

Consolidated Financial Results for Second Quarter (Interim Period) of FY2025

1. Overview of Consolidated Financial Results	P.2
2. Highlights of Business Performance	P.3
3. Consolidated Financial Results	P.4
4. Financial Results and Forecast	P.5
5. Main Product Sales Update	P.6
6. R&D expenses, capital expenditure & depreciation	P.7
7. Development pipeline	P.8~10

【Reference】

8. P&L Summary	P.12~13
9. BS Summary	P.14
10. Financial summary	P.15
11. KYORIN Pharmaceutical result	P.16~19

November 7, 2025

KYORIN Pharmaceutical Co., Ltd.



■ Disclaimer

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Overview of Consolidated Financial Results for FY2025 2Q

(JPY millions)	FY2022 2Q (Apr-Sep)	FY2023 2Q (Apr-Sep)	FY2024 2Q (Apr-Sep)	FY2025 2Q (Apr-Sep)	Change (%)	Full term FY2025 (Forecast)	Change (%)
Net sales	49,093	54,937	55,139	58,731	+6.5	127,000	-2.4
Operating profit	777	1,335	1,549	1,363	-12.0	6,100	-51.5
Ordinary profit	1,171	1,578	2,050	1,582	-22.8	6,300	-52.3
Profit attributable to owner of parent	1,242	1,890	1,255	1,494	+19.0	4,800	-47.2

Second Quarter Consolidated Financial Results

[Net sales] Net sales were 58,731 million yen (an increase of 3,592 million yen, year on year). Sales of new drugs etc. (Japan) increased year-on-year, driven by the growth in Beova, Lasvic and Lyfnua etc., resulting from our efforts to promote the products, while the impact of the NHI drug price revision. Generic drug sales increased due to the sales contribution from new listed products in FY2024 and the impact of the new health coverage rule for long-listed products.

[Profit] Gross profit increased by 1,331 million yen year on year to 24,896 million yen, driven by the impact of increased sales. SG&A expenses increased by 1,517 million yen, driven by increased R&D expenses related to the upfront payment for an in-licensed product (R&D expenses increased by 1,599 million yen). As a result, operating profit was 1,363 million yen (a decrease of 185 million yen, -12% year on year). Ordinary profit was 1,582 million yen (-22.8% year on year). Profit attributable to owner of parent was 1,494 million yen (+19.0% year on year)

Consolidated Financial Results for FY2025 (Forecast)

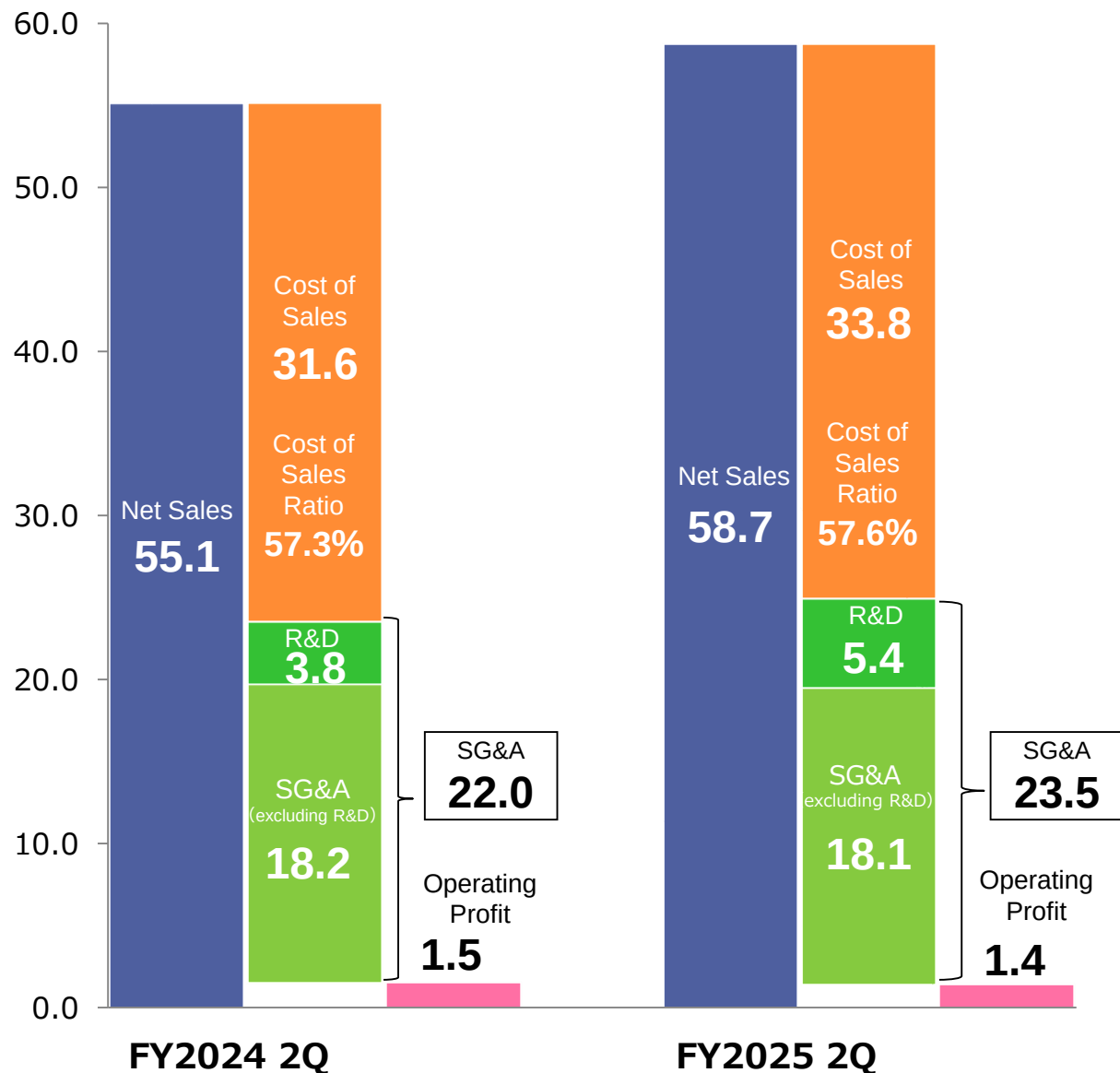
The forecast for the full term announced on May 12, 2025 remain unchanged at this moment.

There is no change to the dividend plan announced on May 12, 2025 (Annual dividend of 57 yen per share).

*Beginning of FY2024, the company changed accounting policies. The results for FY2023 are presented after retroactive adjustment.

Highlights of Business Performance

(JPY billions)



(JPY billions)

Net sales increased (+3.6)

- Increase in sales of new drugs, etc.
 - New drugs (Beova, Lasvic, Lyfnua etc.) grew
- Increase in sales of generic drugs

Cost of sales ratio increased (+0.3%point)

<Factors of increase>

- NHI drug price revisions (Kyorin Pharmaceutical: 5% range)
- Increase in sales of generic drugs

<Factors of decrease>

- Increase in sales of new drugs (Beova, Lasvic, Lyfnua etc.)

Gross profit increased (+1.3)

SG&A cost increased (+1.5)

- R&D expenses increased (+1.6)
 - Upfront payment for in-license product (KRP-A225) 1.5
- SG&A (excluding R&D) decreased (−0.1)
 - Cost reduction through head office relocation, increase in license fees etc.

Operating profit decreased (−0.1)

Consolidated Financial Results

(JPY billions)	FY2024 2Q	FY2025 2Q	Change
Net sales	55.1	58.7	+ 3.6
New drugs, etc. (Japan)	39.0	41.4	+ 2.4
New drugs (Overseas)	0.4	0.5	+ 0.1
Generic drugs	15.7	16.8	+ 1.1
Operating profit	1.5	1.4	− 0.1
Ordinary profit	2.1	1.6	− 0.5
Profit attributable to owner of parent	1.3	1.5	+ 0.2

(JPY billions)

(Year on year) (Vs forecast)

■ Net sales		58.7	(+3.6)	(+1.3)
● New drugs (Japan)		41.4	(+2.4)	(+0.7)
	<u>FY2024 (2Q)</u>	<u>FY2025 (2Q)</u>		
• Beova	10.4	⇒ 12.3	(+1.9)	(+0.7)
• Lasvic	3.0	⇒ 3.5	(+0.5)	(−0.2)
• Lyfnua	0.4	⇒ 0.5	(+0.1)	(0)
• Desalex	3.4	⇒ 3.7	(+0.3)	(+0.1)
• Flutiform	6.4	⇒ 6.3	(−0.1)	(+0.1)
• Pentasa	6.2	⇒ 6.3	(+0.1)	(+0.4)
• Kipres	1.8	⇒ 0.9	(−0.9)	(+0.1)
• Mucodyne	1.5	⇒ 2.0	(+0.5)	(−0.2)
● New drugs (Overseas)		0.5	(+0.1)	(+0.4)
Income regarding Gatifloxacin, etc.				
● Generic drugs		16.8	(+1.1)	(+0.3)
Increase sales in new listed products in FY2024 Impact of the new health coverage rule for long-listed products				
■ Operating income		1.4	(−0.1)	(−0.3)
● Cost of sales ratio : 57.6% (FY2024 2Q: 57.3%)				
[Factors of increase] NHI drug price revisions, increase in sales of generic drugs [Factors of decrease] Increase in sales of new drugs (Beova, Lasvic and Lyfnua, etc.),				
● R&D : 5.4 (FY2024 2Q: 3.8)				
Upfront payment for in-license product (KRP-A225) 1.5				
● SG&A (excluding R&D expenses) : 18.1 (FY2024 2Q: 18.2)				
Cost reduction through head office relocation, increase in license fees, etc.				
■ Profit attributable to owner of parent		1.5	(+0.2)	(+0.1)
● Extraordinary profit : 0.5				
Gain on sale of investment securities of 0.4 billion yen, etc.				

Financial Result and Forecast

(JPY millions)	2Q (Apr-Sep)						Full term	
	FY2024 (Actual)	FY2025 (Actual)	Change	Change (%)	FY2025 (Forecast)	Vs forecast	FY2024 (Actual)	FY2025 (Forecast)
Net sales	55,139	58,731	+ 3,592	+ 6.5	57,400	+ 1,331	130,087	127,000
New drugs, etc. (Japan)	39,029	41,405	+ 2,376	+ 6.1	40,700	+ 705	84,158	89,000
New drugs (Overseas)	424	504	+ 79	+ 18.8	100	+ 404	8,860	200
Generic drugs	15,686	16,822	+ 1,136	+ 7.2	16,500	+ 322	37,068	37,700
Operating profit	1,549	1,363	− 185	− 12.0	1,700	− 337	12,567	6,100
Ordinary profit	2,050	1,582	− 467	− 22.8	1,800	− 218	13,219	6,300
Profit attributable to owner of parent	1,255	1,494	+ 238	+ 19.0	1,400	+ 94	9,086	4,800

Main Product Sales Update

(JPY billions)		2Q (Apr-Sep)									Full term	
		FY2023 (Actual)	FY2024 (Actual)	FY2025 (Actual)	Change	Change (%)	FY2025 (Forecast)	Vs forecast	Progress to full term forecast (%)		FY2024 (Actual)	FY2025 (Forecast)
New drugs, etc. (Japan)	Beova (Kyorin) (β3 adrenergic receptor agonist overactive bladder therapeutics)	8.3	10.4	12.3	+1.9	+17.5	11.6	+0.7	48.9		22.1	25.1
	Lasvic (New quinolone synthetic antibacterial agent)	2.5	3.0	3.5	+0.5	+19.0	3.7	−0.2	41.4		7.8	8.5
	Lyfnua (selective P2X3 receptor antagonist for the treatment of chronic cough)	0.4	0.4	0.5	+0.1	+9.9	0.5	0	42.4		0.9	1.1
	Desalex (Antiallergic Agent)	3.1	3.4	3.7	+0.3	+8.1	3.6	+0.1	36.3		9.6	10.1
	Flutiform (Combination drug for asthma treatment)	6.2	6.4	6.3	−0.1	−1.1	6.2	+0.1	47.8		13.7	13.2
	Pentasa (Ulcerative colitis and Crohn's disease treatment)	6.1	6.2	6.3	+0.1	+1.4	5.9	+0.4	54.0		12.2	11.6
	Kipres (Leukotriene Receptor Antagonist)	2.6	1.8	0.9	−0.9	−48.9	0.8	+0.1	44.7		3.5	2.1
	Mucodyne (Mucoregulant)	2.0	1.5	2.0	+0.5	+30.2	2.2	−0.2	38.1		3.6	5.2
	Milton (Disinfectant)	1.0	0.9	0.9	0	+0.5	0.9	0	51.9		1.8	1.8
	Rubysta (Disinfectant)	0.8	0.6	0.4	−0.2	−31.6	0.5	−0.1	40.8		1.1	1.0
Generic drugs	Montelukast tablets “KM” (Leukotriene Receptor Antagonist)	5.8	5.0	4.4	−0.6	−12.8	4.9	−0.5	38.9		12.0	11.3
	Mometasone Nasal 50μg “KYORIN” (Spray type allergic rhinitis remedy)	0.9	0.7	1.1	+0.4	+58.6	0.8	+0.3	26.0		4.1	4.3

R&D Expenses, Capital expenditure & Depreciation expense

(JPY millions)	FY2022 2Q	FY2023 2Q	FY2024 2Q	FY2025 2Q	Change (%)	FY2024	FY2025 (Forecast)
R&D expenses	4,498	3,842	3,844	5,443	+ 41.6	10,514	10,400
Capital expenditure	3,882	1,280	4,203	2,494	− 40.7	6,153	4,700
Depreciation expense	1,907	2,172	2,307	2,278	− 1.3	4,603	4,700

<Capital expenditure (Actual / Forecast)>

(JPY Billions)	FY2024 2Q	FY2025 2Q	FY2024	FY2025 (Forecast)
Plant facilities	3.6	2.4	4.6	4.0
Equipment for control, sales activities	0.3	0	0.9	0.2
Equipment for research	0.3	0.1	0.6	0.5

Development pipeline

Main R&D Activities -1 (as of November 7, 2025)



Ph 3 ~ Launch

Stage		Code	Proposed Indication	Origin	Features	Note
Japan	Overseas					
Ph 3 In-house (Sep 2022)	Ph 3 aTyr pharma	KRP-R120	Interstitial lung disease: ILD (pulmonary sarcoidosis)	aTyr pharma, Inc. (USA)	It is a fusion protein drug having the action to suppress, by binding to neuropilin-2 (NRP2) receptor, the excessive activation of immune cells, and is a potential first-in-class therapy to treat inflammatory diseases such as pulmonary sarcoidosis	

POC Project (Ph1 ~ Ph2)

Stage		Code	Proposed Indication	Origin	Features	Note
Japan	Overseas					
—	Ph 1 Bayer	KRP-S124 (BAY2925976)	OSA	Bayer (Germany)	BAY2925976 works as an ADRA2C antagonist, helping to centrally reduce upper airway collapse. It is expected to improve the temporary apneas and hypopneas commonly observed in patients with OSA.	• License agreement to obtained the exclusive worldwide rights to manufacture, develop, and commercialize BAY2925976 and its backup compound (Dec 2024) • Phase 2 trial in preparation
Ph 1 In-house (Aug 2022)	—	KRP-114VP	Overactive bladder	Merck (USA)	It selectively acts on β_3 receptors in the bladder and increases bladder capacity by enhancing the bladder-relaxing effect of noradrenaline during the urinary storage phase, resulting in the improvement of incontinence symptoms of urinary urgency, frequent urination and	• Additional Indication for Beova in pediatric patients • Phase 1 trial completion

Development pipeline

Main R&D Activities-2 (as of November 7, 2025)



Licensing development (License-in)

*updated

Stage		Code	Proposed Indication	Origin	Features	Note
Japan	Over seas					
—	Ph1 in preparation Hinge Bio, Inc.	KRP-A225* (HB2198)	Systemic Lupus Erythematosus (SLE), etc.	Hinge Bio, Inc. (USA)	A bispecific antibody targeting CD19 and CD20 on the surface of B cells. Expected to provide therapeutic benefit for SLE by "reset" the immune system through B cell depletion.	-Enter into a Collaboration and License Agreement of HB2198 in Japan for SLE and other diseases (September 2025) -Phase 1 trial in preparation, Hinge Bio (targeted to start in 2025).

*KRP-A218 has been removed from the table because of our strategic decision to terminate the development.

Licensing development (License-out)

Stage	Compound / Code	Licensee	Therapy area / Action	Origin	Features	Note
Ph 3 Priothera	KRP-203	Priothera (Ireland)	—	In-house	Sphingosine-1-phosphate receptor agonist	Transfer of intellectual property(patents and data required for the development and sale) and APIs (Sep 2020)
Pre-clinical	KRP-M223	Novartis (Switzerland)	CSU, etc.	In-house	MRGPRX2 antagonist	License agreement to obtained the exclusive worldwide license to develop, manufacture, and commercialize KRP-M223 (Mar 2025)

DTx

*updated

Origin	Code	Proposed Indication	Note
SUSMED, Inc.	KRP-DT123	Tinnitus	Collaboration research and sales agreement for development of Digital Therapeutics (DTx) in otolaryngology Field (Nov 2022) Pivotal study is in preparation*
Hyfe, Inc. (USA)	KRP-DC125	Chronic Cough	Development and commercialization agreement for DTx for chronic cough Pivotal study is in preparation

Option Agreement

Stage		Code	Proposed Indication	Origin	Features	Note
Japan	Overseas					
—	Ph 1 Biodol	BDT272	Chronic pain, etc.	Biodol Therapeutics (France)	BDT272 is anticipated to demonstrate effective analgesic properties through the inhibition of FLT3, a receptor tyrosine kinase implicated in the pathogenesis and maintenance of chronic pain condition such as neuropathic pain.	Option agreement to obtain an option for the license of the right to develop and commercialize BDT272 in Japan and other territories in Asia (excluding China) (Jan 2025)
—	Ph 2 Cyrano	CYR-064	Post viral loss of smell	Cyrano Therapeutics, Inc. (USA)	CYR-064, phosphodiesterase inhibitor (PDEi) theophylline, targets the inhibition of cAMP degradation thereby increasing intracellular concentrations and increasing olfactory neuron excitability.	Option agreement to obtain an option for the license of the right to develop and commercialize CYR-064 in Japan. (Feb 2025)

[Reference]

P&L Summary: Consolidated Results – (1)

(JPY millions)	FY2024 2Q		FY2025 2Q			
	Actual	% Sales	Actual	% Sales	Change (%)	Change
Net Sales (total)	55,139	100.0	58,731	100.0	+6.5	+3,592
New drugs, etc. (Japan)	39,029	70.8	41,405	70.5	+6.1	+2,376
New drugs (Overseas)	424	0.8	504	0.9	+18.8	+79
Generic drugs	15,686	28.4	16,822	28.6	+7.2	+1,136

<Subsidiaries and Equity-method Affiliates>

Consolidated subsidiaries (2): KYORIN Rimedio Co., Ltd.

KYORIN Pharmaceutical Group Facilities Co., Ltd.

Equity-Method Affiliates: Nippon Rika Co., Ltd.

<Breakdown>

(Year on year)

(JPY millions)

■ Sales **58,731** (+3,592)

● New drugs, etc. (Japan) **41,405** (+2,376)

	FY2024 2Q		FY2025 2Q	(JPY billions)
• Beova	10.4	⇒	12.3	(+1.9)
• Lasvic	3.0	⇒	3.5	(+0.5)
• Lyfnua	0.4	⇒	0.5	(+0.1)
• Desalex	3.4	⇒	3.7	(+0.3)
• Flutiform	6.4	⇒	6.3	(−0.1)
• Pentasa	6.2	⇒	6.3	(+0.1)
• Kipres	1.8	⇒	0.9	(−0.9)
• Mucodyne	1.5	⇒	2.0	(+0.5)

● New drugs (Overseas) **504** (+79)

• Income regarding Gatifloxacin, etc.

● Generic drugs **16,822** (+1,136)

- Increase sales in new listed products in FY2024
- Impact of the new health coverage rule for long-listed products

P&L Summary : Consolidated Results – (2)

<Breakdown>

(Year on Year)

(JPY millions)	FY2024 2Q		FY2025 2Q			
	Actual	% Sales	Actual	% Sales	Change (%)	Change
Net sales	55,139	100.0	58,731	100.0	+ 6.5	+ 3,592
Cost of sales	31,575	57.3	33,835	57.6	+ 7.2	+ 2,260
Gross profit	23,564	42.7	24,896	42.4	+ 5.7	+ 1,331
SG&A	22,015	39.9	23,532	40.1	+ 6.9	+ 1,517
(R&D expenses)	(3,844)	(7.0)	(5,443)	(9.3)	(+ 41.6)	(+ 1,599)
Operating profit	1,549	2.8	1,363	2.3	− 12.0	− 185
Non-Operating Income	571	1.0	402	0.7	− 29.5	− 168
Non-Operating Expenses	69	0.1	184	0.3	+ 163.5	+ 114
Ordinary profit	2,050	3.7	1,582	2.7	− 22.8	− 467
Extraordinary profits	0	0.0	473	0.8	—	+ 473
Extraordinary Losses	181	0.3	26	0.0	− 85.3	− 154
Income before income taxes	1,869	3.4	2,029	3.5	+ 8.6	+ 160
Income taxes	613	1.1	535	0.9	− 12.8	− 78
Profit attributable to owner of parent	1,255	2.3	1,494	2.5	+ 19.0	+ 238

- ◆ **Cost of sales ratio: 57.6%** **(+ 0.3%pt)**
 【Factor of increase】
 • NHI drug price revisions (Kyorin 5%), increase in sales of generic drugs
 【Factor of decrease】
 • Increase in sales of new drugs (Beova, Lasvic and Lyfnua, etc.)
- ◆ **R&D ratio: 9.3%** **(+ 2.3%pt)**
 • 5.4 billion yen (+1.6 billion yen, year on year)
 Upfront payment for in-license product (KRP-A225) 1.5 billion
- ◆ **SG&A ratio (excluding R&D) : 30.8%** **(− 2.2%pt)**
 • 18.1 billion yen (-0.1 billion yen, year on year)
 Cost reduction through head office relocation, increase in license fees, etc.
- **Operating profit: 1,363 million yen (− 185 million yen)**
- **Ordinary profit: 1,582 million yen (− 467 million yen)**
- **Extraordinary profit: 473 million yen (+ 473 million yen)**
 Gain on sale of investment securities of 368 million yen, etc.
- **Profit attributable to owner of parent:**
1,494 million yen (+ 238 million yen)
- **Dividend per share (interim period): 20.00 yen/share**

BS Summary: Consolidated Results

(JPY millions)	Mar / 2025		Sep / 2025		
	Actual	% total	Actual	% total	Change
Current Assets	136,134	70.3	130,333	70.1	− 5,801
Cash, deposits	15,021		13,042		
Notes and accounts receivable-trade, and contract assets	47,583		37,816		
Securities	1,493	—	2,089	—	—
Inventory	65,731		71,559		
Other	6,304		5,826		
Non-current Assets	57,483	29.7	55,679	29.9	− 1,803
Property, plant and equipment	30,303		30,028		
Intangible assets	4,757	—	4,396	—	—
Investments and other assets	22,422		21,254		
Total Assets	193,618	100.0	186,013	100.0	− 7,605
Current Liabilities	35,111	18.1	27,756	14.9	− 7,355
Notes and accounts payable - trade	15,517		13,847		
Other	19,594	—	13,908	—	—
Non-Current Liabilities	22,221	11.5	21,809	11.7	− 412
Total Liabilities	57,333	29.6	49,565	26.6	− 7,768
Owner's Equity	130,892	67.6	130,241	70.0	− 651
Other Comprehensive Income	5,392	2.8	6,206	3.3	+ 814
Valuation difference on available-for-sale securities	5,544		6,103		
Deferred gains or losses on hedges	13	—	127	—	—
Remeasurements of defined benefit plans	− 166		− 25		
Total Equity	136,285	70.4	136,448	73.4	+ 163
Total Liabilities and Equity	193,618	100.0	186,013	100.0	− 7,605

<Breakdown>

(Compared to the end of FY2024)
(JPY millions)

■ Current Assets: − 5,801

- Cash, deposits (− 1,979)
- Notes and accounts receivable-trade, and contract assets (− 9,767)
- Securities (+ 595)
- Inventory (+ 5,828)
- Other (− 478)

■ Non-current Assets: − 1,803

- Property, plant and equipment (− 275)
- Intangible Assets (− 360)
- Investments and other assets (− 1,167)

■ Current Liabilities: − 7,355

- Notes and accounts payable - trade (− 1,669)
- Other (− 5,685)

■ Non-Current Liabilities: − 412

Financial Summary (Consolidated)

(JPY millions)	FY2023 2Q	FY2024 2Q	FY2025 2Q	FY2024	FY2025 (Forecast)
Sales	54,937	55,139	58,731	130,087	127,000
(Overseas)	(167)	(424)	(504)	(8,860)	(200)
Cost of Sales	31,101	31,575	33,835	70,551	—
(Cost of sales ratio)	(56.6%)	(57.3%)	(57.6%)	(54.2%)	—
SG&A	22,500	22,015	23,532	46,967	—
(Ratio to sales)	(41.0%)	(39.9%)	(40.1%)	(36.1%)	—
R&D Expenses	3,842	3,844	5,443	10,514	10,400
(Ratio to sales)	(7.0%)	(7.0%)	(9.3%)	(8.1%)	(8.2%)
Operating Income	1,335	1,549	1,363	12,567	6,100
(Ratio to sales)	(2.4%)	(2.8%)	(2.3%)	(9.7%)	(4.8%)
Ordinary Income	1,578	2,050	1,582	13,219	6,300
(Ratio to sales)	(2.9%)	(3.7%)	(2.7%)	(10.2%)	(5.0%)
Net Income	1,890	1,255	1,494	9,086	4,800
(Ratio to sales)	(3.4%)	(2.3%)	(2.5%)	(7.0%)	(3.8%)
EPS (JPY)	32.97	21.86	26.01	158.17	83.55
Capital	700	700	700	700	—
Assets	176,102	178,865	186,013	193,618	—
Shareholder's equity	126,158	130,027	136,448	136,285	—
BPS (JPY)	2,196.01	2,263.36	2,375.01	2,372.29	—
ROE	1.4%	1.0%	1.1%	6.8%	—
Equity ratio	71.6%	72.7%	73.4%	70.4%	—
Employee	2,156	2,048	2,010	1,998	—
Capital Expenditure	1,280	4,203	2,494	6,153	4,700
Depreciation Expense	2,172	2,307	2,278	4,603	4,700

The company changed accounting policies in FY2024. The results for FY2023 are presented after retroactive adjustment.

P&L Summary : KYORIN Pharmaceutical (Non-Consolidated) -(1)



(JPY millions)	FY2024 2Q		FY2025 2Q			
	Actual	% Sales	Actual	% Sales	Change (%)	Change
Net Sales (total)	48,563	100.0	51,652	100.0	+6.4	+3,088
New drugs, etc. (Japan)	38,239	78.7	40,942	79.3	+7.1	+2,703
New drugs (Overseas)	424	0.9	504	1.0	+18.8	+79
Generic drugs	9,899	20.4	10,205	19.8	+3.1	+305

<Breakdown>

(Year on year)

(JPY millions)

■ Sales **51,652** (+3,088)

● New drugs, etc. (Japan) **40,942** (+2,703)

	FY2024 2Q		FY2025 2Q	(JPY billions)
• Beova	10.4	⇒	12.3	(+1.9)
• Lasvic	3.0	⇒	3.5	(+0.5)
• Lyfnua	0.4		0.5	(+0.1)
• Desalex	3.4	⇒	3.7	(+0.3)
• Flutiform	6.4	⇒	6.3	(-0.1)
• Pentasa	6.2	⇒	6.3	(+0.1)
• Kipres	1.8	⇒	0.9	(-0.9)
• Mucodyne	1.5	⇒	2.0	(+0.5)

● New drugs (Overseas) **504** (+79)
 • Income regarding Gatifloxacin etc.

● Generic drugs **10,205** (+305)

P&L Summary : KYORIN Pharmaceutical (Non-Consolidated) -(2)

(JPY millions)	FY2024 2Q		FY2025 2Q			
	Actual	% Sales	Actual	% Sales	% Change	Change
Net sales	48,563	100.0	51,652	100.0	+ 6.4	+ 3,088
Cost of sales	26,247	54.0	27,810	53.8	+ 6.0	+ 1,563
Gross profit	22,316	46.0	23,841	46.2	+ 6.8	+ 1,525
SG&A	20,228	41.7	21,796	42.2	+ 7.8	+ 1,567
(R&D expenses)	(3,415)	(7.0)	(4,955)	(9.6)	(+ 45.1)	(+ 1,539)
Operating profit	2,087	4.3	2,045	4.0	− 2.0	− 42
Non-Operating profit	626	1.3	518	1.0	− 17.2	− 107
Non-Operating Expenses	57	0.1	124	0.2	+ 116.6	+ 67
Ordinary profit	2,656	5.5	2,439	4.7	− 8.2	− 217
Extraordinary profits	0	0.0	373	0.7	—	+ 373
Extraordinary Losses	125	0.3	5	0.0	− 95.6	− 119
Income before income taxes	2,530	5.2	2,807	5.4	+ 10.9	+ 276
Tax adjustments	693	1.4	697	1.4	+ 0.6	+ 4
Profit attributable to owner of parent	1,837	3.8	2,109	4.1	+ 14.8	+ 272

<Breakdown>

(Year on Year)

◆ **Cost of sales ratio: 53.8%** (− 0.2%pt)

【Factor of decrease】

- Increase in sales of new drugs (Beova, Lasvic and Lyfnua, etc.)

【Factor of increase】

- NHI drug price revisions (Kyorin 5%)

◆ **R&D Ratio: 9.6%** (+ 2.6%pt)

- 5.0 billion yen (+1.6 billion yen, year on year)
Upfront payment for in-license product (KRP-A225)
1.5 billion

◆ **SG&A (excluding R&D): 32.6%** (− 2.0%pt)

- 16.8 billion yen (flat, year on year)
Cost reduction through head office relocation,
increase in license fees, etc.

■ **Operating Profit:** 2,045 million yen (− 42 million yen)

■ **Extraordinary profit:** 373 million yen (− 373 million yen) Gain on sale of investment securities of 368 million yen

■ **Profit attributable to owner of parent:** 2,109 million yen (+ 272 million yen)

BS Summary: KYORIN Pharmaceutical (Non- Consolidated)



(JPY millions)	Mar / 2025		Sep / 2025		
	Actual	% total	Actual	% total	Change
Current Assets	134,004	74.6	127,475	74.4	− 6,528
Cash, deposits	11,122		11,259		
Accounts receivable-trade, and contract assets	42,351		33,500		
Securities	1,493	—	2,089	—	—
Inventory	54,240		58,262		
Other	24,796		22,364		
Non-Current Assets	45,645	25.4	43,860	25.6	− 1,785
Property, plant and equipment	6,861		6,395		
Intangible assets	4,382	—	4,053	—	—
Investments and other assets	34,401		33,411		
Total Assets	179,650	100.0	171,336	100.0	− 8,313
Current Liabilities	33,010	18.4	23,871	13.9	− 9,139
Accounts payable	15,542		12,633		
Other	17,468	—	11,237	—	—
Non-Current Liabilities	21,290	11.9	21,529	12.6	+ 238
Total Liabilities	54,301	30.2	45,401	26.5	− 8,900
Owner's Equity	119,910	66.7	119,874	70.0	− 35
Valuation and translation adjustments	5,438	3.0	6,060	3.5	+ 622
Total Equity	125,348	69.8	125,934	73.5	+ 586
Total Liabilities and Equity	179,650	100.0	171,336	100.0	− 8,313

<Breakdown>

(JPY millions)

(Compared to the end of FY2024)

■ Current Assets : − 6,528

- Cash, deposits (+ 137)
- Accounts receivable-trade, and contract assets (− 8,851)
- Securities (+ 595)
- Inventory (+ 4,022)
- Other (− 2,432)

■ Non-current Assets : − 1,785

- Property, plant and equipment (− 466)
- Intangible Assets (− 328)
- Investments and other assets (− 989)

■ Current Liabilities : − 9,139

- Accounts payable - trade (− 2,908)
- Other (− 6,230)

■ Non-Current Liabilities : + 238

Financial Summary (Non-Consolidated)

(JPY millions)	FY2023 2Q	FY2024 2Q	FY2025 2Q
Sales	47,673	48,563	51,652
(Overseas)	(167)	(424)	(504)
Cost of Sales	25,198	26,247	27,810
(Cost of sales ratio)	(52.9%)	(54.0%)	(53.8%)
SG&A	20,594	20,228	21,796
(Ratio to sales)	(43.2%)	(41.7%)	(42.2%)
R&D Expenses	3,344	3,415	4,955
(Ratio to sales)	(7.0%)	(7.0%)	(9.6%)
Operating Income	1,879	2,087	2,045
(Ratio to sales)	(3.9%)	(4.3%)	(4.0%)
Ordinary Income	2,317	2,656	2,439
(Ratio to sales)	(4.9%)	(5.5%)	(4.7%)
Net Income	49,331	1,837	2,109
(Ratio to sales)	(103.5%)	(3.8%)	(4.1%)
EPS (JPY)	858.60	31.97	36.71
Capital	700	700	700
Assets	159,331	164,481	171,336
Shareholder's equity	116,724	119,098	125,934
BPS (JPY)	2,031.56	2,072.87	2,191.74
ROE	41.4%	1.5%	1.7%
Equity ratio	73.3%	72.4%	73.5%
Employee	1,464	1,355	1,338
Capital Expenditure	576	598	115
Depreciation Expense	1,252	1,015	1,017

FY2024	FY2025 (Forecast)
115,918	111,100
(8,860)	(200)
59,667	—
(51.5%)	—
43,348	—
(37.4%)	—
9,520	9,300
(8.2%)	(8.4%)
12,902	6,300
(11.1%)	(5.7%)
13,706	6,800
(11.8%)	(6.1%)
9,382	5,100
(8.1%)	(4.6%)
163.29	88.76
700	—
179,650	—
125,348	—
2,181.64	—
7.7%	—
69.8%	—
1,330	—
1,384	600
1,983	2,000

The company changed accounting policies in FY2024. The results for FY2023 are presented after retroactive adjustment.