May 13, 2026

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

[Japanese GAAP]

Company name: ROHTO PHARMACEUTICAL CO.,LTD.
Listing: Tokyo Stock Exchange
Securities code: 4527
URL: https://www.rohto.co.jp/
Representative: Hidetoshi Segi President and Representative Director
Inquiries: Masaya Saito Vice President and CFO
Telephone: +81-6-6758-8223
Scheduled date of annual general meeting of shareholders: June 24, 2026
Scheduled date to commence dividend payments: June 8, 2026
Scheduled date to file annual securities report: June 19, 2026
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors and analysts)

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

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

(1) Consolidated operating results (Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	343,725	11.4	41,118	7.5	47,971	20.8	34,247	11.0
March 31, 2025	308,625	14.0	38,234	(4.5)	39,725	(6.4)	30,841	(0.3)

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥ 48,795 million [41.3%]
For the fiscal year ended March 31, 2025: ¥ 34,529 million [(20.9)%]

	Net income per share	Diluted net income per share	Rate of return on equity	Ordinary income to total assets ratio	Operating income to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	151.56	145.29	12.1	10.4	12.0
March 31, 2025	135.38	134.72	12.1	10.1	12.4

Reference: Share of profit (loss) of entities accounted for using equity method
For the fiscal year ended March 31, 2026: ¥ 92 million
For the fiscal year ended March 31, 2025: ¥ 166 million

(Note) In the fiscal year ended March 31, 2026, the Company finalized the provisional accounting treatment for the business combination. Figures for the fiscal year ended March 31, 2025 reflect the details of the finalization of the provisional accounting treatment.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	485,771	320,174	62.1	1,334.04
March 31, 2025	437,039	280,737	60.2	1,163.86

Reference: Equity
As of March 31, 2026: ¥ 301,446 million
As of March 31, 2025: ¥ 262,990 million

(Note) In the fiscal year ended March 31, 2026, the Company finalized the provisional accounting treatment for the business combination. Figures for the fiscal year ended March 31, 2025 reflect the details of the finalization of the provisional accounting treatment.

(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
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	47,788	(29,780)	(11,845)	82,851
March 31, 2025	36,917	(89,170)	35,319	73,221

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	-	16.00	-	20.00	36.00	8,169	26.6	3.2
Fiscal year ended March 31, 2026	-	21.00	-	25.00	46.00	10,394	30.4	3.7
Fiscal year ending March 31, 2027 (Forecast)	-	25.00	-	25.00	50.00		-	

Note: For the fiscal year ended March 2026, the year-end dividend per share has been revised from 23 yen to 25 yen. For further details, please refer to the "Revision of Dividend Forecast (Dividend Increase)" released today (May 13, 2026).

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

(Percentages indicate year-on-year changes.)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	369,500	7.5	43,800	6.5	46,100	(3.9)	34,500	0.7	152.68

(Note) From the viewpoint of promoting constructive dialogue for medium-to long-term corporate value enhancement, we will disclose the earnings forecast for the full year only

*** Notes**

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

Newly included: 2 companies(Rohto MediLuxe Europe S.A.S.U. and one other)

Excluded: - companies( )

(Note) For details, please refer "(5) Notes to Consolidated Financial Statements", under "3. Consolidated Financial Statements and Major Notes" on page 19 of the attachment.

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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(3) Number of issued shares (common shares)

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

As of March 31, 2026	236,178,310 shares
As of March 31, 2025	236,178,310 shares

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

As of March 31, 2026	10,214,018 shares
As of March 31, 2025	10,213,934 shares

(iii) Average number of shares outstanding during the period

Fiscal Year ended March 31, 2026	225,964,350 shares
Fiscal Year ended March 31, 2025	227,804,227 shares

[Reference] Overview of non-consolidated financial results

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

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

	Net sales		Operating income		Ordinary income		Net income	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	140,843	3.1	20,506	2.4	32,360	42.7	24,883	31.9
March 31, 2025	136,557	5.9	20,026	(6.6)	22,679	(15.0)	18,860	(5.6)

	Net income per share	Diluted net income per share
Fiscal year ended	Yen	Yen
March 31, 2026	110.12	105.52
March 31, 2025	82.79	82.38

(2) Non-consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	253,217	179,203	70.6	791.37
March 31, 2025	232,738	159,288	68.3	703.23

Reference: Equity

As of March 31, 2026: ¥ 178,820 million

As of March 31, 2025: ¥ 158,905 million

Note 1: This summary report is not subject to the audit conducted by certified public accountants or audit firms.

Note 2: Cautionary statement with respect to forward-looking statements and other special items Forecasts regarding future performance in these materials are based on assumptions judged to be valid and information available to the Company at the time the materials were created. These materials are not promises by the Company regarding future performance. Actual results of operations may differ significantly from the forecasts depending on various factors. For discussion of the assumptions and other factors considered by the Company in preparing the above projections, please refer to page 6 of the attachments “1. Overview of Results of Operations and Other Information, (4) Future Outlook.

Contents of Attachments

1. Overview of Results of Operations and Other Information

(1) Explanation of Results of Operations

(Millions of yen)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent
Fiscal year ended Mar. 31, 2026	**343,725**	**41,118**	**47,971**	**34,247**
Fiscal year ended Mar. 31, 2025	308,625	38,234	39,725	30,841
Year-on-year change (%)	11.4	7.5	20.8	11.0

During the current fiscal year, the Japanese economy remained on a moderate recovery track owing to progress with job creation and wage growth, but consumers remained cautious due to price increases, with personal consumption appearing a mixed bag depending on the field. Against the backdrop of the trend toward a weaker yen, the number of foreign visitors to Japan increased, underpinning domestic consumption. Regarding overseas economies, there is continued uncertainty over future US monetary policy and economic slowdowns in Europe and emerging Asian markets, with the effects of weakening demand and exchange rate fluctuations spreading. Furthermore, resource and energy price fluctuations due to the protracted situations in the Middle East and Ukraine are driving up costs, and the business environment remains uncertain.

Under these circumstances, the Company announced the Rohto Group Medium- to Long-Term Growth Strategy 2025-2035 and the Management Policy for Achieving Long-Term Growth on May 13, 2025. At Rohto, we define our purpose as “to lead all individuals and society surrounding us to ‘well-being’ by delivering ‘health’ to people around the world through our products and services and to make people happier and make the future brighter.” We are making efforts every day to achieve this goal.

Consequently, net sales increased significantly to 343,725 million yen (up 11.4% year-on-year). In Japan, sales increased, reflecting product proposals that meet customer needs as well as rising inbound demand. Overseas, despite effects of the yen’s appreciation, sales also increased significantly due to product proposals that meet customer needs and inclusion of the results of Singaporean Chinese herbal medicine manufacturing and sales company Eu Yan Sang International Ltd. and Austrian pharmaceutical and medical device manufacturing and sales company Mono chem-pharm Produkte GmbH in the consolidated statement of income from the third quarter of the previous fiscal year.

As for profits, operating income was 41,118 million yen (up 7.5% year-on-year), ordinary income was 47,971 million yen (up 20.8% year-on-year), and profit attributable to owners of parent was 34,247 million yen (up 11.0% year-on year), due to increased net sales despite a rising cost of sales ratio.

Results by reportable segment are as follows.

(Millions of yen)

		Net sales (Sales to customers)			
		Fiscal year ended Mar. 31, 2025	**Fiscal year ended Mar. 31, 2026**	Year-on-year change (Amount)	Year-on-year change (%)
Reportable segment	Japan	164,988	**169,326**	4,337	2.6
	Americas	20,769	**21,553**	784	3.8
	Europe	19,163	**23,889**	4,725	24.7
	Asia	100,336	**125,327**	24,990	24.9
	Subtotal	305,258	**340,096**	34,838	11.4
Others		3,366	**3,628**	262	7.8
Total		308,625	**343,725**	35,100	11.4

Japan

Sales to outside customers increased to 169,326 million yen (up 2.6% year-on-year).

Sales were brisk for “Rohto V5” supplements, new lip balm products, “Hadalabo” skincare products, “GYUTTO,” which is a new hair mask launched in the previous fiscal year, and eye drops. Among the domestic group companies, Rohto Nitten Co., Ltd. and Amato Pharmaceutical Products, Ltd. contributed to sales growth.

Segment profit (operating income basis) decreased to 22,126 million yen (down 1.5% year-on-year) due to profit decreases at our consolidated subsidiaries, although the Company continued to record a profit increase.

Americas

Sales to outside customers increased to 21,553 million yen (up 3.8% year-on-year).

Hydrox Laboratories, which manufactures and sells medical disinfectants and other products, continued to perform strongly. In addition, our consolidated subsidiaries in Brazil, which experienced strong performances in the sales of “Hadalabo” and the ophthalmology business, also made a contribution to the increase in sales.

Segment profit (operating income basis) increased significantly to 1,705 million yen (up 10.6% year-on-year) due to an increase in sales as well as an improved cost of sales ratio.

Europe

Sales to outside customers increased significantly to 23,889 million yen (up 24.7% year-on-year).

Dax Cosmetics, based in Poland, contributed to the increase in sales due to the strong sales of “Hadalabo Tokyo” and “YOSKINE.” Sales of “Rohto Dry Aid” and “Rohto Dry Aid Fresh Boost” eye drops also remained strong. Furthermore, Mono chem-pharm Produkte GmbH has also contributed to sales.

Segment profit (operating income basis) decreased to 1,007 million yen (down 28.8% year-on-year) due to an increase in selling, general and administrative expenses in addition to a higher cost of sales ratio resulting from a lower production volume caused by the bankruptcy of a container supplier for anti-inflammatory analgesic products, as well as higher unit prices from alternative suppliers in the UK.

Asia

Sales to outside customers increased significantly to 125,327 million yen (up 24.9% year-on-year).

Sales were strong in Vietnam, Indonesia, and other Southeast Asian countries. In the second quarter of the current fiscal year, our Myanmar subsidiary obtained an import license in the country, where it had faced difficulties in the import of raw materials and products. This allowed it to go into production and contribute to the increase in sales. In addition, Eu Yan Sang International Ltd. contributed to sales. Regarding the performance of particular products, “Hadalabo,” “Acnes” skincare products, “Selsun” antidandruff shampoo, and eye drops are among those that contributed to the increase in sales.

Segment profit (operating income basis) increased significantly to 15,048 million yen (up 29.8% year-on-year).

In the current fiscal year, the Company finalized the provisional accounting treatment for the business combination. For comparison and analysis with the previous fiscal year, the amounts after the revision reflecting the finalization of the provisional accounting treatment are used. Please refer to "3. Consolidated Financial Statements and Major Notes, (5) Notes to Consolidated Financial Statements, Business Combination, etc." for further information.

(2) Overview of Financial Position

Total assets at the end of the current fiscal year were 485,771 million yen, an increase of 48,732 million yen from the end of the previous fiscal year. This was mainly due to an increase of 9,654 million yen in cash and deposits, an increase of 13,197 million yen in trademark right, and an increase of 9,477 million yen in investment securities.

Total liabilities were 165,596 million yen, an increase of 9,294 million yen from the end of the previous fiscal year. The main factors were an increase of 17,707 million yen in short-term borrowings, an increase of 2,819 million yen in deferred tax liabilities, while long-term borrowings decreased by 14,945 million yen.

Net assets totaled 320,174 million yen, an increase of 39,437 million yen from the end of the previous fiscal year. This was mainly due to increases in retained earnings and total accumulated other comprehensive income of 24,905 million yen and 13,550 million yen, respectively.

In the current fiscal year, the Company finalized the provisional accounting treatment for the business combination. For comparison and analysis with the end of the previous fiscal year, the amounts after the revision reflecting the finalization of the provisional accounting treatment are used. Please refer to "3. Consolidated Financial Statements and Major Notes, (5) Notes to Consolidated Financial Statements, Business Combination, etc." for further information.

(3) Overview of Cash Flows

(Millions of yen)

Item	Fiscal year ended Mar. 31, 2025	**Fiscal year ended Mar. 31, 2026**	Year-on-year change (Amount)
Cash and cash equivalents at the beginning of the period	86,562	**73,221**	(13,340)
Cash flows from operating activities	36,917	**47,788**	10,870
Cash flows from investing activities	(89,170)	**(29,780)**	59,389
Cash flows from financing activities	35,319	**(11,845)**	(47,164)
Effect of exchange rate changes on cash and cash equivalents	3,374	**3,325**	(49)
Increase (decrease) in cash and cash equivalents	(13,558)	**9,488**	23,046
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	217	**142**	(74)
Cash and cash equivalents at the end of the period	73,221	**82,851**	9,630

Cash and cash equivalents amounted to 82,851 million yen at the end of the current fiscal year, an increase of 9,630 million yen from the end of the previous fiscal year.

Operating activities

Net cash provided by operating activities in the current fiscal year amounted to 47,788 million yen, an increase of 10,870 million yen from the previous fiscal year. While income before income taxes amounted to 46,821 million yen, and depreciation, which is a factor contributing to a cash flow increase, amounted to 15,329 million yen, there were income taxes paid of 11,940 million yen, a 5,184 million yen increase in trade receivables, and a 2,069 million yen increase in inventories, which are factors contributing to a cash flow decrease.

Investing activities

Net cash used in investing activities in the current fiscal year amounted to 29,780 million yen, a decrease of 59,389 million yen from the previous fiscal year. This was mainly due to payments of 14,757 million yen for the purchase of intangible assets and 11,494 million yen for the purchase of property, plant and equipment in the current fiscal year, while in the previous fiscal year, net cash used was mainly due to payments of 74,479 million yen for the purchase of shares of subsidiaries resulting in change in scope of consolidation and 9,080 million yen for the purchase of property, plant and equipment.

Financing activities

Net cash used by financing activities amounted to 11,845 million yen in the current fiscal year, compared to 35,319 million yen provided in the previous fiscal year. This was mainly due to dividends paid of 9,264 million yen and repayments of finance lease liabilities of 4,456 million yen, while in the previous fiscal year, net cash provided was mainly due to proceeds from share issuance to non-controlling shareholders of 31,620 million yen and proceeds from issuance of convertible bonds of 25,270 million.

(4) Future Outlook

(Millions of yen)

	Net sales	Operating income	Ordinary income	Profit attributable to owners of parent
Fiscal year ending Mar. 31, 2027 (forecast)	369,500	43,800	46,100	34,500
Fiscal year ended Mar. 31, 2026 (results)	343,725	41,118	47,971	34,247
Year-on-year change (%)	7.5	6.5	(3.9)	0.7

With regard to the economic outlook, the moderate recovery trend of the Japanese economy is expected to continue against the backdrop of wage hikes, expansion of capital investment, and rising inbound demand despite concerns about households' growing frugality due to persisting price increases. On the other hand, the outlook for overseas economies remains uncertain, due in part to growing uncertainties caused by geopolitical risk.

In these circumstances, the Rohto Group will adapt to the changes in the business environment, aiming to expand business further and improve earnings by creating new products that respond appropriately to changing customer needs. The Group is also endeavoring to achieve innovations, including through alliances with a wide range of companies.

In view of this situation, for the fiscal year ending March 31, 2027, the Company projects net sales of 369.5 billion yen, operating income of 43.8 billion yen, ordinary income of 46.1 billion yen, and profit attributable to owners of parent of 34.5 billion yen.

These forecasts are based on an exchange rate of 155 yen to the U.S. dollar and 22 yen to the Chinese yuan.

2. Basic Approach to the Selection of Accounting Standards

The Rohto Group will continue to prepare consolidated financial statements using the 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 by taking into account associated factors in Japan and other countries.

3. Consolidated Financial Statements and Major Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	77,161	86,816
Notes and accounts receivable - trade	47,129	52,684
Electronically recorded monetary claims - operating	23,261	24,592
Merchandise and finished goods	36,386	38,134
Work in process	5,059	5,278
Raw materials and supplies	20,135	22,265
Other	9,255	9,930
Allowance for doubtful accounts	(510)	(429)
Total current assets	217,879	239,274
Non-current assets		
Property, plant and equipment		
Buildings and structures	77,292	80,296
Accumulated depreciation	(44,003)	(46,040)
Buildings and structures, net	33,288	34,255
Machinery, equipment and vehicles	79,529	83,275
Accumulated depreciation	(63,552)	(67,175)
Machinery, equipment and vehicles, net	15,976	16,099
Tools, furniture and fixtures	26,436	27,756
Accumulated depreciation	(21,799)	(23,208)
Tools, furniture and fixtures, net	4,636	4,547
Land	16,970	17,756
Right-of-use assets	26,986	29,099
Accumulated depreciation	(11,771)	(13,955)
Right-of-use assets, net	15,215	15,144
Construction in progress	4,344	5,147
Other	235	277
Accumulated depreciation	(215)	(217)
Other, net	20	60
Total property, plant and equipment	90,451	93,011
Intangible assets		
Trademark right	26,955	40,152
Goodwill	34,793	34,242
Other	9,484	9,504
Total intangible assets	71,233	83,899
Investments and other assets		
Investment securities	46,427	55,904
Long-term loans receivable	6,751	6,985
Retirement benefit asset	2,149	3,046
Deferred tax assets	3,975	4,154
Other	5,555	7,306
Allowance for doubtful accounts	(7,484)	(7,899)
Total investments and other assets	57,375	69,498
Total non-current assets	219,060	246,409
Deferred assets		
Bond issuance costs	99	87
Total deferred assets	99	87
Total assets	437,039	485,771

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	19,050	20,937
Electronically recorded obligations - operating	3,006	1,709
Short-term borrowings	7,035	24,742
Accrued expenses	20,138	22,715
Income taxes payable	5,975	6,572
Accrued consumption taxes	988	339
Provision for bonuses	4,161	4,089
Provision for bonuses for directors (and other officers)	65	75
Refund liabilities	16,343	17,556
Other	17,843	18,611
Total current liabilities	94,608	117,349
Non-current liabilities		
Convertible-bond-type bonds with share acquisition rights	25,370	25,316
Long-term borrowings	17,818	2,872
Deferred tax liabilities	7,948	10,767
Retirement benefit liability	1,770	707
Provision for loss on guarantees	3	-
Lease liabilities	7,186	7,314
Other	1,596	1,267
Total non-current liabilities	61,693	48,246
Total liabilities	156,302	165,596
Net assets		
Shareholders' equity		
Share capital	6,504	6,504
Retained earnings	231,713	256,618
Treasury shares	(9,939)	(9,939)
Total shareholders' equity	228,278	253,183
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	9,466	14,285
Foreign currency translation adjustment	23,820	31,333
Remeasurements of defined benefit plans	1,425	2,643
Total accumulated other comprehensive income	34,711	48,262
Share acquisition rights	382	382
Non-controlling interests	17,363	18,346
Total net assets	280,737	320,174
Total liabilities and net assets	437,039	485,771

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	308,625	343,725
Cost of sales	134,232	151,030
Gross profit	174,393	192,695
Selling, general and administrative expenses		
Promotion expenses	18,282	21,660
Advertising expenses	39,224	40,942
Salaries and bonuses	24,773	28,814
Provision for bonuses	1,562	1,369
Provision for bonuses for directors (and other officers)	50	58
Retirement benefit expenses	590	553
Depreciation	4,511	7,692
Amortization of goodwill	1,205	2,048
Research and development expenses	14,912	13,727
Provision of allowance for doubtful accounts	8	(23)
Other	31,037	34,733
Total selling, general and administrative expenses	136,158	151,576
Operating income	38,234	41,118
Non-operating income		
Interest income	1,223	1,132
Dividend income	556	4,410
Share of profit of entities accounted for using equity method	166	92
Foreign exchange gains	516	1,338
Gain on investments in investment partnerships	143	403
Other	900	1,630
Total non-operating income	3,507	9,009
Non-operating expenses		
Interest expenses	949	1,284
Provision of allowance for doubtful accounts	475	413
Other	590	457
Total non-operating expenses	2,016	2,155
Ordinary income	39,725	47,971

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Extraordinary income		
Gain on sale of investment securities	3,931	337
Gain on sale of shares of subsidiaries and associates	39	-
National subsidies	181	-
Total extraordinary income	4,151	337
Extraordinary losses		
Loss on retirement of non-current assets	-	198
Impairment losses	51	43
Loss on tax purpose reduction entry of non-current assets	124	-
Loss on valuation of investment securities	2,048	1,229
Loss on valuation of shares of subsidiaries and associates	26	15
Total extraordinary losses	2,251	1,486
Income before income taxes	41,626	46,821
Income taxes - current	11,627	12,630
Income taxes - deferred	(463)	(226)
Total income taxes	11,164	12,404
Net income	30,462	34,417
Profit (loss) attributable to non-controlling interests	(378)	169
Profit attributable to owners of parent	30,841	34,247

Consolidated Statements of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net income	30,462	34,417
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,809)	4,814
Foreign currency translation adjustment	5,040	8,345
Remeasurements of defined benefit plans, net of tax	834	1,217
Share of other comprehensive income of entities accounted for using equity method	1	1
Total other comprehensive income	4,067	14,378
Comprehensive income	34,529	48,795
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	35,091	47,804
Comprehensive income attributable to non-controlling interests	(561)	990

(3) Consolidated Statements of Changes in Equity

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,504	4,516	209,399	(4,939)	215,480
Changes during period					
Dividends of surplus			(7,072)		(7,072)
Profit attributable to owners of parent			30,841		30,841
Purchase of treasury shares				(5,000)	(5,000)
Change in scope of consolidation			(255)		(255)
Increase in retained earnings from decrease of entities accounted for by the equity method			289		289
Transfer from retained earnings to capital surplus		1,488	(1,488)		-
Change in ownership interest of parent due to transactions with non-controlling interests		(6,004)			(6,004)
Net changes in items other than shareholders' equity					
Total changes during period	-	(4,516)	22,314	(5,000)	12,798
Balance at end of period	6,504	-	231,713	(9,939)	228,278

	Accumulated other comprehensive income			
	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	11,276	18,594	591	30,461
Changes during period				
Dividends of surplus				
Profit attributable to owners of parent				
Purchase of treasury shares				
Change in scope of consolidation				
Increase in retained earnings from decrease of entities accounted for by the equity method				
Transfer from retained earnings to capital surplus				
Change in ownership interest of parent due to transactions with non-controlling interests				
Net changes in items other than shareholders' equity	(1,810)	5,225	834	4,250
Total changes during period	(1,810)	5,225	834	4,250
Balance at end of period	9,466	23,820	1,425	34,711

	Share acquisition rights	Non-controlling interests	Total net assets
Balance at beginning of period	382	710	247,036
Changes during period			
Dividends of surplus			(7,072)
Profit attributable to owners of parent			30,841
Purchase of treasury shares			(5,000)
Change in scope of consolidation			(255)
Increase in retained earnings from decrease of entities accounted for by the equity method			289
Transfer from retained earnings to capital surplus			-
Change in ownership interest of parent due to transactions with non-controlling interests			(6,004)
Net changes in items other than shareholders' equity	-	16,652	20,902
Total changes during period	-	16,652	33,701
Balance at end of period	382	17,363	280,737

For the fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	6,504	-	231,713	(9,939)	228,278
Changes during period					
Dividends of surplus			(9,264)		(9,264)
Profit attributable to owners of parent			34,247		34,247
Purchase of treasury shares				(0)	(0)
Change in scope of consolidation			(81)		(81)
Increase in retained earnings from decrease of entities accounted for by the equity method					-
Transfer from retained earnings to capital surplus					-
Change in ownership interest of parent due to transactions with non-controlling interests			2		2
Net changes in items other than shareholders' equity					
Total changes during period	-	-	24,905	(0)	24,904
Balance at end of period	6,504	-	256,618	(9,939)	253,183

	Accumulated other comprehensive income			
	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	9,466	23,820	1,425	34,711
Changes during period				
Dividends of surplus				
Profit attributable to owners of parent				
Purchase of treasury shares				
Change in scope of consolidation				
Increase in retained earnings from decrease of entities accounted for by the equity method				
Transfer from retained earnings to capital surplus				
Change in ownership interest of parent due to transactions with non-controlling interests				
Net changes in items other than shareholders' equity	4,819	7,513	1,217	13,550
Total changes during period	4,819	7,513	1,217	13,550
Balance at end of period	14,285	31,333	2,643	48,262

	Share acquisition rights	Non-controlling interests	Total net assets
Balance at beginning of period	382	17,363	280,737
Changes during period			
Dividends of surplus			(9,264)
Profit attributable to owners of parent			34,247
Purchase of treasury shares			(0)
Change in scope of consolidation			(81)
Increase in retained earnings from decrease of entities accounted for by the equity method			-
Transfer from retained earnings to capital surplus			-
Change in ownership interest of parent due to transactions with non-controlling interests			2
Net changes in items other than shareholders' equity	-	982	14,532
Total changes during period	-	982	39,437
Balance at end of period	382	18,346	320,174

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from operating activities		
Income before income taxes	41,626	46,821
Depreciation	12,096	15,329
Impairment losses	51	43
Amortization of goodwill	1,205	2,048
Increase (decrease) in allowance for doubtful accounts	64	(96)
Increase (decrease) in provision for bonuses	(260)	(90)
Increase (decrease) in retirement benefit liability	(27)	(313)
Increase (decrease) in provision for loss on guarantees	(23)	-
Bad debt expense	475	413
Loss on tax purpose reduction entry of non-current assets	124	-
National subsidies	(181)	-
Loss (gain) on sale of investment securities	(3,931)	(337)
Loss (gain) on valuation of investment securities	2,048	1,229
Loss on valuation of shares of subsidiaries and associates	26	15
Loss (gain) on sale of shares of subsidiaries and associates	(39)	-
Interest and dividend income	(1,780)	(5,543)
Interest expenses	949	1,284
Share of loss (profit) of entities accounted for using equity method	(166)	(92)
Decrease (increase) in trade receivables	1,950	(5,184)
Decrease (increase) in inventories	(4,051)	(2,069)
Increase (decrease) in trade payables	(1,288)	(141)
Other, net	(1,851)	2,204
Subtotal	47,018	55,522
Interest and dividends received	2,005	5,495
Interest paid	(888)	(1,307)
Income taxes paid	(11,237)	(11,940)
Income taxes refund	18	18
Net cash provided by (used in) operating activities	36,917	47,788

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from investing activities		
Payments into time deposits	(2,705)	(2,552)
Proceeds from withdrawal of time deposits	1,517	2,655
Purchase of property, plant and equipment	(9,080)	(11,494)
Proceeds from sale of property, plant and equipment	26	26
Purchase of intangible assets	(1,481)	(14,757)
Purchase of investment securities	(6,832)	(4,704)
Proceeds from sale and redemption of investment securities	4,457	1,319
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(74,479)	-
Subsidies received	181	-
Long-term loan advances	(758)	(217)
Proceeds from collection of long-term loans receivable	2	4
Other, net	(18)	(59)
Net cash provided by (used in) investing activities	(89,170)	(29,780)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(2,310)	2,638
Proceeds from long-term borrowings	14,908	1,847
Repayments of long-term borrowings	(5,961)	(2,607)
Proceeds from issuance of convertible bonds	25,270	-
Purchase of treasury shares	(5,000)	(0)
Dividends paid	(7,072)	(9,264)
Proceeds from share issuance to non-controlling shareholders	31,620	-
Dividends paid to non-controlling interests	(1)	(1)
Repayments of lease liabilities	(2,626)	(4,456)
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(13,505)	-
Net cash provided by (used in) financing activities	35,319	(11,845)
Effect of exchange rate change on cash and cash equivalents	3,374	3,325
Net increase (decrease) in cash and cash equivalents	(13,558)	9,488
Cash and cash equivalents at beginning of period	86,562	73,221
Increase in cash and cash equivalents resulting from inclusion of subsidiaries in consolidation	217	142
Cash and cash equivalents at end of period	73,221	82,851

(5) Notes to Consolidated Financial Statements

Going Concern Assumption

No reportable information.

Changes in Presentation

(Consolidated balance sheets)

“Trademark right,” which was included in “Other” under “Intangible assets” in the previous fiscal year, is separately presented due to increased materiality of the amount following the finalization of the provisional accounting treatment for the business combination.

As a result, 8,575 million yen presented as “Other” under “Intangible assets” in the consolidated balance sheets for the previous fiscal year has been reclassified as “Trademark right” of 26,955 million yen and “Other” of 9,484 million yen to reflect material revisions to the initial allocation of acquisition costs due to the finalization of the tentative accounting treatment. Please refer to "3. Consolidated Financial Statements and Major Notes, (5) Notes to Consolidated Financial Statements, Business Combination, etc." for further information.

“Lease liabilities,” which was included in “Other” under “Non-current liabilities” in the previous fiscal year, is separately presented in the current fiscal year due to increased materiality of the amount. To reflect this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, 8,783 million yen presented as “Other” under “Non-current liabilities” in the consolidated balance sheets for the previous fiscal year has been reclassified as “Lease liabilities” of 7,186 million yen and “Other” of 1,596 million yen.

(Consolidated statements of cash flows)

“Repayments of lease liabilities,” which was included in “Other” under “Cash flows from financing activities” in the previous fiscal year, is separately presented in the current fiscal year due to increased materiality of the amount. To reflect this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified.

As a result, (2,626) million yen presented as “Other” under “Cash flows from financing activities” in the consolidated statements of cash flows for the previous fiscal year has been reclassified as “Repayments of lease liabilities” of (2,626) million yen.

Changes in the Scope of Consolidation and the Scope of Application of Equity Method

Starting from the current fiscal year, Rohto MediLuxe Europe S.A.S.U. and one other subsidiary, which had previously been nonconsolidated, have been included in the scope of consolidation due to their increased materiality.

Business Combination, etc.

Finalization of the Provisional Accounting Treatment for Business Combinations

Business combination with Eu Yan Sang International Ltd.

Regarding the business combination with Eu Yan Sang International Ltd. on June 3, 2024 for which provisional accounting treatment was applied in the previous fiscal year, the accounting treatment was finalized in the current fiscal year.

Following the finalization of the provisional accounting treatment, significant revision of the initially allocated amounts of the acquisition cost is reflected in the comparative information included in the consolidated financial statements for the current fiscal year.

As a result, the amount of goodwill provisionally calculated at 44,792 million yen decreased by 12,533 million yen to 32,258 million yen due to the finalization of the accounting treatment. The decrease in goodwill was mainly due to increases of work in process by 93 million yen, merchandise and finished goods by 465 million yen, trademark right by 26,527 million yen, other intangible assets by 884 million yen, other non-current liabilities by 5,873 million yen, and non-controlling interests by 9,441 million yen. As for the amounts at the end of the previous fiscal year, trademark right increased by 26,110 million yen, other intangible assets increased by 863 million yen, other non-current liabilities increased by 5,664 million yen, retained earnings increased by 3,268 million yen, and non-controlling interests increased by 5,689 million yen, while goodwill decreased by 12,353 million yen and foreign currency translation adjustment decreased by 3 million yen. As for consolidated statement of income for the previous fiscal year, due to increases of cost of sales by 546 million yen and selling, general and administrative expenses by 147 million yen, and a decrease of income taxes - deferred by 209 million yen, gross profit decreased by 546 million yen, operating income, ordinary income, and income before income taxes decreased by 693 million yen, net income decreased by 483 million yen, and profit attributable to owners of parent decreased by 167 million yen.

The value of the identified trademark rights as of the business combination date was calculated using the income approach (relief from royalty method). The key assumptions used in measuring value were sales growth rates for individual product categories, royalty rates, and discount rates.

Business combination with Mono chem-pharm Produkte GmbH

Regarding the business combination with Mono chem-pharm Produkte GmbH on August 23, 2024 for which provisional accounting treatment was applied in the previous fiscal year, the accounting treatment was finalized in the current fiscal year.

Following the finalization of the provisional accounting treatment, significant revision of the initially allocated amounts of the acquisition cost is reflected in the comparative information included in the consolidated financial statements for the current fiscal year.

As a result, the amount of goodwill provisionally calculated at 1,715 million yen decreased by 350 million yen to 1,364 million yen due to the finalization of the accounting treatment. The decrease in goodwill was due to increases of other intangible assets by 892 million yen, other non-current liabilities by 205 million yen, and non-controlling interests by 336 million yen. As for the amounts at the end of the previous fiscal year, other intangible assets increased by 891 million yen, other non-current liabilities increased by 202 million yen, retained earnings increased by 2 million yen, foreign currency translation adjustment increased by 10 million yen, and non-controlling interests increased by 328 million yen, while goodwill decreased by 347 million yen. As for consolidated statement of income for the previous fiscal year, due to an increase of selling, general and administrative expenses by 10 million yen and a decrease of income taxes - deferred by 5 million yen, operating income, ordinary income, and income before income taxes decreased by 10 million yen, and net income decreased by 5 million yen, while profit attributable to owners of parent increased by 2 million yen.

Segment and Other Information

Segment Information

1. Overview of reportable segments

Segments used for financial reporting are the Company's constituent units for which separate financial information is available and for which the Board of Directors performs periodic studies for the purposes of determining the allocation of resources and evaluating performance.
The Company undertakes manufacture and sales activities mainly in the health and beauty care categories. Within Japan, these operations are mainly handled by the Company. Overseas, operations are mainly handled by The Mentholatum Company, Inc. in America, The Mentholatum Company Ltd. (UK). in Europe, and The Mentholatum (Asia Pacific) Ltd., Mentholatum (China) Pharmaceutical Co., Ltd. and Eu Yan Sang International Ltd. in Asia, together with overseas affiliates.
These affiliates each operate as autonomous business units, formulating comprehensive strategies in each region and developing business activities for the products and services they undertake.
Accordingly, the Company comprises the four geographical reportable segments of Japan, Americas, Europe, and Asia based on our manufacturing and sales structure. In each segment, we manufacture and sell eye care (including eye drops and eyewash preparations), skincare (including dermal medicines, lip balm, sunscreens, and functional cosmetics), internal medicines and foods (including gastrointestinal medicines, traditional Chinese herbal medicines and supplements), medical solutions (including CDMO business and ophthalmic pharmaceuticals for professional medical use), and other products and services, such as in-vitro test kits.

2. Calculation methods for net sales, profits/losses, assets, liabilities, and other items for each reportable segment
The accounting treatment methods for reportable segments are generally the same as those listed in "Significant Accounting Policies in the Preparation of Consolidated Financial Statements" presented in the Group's annual securities report (*Yuka Shoken Hokokusho*).
Profits for reportable segments are generally operating income figures. Inter-segment sales and transfers are determined based on market prices.

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

Prior Fiscal Year (Apr. 1, 2024 – Mar. 31, 2025)

(Millions of yen)

	Reportable segment (Note 1)					Others (Note 2)	Total	Adjustment (Note 3)	Reported in consolidated statements of income (Note 4)
	Japan	Americas	Europe	Asia	Subtotal				
Net sales Revenue From Contracts with Customers	164,988	20,769	19,163	100,336	305,258	3,366	308,625	—	308,625
(1)Sales to customers	164,988	20,769	19,163	100,336	305,258	3,366	308,625	—	308,625
(2)Inter-segment sales and transfers	3,864	1,824	170	5,498	11,357	85	11,442	(11,442)	—
Total	168,852	22,593	19,334	105,835	316,616	3,451	320,068	(11,442)	308,625
Segment profit	22,453	1,542	1,414	11,595	37,005	354	37,360	874	38,234
Segment assets	255,255	30,486	26,712	174,497	486,950	2,489	489,440	(52,400)	437,039
Segment liabilities	84,458	3,504	6,514	64,432	158,908	464	159,372	(3,070)	156,302
Other items									
Depreciation	6,659	682	460	4,253	12,056	40	12,096	—	12,096
Amortization of goodwill	325	27	45	807	1,205	—	1,205	—	1,205
Increase in property, plant and equipment and intangible fixed assets	8,479	1,091	2,057	31,521	43,150	272	43,422	—	43,422

Notes: 1. "Americas" includes the business activities of overseas entities in the U.S. and Brazil, and others; "Europe" those in the U.K, Poland, South Africa, and others; and "Asia" those in China, Singapore, Malaysia, Vietnam, and others.

2. "Others" is the business that is excluded from reportable segments, and includes the business activities of entities in Australia.

3. (1) "Adjustment" to segment profit of 874 million yen indicates elimination for intersegment transactions.

(2) "Adjustment" to segment assets of (52,400) million yen and liabilities of (3,070) million yen indicate an elimination for intersegment transactions.

4. Segment profit is adjusted with operating income reported in the consolidated statement of income.

5. During the fiscal year ended March 2026, the Company finalized the provisional accounting treatment for the business combination. Segment information for fiscal year ended March 31, 2025 reflect the details of the finalization of the provisional accounting treatment.

Current Fiscal Year (Apr. 1, 2025– Mar. 31, 2026)

(Millions of yen)

	Reportable segment (Note 1)					Others (Note 2)	Total	Adjustment (Note 3)	Reported in consolidated statements of income (Note 4)
	Japan	Americas	Europe	Asia	Subtotal				
Net sales									
Revenue From Contracts with Customers	169,326	21,553	23,889	125,327	340,096	3,628	343,725	—	343,725
(1)Sales to customers	169,326	21,553	23,889	125,327	340,096	3,628	343,725	—	343,725
(2)Inter-segment sales and transfers	4,671	1,602	204	5,781	12,260	60	12,321	(12,321)	—
Total	173,997	23,156	24,093	131,109	352,357	3,689	356,047	(12,321)	343,725
Segment profit	22,126	1,705	1,007	15,048	39,887	383	40,271	846	41,118
Segment assets	279,941	34,870	32,382	189,201	536,396	3,397	539,793	(54,022)	485,771
Segment liabilities	87,497	4,152	8,252	68,600	168,503	664	169,167	(3,571)	165,596
Other items									
Depreciation	7,198	677	743	6,660	15,279	49	15,329	—	15,329
Amortization of goodwill	320	27	94	1,605	2,048	—	2,048	—	2,048
Increase in property, plant and equipment and intangible fixed assets	22,301	338	1,067	5,962	29,670	248	29,918	—	29,918

Notes: 1. "Americas" includes the business activities of overseas entities in the U.S. and Brazil, and others; "Europe" those in the U.K, Poland, Austria, and others; and "Asia" those in China, Singapore, Malaysia, Vietnam, and others.

2. "Others" is the business that is excluded from reportable segments, and includes the business activities of entities in Australia.

3. (1) "Adjustment" to segment profit of 846 million yen indicates elimination for intersegment transactions.

(2) "Adjustment" to segment assets of (54,022) million yen and liabilities of (3,571) million yen indicate an elimination for intersegment transactions.

4. Segment profit is adjusted with operating income reported in the consolidated statement of income.

Related information

Prior Fiscal Year (Apr. 1, 2024– Mar. 31, 2025)

Products and services information

(Millions of yen)

	Eye Care	Skin Care	Internal Medicine/Food	Medical	Others	Total
Sales to customers	41,532	186,182	39,872	34,191	6,846	308,625

Current Fiscal Year (Apr. 1, 2025 – Mar. 31, 2026)

Products and services information

(Millions of yen)

	Eye Care	Skin Care	Internal Medicine/Food	Medical	Others	Total
Sales to customers	45,381	196,923	54,342	38,078	8,998	343,725

Note: From the perspective of further clarifying initiatives for growth businesses under Rohto Group Medium- to Long-Term Growth Strategy 2025-2035 announced on May 13, 2025, we have revised classifications based on products and services, and have added the new classification of "Medical." The figures for the previous fiscal year have also been listed based on the revised classification.

Impairment loss on fixed assets for each reportable segment

Prior Fiscal Year (Apr. 1, 2024 – Mar. 31, 2025)

(Millions of yen)

	Reportable segment					Others	Adjustment	Total
	Japan	Americas	Europe	Asia	Subtotal			
Impairment losses on fixed assets	16	-	-	35	51	-	-	51

Current Fiscal Year (Apr. 1, 2025 – Mar. 31, 2026)

(Millions of yen)

	Reportable segment					Others	Adjustment	Total
	Japan	Americas	Europe	Asia	Subtotal			
Impairment losses on fixed assets	-	-	-	43	43	-	-	43

Per-share Information

(Yen)

	Prior Fiscal Year (Apr. 1, 2024 – Mar. 31, 2025)	Current Fiscal Year (Apr. 1, 2025 – Mar. 31, 2026)
Net assets per share	1,163.86	1,334.04
Net income per share	135.38	151.56
Diluted net income per share	134.72	145.29

Notes: 1. In the fiscal year ended March 31, 2026, the Company finalized the provisional accounting treatment for the business combination. Figures for the fiscal year ended March 31, 2025 reflect the details of the finalization of the provisional accounting treatment.

2. Basis for calculation of basic net income per share and diluted net income per share are as follows.

(Millions of yen)

Item	Prior Fiscal Year (Apr. 1, 2024 – Mar. 31, 2025)	Current Fiscal Year (Apr. 1, 2025 – Mar. 31, 2026)
Net income per share		
Profit attributable to owners of parent	30,841	34,247
Amount not available to common stock shareholders	—	—
Profit attributable to owners of parent applicable to common stock	30,841	34,247
Average number of common stock shares outstanding during the period (thousand shares)	227,804	225,964
Diluted net income per share		
Adjusted to profit attributable to owners of parent (Note)	(3)	(37)
Increase in the number of common stock shares (thousand shares)	1,095	9,497
[of which subscription rights to shares (thousand shares)]	[660]	[659]
[of which convertible-bond-type bonds with share acquisition rights (thousand shares)]	[435]	[8,837]
Summary of dilutive shares not included in the calculation of “diluted net income per share” since there was no dilutive effect.	———	

Note: Amortization during the period (net of tax) pertaining to the difference due to the issuance of bonds at a price higher than the face value of the bonds.

Notes: 3. Basis for calculation of net assets per share is as follows.

(Millions of yen)

Item	Prior Fiscal Year (Apr. 1, 2024 – Mar. 31, 2025)	Current Fiscal Year (Apr. 1, 2025 – Mar. 31, 2026)
Total net assets on the balance sheets	280,737	320,174
Deduction from total net assets	17,746	18,728
[of which subscription rights to shares]	[382]	[382]
[of which non-controlling interests]	[17,363]	[18,346]
Net assets applicable to common stock	262,990	301,446
Number of common stock shares used in calculation of net assets per share (thousand shares)	225,964	225,964

Material Subsequent Events

No reportable information.

* 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.