anticipate further growth in demand for EHW apparatus.

In the direct sales division, we will strengthen the recruitment of sales personnel to further expand workplace sales, with the aim of establishing a structure of 150 personnel by the end of fiscal 2026 (up 22.0% from the end of fiscal 2025). In addition, we will promote initiatives with a medium- to long-term perspective, including enhancing sales capabilities, further developing the sports and beauty care fields, cultivating new sales channels, developing new products, and strengthening evidence.

In the Wholesale division, we will strengthen sales support for existing domestic agents while working to acquire new major agents and expand overseas transactions.

With regard to sales of water purification cartridges, which generate a consistent revenue stream once an EHW apparatus is installed, we expect continuous stable sales growth in the next fiscal year.

For a bottled water business in Indonesia, we will further strengthen our advertising and marketing measures to gain a larger sales share. In addition, during fiscal 2026, we plan to change the material of gallon bottles in response to growing health awareness among consumers. Furthermore, during fiscal 2027, we will start operations at our new factories. We will strengthen production capability and increase efficiency to build a stable supply system.

Based on the above, for the fiscal year ending March 31, 2027, we plan to increase both sales and profit in the water healthcare business, with net sales of 23,560 million yen (up 11.5% year on year) and segment profit of 3,188 million yen (up 17.6% year on year). Regarding segment profit, we have factored in the above-mentioned human resource investment, strengthened advertising, and the rise in platinum prices, as well as an increase in raw material cost burdens caused by higher prices of petroleum-related raw materials due to the situation in the Middle East.

Medical Business

In the electrolyzed water hemodialysis business, we anticipate the introduction of the system at five new facilities in the fiscal year ending March 31, 2027. We will seek new candidates for introduction by actively participating in the 71st Annual Meeting of the Japanese Society for Dialysis Therapy to be held in June this year and other academic conferences organized by dialysis-related organizations, such as the Japanese Society of Renal Failure Complications and the Association of Electrolyzed Water-Hemodialysis (EW-HD) Study Group. We will continue to strengthen our efforts to collect evidence and improve dialysis machines, aiming to expand their use as the next generation of global standard therapy.

In the field of regenerative medicine, StemCell Institute plans to achieve record-high sales again in the next fiscal year by further growing its existing domestic business, fully expanding overseas business starting from Singapore, and vigorously developing new businesses. The company published its earnings forecast for the fiscal year ending March 31, 2027, on May 13 this year, the same date as did the Group. For details, please refer to the StemCell Institute's Summary of Financial Results.

Through the efforts mentioned above, for the fiscal year ending March 31, 2027, we expect the medical business, to achieve net sales of 3,440 million yen (up 13.7% year on year) and segment profit of 111 million yen (down 51.5% year on year). At StemCell Institute, expenses associated with the launch of business operations at its Singapore subsidiary, which is currently the company's highest-priority initiative, are expected to be incurred, and as a result, segment profit is expected to decrease. Taking into account trends among competitors in the Singapore market, the company positions this as an important investment phase for future market development and is therefore making proactive upfront investments.

2. Basic Approach for the Selection of Accounting Standards

The Group will continue to prepare consolidated financial statements using Generally Accepted Accounting Principles in Japan for the time being to permit comparisons with prior years and with the financial data of other companies. We will take suitable actions with regard to the application of International Financial Reporting Standards (IFRS) by taking into account associated factors in Japan and other countries.

3. Consolidated Financial Statements and Notes**(1) Consolidated Balance Sheet**

	(Thousands of yen)	
	FY3/25	FY3/26
	(As of Mar. 31, 2025)	(As of Mar. 31, 2026)
Assets		
Current assets		
Cash and deposits	15,394,490	14,209,247
Notes and accounts receivable-trade	6,343,591	7,119,741
Securities	1,001,865	—
Finished goods	627,719	601,950
Raw materials and supplies	1,104,771	1,135,760
Other	304,347	317,492
Allowance for doubtful accounts	(26,437)	(28,859)
Total current assets	24,750,348	23,355,332
Non-current assets		
Property, plant and equipment		
Buildings and structures	2,577,374	2,608,221
Accumulated depreciation	(1,457,752)	(1,547,471)
Buildings and structures, net	1,119,622	1,060,750
Land	2,983,117	2,998,407
Other	2,825,928	3,059,241
Accumulated depreciation	(1,941,325)	(2,086,941)
Other, net	884,602	972,300
Total property, plant and equipment	4,987,342	5,031,457
Intangible assets		
Goodwill	311,791	274,671
Other	318,356	327,311
Total intangible assets	630,147	601,983
Investments and other assets		
Investment securities	1,306,584	2,859,707
Deferred tax assets	487,909	560,328
Long-term time deposits	1,500,000	1,500,000
Other	1,740,947	2,172,756
Allowance for doubtful accounts	(49,500)	(14,173)
Total investments and other assets	4,985,940	7,078,619
Total non-current assets	10,603,431	12,712,060
Total assets	35,353,779	36,067,392

	(Thousands of yen)	
	FY3/25	FY3/26
	(As of Mar. 31, 2025)	(As of Mar. 31, 2026)
Liabilities		
Current liabilities		
Accounts payable-trade	589,774	619,947
Current portion of long-term borrowings	62,568	62,328
Income taxes payable	532,132	487,886
Advances received	4,072,488	4,443,644
Provision for bonuses	200,425	202,987
Provision for product warranties	85,000	92,000
Other	1,612,642	1,818,302
Total current liabilities	7,155,031	7,727,095
Non-current liabilities		
Long-term borrowings	1,131,089	1,011,161
Provision for share-based payments	177,454	276,357
Provision for retirement benefits for directors (and other officers)	260,406	293,901
Retirement benefit liability	367,842	422,802
Asset retirement obligations	64,192	64,540
Other	651,593	789,900
Total non-current liabilities	2,652,578	2,858,663
Total liabilities	9,807,610	10,585,759
Net assets		
Shareholders' equity		
Share capital	992,597	992,597
Capital surplus	1,864,182	1,807,969
Retained earnings	24,391,935	25,345,197
Treasury shares	(3,408,285)	(4,484,818)
Total shareholders' equity	23,840,429	23,660,945
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(14,881)	(23,243)
Foreign currency translation adjustment	108,612	92,394
Remeasurements of defined benefit plans	33,004	11,409
Total accumulated other comprehensive income	126,735	80,559
Non-controlling interests	1,579,004	1,740,128
Total net assets	25,546,169	25,481,633
Total liabilities and net assets	35,353,779	36,067,392

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

(Thousands of yen)

	FY3/25 (Apr. 1, 2024 – Mar. 31, 2025)	FY3/26 (Apr. 1, 2025 – Mar. 31, 2026)
Net sales	22,463,830	24,159,363
Cost of sales	7,027,368	7,766,476
Gross profit	15,436,462	16,392,887
Selling, general and administrative expenses	12,150,825	13,452,350
Operating profit	3,285,636	2,940,537
Non-operating income		
Interest income	56,756	106,916
Dividend income	245	–
Commission income	1,239	575
Share of profit of entities accounted for using equity method	2,000	–
Rental income from real estate	84,016	84,016
Foreign exchange gains	7,529	654
Surrender value of insurance policies	59,371	3,615
Gain on sale of non-current assets	38,678	36,407
Other	21,545	27,180
Total non-operating income	271,382	259,366
Non-operating expenses		
Interest expenses	2,310	5,510
Share of loss of entities accounted for using equity method	–	344
Depreciation of assets for rent	14,994	13,941
Provision of allowance for doubtful accounts	300	–
Commission for purchase of treasury shares	–	23,955
Other	4,138	8,545
Total non-operating expenses	21,742	52,298
Ordinary profit	3,535,276	3,147,604
Extraordinary income		
Gain on sale of non-current assets	–	961
Gain on sale of investment securities	149,274	–
Total extraordinary income	149,274	961
Extraordinary losses		
Loss on retirement of non-current assets	–	1,751
Loss on valuation of shares of subsidiaries and associates	214,134	–
Total extraordinary losses	214,134	1,751
Profit before income taxes	3,470,416	3,146,814
Income taxes-current	953,815	929,829
Income taxes-deferred	(36,776)	(56,152)
Total income taxes	917,039	873,677
Profit	2,553,377	2,273,137
Profit attributable to non-controlling interests	311,974	242,496
Profit attributable to owners of parent	2,241,402	2,030,640

Consolidated Statement of Comprehensive Income

(Thousands of yen)

	FY3/25 (Apr. 1, 2024 – Mar. 31, 2025)	FY3/26 (Apr. 1, 2025 – Mar. 31, 2026)
Profit	2,553,377	2,273,137
Other comprehensive income		
Valuation difference on available-for-sale securities	(107,869)	(12,135)
Foreign currency translation adjustment	97,017	(41,664)
Remeasurements of defined benefit plans, net of tax	41,325	(24,456)
Share of other comprehensive income of entities accounted for using equity method	649	503
Total other comprehensive income	31,123	(77,753)
Comprehensive income	2,584,501	2,195,383
Comprehensive income attributable to:		
Owners of parent	2,260,718	1,984,148
Non-controlling interests	323,782	211,235

(3) Consolidated Statement of Changes in Equity

FY3/25 (Apr. 1, 2024 - Mar. 31, 2025)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	992,597	1,823,945	22,838,855	(3,448,320)	22,207,077
Changes during period					
Dividends of surplus			(688,323)		(688,323)
Profit attributable to owners of parent			2,241,402		2,241,402
Purchase of treasury shares				(701,291)	(701,291)
Disposal of treasury shares		(30,778)		741,326	710,548
Purchase of shares of consolidated subsidiaries		(53,836)			(53,836)
Sale of shares of consolidated subsidiaries		124,851			124,851
Net changes in items other than shareholders' equity					
Total changes during period	—	40,236	1,553,079	40,035	1,633,351
Balance at end of period	992,597	1,864,182	24,391,935	(3,408,285)	23,840,429

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	64,947	49,075	(6,603)	107,420	1,312,848	23,627,347
Changes during period						
Dividends of surplus						(688,323)
Profit attributable to owners of parent						2,241,402
Purchase of treasury shares						(701,291)
Disposal of treasury shares						710,548
Purchase of shares of consolidated subsidiaries					(40,201)	(94,038)
Sale of shares of consolidated subsidiaries					54,133	178,984
Net changes in items other than shareholders' equity	(79,829)	59,536	39,607	19,315	252,223	271,539
Total changes during period	(79,829)	59,536	39,607	19,315	266,155	1,918,822
Balance at end of period	(14,881)	108,612	33,004	126,735	1,579,004	25,546,169

FY3/26 (Apr. 1, 2025 - Mar. 31, 2026)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	992,597	1,864,182	24,391,935	(3,408,285)	23,840,429
Changes during period					
Dividends of surplus			(1,077,378)		(1,077,378)
Profit attributable to owners of parent			2,030,640		2,030,640
Purchase of treasury shares				(1,137,926)	(1,137,926)
Disposal of treasury shares				61,393	61,393
Purchase of shares of consolidated subsidiaries		(56,212)			(56,212)
Sale of shares of consolidated subsidiaries					—
Net changes in items other than shareholders' equity					
Total changes during period	—	(56,212)	953,262	(1,076,533)	(179,483)
Balance at end of period	992,597	1,807,969	25,345,197	(4,484,818)	23,660,945

	Accumulated other comprehensive income				Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	(14,881)	108,612	33,004	126,735	1,579,004	25,546,169
Changes during period						
Dividends of surplus						(1,077,378)
Profit attributable to owners of parent						2,030,640
Purchase of treasury shares						(1,137,926)
Disposal of treasury shares						61,393
Purchase of shares of consolidated subsidiaries					(49,795)	(106,008)
Sale of shares of consolidated subsidiaries						—
Net changes in items other than shareholders' equity	(8,362)	(16,218)	(21,595)	(46,175)	210,919	164,743
Total changes during period	(8,362)	(16,218)	(21,595)	(46,175)	161,123	(64,536)
Balance at end of period	(23,243)	92,394	11,409	80,559	1,740,128	25,481,633

(4) Consolidated Statement of Cash Flows

(Thousands of yen)

	FY3/25 (Apr. 1, 2024 - Mar. 31, 2025)	FY3/26 (Apr. 1, 2025 - Mar. 31, 2026)
Cash flows from operating activities		
Profit before income taxes	3,470,416	3,146,814
Depreciation	471,446	512,546
Amortization of goodwill	37,119	37,119
Increase (decrease) in allowance for doubtful accounts	1,638	2,386
Increase (decrease) in provision for bonuses	15,424	2,561
Increase (decrease) in provision for share-based payments	88,654	100,359
Increase (decrease) in retirement benefit liability	17,079	22,272
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(39,166)	33,495
Interest and dividend income	(57,001)	(106,916)
Interest expenses	2,310	5,510
Share of loss (profit) of entities accounted for using equity method	(2,000)	344
Loss (gain) on sale of investment securities	(149,274)	—
Loss on valuation of shares of subsidiaries and associates	214,134	—
Loss (gain) on cancellation of insurance policies	(59,371)	—
Decrease (increase) in trade receivables	(569,224)	(783,916)
Decrease (increase) in inventories	(37,073)	(8,692)
Increase (decrease) in trade payables	26,950	40,933
Increase (decrease) in advances received	369,774	370,990
Increase (decrease) in accrued consumption taxes	(104,740)	19,890
Other, net	135,771	304,575
Subtotal	3,832,868	3,700,276
Interest and dividends received	61,741	111,313
Interest paid	(2,310)	(5,510)
Income taxes paid	(1,216,941)	(954,730)
Net cash provided by (used in) operating activities	2,675,358	2,851,348
Cash flows from investing activities		
Payments into time deposits	(1,500,000)	(500,000)
Proceeds from withdrawal of time deposits	500,000	—
Proceeds from redemption of securities	1,300,000	1,000,000
Purchase of property, plant and equipment	(759,901)	(520,839)
Proceeds from sale of property, plant and equipment	38,678	46,029
Purchase of intangible assets	(158,761)	(127,787)
Purchase of shares of subsidiaries and associates	(34,461)	(374,161)
Purchase of investment securities	(932,172)	(1,200,000)
Proceeds from sales of investment securities	203,024	—
Payments of leasehold and guarantee deposits	(17,663)	(11,567)
Proceeds from refund of leasehold and guarantee deposits	3,011	2,396
Purchase of insurance funds	(786,379)	(474,365)
Proceeds from cancellation of insurance funds	170,885	—
Other, net	86,341	85,326
Net cash provided by (used in) investing activities	(1,887,396)	(2,074,968)

	(Thousands of yen)	
	FY3/25	FY3/26
	(Apr. 1, 2024 - Mar. 31, 2025)	(Apr. 1, 2025 - Mar. 31, 2026)
Cash flows from financing activities		
Proceeds from long-term borrowings	1,211,000	–
Repayments of long-term borrowings	(17,343)	(120,168)
Purchase of treasury shares	(701,291)	(1,161,882)
Proceeds from disposal of treasury shares	710,706	74,066
Dividends paid	(687,703)	(1,076,573)
Dividends paid to non-controlling interests	(71,558)	–
Proceeds from sale of shares of subsidiaries not resulting in change in scope of consolidation	234,034	–
Purchase of treasury shares of subsidiaries	(94,038)	(106,008)
Other, net	(31,225)	(20,484)
Net cash provided by (used in) financing activities	552,580	(2,411,049)
Effect of exchange rate change on cash and cash equivalents	94,855	(50,574)
Net increase (decrease) in cash and cash equivalents	1,435,397	(1,685,243)
Cash and cash equivalents at beginning of period	13,959,093	15,394,490
Cash and cash equivalents at end of period	15,394,490	13,709,247

(5) Notes to Consolidated Financial Statements**Assumption for Going Concern**

Not applicable.

Segment and Other Information

(Segment information)

1. Overview of reportable segment

The Group's reportable segment is a component for which discrete financial information is available and which is regularly reviewed by the Group's highest decision-making body in order to determine management resources to be allocated to the segment and assess its performance.

There are two reportable operating segments: the water healthcare business and the medical business.

The water healthcare business includes EHW apparatus sales and associated operations. The medical business includes business operations in the fields of medical and preventive healthcare and regenerative medicine.

2. Calculation methods for net sales, profit or loss, assets, liabilities, and other items of each reportable segment

The accounting method used for reportable operating segments is generally the same as the methods adopted in the preparation of consolidated financial statements.

Profits for reportable segments are operating profit figures.

3. Information related to net sales, profit or loss, assets, liabilities and other items of each reportable segment

FY3/25 (Apr. 1, 2024 - Mar. 31, 2025)

	Reportable segment			Adjustments	(Thousands of yen) Amounts recorded in consolidated financial statements(Note)
	Water Healthcare	Medical	Subtotal		
Net sales					
Net sales to external customers	19,565,707	2,898,123	22,463,830	—	22,463,830
Inter-segment net sales and transfers	—	—	—	—	—
Total	19,565,707	2,898,123	22,463,830	—	22,463,830
Segment profit	2,895,811	389,825	3,285,636	—	3,285,636
Segment assets	25,894,625	8,040,143	33,934,768	1,419,011	35,353,779
Other items					
Depreciation	329,349	127,102	456,452	14,994	471,446
Increase in property, plant and equipment and intangible assets	353,441	710,157	1,063,599	—	1,063,599

Note: The segment profit subtotal is consistent with the operating profit of the consolidated statement of income.

FY3/26 (Apr. 1, 2025 - Mar. 31, 2026)

(Thousands of yen)

	Reportable segment			Adjustments	Amounts recorded in consolidated financial statements(Note)
	Water Healthcare	Medical	Subtotal		
Net sales					
Net sales to external customers	21,135,156	3,024,206	24,159,363	—	24,159,363
Inter-segment net sales and transfers	—	—	—	—	—
Total	21,135,156	3,024,206	24,159,363	—	24,159,363
Segment profit	2,711,685	228,851	2,940,537	—	2,940,537
Segment assets	26,439,703	8,222,620	34,662,323	1,405,069	36,067,392
Other items					
Depreciation	341,175	157,429	498,605	13,941	512,546
Increase in property, plant and equipment and intangible assets	276,018	321,659	597,678	—	597,678

Note: The segment profit subtotal is consistent with the operating profit of the consolidated statement of income.

Per Share Information

(Yen)

	FY3/25 (Apr. 1, 2024 - Mar. 31, 2025)	FY3/26 (Apr. 1, 2025 - Mar. 31, 2026)
Net assets per share	3,125.80	3,193.56
Net income per share	292.41	269.58

- Notes: 1. Diluted net income per share is not presented since the Company has no outstanding dilutive securities.
2. The following is a reconciliation of net income per share.
3. For the purpose of calculating net assets per share, the number of shares of the Company held by Custody Bank of Japan, Ltd. (Trust Account E) as trust assets for Employee Stock Ownership Plan (J-ESOP) was included in the number of treasury shares, which was to be deducted from the total number of shares issued at end of period (432,900 shares as of March 31, 2025 and 432,510 shares as of March 31, 2026). In addition, for the purpose of calculating net income per share, the number of shares of the Company held as trust assets was included in the number of treasury shares, which was to be deducted from the calculation of the average number of shares outstanding during the period (432,900 shares as of March 31, 2025 and 432,827 shares as of March 31, 2026).
4. For the purpose of calculating net assets per share, the number of shares of the Company held by The Nomura Trust & Banking Co., Ltd. (Nihon Trim Employee Shareholding Association Dedicated Trust Account) as trust assets for the Trust-Type Employee Shareholding Incentive Plan (E-Ship) was included in the number of treasury shares, which was to be deducted from the total number of shares issued at end of period (187,100 shares as of March 31, 2025 and 170,800 shares as of March 31, 2026). In addition, for the purpose of calculating net income per share, the number of shares of the Company held as trust assets was included in the number of treasury shares, which was to be deducted from the calculation of the average number of shares outstanding during the period (42,370 shares as of March 31, 2025 and 178,614 shares as of March 31, 2026).

	FY3/25 (Apr. 1, 2024 - Mar. 31, 2025)	FY3/26 (Apr. 1, 2025 - Mar. 31, 2026)
Net income per share		
Profit attributable to owners of parent (thousands of yen)	2,241,402	2,030,640
Profit not attributable to common shareholders (thousands of yen)	—	—
Profit attributable to common shareholders of parent (thousands of yen)	2,241,402	2,030,640
Average number of common shares outstanding during the period (shares)	7,665,202	7,532,616

Subsequent Events

Not applicable.

This financial report is solely a translation of “Kessan Tanshin” (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation.