

May 8, 2026

Consolidated Financial Results for the Three Months Ended March 31, 2026 (Under Japanese GAAP)

Company name: Kobayashi Pharmaceutical Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 4967
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analysts)

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

1. Consolidated financial results for the three months ended March 31, 2026 (from January 1, 2026 to March 31, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended								
March 31, 2026	33,665	3.2	1,350	(46.7)	1,671	(30.4)	1,036	(36.2)
March 31, 2025	32,607	(10.6)	2,535	(49.6)	2,401	(56.0)	1,624	66.5

Note: Comprehensive income For the three months ended March 31, 2026: ¥2,357 million [-%]
 For the three months ended March 31, 2025: ¥(2,052) million [-%]

	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
Three months ended				
March 31, 2026	13.95		-	
March 31, 2025	21.86		-	

Note: Diluted earnings per share for the consolidated fiscal year under review is omitted since there were no potential ordinary shares with a dilutive effect.

(2) Consolidated financial position

	Total assets		Net assets		Equity-to-asset ratio	
	Millions of yen		Millions of yen			%
As of						
March 31, 2026	254,864		208,926			81.7
December 31, 2025	275,329		211,008			76.3

Reference: Equity
 As of March 31, 2026: ¥208,101 million
 As of December 31, 2025: ¥210,206 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended December 31, 2025	-	44.00	-	60.00	104.00
Fiscal year ending December 31, 2026	-				
Fiscal year ending December 31, 2026 (Forecast)		45.00		61.00	106.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of consolidated financial results for the fiscal year ending December 31, 2026 (from January 1, 2026 to December 31, 2026)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending December 31, 2026	173,000	4.4	12,500	(16.2)	13,000	(23.5)	10,000	173.5	134.52

Note: Revisions to the earnings forecasts most recently announced: None

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (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
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of March 31, 2026	78,050,000 shares
As of December 31, 2025	78,050,000 shares

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

As of March 31, 2026	3,711,236 shares
As of December 31, 2025	3,711,236 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended March 31, 2026	74,338,764 shares
Three months ended March 31, 2025	74,338,819 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information available to the Company and on certain assumptions deemed to be reasonable. Actual financial results may differ from the results anticipated in the statements due to various factors.

(Method of accessing supplementary material on financial results)

The Company plans to hold a financial results briefing for institutional investors and analysts on Friday, May 8, 2026. The financial results briefing materials to be distributed at this briefing will be posted on the Company's website on the day of the event.

Quarterly consolidated balance sheet

(Millions of yen)

	As of December 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	62,314	56,729
Notes and accounts receivable - trade	52,180	33,438
Securities	8,300	8,300
Merchandise and finished goods	14,710	17,702
Work in process	2,022	2,227
Raw materials and supplies	6,020	6,569
Other	3,316	2,635
Allowance for doubtful accounts	(45)	(20)
Total current assets	148,820	127,581
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	33,248	33,138
Machinery, equipment and vehicles, net	7,004	7,184
Tools, furniture and fixtures, net	2,591	2,487
Land	6,211	6,603
Leased assets, net	655	700
Construction in progress	17,656	18,223
Total property, plant and equipment	67,367	68,337
Intangible assets		
Goodwill	7,711	7,503
Trademark right	6,566	6,305
Software	2,620	2,573
Other	516	528
Total intangible assets	17,414	16,911
Investments and other assets		
Investment securities	31,840	31,535
Long-term loans receivable	1,334	1,363
Retirement benefit asset	891	915
Deferred tax assets	5,264	5,919
Investment property, net	2,442	2,435
Other	1,335	1,287
Allowance for doubtful accounts	(1,382)	(1,423)
Total investments and other assets	41,726	42,033
Total non-current assets	126,508	127,282
Total assets	275,329	254,864

	As of December 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,458	7,684
Electronically recorded obligations - operating	6,440	2,923
Accounts payable - other	30,916	16,148
Lease liabilities	319	332
Income taxes payable	1,852	1,364
Accrued consumption taxes	1,138	485
Provision for bonuses	3,052	4,417
Provision for product recall-related losses	2,176	1,592
Other	5,783	6,964
Total current liabilities	60,137	41,911
Non-current liabilities		
Lease liabilities	359	395
Retirement benefit liability	989	972
Other	2,833	2,657
Total non-current liabilities	4,182	4,025
Total liabilities	64,320	45,937
Net assets		
Shareholders' equity		
Share capital	3,450	3,450
Capital surplus	522	522
Retained earnings	204,240	200,816
Treasury shares	(24,767)	(24,767)
Total shareholders' equity	183,444	180,021
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	13,085	13,114
Foreign currency translation adjustment	13,012	14,277
Remeasurements of defined benefit plans	663	688
Total accumulated other comprehensive income	26,761	28,080
Share acquisition rights	793	814
Non-controlling interests	9	10
Total net assets	211,008	208,926
Total liabilities and net assets	275,329	254,864

Quarterly consolidated statement of income

(Millions of yen)

	Three months ended March 31, 2025	Three months ended March 31, 2026
Net sales	32,607	33,665
Cost of sales	15,924	16,226
Gross profit	16,682	17,438
Selling, general and administrative expenses	14,147	16,087
Operating profit	2,535	1,350
Non-operating income		
Interest income	51	137
Dividend income	6	0
Rental income from real estate	76	71
Subsidy income	8	106
Other	100	85
Total non-operating income	244	401
Non-operating expenses		
Interest expenses	4	4
Rental costs on real estate	25	20
Foreign exchange losses	272	2
Provision of allowance for doubtful accounts	56	40
Other	18	11
Total non-operating expenses	378	80
Ordinary profit	2,401	1,671
Extraordinary income		
Gain on sale of non-current assets	54	0
Gain on sale of investment securities	16	461
Other	8	5
Total extraordinary income	79	466
Extraordinary losses		
Loss on disposal of non-current assets	4	19
Losses related to defective products	688	318
Other	45	62
Total extraordinary losses	738	400
Profit before income taxes	1,743	1,737
Income taxes - current	947	1,343
Income taxes - deferred	(826)	(643)
Total income taxes	120	699
Profit	1,623	1,037
Profit (loss) attributable to non-controlling interests	(1)	1
Profit attributable to owners of parent	1,624	1,036

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended March 31, 2025	Three months ended March 31, 2026
Profit	1,623	1,037
Other comprehensive income		
Valuation difference on available-for-sale securities	(428)	29
Foreign currency translation adjustment	(3,258)	1,265
Remeasurements of defined benefit plans, net of tax	11	24
Total other comprehensive income	(3,676)	1,319
Comprehensive income	(2,052)	2,357
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(2,050)	2,356
Comprehensive income attributable to non-controlling interests	(1)	1

(Notes on segment information, etc.)

I. The three months of the previous fiscal year (January 1, 2025 to March 31, 2025)

Information on sales and the amount of profit or loss for each reported segment, as well as revenue breakdown information

(Millions of yen)

	Reportable segments			Other (Note) 1	Total	Adjustment amount (Note) 2	Quarterly Consolidated Statements of Income (Note)3
	Domestic Business	International Business	Total				
Net sales							
Japan	22,771	-	22,771	127	22,898	-	22,898
United States	-	4,837	4,837	-	4,837	-	4,837
China	-	1,992	1,992	-	1,992	-	1,992
Southeast Asia	-	2,038	2,038	-	2,038	-	2,038
Other	-	839	839	-	839	-	839
Revenue generated from customer contracts	22,771	9,708	32,480	127	32,607	-	32,607
Revenues from external customers	22,771	9,708	32,480	127	32,607	-	32,607
Transactions with other segments	766	382	1,148	1,298	2,447	(2,447)	-
Total	23,537	10,091	33,629	1,425	35,054	(2,447)	32,607
Segment Profit	2,541	0	2,541	36	2,578	(42)	2,535

Note: 1. The "Other" category is a business segment that is not included in the reporting segments, and includes transportation, manufacturing and sales of synthetic resin containers, real estate management, advertising planning and production, etc.

2. The adjustment amount of (42) million yen in segment profit is the elimination of inter-segment transactions.

3. Segment profit is adjusted to operating income in the quarterly consolidated statements of income.

II. The three months of the current fiscal year (January 1, 2026 to March 31, 2026)

Information on sales and the amount of profit or loss for each reported segment, as well as revenue breakdown information

(Millions of yen)

	Reportable segments			Other (Note) 1	Total	Adjustment amount (Note) 2	Quarterly Consolidated Statements of Income (Note)3
	Domestic Business	International Business	Total				
Net sales							
Japan	23,288	-	23,288	173	23,462	-	23,462
United States	-	4,404	4,404	-	4,404	-	4,404
China	-	2,662	2,662	-	2,662	-	2,662
Southeast Asia	-	2,013	2,013	-	2,013	-	2,013
Other	-	1,123	1,123	-	1,123	-	1,123
Revenue generated from customer contracts	23,288	10,203	33,491	173	33,665	-	33,665
Revenues from external customers	23,288	10,203	33,491	173	33,665	-	33,665
Transactions with other segments	1,148	355	1,504	1,470	2,974	(2,974)	-
Total	24,437	10,558	34,996	1,643	36,639	(2,974)	33,665
Segment profit (loss)	1,684	(338)	1,346	95	1,441	(91)	1,350

Note: 1. The "Other" category is a business segment that is not included in the reporting segments, and includes transportation, manufacturing and sales of synthetic resin containers, real estate management, advertising planning and production, etc.

2. Segment profit or loss adjustment amount of (91) million yen is the elimination of inter-segment transactions.

3. Segment profit or loss is adjusted to operating income in the quarterly consolidated statements of income.