August 6, 2026

Consolidated Financial Results for the Six Months Ended June 30, 2026 (Under Japanese GAAP)

Company name: Kobayashi Pharmaceutical Co., Ltd.
Listing: Tokyo Stock Exchange
Securities code: 4967
URL: https://www.kobayashi.co.jp/
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Scheduled date to file semi-annual securities report: August 7, 2026
Scheduled date to commence dividend payments: September 3, 2026
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 six months ended June 30, 2026 (from January 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	70,749	2.5	2,162	(67.5)	3,006	(58.5)	1,136	(64.1)
June 30, 2025	69,018	(5.6)	6,648	(29.8)	7,245	(30.6)	3,167	120.5

Note: Comprehensive income For the six months ended June 30, 2026: ¥3,103 million [-%]
For the six months ended June 30, 2025: ¥(896) million [-%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
June 30, 2026	15.29	-
June 30, 2025	42.61	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	251,891	209,699	82.9
December 31, 2025	275,329	211,008	76.3

Reference: Equity
As of June 30, 2026: ¥208,846 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	-	45.00			
Fiscal year ending December 31, 2026 (Forecast)				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 semi-annual 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 June 30, 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 June 30, 2026	3,711,379 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)

Six months ended June 30, 2026	74,338,717 shares
Six months ended June 30, 2025	74,338,819 shares

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* 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 Thursday, August 6, 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.

Semi-annual consolidated balance sheet

(Millions of yen)

	As of December 31, 2025	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	62,314	47,029
Notes and accounts receivable - trade	52,180	34,125
Securities	8,300	10,300
Merchandise and finished goods	14,710	20,831
Work in process	2,022	2,317
Raw materials and supplies	6,020	6,789
Other	3,316	3,453
Allowance for doubtful accounts	(45)	(18)
Total current assets	148,820	124,828
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	33,248	49,076
Machinery, equipment and vehicles, net	7,004	7,910
Tools, furniture and fixtures, net	2,591	2,796
Land	6,211	6,611
Leased assets, net	655	695
Construction in progress	17,656	2,510
Total property, plant and equipment	67,367	69,601
Intangible assets		
Goodwill	7,711	7,244
Trademark right	6,566	5,997
Software	2,620	2,813
Other	516	541
Total intangible assets	17,414	16,596
Investments and other assets		
Investment securities	31,840	30,684
Long-term loans receivable	1,334	1,343
Retirement benefit asset	891	944
Deferred tax assets	5,264	5,530
Investment property, net	2,442	2,428
Other	1,335	1,299
Allowance for doubtful accounts	(1,382)	(1,366)
Total investments and other assets	41,726	40,864
Total non-current assets	126,508	127,062
Total assets	275,329	251,891

(Millions of yen)

	As of December 31, 2025	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	8,458	7,891
Electronically recorded obligations - operating	6,440	2,745
Accounts payable - other	30,916	16,477
Lease liabilities	319	271
Income taxes payable	1,852	862
Accrued consumption taxes	1,138	333
Provision for bonuses	3,052	3,025
Provision for loss on product recall	2,176	1,351
Other	5,783	5,112
Total current liabilities	60,137	38,071
Non-current liabilities		
Lease liabilities	359	452
Retirement benefit liability	989	1,006
Other	2,833	2,660
Total non-current liabilities	4,182	4,120
Total liabilities	64,320	42,192
Net assets		
Shareholders' equity		
Share capital	3,450	3,450
Capital surplus	522	522
Retained earnings	204,240	200,916
Treasury shares	(24,767)	(24,768)
Total shareholders' equity	183,444	180,120
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	13,085	12,528
Foreign currency translation adjustment	13,012	15,505
Remeasurements of defined benefit plans	663	692
Total accumulated other comprehensive income	26,761	28,726
Share acquisition rights	793	841
Non-controlling interests	9	10
Total net assets	211,008	209,699
Total liabilities and net assets	275,329	251,891

Semi-annual consolidated statement of income

(Millions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Net sales	69,018	70,749
Cost of sales	32,873	34,418
Gross profit	36,145	36,330
Selling, general and administrative expenses	29,496	34,168
Operating profit	6,648	2,162
Non-operating income		
Interest income	125	288
Dividend income	332	303
Rental income from real estate	153	142
Foreign exchange gains	-	13
Other	504	248
Total non-operating income	1,117	996
Non-operating expenses		
Interest expenses	12	10
Rental costs on real estate	51	39
Foreign exchange losses	306	-
Other	149	101
Total non-operating expenses	519	151
Ordinary profit	7,245	3,006
Extraordinary income		
Gain on sale of non-current assets	55	5
Gain on sale of investment securities	110	461
Insurance claim income	-	372
Other	12	12
Total extraordinary income	179	851
Extraordinary losses		
Loss on disposal of non-current assets	27	84
Loss on product recall	2,912	661
Facility consolidation expenses	-	683
Other	235	206
Total extraordinary losses	3,175	1,636
Profit before income taxes	4,248	2,221
Income taxes - current	1,520	1,030
Income taxes - deferred	(434)	52
Total income taxes	1,085	1,082
Profit	3,163	1,138
Profit (loss) attributable to non-controlling interests	(3)	1
Profit attributable to owners of parent	3,167	1,136

Semi-annual consolidated statement of comprehensive income

(Millions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Profit	3,163	1,138
Other comprehensive income		
Valuation difference on available-for-sale securities	312	(556)
Foreign currency translation adjustment	(4,402)	2,492
Remeasurements of defined benefit plans, net of tax	29	29
Total other comprehensive income	(4,059)	1,965
Comprehensive income	(896)	3,103
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(892)	3,101
Comprehensive income attributable to non-controlling interests	(4)	1

Semi-annual consolidated statement of cash flows

(Millions of yen)

	Six months ended June 30, 2025	Six months ended June 30, 2026
Cash flows from operating activities		
Profit before income taxes	4,248	2,221
Depreciation	3,622	4,034
Amortization of goodwill	690	734
Increase (decrease) in provision for loss on product recall	216	(824)
Interest and dividend income	(458)	(591)
Insurance claim income	-	(372)
Interest expenses	12	10
Loss (gain) on sale of investment securities	(110)	(461)
Loss (gain) on sale and retirement of non-current assets	(27)	79
Decrease (increase) in trade receivables	15,714	18,399
Decrease (increase) in inventories	(7,253)	(6,790)
Increase (decrease) in trade payables	917	(4,430)
Increase (decrease) in accounts payable - other	(5,630)	(7,846)
Increase (decrease) in accrued consumption taxes	627	(1,422)
Other, net	2,895	(1,714)
Subtotal	15,462	1,025
Interest and dividends received	388	509
Interest paid	(16)	(12)
Proceeds from insurance income	-	970
Income taxes paid	(1,627)	(2,032)
Net cash provided by (used in) operating activities	14,206	460
Cash flows from investing activities		
Payments into time deposits	(14,384)	(2,291)
Proceeds from withdrawal of time deposits	11,279	1,887
Purchase of property, plant and equipment	(5,590)	(10,137)
Proceeds from sale of property, plant and equipment	237	75
Purchase of intangible assets	(340)	(538)
Purchase of investment securities	(9)	(5)
Proceeds from sale of investment securities	151	814
Other, net	295	(24)
Net cash provided by (used in) investing activities	(8,361)	(10,220)
Cash flows from financing activities		
Dividends paid	(4,382)	(4,458)
Other, net	(125)	(128)
Net cash provided by (used in) financing activities	(4,508)	(4,587)
Effect of exchange rate change on cash and cash equivalents	(277)	451
Net increase (decrease) in cash and cash equivalents	1,058	(13,896)
Cash and cash equivalents at beginning of period	45,973	64,693
Cash and cash equivalents at end of period	47,032	50,797

(Notes on segment information, etc.)

I. Previous interim consolidated accounting period (January 1, 2025 to June 30, 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	Interim Consolidated Statements of Income (Note)3
	Domestic Business	International Business	Total				
Net sales							
Japan	51,756	-	51,756	245	52,002	-	52,002
United States	-	7,888	7,888	-	7,888	-	7,888
China	-	3,697	3,697	-	3,697	-	3,697
Southeast Asia	-	3,558	3,558	-	3,558	-	3,558
Other	-	1,871	1,871	-	1,871	-	1,871
Revenue generated from customer contracts	51,756	17,015	68,772	245	69,018	-	69,018
Revenues from external customers	51,756	17,015	68,772	245	69,018	-	69,018
Transactions with other segments	1,903	739	2,642	2,861	5,503	(5,503)	-
Total	53,660	17,755	71,415	3,106	74,521	(5,503)	69,018
Segment profit (loss)	8,194	(1,496)	6,697	69	6,767	(118)	6,648

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 (118) million yen is the elimination of inter-segment transactions.

3. Segment profit or loss is adjusted for operating income in the interim consolidated statements of income.

II. Interim Consolidated Accounting Period (January 1, 2026 to June 30, 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	Interim Consolidated Statements of Income (Note)3
	Domestic Business	International Business	Total				
Net sales							
Japan	51,999	-	51,999	347	52,346	-	52,346
United States	-	7,217	7,217	-	7,217	-	7,217
China	-	4,954	4,954	-	4,954	-	4,954
Southeast Asia	-	3,999	3,999	-	3,999	-	3,999
Other	-	2,231	2,231	-	2,231	-	2,231
Revenue generated from customer contracts	51,999	18,403	70,402	347	70,749	-	70,749
Revenues from external customers	51,999	18,403	70,402	347	70,749	-	70,749
Transactions with other segments	2,618	792	3,410	3,055	6,465	(6,465)	-
Total	54,617	19,195	73,812	3,402	77,214	(6,465)	70,749
Segment profit (loss)	4,291	(2,175)	2,116	133	2,249	(87)	2,162

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 (87) million yen is the elimination of inter-segment transactions.

3. Segment profit or loss is adjusted for operating income in the interim consolidated statements of income.