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Consolidated Financial Statements for the First Quarter of the Fiscal Year Ending March 31, 2027 [Japanese GAAP]

August 6, 2026

Company name VITAL KSK HOLDINGS, INC. Stock exchange listing Tokyo
Code number 3151 URL https://www.vitalksk.co.jp/
Representative (Title) President & CEO (Name) Taisuke Murai
Contact (Title) Director of Accounting & Finance (Name) Isao Kita (TEL) +81-3-5787-8565
Scheduled date of commencing dividend payments —
Preparation of supplementary explanatory materials : Yes
Financial results briefing : No

(Amounts of less than one million yen are rounded down.)

1. Consolidated Results for the First Quarter of the Fiscal Year Ending March 31, 2027 (From April 1, 2026 to June 30, 2026)

(1) Consolidated Operating Results (Cumulative) (% indicates changes from the previous corresponding period.)

	Net sales		Core operating profit		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2026	154,600	4.3	1,041	(6.4)	643	(20.2)	843	(16.2)	359	(48.2)
Three months ended June 30, 2025	148,179	1.3	1,112	-	806	(34.5)	1,005	(33.1)	693	(33.7)

(Note) Comprehensive income Three months ended June 30, 2026 (520)Million yen (- %) Three months ended June 30, 2025 (441)Million yen (- %)

	Quarterly earnings per share	Diluted quarterly earnings per share
	Yen	Yen
Three months ended June 30, 2026	7.44	-
Three months ended June 30, 2025	14.36	-

(Note) Regarding core operating profit, please refer to "1. Qualitative Information on Quarterly Financial Results, Explanation of Operating Results."

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
Three months ended June 30, 2026	322,285	115,915	35.5
Year ending March 31, 2026	320,568	118,707	36.6

(Reference) Equity Three months ended June 30, 2026 114,413Million yen Year ending March 31, 2026 117,223Million yen

2. Cash Dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ending March 31, 2026	-	34.00	-	36.00	70.00
Year ending March 31, 2027	-				
Year ending March 31, 2027 (Forecast)		35.00	-	35.00	70.00

(Note) Revision to the forecast for dividends announced most recently : None

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

(% indicates changes from the previous fiscal year)

	Net sales		Core operating profit		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	620,000	1.6	5,700	7.4	4,100	1.8	5,000	(36.1)	7,500	1.9	155.03

(Note) Revision to the forecast of consolidated results announced most recently : None

* Notes

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

(2) Application of specific accounting procedures for the preparation of quarterly consolidated financial statements : Yes

(Note) For details, please see page 8 of the attached materials, "(3) Notes to Quarterly Consolidated Financial Statements (Application of specific accounting procedures for the preparation of quarterly consolidated financial statements)."

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

(i) Changes in accounting policies due to the revision of accounting standards : Yes

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

(iii) Changes in accounting estimates : None

(iv) Restatements : None

(4) Total number of outstanding shares (common shares)

(i) Total number of outstanding shares (including treasury shares)	June 30, 2026	51,902,976 shares	March 31, 2026	51,902,976 shares
(ii) Total number of treasury shares	June 30, 2026	3,864,111 shares	March 31, 2026	3,525,894 shares
(iii) Average number of shares during the period (quarterly cumulative)	June 30, 2026	48,289,380 shares	June 30, 2025	48,274,908 shares

* Review of the accompanying quarterly consolidated financial statements by certified public accountants or an auditing corporation : Yes (optional)

* Explanation of the proper use of performance forecast and other notes

- The earnings forecast and other forward-looking statements herein are based on the information currently available and certain assumptions deemed reasonable by the Company, and thus actual results may differ significantly from these forecasts due to a wide range of factors.

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1. Qualitative Information on Quarterly Financial Results

Explanation of Operating Results

During the first quarter of the current consolidated fiscal year, the global economic outlook has become increasingly uncertain due to concerns over rising resource distribution and logistics costs accompanying heightened tensions in the Middle East, including the situation in Iran, as well as trends in U.S. trade policy. In the Japanese economy, although there are signs of improvement in corporate earnings and wage increases, uncertainty in the business environment has reached unprecedented levels due to a wide range of concerns, including exchange rate fluctuations and interest rate trends associated with the normalization of monetary policy. Overall, the economic outlook remains extremely difficult to predict.

In the pharmaceutical wholesale industry, which is the Group's main business, although drug prices were lowered due to the April 2026 drug price revision, it is expected that discussions will intensify toward a drastic reform of policies and systems related to people's lives and health, such as the social security system and the drug price system, and the policy of curbing drug costs is expected to continue.

In addition, while major drug patents are expiring and the use of generic drugs is being promoted, the focus of new drugs being launched is shifting to specialty pharmaceuticals. In the pharmaceutical wholesale business, there is a growing demand for advanced information-provision and logistics capabilities.

Under these circumstances, the Company launched the "Medium-Term Management Plan 2027 -Move on to the Next Stage-" (FY2025-FY2027) in April 2025. As a company listed on the Tokyo Stock Exchange Prime Market, the Company has fully adopted the concept of group management with a focus on capital cost, aiming to achieve sustainable growth for the Group and enhance corporate value over the medium to long term. To this end, the Company is working on strengthening the profitability of existing businesses and reviewing the businesses themselves, in addition to making aggressive investments for growth. Among these initiatives, one of the Group's major challenges is the "Pharmaceutical Business (business of supporting introduction of unapproved drugs)," for which the Company newly established MEDLEAP PHARMA COMPANY LIMITED (a consolidated subsidiary of the Company) on September 16, 2025. Progress has been made in research and development, such as its new drug candidate "ferric maltol (development code: ST10)" proceeding to Phase 2 trials, and we continue to make research and development investments. In addition, as part of our efforts to enhance logistics functions, the Isehara Logistics Center of VITAL-NET, Inc. (Isehara City, Kanagawa Prefecture) was completed on April 9, 2026. This facility is equipped with high-quality logistics functions that comply not only with GDP standards for pharmaceutical distribution but also with GMP standards for pharmaceutical manufacturing. We are positioning this facility as the core of our 3PL business (Note 1) and are striving for further expansion. Furthermore, KSK CO., LTD. opened "Elcare," an e-commerce site handling femtech and femcare products, on April 9, 2026 ,as part of the initiatives of the Women's Healthcare Solutions Department, which focuses on solving women's health issues. We are working to enhance our services, such as by expanding our product lineup, to become a presence that can support each woman in both mind and body.

Regarding the performance for the first quarter of the current consolidated fiscal year, net sales were 154,600 million yen (104.3% of the same period of the previous year), and operating profit was 643 million yen (79.8% of the same period of the previous year). In addition, core operating profit (Note 2), which is before deducting "research and development expenses" in the new pharmaceutical business (business of supporting introduction of unapproved drugs), was 1,041 million yen (93.6% of the same period of the previous year). Ordinary profit was 843 million yen (83.8% of the same period of the previous year), and profit attributable to owners of parent was 359 million yen (51.8% of the same period of the previous year).

Note 1: 3PL business: A business in which the Group comprehensively undertakes everything from logistics planning and design to execution on behalf of pharmaceutical companies.

Note 2: Starting from the previous fiscal year, in addition to the conventional "operating profit," we calculate "core operating profit," which is before deducting "research and development expenses," as an indicator of the profitability of our ongoing business.

Performance by segment is as follows.

(i) Pharmaceutical Wholesale Business

In the pharmaceutical wholesale business, although there were slight negative impacts from the drug price revision, revenue increased due to efforts to focus on the sale of products eligible for the Patent-period price Maintenance Program for Innovative Drugs (PMP), mainly anticancer drugs. On the profit side, although there were increases in selling, general and administrative expenses due to the recording of expenses related to various DX initiatives and rising prices such as fuel costs, profit increased due to the revenue growth effect.

As a result of the above, net sales were 144,979 million yen (104.3% of the same period of the previous year), and segment profit (operating profit) was 1,103 million yen (101.9% of the same period of the previous year).

(ii) Pharmacy Business

In the pharmacy business, although the number of prescriptions decreased, revenue increased slightly due to efforts to increase income from dispensing technical fees and pharmaceutical management fees. On the profit side, despite efforts to calculate dispensing fees related to family pharmacy functions and to manage costs, profit decreased due to factors such as the impact of the dispensing fee and drug price revisions. As a result of the above, net sales were 4,894 million yen (101.1% of the same period of the previous year), and segment loss (operating loss) was 60 million yen (segment profit of 42 million yen for the same period of the previous year).

(iii) Veterinary Drug Wholesale Business

In the Veterinary Drug Wholesale Business, revenue remained almost at the same level as the previous year, partly due to intensifying sales competition. On the profit side, despite efforts to manage costs, profit decreased slightly as the increase in personnel and fuel costs could not be absorbed. As a result of the above, net sales were 3,077 million yen (99.7% of the same period of the previous year), and segment profit (operating profit) was 73 million yen (94.5% of the same period of the previous year).

(iv) Pharmaceutical Business (business of supporting introduction of unapproved drugs)

The Pharmaceutical Business (business of supporting introduction of unapproved drugs) is a new business launched in September 2025, and no sales were posted in the first quarter of the current consolidated fiscal year, while expenses necessary for business activities including research and development expenses came to 420 million yen, and segment loss amounted to the same amount of 420 million yen.

(v) Nursing Care-related Rental and Other Business

In the Nursing Care-related Rental and Other Business, revenue increased due to factors including the consolidation of Yachiyo Care Holdings Co., Ltd. in December 2025. On the profit side, although there were increases in selling, general and administrative expenses due to rising prices such as personnel and fuel costs, the segment loss narrowed due to the revenue growth effect. As a result, net sales were 1,648 million yen (127.7% of the same period of the previous year), and segment loss (operating loss) was 61 million yen (segment loss of 85 million yen for the same period of the previous year).

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	22,953	22,762
Notes and accounts receivable - trade	121,233	127,425
Inventories	33,283	31,242
Accounts receivable - other	12,825	11,269
Other	4,662	4,920
Allowance for doubtful accounts	(52)	(52)
Total current assets	194,905	197,567
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	20,851	20,702
Land	24,651	24,665
Other, net	5,488	6,259
Total property, plant and equipment	50,990	51,627
Intangible assets		
Goodwill	2,646	2,563
Other	4,240	3,993
Total intangible assets	6,887	6,556
Investments and other assets		
Investment securities	53,057	52,008
Other	15,311	15,150
Allowance for doubtful accounts	(583)	(623)
Total investments and other assets	67,785	66,534
Total non-current assets	125,662	124,718
Total assets	320,568	322,285

(Million yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	169,767	174,063
Short-term borrowings	950	950
Current portion of long-term borrowings	984	979
Income taxes payable	2,537	663
Provision for bonuses	1,579	2,484
Other	7,401	9,176
Total current liabilities	183,219	188,317
Non-current liabilities		
Long-term borrowings	3,893	3,645
Other provisions	231	232
Retirement benefit liability	427	212
Other	14,090	13,962
Total non-current liabilities	18,642	18,053
Total liabilities	201,861	206,370
Net assets		
Shareholders' equity		
Share capital	5,000	5,000
Capital surplus	5,302	5,302
Retained earnings	81,013	79,627
Treasury shares	(3,960)	(4,482)
Total shareholders' equity	87,355	85,447
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	27,438	26,632
Remeasurements of defined benefit plans	2,429	2,333
Total accumulated other comprehensive income	29,867	28,965
Non-controlling interests	1,483	1,501
Total net assets	118,707	115,915
Total liabilities and net assets	320,568	322,285

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

First quarter consolidated cumulative period

(Million yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net sales	148,179	154,600
Cost of sales	136,426	142,190
Gross profit	11,752	12,410
Selling, general and administrative expenses	10,946	11,767
Operating profit	806	643
Non-operating income		
Interest income	6	9
Dividend income	139	125
Share of profit of entities accounted for using equity method	-	5
Rental income	65	62
Other	91	67
Total non-operating income	303	270
Non-operating expenses		
Interest expenses	17	18
Rental expenses	12	16
Share of loss of entities accounted for using equity method	57	-
Other	16	35
Total non-operating expenses	104	70
Ordinary profit	1,005	843
Extraordinary income		
Gain on sale of non-current assets	8	39
Gain on sale of investment securities	289	44
Total extraordinary income	298	83
Extraordinary losses		
Loss on retirement of non-current assets	0	1
Total extraordinary losses	0	1
Profit before income taxes	1,304	925
Income taxes	587	544
Profit	716	380
Profit attributable to non-controlling interests	23	21
Profit attributable to owners of parent	693	359

Quarterly Consolidated Statements of Comprehensive Income

First quarter consolidated cumulative period

(Million yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Profit	716	380
Other comprehensive income		
Valuation difference on available-for-sale securities	(950)	(715)
Remeasurements of defined benefit plans	(32)	(96)
Share of other comprehensive income of entities accounted for using equity method	(175)	(89)
Total other comprehensive income	(1,158)	(901)
Quarterly comprehensive income	(441)	(520)
(Breakdown)		
Quarterly comprehensive income attributable to owners of parent	(465)	(542)
Quarterly comprehensive income attributable to non-controlling interests	23	21

(3) Notes to Quarterly Consolidated Financial Statements

(Significant matters that serve as the basis for the preparation of quarterly consolidated financial statements)

The quarterly consolidated financial statements are prepared in accordance with Article 4, Paragraph 1 of Standards for Preparation of Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. and accounting principles generally accepted in Japan for quarterly financial statements, applying the provisions for reduced disclosures as set forth in Article 4, Paragraph 2 of the Standards.

(Notes on going concern assumption)

Three months ended June 30, 2026

Not applicable.

(Notes in the case of significant changes in amount of shareholders' equity)

Three months ended June 30, 2026

Not applicable.

(Changes in accounting policies)

(Implementation Guidance on Accounting for Financial Instruments)

The "Implementation Guidance on Accounting for Financial Instruments" (Implementation Guidance No. 9, March 11, 2025) has been applied from the beginning of the first quarter of the current consolidated fiscal year. There is no impact on the quarterly consolidated financial statements.

(Application of Accounting Standards for Interim Financial Statements, etc.)

The "Accounting Standard for Interim Financial Statements" (ASBJ Statement No. 37, October 16, 2025) and the "Implementation Guidance on Accounting Standard for Interim Financial Statements" (ASBJ Guidance No. 34, October 16, 2025) have been applied from the beginning of the first quarter of the current consolidated fiscal year.There is no impact on the quarterly consolidated financial statements.

(Accounting policies adopted specially for the preparation of quarterly consolidated financial statements)

Calculation of tax expenses

Tax expenses are calculated by the method in which the effective tax rate on profit before income taxes for the current consolidated fiscal year after application of tax effect accounting is reasonably estimated, and profit before income taxes for the interim period is multiplied by the estimated effective tax rate.

(Segment information)

(Segment information)

1. Overview of reportable segments

The Group's reportable segments are components of the Group about which separate financial information is available. These segments are subject to periodic examinations to enable the company's Board of Directors to decide how to allocate resources and assess performance.

The Group’s segment is categorized based on the business of its operating company, and thus its main segments, the “Pharmaceutical Wholesale Business,” the “Pharmacy Business,” the “Veterinary Drug Wholesale Business,” the “Pharmaceutical Business,” and the “Nursing Care-related Rental and Other Business” comprise the Group’s reportable segments.

The “Pharmaceutical Wholesale Business” is engaged in sales of drugs, diagnostic products, medical devices, materials, etc. to medical institutions, such as hospitals, clinics, and pharmacies. The “Pharmacy Business” is engaged in sales of drugs, medical devices and equipment, and hygiene materials, etc. to general consumers. The “Veterinary Drug Wholesale Business” is engaged in sales of veterinary drugs, feeds, etc. to farms, ranches, veterinary hospitals, clinics, etc. In the “Pharmaceutical Business,” the Company engages in providing support, etc. for the introduction of new drugs that are not yet approved in Japan but have been approved in Europe and the United States. The “Nursing Care-related Rental and Other Business” includes nursing care-related rental business, nursing care service business, wholesale business handling agricultural chemicals, etc., transport business, sports-related facility operating business and consulting business for medical institutions.

2. Method of measurement for the amounts of net sales, profit (loss), assets and other items for each reportable segment

The method of accounting for the reportable business segments is generally the same as those stated in "Basis for the Presentation of the Consolidated Financial Statements."

Profit in the reportable segments is based on operating profit.

Inter-segment revenues and transfers are calculated at prevailing market prices.

3. Information on net sales, profit (loss), assets and other items by reportable segment

Three months ended June 30, 2025

(Million yen)

	Reportable segment					
	Pharmaceutical Wholesale Business	Pharmacy Business	Veterinary Drug Wholesale Business	Pharmaceutical Business	Nursing Care-related Rental and Other Business	Total
Net sales						
Net sales to outside customers	138,959	4,842	3,086	-	1,291	148,179
Inter-segment net sales or transfers	2,790	3	0	-	693	3,487
Total	141,749	4,845	3,086	-	1,984	151,666
Segment profit or loss (△)	1,082	42	77	(306)	(85)	810

	Adjustment (Note 1, 2)	Amount recorded in quarterly consolidated statements of income (Note 3)
Net sales		
Net sales to outside customers	-	148,179
Inter-segment net sales or transfers	(3,487)	-
Total	(3,487)	148,179
Segment profit or loss (△)	(4)	806

(Note) 1. Adjustment of sales of (3,487) million yen was mainly due to the elimination of intersegment transactions.
2. Adjustment of segment profit (loss) of (4) million yen refers to elimination of inter-segment transactions.
3. Adjustments are made to reconcile segment income (loss) to operating profit reported on the quarterly consolidated statements of income.

Three months ended June 30, 2026

(Million yen)

	Reportable segment					
	Pharmaceutical Wholesale Business	Pharmacy Business	Veterinary Drug Wholesale Business	Pharmaceutical Business	Nursing Care-related Rental and Other Business	Total
Net sales						
Net sales to outside customers	144,979	4,894	3,077	-	1,648	154,600
Inter-segment net sales or transfers	2,826	3	0	-	722	3,551
Total	147,805	4,897	3,077	-	2,371	158,152
Segment profit or loss (△)	1,103	(60)	73	(420)	(61)	633

	Adjustment (Note 1, 2)	Amount recorded in quarterly consolidated statements of income (Note 3)
Net sales		
Net sales to outside customers	-	154,600
Inter-segment net sales or transfers	(3,551)	-
Total	(3,551)	154,600
Segment profit or loss (△)	9	643

(Note) 1. Adjustment of sales of (3,551) million yen was mainly due to the elimination of intersegment transactions.
2. Adjustment of segment profit (loss) of 9 million yen refers to elimination of inter-segment transactions.
3. Adjustments are made to reconcile segment income (loss) to operating profit reported on the quarterly consolidated statements of income.

(Notes on statement of cash flows)

The Company did not prepare quarterly consolidated statements of cash flows for the first quarter under review. Depreciation (including amortization of intangible assets except for goodwill) and amortization of goodwill for the first quarter under review are as follows:

	Three months ended June 30, 2025	Three months ended June 30, 2026
Depreciation	905 million yen	995 million yen
Amortization of goodwill	36	83