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August 7, 2026

Consolidated Earnings Report for the First Three Month of Fiscal 2026 [Japanese GAAP]

Company Name: BML, Inc.
Stock Listing: Tokyo Stock Exchange
Stock Code: 4694
URL: https://www.bml.co.jp
Representative: Kensuke Kondo, President and Representative Director
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Scheduled Date for Payment of Dividends: –
Creation of Supplementary Explanatory Materials: None
Holding of Explanatory Meeting: None

(Rounded down to nearest million yen)

1. Results for the First Three Month of Fiscal 2026 (April 1, 2026–June 30, 2026)

(1) Consolidated business results

(% indicates year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
First three month of FY2026	39,036	2.7	3,000	7.0	3,114	7.2	1,980	6.3
First three month of FY2025	38,026	6.8	2,804	10.1	2,904	9.6	1,862	9.1

(Note) Comprehensive income: First three month of FY2026 ¥1,960 million / 5.2%
First three month of FY2025 ¥1,862 million / 8.3%

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
First three month of FY2026	52.85	52.82
First three month of FY2025	47.75	47.73

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	¥ million	¥ million	%
As of June 30, 2026	179,931	131,507	70.6
As of March 31, 2026	183,247	132,129	69.7

(Reference) Equity capital: As of June 30, 2026 ¥127,091 million As of March 31, 2026 ¥127,646 million

2. Dividends

	Dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Year-end	Full year
	Yen	Yen	Yen	Yen	Yen
FY2025	–	60.00	–	65.00	125.00
FY2026	–				
FY2026 (forecast)		62.50	–	62.50	125.00

(Note) Revision of dividend projection from recently announced figures: None

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

(% indicates year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	Yen
Full year	155,000	3.2	10,500	0.8	11,000	(0.1)	7,000	(9.7)	186.75

(Note) Revision from recently projected results: None

*** Notes**

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

Newly included: - companies (Company name:)

Excluded: - companies (Company name:)

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

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

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

2) Changes in accounting policies due to other reason: None

3) Changes in accounting estimates: None

4) Restatement: None

(4) Number of outstanding shares (common shares)

a. Number of outstanding shares at the end of the period (treasury shares included)

As of June 30, 2026	40,749,426	As of March 31, 2026	40,749,426

b. Number of treasury shares at the end of the period

As of June 30, 2026	3,265,827	As of March 31, 2026	3,265,827

c. Average number of shares during the period

First three month of FY2026	37,483,599	First three month of FY2025	39,006,609

* Review of the attached quarterly financial results conducted by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

Earnings forecasts contained in these materials are based on certain assumptions judged to be reasonable, and on the information available when the forecasts were made. However, the Company makes no guarantee that these forecasts will be achieved. Actual results may differ significantly from the forecasts due to a variety of factors. Please refer to "(3) Consolidated earnings forecasts and others" under "1. Overview of Financial Performance" on page 3 of this earnings report concerning financial forecasts such as the assumptions used for financial forecasts, factors that could cause these assumptions to change, and cautionary notes.

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1. Overview of Financial Performance

(1) Operating results for cumulative quarter under review

In the first three months of the fiscal year under review, the Japanese economy continued to show a mild recovery trend due to improvements in the employment and income environment, as well as the effects of various government policies. However, it is necessary to pay attention to the impact of the situation in the Middle East and fluctuations in financial and capital markets and other trends.

Under these economic conditions, in the contract clinical testing industry, FY2026 is a year for the biennial revision of medical service fees under the national health insurance (NHI) system. Although there was no reduction in medical service fees for clinical testing as in the past, the business environment continues to be challenging due to rising costs as well as increasing burdens associated with securing personnel amid labor shortages.

Under these circumstances, net sales for the first three months of the fiscal year under review were ¥39,036 million, an increase of 2.7% year on year, and operating profit was ¥3,000 million, an increase of 7.0% year on year. Ordinary profit was ¥3,114 million, an increase of 7.2% year on year, and profit attributable to owners of parent was ¥1,980 million, an increase of 6.3% year on year. Net sales increased due to steady progress in acquiring new customers and the promotion of price optimization measures that we have been pursuing. Profit increased due to higher net sales from acquiring new customers and price optimization, despite an increase in depreciation associated with the start of operations for testing equipment in the new wings of the BML General Laboratory.

Conditions by business segment are described below.

In the clinical testing business, the BML Group strengthened efforts to acquire new customers and aimed to enhance business performance by implementing activities such as optimizing sales prices and further developing sales to existing customers of items, including new testing items and priority testing items. As a result, net sales in the clinical testing business increased by 3.0% year on year.

In the food hygiene business, we promoted the optimization of trading conditions, with a focus on major customers. Additionally, the amount of orders received for store inspections and factory audits increased in the food consulting business. Furthermore, the number of microbiological testing contracts in the food testing business remained steady. As a result, net sales in the food hygiene business increased by 2.1% year on year.

As a result of the above, net sales in the testing business overall increased by 3.0% year on year.

In the medical informatics business, although new implementations of electronic medical records increased, net sales decreased by 2.9% year on year due to a decline in replacement projects.

In other businesses, net sales decreased by 7.3% year on year primarily due to a decline in the number of cases acquired in our site management organization (SMO) services for clinical trials at medical institutions, as well as the impact of revisions to medical service fees and a decrease in prescriptions for high-cost drugs in the dispensing pharmacy business.

(2) Financial position for cumulative quarter under review

Assets, liabilities, and net assets

Regarding the financial position at the end of the first three months of the fiscal year under review, total assets amounted to ¥179,931 million, a ¥3,316 million decrease over the end of the previous fiscal year, net assets totaled ¥131,507 million, down ¥622 million over the end of the previous fiscal year, and the equity ratio was 70.6%, a 0.9 percentage point increase over the end of the previous fiscal year.

The main items contributing to increases or decreases are as follows.

In the assets section, in current assets, cash and deposits decreased by ¥14,670 million, while notes and accounts receivable - trade increased by ¥2,147 million. In non-current assets, property, plant and equipment increased by ¥8,890 million. In the liabilities section, current liabilities decreased by ¥3,688 million. In the net assets section, retained earnings decreased by ¥455 million.

(3) Consolidated earnings forecasts and others

The Company has not changed its forecasts for consolidated results for the full year announced in the beginning of the fiscal year under review.

2. Consolidated Financial Statements and Primary Notes

(1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	68,029	53,359
Notes and accounts receivable - trade	26,827	28,975
Merchandise and finished goods	334	364
Work in process	904	950
Raw materials and supplies	3,605	3,527
Other	2,066	1,804
Allowance for doubtful accounts	(60)	(68)
Total current assets	101,707	88,913
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	29,913	30,900
Land	16,117	25,375
Other, net	17,495	16,141
Total property, plant and equipment	63,527	72,417
Intangible assets		
Other	4,695	4,694
Total intangible assets	4,695	4,694
Investments and other assets		
Other	13,395	13,969
Allowance for doubtful accounts	(78)	(63)
Total investments and other assets	13,317	13,906
Total non-current assets	81,539	91,017
Total assets	183,247	179,931

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	20,229	21,289
Provision for bonuses	3,918	3,239
Other	16,740	12,671
Total current liabilities	40,887	37,199
Non-current liabilities		
Retirement benefit liability	6,347	6,391
Provision for retirement benefits for directors (and other officers)	203	151
Other	3,679	4,681
Total non-current liabilities	10,230	11,223
Total liabilities	51,117	48,423
Net assets		
Shareholders' equity		
Share capital	6,045	6,045
Capital surplus	6,646	6,646
Retained earnings	120,945	120,490
Treasury shares	(9,157)	(9,157)
Total shareholders' equity	124,480	124,025
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	706	690
Remeasurements of defined benefit plans	2,458	2,375
Total accumulated other comprehensive income	3,165	3,065
Share acquisition rights	21	21
Non-controlling interests	4,461	4,394
Total net assets	132,129	131,507
Total liabilities and net assets	183,247	179,931

(2) Consolidated statements of income and consolidated statements of comprehensive income

Consolidated statements of income

April 1, 2026 – June 30, 2026

(Millions of yen)

	Three Months Ended June 30, 2025 (April 1, 2025 to June 30, 2025)	Three Months Ended June 30, 2026 (April 1, 2026 to June 30, 2026)
Net sales	38,026	39,036
Cost of sales	25,509	25,946
Gross profit	12,516	13,089
Selling, general and administrative expenses	9,711	10,089
Operating profit	2,804	3,000
Non-operating income		
Dividend income	72	75
Rental income from real estate	12	15
Other	64	73
Total non-operating income	150	164
Non-operating expenses		
Interest expenses	30	31
Rental costs on real estate	13	11
Other	6	8
Total non-operating expenses	50	50
Ordinary profit	2,904	3,114
Extraordinary income		
Gain on sale of non-current assets	–	1
Gain on sale of investment securities	–	1
Total extraordinary income	–	3
Extraordinary losses		
Loss on retirement of non-current assets	4	10
Other	–	0
Total extraordinary losses	4	10
Profit before income taxes	2,900	3,107
Income taxes - current	533	593
Income taxes - deferred	433	453
Total income taxes	967	1,046
Profit	1,932	2,060
Profit attributable to non-controlling interests	70	79
Profit attributable to owners of parent	1,862	1,980

Consolidated statements of comprehensive income

April 1, 2026 – June 30, 2026

(Millions of yen)

	Three Months Ended June 30, 2025 (April 1, 2025 to June 30, 2025)	Three Months Ended June 30, 2026 (April 1, 2026 to June 30, 2026)
Profit	1,932	2,060
Other comprehensive income		
Valuation difference on available-for-sale securities	(31)	(16)
Remeasurements of defined benefit plans, net of tax	(38)	(83)
Total other comprehensive income	(70)	(100)
Comprehensive income	1,862	1,960
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,792	1,881
Comprehensive income attributable to non-controlling interests	69	78

(3) Notes to quarterly consolidated financial statements

(Notes on segment information, etc.)

[Segment information]

I. Three months ended June 30, 2025 (From April 1, 2025 to June 30, 2025)

1. Information about net sales and profit or loss by reportable segment

Since information related to the business other than the reportable "testing business" segment is deemed immaterial, separate disclosure of the information is omitted.

2. Disclosure of impairment losses on non-current assets or goodwill, etc. for each reportable segment

Not applicable

II. Three months ended June 30, 2026 (From April 1, 2026 to June 30, 2026)

1. Information about net sales and profit or loss by reportable segment

Since information related to the business other than the reportable "testing business" segment is deemed immaterial, separate disclosure of the information is omitted.

2. Disclosure of impairment losses on non-current assets or goodwill, etc. for each reportable segment

Not applicable

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

Not applicable

(Notes on the assumption as a going concern)

Not applicable

(Notes on the statements of cash flows)

A quarterly statement of cash flows has not been prepared in relation to the first three months of the fiscal year ending March 31, 2027. Amounts of depreciation (including amortization of intangible assets) associated with the first three months of the fiscal year ending March 31, 2027, are as follows.

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Depreciation	2,141	2,245

3. Other

Breakdown of sales

Testing		Three Months Ended June 30, 2025		Three Months Ended June 30, 2026		Change (%)
		¥ million	% of total	¥ million	% of total	
Testing business	Clinical testing business					
	Biochemical tests	14,658	38.5	15,102	38.7	3.0
	Hematological tests	3,053	8.0	3,133	8.0	2.6
	Immunological tests	8,050	21.2	8,028	20.6	(0.3)
	Microbiological tests	1,825	4.8	1,892	4.8	3.7
	Pathological tests	2,529	6.7	2,687	6.9	6.2
	Other tests	5,031	13.2	5,356	13.7	6.5
	(Clinical testing business subtotal)	35,148	92.4	36,200	92.7	3.0
	Food hygiene business	1,181	3.1	1,206	3.1	2.1
	Testing business subtotal	36,330	95.5	37,407	95.8	3.0
Medical informatics business		1,317	3.5	1,278	3.3	(2.9)
Other businesses		378	1.0	350	0.9	(7.3)
Total		38,026	100.0	39,036	100.0	2.7