

IR Materials

Q4 FY03/25

May 12, 2025

NIPRO CORPORATION



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Business Overview

Manufacturing, Purchasing, Logistics

The new installation of dialyzer lines (Odate, Akita, and Hefei, China) in FY03/25 is shown below. The 10th line at the Odate Plant in Akita prefecture started operation in October 2024 and the 11th line in April 2025. The 7th line of FB dialyzers will be implemented in August 2025.

2024												2025												
1	2	3			4	5	6	7	8	9	10		11	12	1	2	3	4		5	6	7	8	
		Hefei Plant	Odate Plant							Odate Plant								Odate Plant					Odate Plant	
		Dialyzers	Dialyzers							Dialyzers								Dialyzers					FB Dialyzers	
		4th line	9th line							10th line								11th line					7th line	
		began	began							began								began					will begin	
		operations	operations							operations								operations					operations	

Sales

- Dialysis medical devices
- : Sales of dialyzers increased as we captured large projects in North America and commenced shipments for Egyptian government tenders, while there was also a switch from other companies in Europe. In Asia, single-use applications spread and shipments for government tenders started. Dialysis centers increased in Central and South America and China.
- Vascular-related products
- : Sales of drug-eluting balloons whose sales were down due to a competitor putting new products on the market increased due to the recovering of market share resulting from the indication expansion.
- SD-related products
- : Sales remained steady due to stronger sales and increased maintenance contracts of HeartMate 3, resulting from an indication expansion.
- Pharmaceuticals (own brand)
- : Sales of oral drugs decreased due to the suspension of sale of ES Pharma products and a fall in prices of drugs. Sales of injection products and external preparation increased respectively due to launch of new products for injection products and an increase of shipment for external preparation products.
- Pharmaceuticals (contract manufacturing)
- : Sales of GE products fell due to a decline in orders and contract terminations, but sales of brand-name/long-listed products grew due to an increase in orders and the commencement of deliveries of new consigned products. Overseas, JMI Pharma enjoyed steady sales.
- Pharma Packaging
- : Sales of Pharma Packaging increased due to the increasing demand for sterile syringes in Europe, glass tubes, ampules and vials in India, and infusion related products, vials, and glass tubes in Japan in addition to yen depreciation despite the decreasing demand for vials and glass tubes in the U.S. and vials and ampules in China.

International Sales Launch of DIAMAX™ WOW Single Patient Dialysis Machines (January 23rd)

This is a single patient dialysis machine that is now available to purchase across the globe, including Latin America and Asia. To better meet the diversifying needs of treatment sites, the DIAMAX™ WOW features improved basic performance, ease of use, and safety compared with conventional DIAMAX™ dialysis machines, offering a variety of new functions.

Q4 FY03/25 Results

	Q4 FY03/24	Q4 FY03/25	Change (Change %)	FY03/25 Forecast (as of May)	FY03/25 Forecast (as of November)	FY03/26 Forecast	Quarterly Results				
							Y03/24	FY03/25			
							Q4	Q1	Q2	Q3	Q4
(¥ 100 million)											
Net sales	5,867.8	6,445.8	+578.0 +9.9%	6,450.0	6,450.0	6,770.0	1,476.5	1,523.9	1,596.2	1,672.6	1,653.0
Cost of sales	4,154.6	4,537.0	+382.3 +9.2%	4,525.0	4,525.0	4,710.0	1,084.0	1,064.8	1,111.8	1,158.8	1,201.4
Gross profit (※1)	1,713.2 29.2%	1,908.8 29.6%	+195.6 +11.4%	1,925.0 29.8%	1,925.0 29.8%	2,060.0 30.4%	392.4 26.6%	459.0 30.1%	484.3 30.3%	513.8 30.7%	451.6 27.3%
SG&A expenses	1,489.8 25.4%	1,642.8 25.5%	+153.0 +10.3%	1,600.0 24.8%	1,600.0 24.8%	1,690.0 25.0%	392.7 26.6%	401.1 26.3%	407.6 25.5%	426.3 25.5%	407.6 24.7%
Operating profit	223.3 3.8%	265.9 4.1%	+42.6 +19.1%	325.0 5.0%	325.0 5.0%	370.0 5.5%	-0.2 -0.0%	57.8 3.8%	76.7 4.8%	87.4 5.2%	43.9 2.7%
Ordinary profit (※2)	195.0 3.3%	108.1 1.7%	-86.9 -44.6%	276.0 4.3%	223.0 3.5%	242.0 3.6%	-5.0 -0.3%	64.2 4.2%	-19.2 -1.2%	95.1 5.7%	-31.9 -1.9%
Profit attributable to owners of parent	111.0 1.9%	51.1 0.8%	-59.9 -54.0%	158.0 2.4%	158.0 2.4%	129.5 1.9%	-15.2 -1.0%	26.2 1.7%	-24.9 -1.6%	64.6 3.9%	-14.8 -0.9%

- **Net sales** In the medical devices, sales overseas were strong in all dialysis products including dialyzers, dialysis equipment, and other dialysis related products. In B2B business, sales of insulin needles, Safetouch PSV, and dialyzers increased, making the net sales as a whole increased 9.9% YoY.
- **Gross profit** Gross profit margin increased 11.4% YoY as raw material costs and labor costs were restrained although there were increases in depreciation resulting from continuous capital investment and the amount deducted of unrealized gain.
- **Operating profit** Operating profit increased 19.1% YoY as the increase in cost of sales was controlled in addition to the increases in net sales although there were increase in personnel expenses, commission expenses, transportation expenses overseas, and depreciation associated with acquisition of dialysis centers in North, Central and South America.
- **Ordinary profit** Ordinary profit decreased ¥8,690 million YoY due to ¥1,280 million of an equity method investment loss and higher interest expenses which were ¥1,310 million. In addition, ¥2,550 million of foreign exchange gain was recorded in the previous fiscal year whereas ¥5,380 million foreign exchange loss was recorded this fiscal year, resulting in a net deterioration of ¥7,930 million.
- **Profit** Profit decreased ¥5,990 million YoY due to the impact of higher effective tax rate although there were gains from the sale of cross-held stocks and recording of fire insurance claim for Odate Plant.

(※1) Effect of unrealized gains on gross profit

Q4 FY03/24 +¥470 million
Q4 FY03/25 -¥3,300 million

(※2) Foreign exchange gains

Q4 FY03/24 +¥2,550 million
Q4 FY03/25 -¥5,380 million

SG&A Expenses: Major Accounts

(¥ 100 million)	Q4 FY03/24	Q4 FY03/25		Change (Change %)	FY03/25 Forecast (Achievement %)	FY03/26 Forecast (Achievement %)
		Actual	% of Total			
Personnel	481.8	533.4	32.5%	+51.6 +10.7%	514.4 103.7%	565.3
R&D (*1)	186.5	201.2	12.2%	+14.6 +7.9%	198.6 101.3%	208.2
Transportation	140.9	161.0	9.8%	+20.0 +14.2%	176.4 91.3%	176.9
Depreciation (*2)	133.8	161.7	9.8%	+27.9 +20.9%	132.7 121.8%	155.1
Commission expenses (*3)	83.3	104.6	6.4%	+21.3 +25.6%	99.8 104.8%	109.7
Promotion (*4)	90.9	80.2	4.9%	-10.6 -11.8%	96.5 83.2%	84.1
Travel & transportation	43.8	48.9	3.0%	+5.0 +11.6%	52.2 93.6%	51.3
Storage	38.5	42.1	2.6%	+3.6 +9.3%	31.9 132.0%	39.0
Other	290.0	309.2	18.8%	+19.2 +6.6%	297.1 104.1%	300.4
Total	1,489.8	1,642.8	100.0%	+153.0 +10.3%	1,600.0 102.7%	1,690.0

*1: R&D expenses, experimentation and research expenses, and development amortization

*2: Depreciation, goodwill amortization

*3: Commission expenses, consulting expenses

*4: Sales commissions, samples, advertising, and entertainment expenses

● Personnel expenses

Personnel expenses increased ¥5,160 million YoY due to the impact of foreign exchange and the increased number of employees overseas.

● Transportation expenses

Transportation expenses increased ¥2,000 million YoY due to the freight hike in Europe and North, Central and South America.

● Depreciation

Depreciation increased ¥2,790 million YoY due to the increase of goodwill amortization and the introduction of dialysis equipment in the newly-acquired dialysis clinics in North, Central and South America.

● Commission expenses

Commission expenses increased ¥2,130 million YoY due to a rise in expenses related to software license contract fees for dialysis management system as well as expenses related to logistics improvement and to the obtaining of certification for dialysis devices in Europe.

● Promotion expenses

Promotion expenses decreased ¥1,060 million YoY due to the decline of advertising expenses as a result of a reduction in TV commercial broadcasts.

SG&A Expenses: R&D Expenses

(¥ 100 million)	Q4 FY03/24	Q4 FY03/25	Change (Change %)	FY03/25 Forecast (Achievement %)	FY03/26 Forecast
Medical (*1)	109.4	122.1	+12.7 +11.6%	(*3) 125.6 97.2%	(*4) 151.7
Pharmaceutical	95.8	91.2	-4.5 -4.8%	85.0 107.4%	91.1
Pharma Packaging	3.1	3.2	+0.0 +2.4%	3.4 95.0%	7.2
Total (*2)	208.4	216.6	+8.2 +3.9%	214.0 101.2%	250.0

*1: Figures for the previous fiscal year have been revised since research and development expenses for outsourcing were recorded from the current fiscal year.

*2: Including research and development expenses in manufacturing costs

*3: The forecast has been revised as the R&D expenses for the outsourcing of *1 were not taken into account in the full-year forecast.

*4: The aggregation method has been revised based on the definition of R&D expenses in the accounting standards.

- **Medical-Related** Up ¥1,270 million YoY due to the development of new vascular products.
- **Pharmaceutical-Related** Down ¥450 million YoY due to a decrease in depreciation and labor costs.
- **Pharma Packaging** Expenses remained flat YoY although the development of new products was implemented.

Capex and Depreciation

	Capex						Depreciation					
	Q4 FY03/24	Q4 FY03/25	Change (Change %)	FY03/25 Forecast as of May (Achievement %)	FY03/25 Forecast as of November (Achievement %)	FY03/25 Forecast as of February (Achievement %)	FY03/26 Forecast	Q4 FY03/24	Q4 FY03/25	Change (Change %)	FY03/25 Forecast (Achievement %)	FY03/26 Forecast
(¥ 100 million)												
Medical-Related	336.5	(*1) 335.7	-0.8 -0.2%	384.0 87.4%	384.0 87.4%	384.0 87.4%	336.2	291.1	347.8	+56.7 +19.5%	318.1 109.4%	388.0
Pharmaceutical-Related	316.5	197.3	-119.2 -37.7%	103.0 191.6%	143.0 138.0%	(*2) 165.5 119.2%	257.2	150.3	153.1	+2.8 +1.9%	156.1 98.1%	143.9
Pharma Packaging	144.5	116	-28.4 -19.7%	125.0 92.9%	125.0 92.9%	125.0 92.9%	62.2	63.7	72.8	+9.0 +14.2%	67.7 107.5%	69.7
Other	63.6	59.7	-3.8 -6.1%	12.0 497.9%	12.0 497.9%	12.0 497.9%	51.6	55.0	51.1	-3.9 -7.1%	56.2 91.0%	47.6
Total	861.3	708.8	-152.4 -17.7%	624.0 113.6%	664.0 106.8%	686.5 103.3%	707.1	560.3	625.0	+64.7 +11.6%	598.1 104.5%	649.2

*1: Dialysis center acquisition costs (equity investment) and dialysis machine costs transferred to depreciable assets are excluded.

*2: Although ¥2,250 million of subsidy was expected to be received in Q4 of the current fiscal year, it was confirmed that it will be received from the next fiscal year, and the full-year forecast has been changed from ¥14,300 million to ¥16,550 million.

● Capex

In Medical-Related, total capex was ¥33,570 million due to ¥3,870 million of new dialyzer lines at the Hefei Plant, China, ¥14,080 million of new dialyzer lines at the Odate Plant, and ¥4,150 million at Nipro Medical Corporation mainly for land and buildings for establishing new plant in North Carolina, U.S. In addition, ¥2,860 million in Thailand and ¥1,760 million in Nipro Medical Industries Ltd. for the new lines for GLP-1 needles, and ¥1,920 million for building recovery related to dialyzer production at the Vietnam Plant are other factors of the total capex.

In Pharmaceutical-Related, the Ohmi Plant of Nipro Pharma spent ¥18,060 million on a new antibiotic building, bringing the total to ¥19,730 million.

In Pharma Packaging, total capex was ¥11,600 million, including ¥2,680 million for plant expansion and line additions in the U.S., ¥1,220 million for establishing new furnaces in France, and ¥3,690 million for a syringe line in Germany.

In Other items, capex included land acquisition and PC leasing costs, resulting in an overall total of ¥5,970 million.

● Depreciation

Although all segments started operation without major construction schedule delays, depreciation increased slightly from the budget due to the large capital investment at the Odate Plant in FY2023.

P/L Excluding Forex Impact

	Q4 FY03/24	Q4 FY03/25	Exchange rate Impact*	FY03/25 Results Excl. Impact	Change %
(¥ 100 million)	【a】	【b】	【c】	【d=b-c】	【d÷a】
Net sales	5,867.8	6,445.8	+206.0	6,239.8	+6.3%
Cost of sales	4,154.6	4,537.0	+118.5	4,418.5	
Gross profit	1,713.2	1,908.8	+87.5	1,821.2	+6.3%
(%)	29.2%	29.6%		29.2%	
SG&A expenses	1,489.8	1,642.8	+56.4	1,586.3	
Operating profit	223.3	265.9	+31.0	234.9	+5.2%
(%)	3.8%	4.1%		3.8%	
Non-operating income	89.4	55.4		55.4	
Non-operating expenses	117.6	213.2	+79.3	133.8	
Ordinary profit	195.0	108.1	-48.3	156.4	-19.8%
Extraordinary income	78.7	180.1		180.1	
Extraordinary losses	81.6	97.4		97.4	
Profit before tax	192.1	190.8	-48.3	239.1	+24.5%
Income taxes	70.4	124.1	-31.4	155.6	
Profit attributable to non-controlling interests	10.6	15.5		15.5	
Profit	111.0	51.1	-16.8	68.0	-38.8%

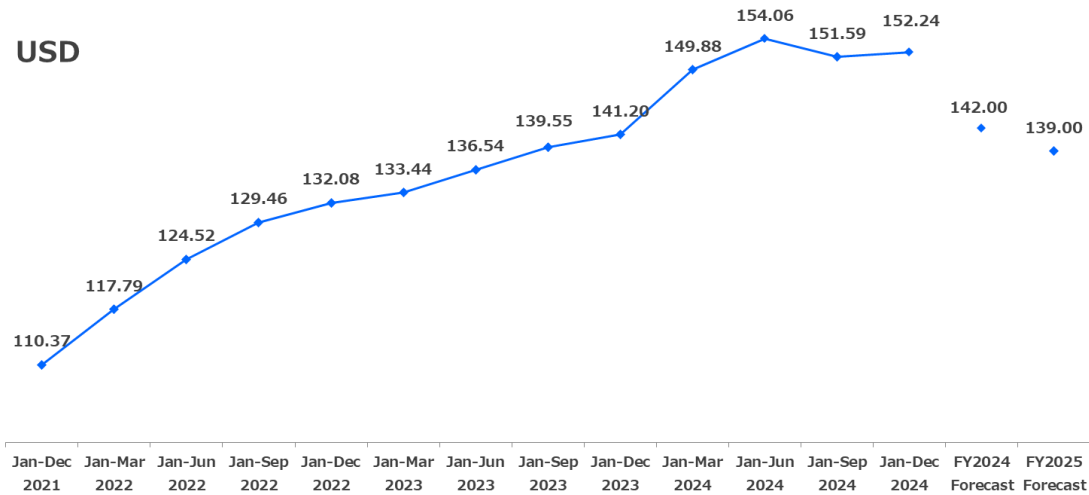
Average exchange rate	Jan-Dec 2023	Jan-Dec 2024	FY-end rate	Mar. 2023	Jun. 2023	Sep. 2023	Dec. 2023	Mar. 2024	Jun. 2024	Sep. 2024	Dec. 2024	Mar. 2025
1 USD	141.20	152.24	1 USD	133.53	144.99	149.58	141.83	151.41	161.07	142.73	158.18	149.52
1 EUR	153.17	164.36	1 EUR	145.72	157.60	158.00	157.12	163.24	172.33	159.43	164.92	162.08
1 CNY	19.87	21.12	1 CNY	19.42	19.94	20.46	19.93	20.83	22.04	20.46	21.67	20.59

Exchange Rate Sensitivity

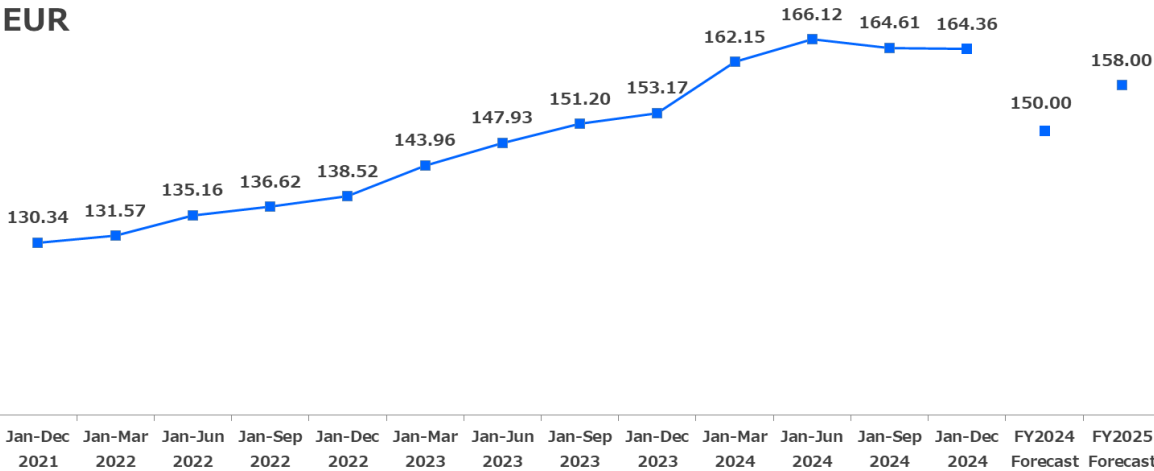
Annual impact of a ¥1 change in exchange rate

(¥ 100 million)	USD	EUR	CNY
Net sales	10.1	5.8	17.3
Operating profit	0.9	2.2	7.9

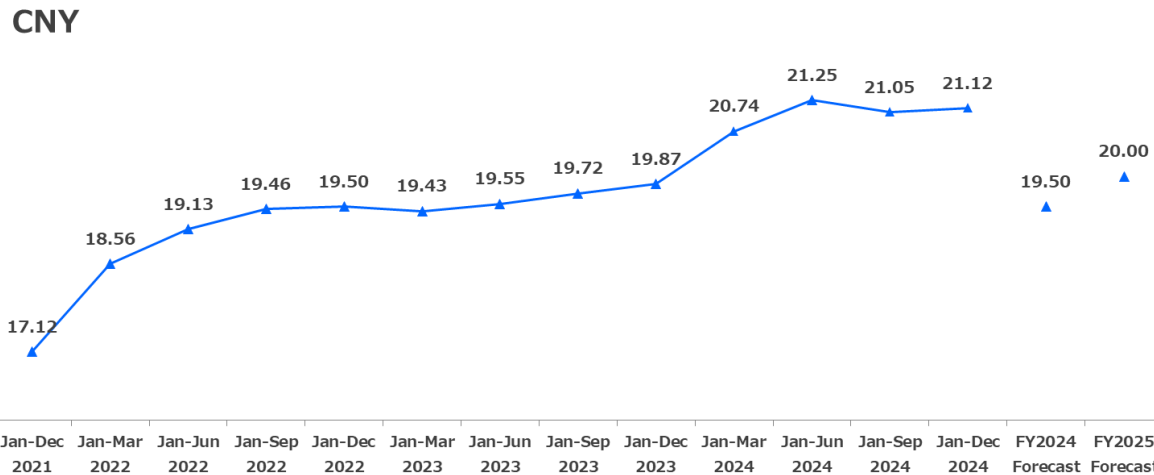
Average exchange rate



EUR



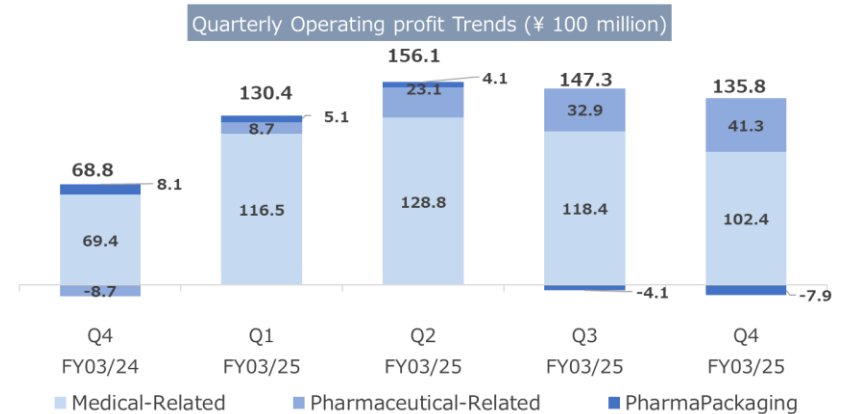
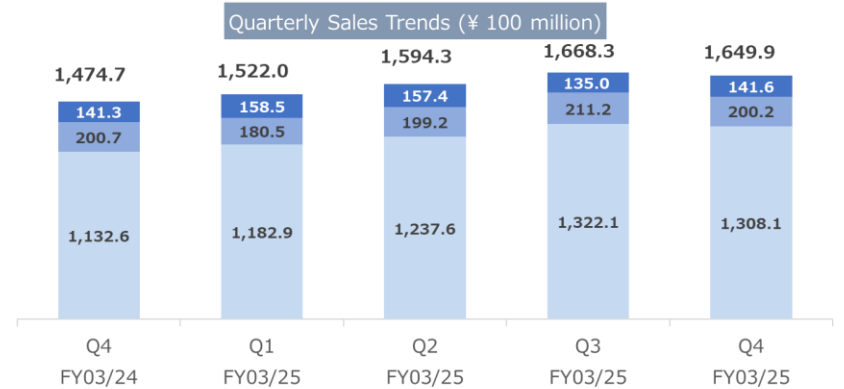
CNY



Net Sales and Operating Profit by Segment

Net sales	Q4 FY03/24	Q4 FY03/25	Change (Change %)	FY03/25 Forecast as of May (Achievement %)	FY03/26 Forecast
(¥ 100 million)					
Medical-Related	4,536.1	5,050.7	+514.6 +11.3%	5,013.0 100.8%	5,334.2
Pharmaceutical-Related	743.2	791.2	+48.0 +6.5%	812.5 97.4%	863.7
Pharma Packaging	580.3	592.6	+12.2 +2.1%	618.2 95.9%	568.0

Operating profit	Q4 FY03/24	Q4 FY03/25	Change (Change %)	FY03/25 Forecast as of May (Profit ratio)	FY03/25 Forecast as of February (Profit ratio)	FY03/26 Forecast
(¥ 100 million)						
Medical-Related	423.2 9.3%	466.3 9.2%	+43.1 +10.2%	471.0 9.4%	494.1 9.9%	533.9 10.0%
Pharmaceutical-Related	44.3 6.0%	106.2 13.4%	+61.9 +139.7%	90.3 11.1%	90.3 11.1%	107.8 12.5%
Pharma Packaging	24.5 4.2%	-2.7 -0.5%	-27.2 -	26.0 4.2%	2.9 0.5%	3.5 0.6%



● Medical-Related

Operating profit increased ¥4,310 million YoY due to strong sales of medical devices overseas, but fell short of the full-year forecast by ¥2,780 million due to an increase in deductions for unrealized gain and an increase in inventory disposal.

● Pharmaceutical-Related

Net sales increased YoY due to the strong sales of newly-contracted injection and external preparation products of brand-name/long-listed drugs although generic drugs were down due to the contract termination. The product mix has shifted, with lower-margin GE products decreasing and higher-margin brand-name/long-listed products increasing, and the profit level has been recovered to the original level of a CDMO company, posting an increase of ¥6,190 million YoY.

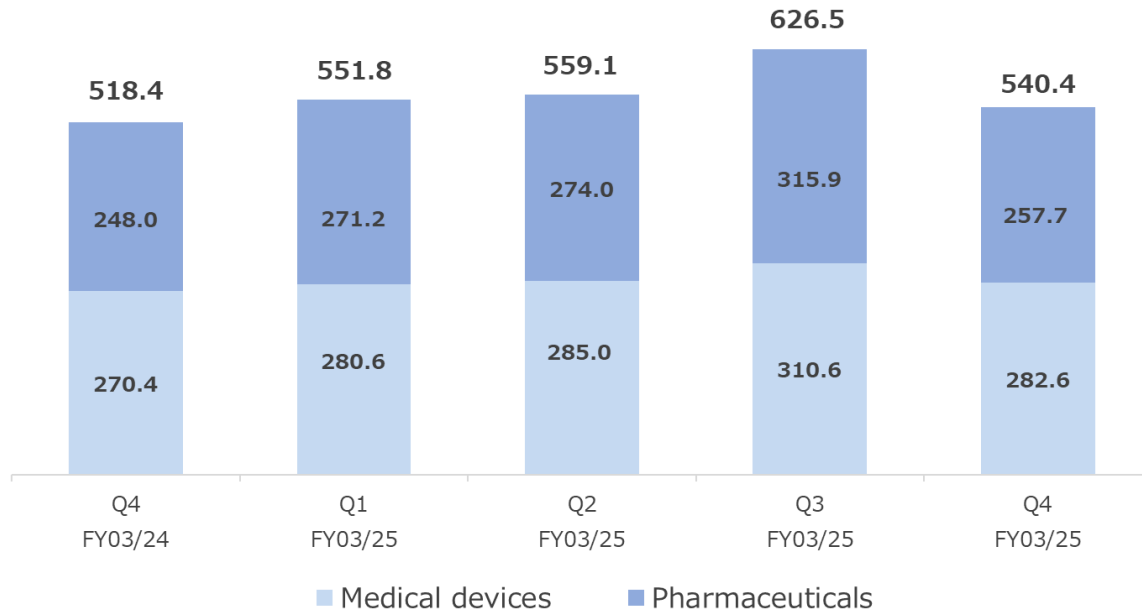
● Pharma Packaging

Whereas net sales grew, operating profit fell ¥2,720 million YoY due to the increased labor costs and depreciation.

Segment Results – (1) Medical-Related (Domestic)

Net sales (¥ 100 million)	Q4 FY03/24	Q4 FY03/25	Change (Change %)	FY03/25 Forecast (Achievement %)	FY03/26 Forecast
Domestic business	2,264.9	2,277.9	+13.0 +0.6%	2,367.0 96.2%	2,439.8
Medical devices	1,157.2	1,159.0	+1.7 +0.2%	1,194.0 97.1%	1,261.8
Pharmaceuticals	1,107.6	1,118.9	+11.3 +1.0%	1,173.0 95.4%	1,178.1

Quarterly Sales Trends (¥ 100 million)



● Medical devices

Sales of needles increased ¥1,970 YoY due to the passing-through of costs and increase in shipment. Sales of infusion-related products increased ¥790 million YoY as the higher costs were passed on to sales prices.

Sales of SD-related products in Q4 solely increased ¥440 million YoY as the demand for HeartMate 3 has recovered. Sales in Q4 cumulatively increased ¥860 million YoY as HeartMate 3 enjoyed steady sales associated with an indication expansion for DT cases.

In vascular-related products, domestic sales of drug-eluting balloons decreased in Q1 and Q2 in FY2023 as a competitor launched its new products, but recovery of market share resulted from indication expansion helped its sales grow ¥700 million YoY. On the other hand, in China, net sales were down ¥4,250 million YoY due to the transfer of sales from a subsidiary under the domestic Medical-Related business to a subsidiary under the overseas Medical-Related business. As a result, the sales of vascular-related products as a whole decreased ¥3,250 million YoY.

● Pharmaceuticals

Sales of oral drugs decreased ¥2,150 million YoY due to the suspension of sale of ES Pharma products and decline in the NHI drug prices.

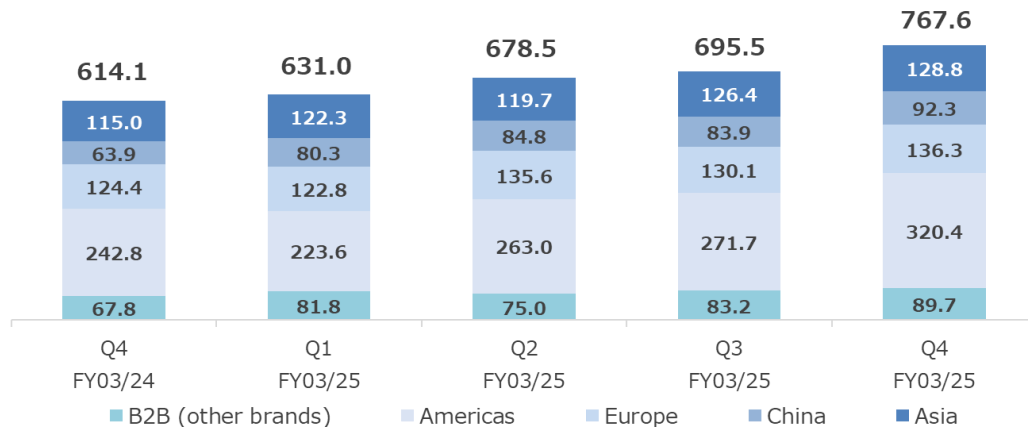
Sales of injections and infusions increased ¥2,380 million YoY because of the steady shipment of Pegfilgrastim BS, a drug to prevent development of cancer chemotherapy-induced febrile neutropenia.

Sales of external preparations increased ¥770 million YoY as the impact of increased shipment still continued from Q3.

Segment Results – (1) Medical-Related (Overseas)

Net sales (¥ 100 million)	Q4 FY03/24	Q4 FY03/25	Change (Change %)	FY03/25 Forecast (Achievement %)	FY03/26 Forecast
Overseas business	2,271.2	2,772.7	+501.5 +22.1%	2,594.0 106.9%	2,894.1
B2B (other brands)	268.2	329.9	+61.6 +23.0%	312.5 105.6%	355.9
Nipro brands	2,002.9	2,442.8	+439.8 +22.0%	2,281.5 107.1%	2,538.2
Americas	847.4	1,078.9	+231.4 +27.3%	997.0 108.2%	1,060.1
Europe	465.0	525.0	+59.9 +12.9%	469.4 111.8%	562.1
Asia	417.1	497.4	+80.3 +19.3%	447.0 111.3%	536.2
China	273.3	341.4	+68.1 +24.9%	368.0 92.8%	379.8

Quarterly Sales Trends (¥ 100 million)



● B2B

Sales of insulin needles were strong due to higher demand for GLP-1 in Europe, resulting in a ¥6,160 million YoY increase.

● Nipro brand

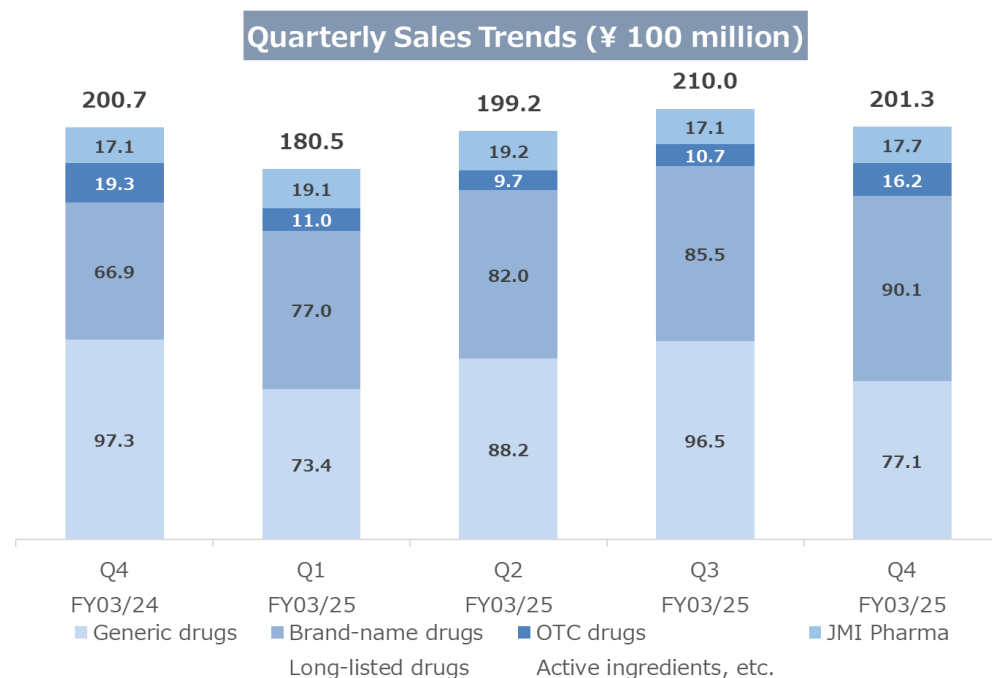
In the Americas, sales rose ¥23,140 million YoY due to yen's depreciation, a large contract of dialyzers and dialysis equipment, increased demand for AVF and blood circuit whose demand was temporarily down because of inventory adjustment of sales agents, and increased demand for some products due to the reduced production (shortage of supply) of competitors in North America. In Central and South America, sales grew due to an expansion in dialysis centers in Chile and Guatemala, capturing of government tenders for dialysis equipment, needles, and infusion related products in Honduras and Mexico and for blood glucose monitor (sensor) in Argentina.

In Europe, sales increased ¥5,990 million YoY due to the start of shipments of dialyzers for the Egyptian government's tenders, a switch from competitors in Romania and Turkey, and steady sales of high-performance dialyzers. Strong sales of dialysis equipment in Italy and Libya and weaker yen are other factors for the increased sales.

In Asia, sales increased ¥8,030 million YoY due to the shift to single use in Indonesia, the capturing of governments' tenders for dialysis equipment in Saudi Arabia, UAE, and India, increased sales of needles and syringes in Thailand and Philippines, brisk sales of vascular-related products thanks to the strengthened sales activities, and the effect of the yen's depreciation. In China, although the sales of dialyzers decreased due to the restrained buying and fall in unit prices following the commencement of centralized purchasing, sales volume increased and sales rose ¥6,810 million as dialysis centers expanded, sales of vascular-related products were transferred from a subsidiary under the domestic division to a subsidiary under the international division, and the market expanded due to the increase of Cardiac Intervention cases.

Segment Results – (2) Pharmaceutical-Related

Net sales (¥ 100 million)	Q4 FY03/24	Q4 FY03/25	Change (Change %)	FY03/25 Forecast (Achievement %)	FY03/26 Forecast
Pharmaceutical-Related	743.2	791.2	+48.0 + 6.5%	812.5 97.4%	863.7
Generic drugs	381.3	335.4	-45.9 -12.0%	347.0 96.7%	318.7
Brand-name drugs	251.2	334.7	+83.4 + 33.2%	334.9 100.0%	430.6
Long-listed drugs					
OTC drugs	47.4	47.7	+0.2 + 0.5%	63.5 75.2%	37.5
Active ingredients, etc.					
JMI Pharma	63.0	73.2	+10.2 + 16.2%	67.0 109.3%	76.9



● Generic drugs

Sales of oral drugs fell ¥260 million YoY due to a decline in orders.

Sales of injections dropped ¥3,740 million YoY due to the termination of consignment of products and a decrease in orders of main anticancer drugs because of the overstock of customers.

Sales of external preparations fell ¥590 million YoY due to items for which the contract was terminated.

● Brand-name/long-listed drugs

Sales of oral drugs rose ¥1,410 million YoY due to an increase in orders.

Sales of injections grew ¥5,620 million YoY due to the start of deliveries of new consigned products and an increase in orders for existing items.

Sales of external preparations rose ¥1,320 million YoY due to the commencement of deliveries of new consigned products.

● OTC drugs, active ingredients, etc.

Sales fell ¥20 million YoY due to an increase in orders and price hike for OTC topical formulations.

● JMI Pharma

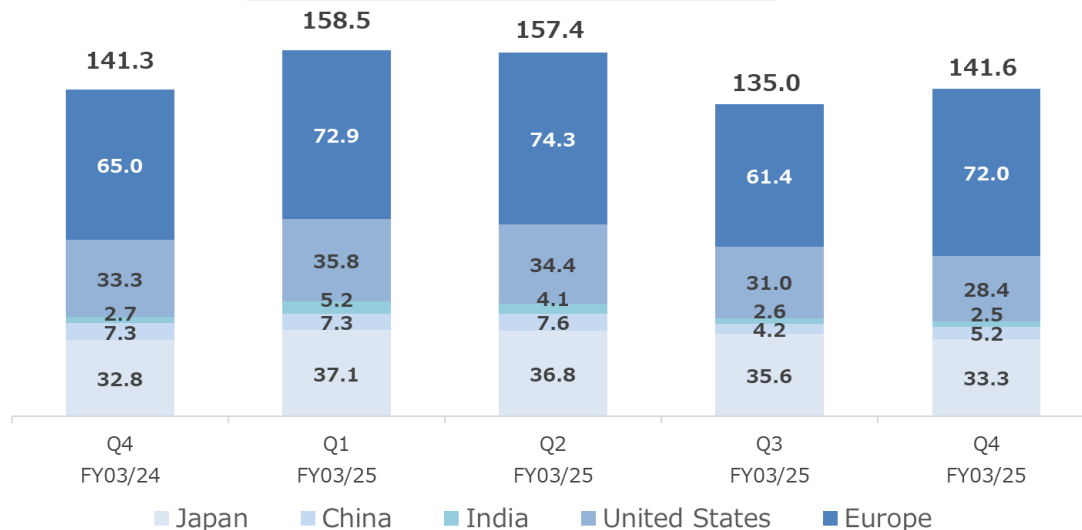
Net sales of JMI Pharma grew 15.3% YoY on a local currency basis as a result of putting 22 new products on the market and a growing number of adopting institutions in addition to increased promotion to physicians and a focus on chronic disease drugs.

Net sales increased 16.2% YoY on a Japanese yen basis due to the impact of exchange rate fluctuations.

Segment Results – (3) Pharma Packaging

Net sales (¥ 100 million)	Q4 FY03/24	Q4 FY03/25	Change (Change %)	FY03/25 Forecast (Achievement %)	FY03/26 Forecast
Pharma Packaging	580.3	592.6	+12.2 +2.1%	618.2 95.9%	567.9
Japan	131.2	143.0	+11.7 +9.0%	140.4 101.8%	145.9
Overseas	449.0	449.6	+0.5 +0.1%	477.7 94.1%	422.0
Europe	251.7	280.8	+29.1 +11.6%	289.9 96.9%	286.5
United States	141.3	129.6	-11.6 -8.2%	147.5 87.9%	117.1
China	43.0	24.5	-18.5 -43.0%	19.4 126.4%	4.3
India	12.9	14.5	+1.5 +12.0%	20.8 69.8%	13.9

Quarterly Sales Trends (¥ 100 million)



● Japan

Net sales were up ¥1,170 million YoY. On a quarterly basis, H2 showed downward trend as a reaction to good performance in H1 with increasing order of infusion-related products and plastic parts for kits in Q1 in addition to higher demand for vials. Sales of glass tubes fell in Q3 due to the price revision, but its intense demand by Q2 foreseeing the price hike in October 2024 and the recovery in demand in Q4 also helped sales in Japan grow.

● Overseas

In Europe, sales rose ¥2,910 million YoY due to an increase in demands of higher profit products such as sterilized syringes.

In the U.S., sales declined ¥1,160 million caused by the inventory adjustment for glass tubes and vials taking place worldwide.

In China, in addition to the ¥780 million impact of the exclusion of subsidiaries from consolidation in Q1/FY2023, demand for glass ampules and vials decreased by ¥1,850 million YoY due to a decrease in demand for standard products from Q2/FY2023 onward as a result of corona convergence and a delay in customer approval for high value-added products.

In India, sales grew ¥150 million YoY due to stacked shipment of small quantity products of vials and the capturing of new orders.

Net Sales by Segment and Product Category

Segment		Medical -Related	Pharmaceutical -Related	Pharma Packaging	Other	Total
Product	(¥ 100 million)					
Medical devices	Q4 FY03/25	3,773.5	-	(*3) 43.1	-	3,816.7
	Q4 FY03/24	3,295.8	-	(*3) 41.1	-	3,337.0
Pharmaceuticals	Q4 FY03/25 (*1)	1,275.4	(*2) 791.2	6.5	-	2,073.2
	Q4 FY03/24 (*1)	1,239.1	(*2) 743.2	7.0	-	1,989.4
Pharma Packaging	Q4 FY03/25	1.7	-	541.3	-	543.1
	Q4 FY03/24	1.0	-	530.6	-	531.7
Other	Q4 FY03/25	-	-	1.6	11.1	12.7
	Q4 FY03/24	-	-	1.4	8.1	9.6
Total	Q4 FY03/25	5,050.7	791.2	592.6	11.1	6,445.8
	Q4 FY03/24	4,536.1	743.2	580.3	8.1	5,867.8

*1: In-house generic drugs

*2: Contract manufacturing of pharmaceuticals

*3: Needles, infusion-related products, testing products

Net Sales by Segment and Region

Region	Segment	Medical -Related	Pharmaceutical -Related	Pharma Packaging	Other	Total
	(¥ 100 million)					
Japan	Q4 FY03/25	2,280.8	709.4	143.2	11.1	3,144.7
	Q4 FY03/24	2,228.7	677.2	131.8	8.0	3,046.0
Overseas total	Q4 FY03/25	2,769.9	81.7	449.3	-	3,301.1
	Q4 FY03/24	2,307.3	65.9	448.4	-	2,821.8
Americas	Q4 FY03/25	1,170.1	-	131.2	-	1,301.4
	Q4 FY03/24	945.1	-	134.9	-	1,080.1
Europe	Q4 FY03/25	650.1	4.6	271.5	-	926.3
	Q4 FY03/24	519.6	-0.6	253.1	-	772.0
China	Q4 FY03/25	345.0	0.2	26.3	-	371.7
	Q4 FY03/24	320.2	0.2	43.1	-	363.5
Asia Other	Q4 FY03/25	604.5	76.8	20.1	-	701.5
	Q4 FY03/24	522.3	66.3	17.2	-	606.0
Total	Q4 FY03/25	5,050.7	791.2	592.6	11.1	6,445.8
	Q4 FY03/24	4,536.1	743.2	580.3	8.1	5,867.8

● By region

Net sales were strong in all regions, with Japan making up 48.8% of net sales and overseas 51.2%.

● By segment

In medical devices in Japan, sales of needles increased due to the increase in shipment and the passing on of higher costs to sales prices, and sales of infusion-related products rose also due to the passing on of higher costs to sales prices. In Pharmaceuticals, sales of oral drugs fell due to the suspension of sales of ES Pharma products and a fall in drug prices, but sales of injection and external preparation increased with the increase in shipment.

In international medical devices, sales rose due to robust sale of dialyzers in Europe, Americas, and Asia and needles for GLP-1 in Europe's B2B in addition to the yen's depreciation. Dialysis centers expanded in Central and South America and China.

In Pharmaceutical-Related, sales of JMI Pharma were steady. In Japan, sales increased due to the commencement of deliveries of new consigned products in brand-name/long-listed products and the increase in orders of existing products although sales of GE products decreased due to a decline in orders.

In Pharma Packaging, net sales grew due to higher demand for infusion-related products, plastic parts for kits, and vials in Japan. In the U.S., sales of glass tubes and vials fell due to a decline in orders. In China, net sales declined YoY as a result of excluding an entity from consolidation, associated with the transfer of interest of subsidiaries, but sales of sterile syringes in Europe and ampules and vials in Asia Other were strong.

Product Category

Medical devices	
Dialyzers	Dialyzers (artificial kidneys), HDF filters
Dialysis equipment	Dialysis systems, maintenance, dialysis equipment parts
Other dialysis-related products	Blood circuits, AVF needles, etc.
Needles	PSV needles, safetouch needles, etc.
Vascular products	Catheter sets for cardiovascular treatments, thrombus aspiration catheters, etc.
Infusion-related products	Infusion sets, IV cannulas, etc.
Testing products	Neotube (vacuum blood collection tube), blood collection needles, etc.
Diabetes-related products	Insulin needles, blood glucose meters (for overseas markets), lancets
Surgical device-related products	Mechanical circulatory support, cardiopulmonary bypass products, orthopedic products
Other products	Medical instruments, blood-related products, cell culture-related products, gloves, etc.
Pharmaceuticals	
Oral drugs	Oral drugs
Injection and infusion products	Syringe kits, vial formulations, dual chamber bags (PLW), powdered dialysate, dialysis fluids, etc.
External preparations and patches	External preparations, patches
Others, in vitro diagnostics, etc.	Reagents, pharmaceuticals, blood glucose meters, etc.
Pharma Packaging	
Glass tube-related products	Medical-use glass tubes, non-medical use glass tubes, glass raw materials
Glass ampoules	Ampoules (single tip, double tip)
Glass vials	Vials (blowback, screw, sterilized, etc.)
Glass syringes	Syringes (luer lock, luer slip, sterilized, etc.)
Rubber stoppers and plugs	Rubber stoppers, plugs, closures, and caps
Plastic containers	Plastics
Thermos bottles	Glass for thermos bottles
Other products	Glass containers and others, special glass containers, cartridge glass and others, etc.

Net Sales by Product Category (1)

Business Category (¥ 100 million)		Overall				Overseas				Japan			
		Q4 FY03/24	Q4 FY03/25	Change	Change %	Q4 FY03/24	Q4 FY03/25	Change	Change %	Q4 FY03/24	Q4 FY03/25	Change	Change %
Medical devices	Dialyzers	952.8	1,097.9	+145.0	+15.2%	725.8	876.6	+150.8	+20.8%	227.0	221.2	-5.7	-2.5%
	Dialysis equipment	238.6	312.0	+73.3	+30.8%	162.6	237.0	+74.3	+45.7%	75.9	74.9	-0.9	-1.3%
	Other dialysis-related products	544.8	624.8	+79.9	+14.7%	460.4	539.4	+79.0	+17.2%	84.4	85.4	+0.9	+1.2%
	Dialysis-related products total	1,736.2	2,034.7	+298.4	+17.2%	1,348.9	1,653.1	+304.2	+22.6%	387.3	381.6	-5.7	-1.5%
	Needles	477.1	541.5	+64.4	+13.5%	311.2	356.6	+45.3	+14.6%	165.8	184.9	+19.0	+11.5%
	Vascular products	309.9	339.5	+29.5	+9.5%	63.8	86.9	+23.1	+36.2%	246.1	252.5	+6.3	+2.6%
	Infusion-related products	216.8	237.9	+21.0	+9.7%	89.0	100.9	+11.9	+13.4%	127.8	136.9	+9.1	+7.1%
	Testing products	122.4	133.9	+11.4	+9.3%	85.0	92.1	+7.0	+8.3%	37.4	41.7	+4.3	+11.7%
	Diabetes-related products	113.3	143.5	+30.1	+26.6%	98.8	131.3	+32.4	+32.9%	14.5	12.2	-2.3	-15.9%
	Surgical device-related products	86.4	99.3	+12.9	+14.9%	19.5	23.8	+4.2	+21.9%	66.8	75.5	+8.6	+12.9%
	Other products	267.2	280.7	+13.4	+5.0%	158.2	166.6	+8.4	+5.3%	109.0	114.0	+4.9	+4.6%
	Category Total	3,329.8	3,811.3	+481.4	+14.5%	2,174.7	2,611.6	+436.9	+20.1%	1,155.1	1,199.6	+44.4	+3.9%
Pharmaceuticals (own brand)	Oral drugs	500.6	478.8	-21.8	-4.4%	0.5	0.2	-0.3	-60.9%	500.1	478.6	-21.5	-4.3%
	Injection and infusion products	554.9	603.3	+48.4	+8.7%	128.3	152.9	+24.5	+19.2%	426.5	450.4	+23.8	+5.6%
	External preparations and patches	68.5	76.3	+7.7	+11.3%	-	-	-	-	68.5	76.3	+7.7	+11.3%
	Others, in vitro diagnostics, etc.	115.0	116.8	+1.8	+1.6%	2.7	3.3	+0.6	+22.4%	112.2	113.4	+1.2	+1.1%
	Category Total	1,239.1	1,275.4	+36.2	+2.9%	131.6	156.5	+24.8	+18.9%	1,107.5	1,118.8	+11.3	+1.0%
Regenerative medicines Regenerative medicine products		7.1	5.4	-1.7	-24.2%	-	-	-	-	7.1	5.4	-1.7	-24.2%

Net Sales by Product Category (2)

		Overall				Overseas				Japan			
(¥ 100 million)		Q4 FY03/24	Q4 FY03/25	Change	Change %	Q4 FY03/24	Q4 FY03/25	Change	Change %	Q4 FY03/24	Q4 FY03/25	Change	Change %
Pharmaceuticals (contract manufacturing)	Oral drugs	277.5	288.6	+11.0	+4.0%	0.4	0.4	+0.0	-6.0%	277.0	288.1	+11.1	+4.0%
	Injection and infusion products	333.9	352.3	+18.4	+5.5%	4.4	6.5	+2.0	+45.8%	329.4	345.8	+16.3	+5.0%
	External preparations and patches	42.0	51.8	+9.8	+23.4%	0.4	0.6	+0.1	+40.9%	41.6	51.2	+9.6	+23.2%
	Others, in vitro diagnostics, etc.	33.7	31.6	-2.0	-6.1%	-2.4	0.9	+3.4	-	36.2	30.7	-5.4	-15.2%
	Category Total	687.2	724.5	+37.2	+5.4%	2.8	8.4	+5.6	+195.1%	684.3	716.0	+31.6	+4.6%
Pharmaceuticals (JMI Pharma)	Oral drugs	62.3	72.4	+10.0	+16.2%	62.3	72.4	+10.0	+16.2%	-	-	-	-
	Injection and infusion products	0.6	0.7	+0.1	+19.3%	0.6	0.7	+0.1	+19.3%	-	-	-	-
	Category Total	63.0	73.2	+10.2	+16.2%	63.0	73.2	+10.2	+16.2%	-	-	-	-
Pharma Packaging	Glass tube-related products	129.7	130.7	+0.9	+0.8%	106.8	104.8	-1.9	-1.9%	22.9	25.8	+2.9	+13.0%
	Glass ampoules	81.9	81.0	-0.9	-1.2%	81.7	80.8	-0.9	-1.2%	0.2	0.1	+0.0	-10.0%
	Glass vials	177.2	157.8	-19.4	-10.9%	158.4	137.3	-21.1	-13.3%	18.7	20.4	+1.7	+9.1%
	Glass syringes	73.1	104.2	+31.0	+42.4%	73.0	104.0	+31.0	+42.5%	0.1	0.1	+0.0	+1.8%
	Rubber stoppers and plugs	18.5	14.3	-4.1	-22.5%	5.7	0.0	-5.6	-98.8%	12.8	14.3	+1.4	+11.6%
	Plastic containers	18.4	19.4	+1.0	+5.5%	0.0	0.0	+0.0	-28.4%	18.4	19.4	+1.0	+5.5%
	Thermos bottles	5.6	5.7	+0.0	+1.5%	-	-	-	-	5.6	5.7	+0.0	+1.5%
	Other products	26.9	29.7	+2.7	+10.3%	23.2	23.7	+0.4	+1.9%	3.6	6.0	+2.3	+63.6%
	Category Total	531.7	543.1	+11.3	+2.1%	449.0	450.8	+1.7	+0.4%	82.6	92.2	+9.6	+11.6%
Other	Sales of production machinery and real estate leasing	9.6	12.7	+3.1	+32.6%	0.4	0.3	-0.1	-33.3%	9.1	12.4	+3.2	+35.9%
Consolidated Total		5,867.8	6,445.8	+578.0	+9.9%	2,821.8	3,301.1	+479.3	+17.0%	3,046.0	3,144.7	+98.6	+3.2%

FY03/26 Forecast - (1) Medical-related business

Medical-Related

Breakdown (¥100 million)		FY03/25 Actual	FY03/26 Forecast	FY03/26 Forecast change	FY03/26 Forecast change %
Domestic	Medical devices	1,159.0	1,261.8	+102.8	+8.9%
	Pharmaceuticals	1,118.9	1,178.1	+59.2	+5.3%
Overseas	B2B	329.9	355.9	+26.0	+7.9%
	Americas	1,078.9	1,060.1	-18.8	-1.7%
	Europe	525.0	562.1	+37.1	+7.1%
	Asia	497.4	536.2	+38.8	+7.8%
	China	341.4	379.8	+38.4	+11.2%
Total sales		5,050.7	5,334.2	+283.5	+5.6%
Operating profit		465.1	533.9	+68.8	+14.8%
Operating margin		9.2%	10.0%	-	-

	FY03/25 Average exchange rate	FY03/26 Average exchange rate forecast	FY03/26 forecast change %
USD	152.24	139.00	-9.5%
EUR	164.36	158.00	-4.0%
CNY	21.12	20.00	-5.6%

● Net sales

With regard to medical devices in Japan, we will continue passing higher costs on to sales prices of general consumables, attempt to gain market share in main products, and expand and reinforce a comprehensive medical network system. In respect of vascular-related products, we forecast sales to increase ¥10,280 million YoY in expectation of a sales increase due to an indication expansion for drug-eluting balloons and stronger sales of non-slip-type balloon catheter.

Regarding pharmaceuticals in Japan, sales is expected to increase as it is planned to put new products on the market and to increase shipping of existing products. Although the impact of NHI price revision is huge, drug prices for stable supply drugs and essential drugs were improved, making our forecast to increase ¥5,920 million YoY.

In the Americas, a significant increase in local currencies is expected due to the renewal of a contract for dialyzers for a major U.S. dialysis provider. The new line at the Odate Plant is now in operation, ensuring sufficient supply capacity. Together with the launch of new dialysis machines on the market, this business will be a market that drives sales in this fiscal year. However, due to the impact of exchange rate, we assume a YoY sales decrease of ¥1,880 million.

In Europe, we will expand business by placing stronger sales of high-added value products at the core. Sales are expected to increase ¥3,710 million YoY and a significant sales increase is forecasted in the overall European market, including the growth of the B2B business.

In Asia, we position this region as our key strategic market and forecast a YoY increase in sales of ¥3,880 million as a result of expanding and reinforcing dialysis-related products, hospital products, and infection control products.

In China, sales volumes are expected to increase due to accommodating the move to centralized purchasing of dialysis-related products. Sales are forecasted to grow ¥3,840 million YoY partly due to an expansion of dialysis centers.

Overall, we plan to significantly increase domestic and international sales, especially overseas, based on the reinforcement of production capacity.

● Operating profit

While making progress in passing surging costs of raw materials on to sales prices, we will vigorously drive cost reductions. We forecast operating profit to increase YoY by boosting the earnings power and improving operating profit margin by means of shifting to high-added-value products and improving productivity, coupled with production capacity reinforcement.

FY03/26 Forecast - (2) Pharmaceutical-Related and Pharma Packaging Business

Pharmaceutical-Related

Breakdown (¥100 million)	FY03/25 Actual	FY03/26 Forecast	FY03/26 Forecast change	FY03/26 Forecast change %
Generic drugs	335.4	338.7	3.3	1.0%
Brand-name/long-listed drugs	334.7	410.6	+75.9	+22.7%
OTC drugs, active ingredients	47.7	37.5	-10.2	-21.4%
JMI Pharma	73.2	76.9	+3.7	+5.1%
Total sales	791.2	863.7	+72.5	+9.2%
Operating profit	106.2	107.8	+1.6	+1.5%
Operating margin	13.4%	12.5%	-	-

Pharma Packaging

Breakdown (¥100 million)	FY03/25 Actual	FY03/26 Forecast	FY03/26 Forecast change	FY03/26 Forecast change %
Japan	143.0	145.9	+2.9	2.0%
Europe	280.8	286.5	+5.7	2.0%
United States	129.6	117.1	-12.5	-9.6%
China	24.5	4.3	-20.2	-82.4%
India	14.5	13.9	-0.6	-4.1%
Total sales	592.6	568.0	-24.6	-4.2%
Operating profit	-2.7	2.8	+5.5	-203.7%
Operating margin	-0.5%	0.5%	-	-

● Net sales

Sales of GE products are expected to decrease ¥1,670 million YoY as the contracts of some formulations including external preparations will be terminated.

Sales of long-listed drugs are in decreasing trend, but sales of brand-name drugs are forecasted to grow ¥9,590 million due to a contribution of new contract of pharmaceuticals. Sales of OTC drugs and drug substances are expected to decline by ¥1,020 million YoY due to the end of sales of some external preparations.

In JMI Pharma, sales are forecasted to increase ¥370 million YoY through launching of new products and stepping up promotions to physicians.

● Operating profit

Operating profit margin is expected to improve by passing a cost increase from surging raw materials on to sales prices of products, constructing product capacity of antibacterial drugs, and improving production efficiency.

● Net sales

In the Japanese market, net sales are forecasted to grow ¥290 million YoY due to continued increases in high-added-value devices and material-related items.

In Europe, we expect net sales to increase ¥570 million YoY in anticipation of stronger sales of D2F syringes in Germany and glass tubes in France associated with the recovery of market demand in H2.

In the U.S., net sales are estimated to decrease ¥1,250 million YoY due to the impact of exchange rate although customers' inventory adjustments of vials and glass tubes will run their course.

In China, net sales are forecasted to decrease ¥2,020 million YoY as we will proceed with liquidating a joint subsidiary.

● Operating profit

Operating profit is forecasted to be secured by reorganizing manufacturing sites, mainly overseas, and promoting drastic cost reductions.

Forecasts and other forward-looking statements in this document are based on information currently available to the Company and certain assumptions that the Company believes to be reasonable.

Actual results may differ materially from those described in this document due to various factors that may arise in the future.

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