

FY2025 Financial Results Briefing

May 13, 2026
TSUMURA & CO.

01

TSUMURA VISION “Cho-WA” 2031 Towards realization

02

FY 2025 Financial Results Overview

03

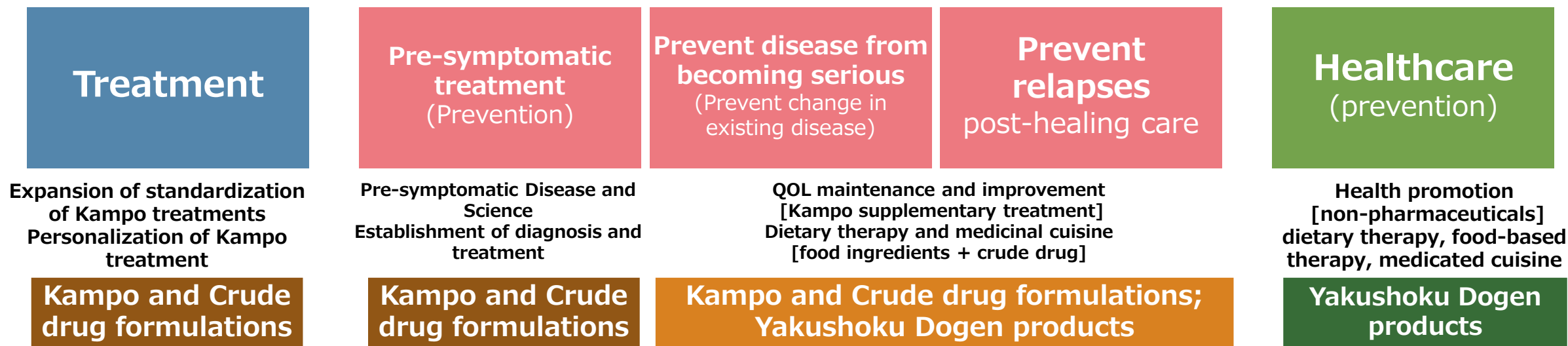
FY 2026 Plan and Earnings Forecast

Lively living for everyone TSUMURA VISION “Cho-WA” 2031

We aim to create conditions in which the Tsumura Group is contributing to the well-being of all by supplying evidence-based products and services, including Kampo and traditional Chinese medicines, that suits factors including the life stage, symptoms, genetic makeup and daily life environment.

Tsumura Group's Value Creation Areas

Three Preventive Measures



[Vision for prescription Kampo business 2031]
Towards a state that patients can receive personalized Kampo treatment at any medical institution

Evidence-Based Kampo Treatments
Publication in papers and conference presentations
Evidence building

Standardization of Kampo treatment
Inclusion in clinical practice guidelines
Physicians prescribing 10 or more Kampo formulations in over 50%

Expansion of the standardization of Kampo treatments
Inclusion in clinical practice guidelines / increase recommendation level

Personalization of Kampo treatment
Responder markers
AI-supported Kampo diagnostic system

2020~ Towards realization of optimal, individualized medicine through DX solutions

2017~: Scientific elucidation of multicomponent, complex Kampo formulations using KAMPOmics®

FY2001 FY2012 FY2022 FY2031

Three Preventive Measures

PDS : Pre-symptomatic Disease and Science

**Intron retention as an excellent biomarkers states
Kampo medicine has been shown to restore intron retention**

Pre-symptomatic treatment
(Prevention before pre-symptomatic diseases)

Scientifically identify the pre-disease state before onset and establish diagnostic methods and Kampo treatment

Prevention of aggravation
(Prevention of disease progression)

Predict disease progression and subsequent pathological conditions, and suppress the worsening of infections, frailty, etc.

Prevention of relapses
(Post-healing care)

Improvement of QOL through Kampo supplement treatment for patients, including cancer survivors, to facilitate social reintegration



Classification of traditional Chinese medicinal dietetics				
Edible/for consumption	Dietary therapy	Nutritional therapy	Medicinal cuisine	Dietary taboos
Healthy person		People with pre-symptomatic diseases conditions or illnesses		
Food ingredients		Ingredients + Crude drug (food classification*)		

[Edible/for consumption] Accurately selecting the types of ingredients and the number of meals, etc., according to each situation
It is important to include a wide variety of ingredients and to eat them in appropriate amounts.

[Dietary therapy] Nourishing the body using foods, i.e., dietary regimens for health (for improving digestion, "Citrus Unshiu Peel"; for nourishment, "ginseng", etc.)

[Nutritional therapy] Treatment disease or supporting treatment through the effects of ingredients (e.g., "ginger" and "jujube" for improving coldness)

[Medicinal cuisine] Traditional medicinal cuisine is a type of cooking made by adding crude drug to ingredients to treat illnesses; it aims to support disease prevention, pre-symptomatic diseases conditions, and treatment, and to promote

[Dietary prohibitions] Those related to constitution, illnesses, health maintenance, combinations of foods and medicines, and those applicable during pregnancy and breastfeeding, among others.

*Classification of Crude Drugs under the Food/Drug Distinction
Crude drugs other than those used exclusively as pharmaceuticals are classified as food ingredients.

[Fureika Soup]



高麗人参スープ

黒にんにくスープ

野菜スープ

[Yojun Soup]



いたわる野菜ブイヨン

ぬくもるチゲ

やすまるトマト

[Throat Candy: Takameru Throat Candy]



[Ginellia]



Yomeishu Manufacturing's pharmaceutical and Yakushoku Dogen products TSUMURA



- Around 1600: Start of production of the medicinal liquor "Yomeishu"
- 1923 (Taisho 12): Establishment of Tenryukan Co., Ltd. (predecessor of Yomeishu Seizo Co., Ltd.)
- 1953 (Showa 28): Year sales began as an over-the-counter drug (Class 2 OTC drug)

Product name: Yomeishu
Drug classification: Class 2 OTC drug
Subcategory: Medicinal liquor Packaging: 700 mL, 1000 mL

Effects and efficacy
Nutritional tonic for the following conditions
Weak stomach and intestines, loss of appetite, poor complexion, sensitivity to cold, physical fatigue, weak constitution, during or after illness

Yakushoku Dogen "Healthcare" products



Circulating effect



鬱金
[ウコン]



益母草
[ヤクモソウ]



紅花
[コウカ]



烏樟
[ウショウ]

Warming effect



丁子
[チョウジ]



桂皮
[ケイヒ]

Eliminating effect



反鼻
[ハンピ]



防風
[ポウフウ]

Replenishing effect



人参
[ニンジン]



淫羊藿
[インヨウカク]



肉苁蓉
[ニクジュヨウ]



地黄
[ジオウ]



芍薬
[シャクヤク]



杜仲
[トチュウ]

Source: reproduced from Yomeishu Seizo Co., Ltd.'s website and package insert information

Fully Automated Process



Aiming to develop technology for the industry's first automation of the manufacturing process



Shanghai Hongqiao traditional Chinese drug pieces Co., Ltd.

Healthcare-preserving
Yakushoku Dogen products

**TSUMURA Quality
Ping An Dietary Therapy**



Yakushoku Dogen Products leveraging Tsumura Group's crude drug quality strengths



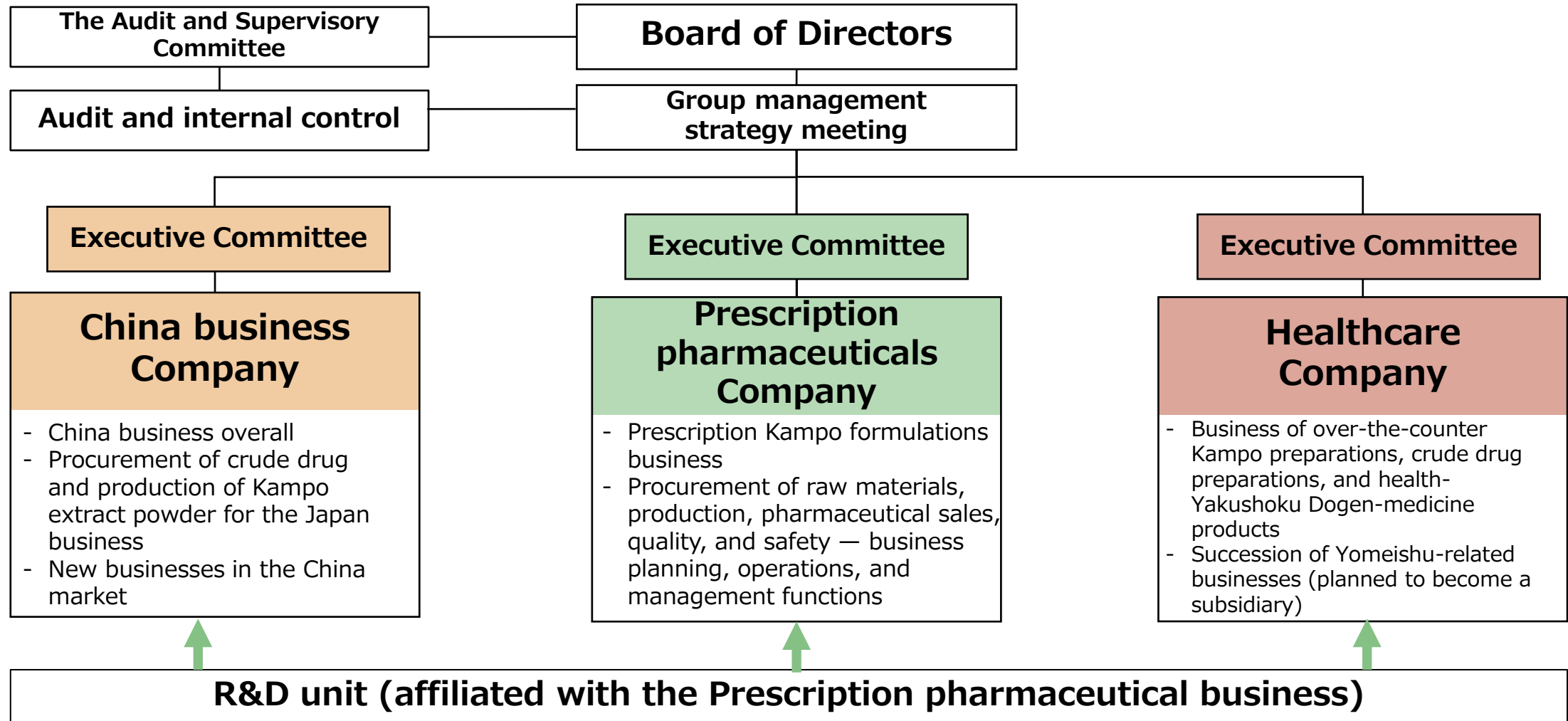
A collaborative product with "Shanghai Jahwa," a subsidiary of Ping An Insurance Group of China

Roadmap to realizing TSUMURA VISION “Cho-WA” 2031

TSUMURA

	First Medium-term Management plan (2022–2024)	Second Medium-term Management plan (2025–2027)	Third Medium-term Management plan (2028–2031)
Prescription Kampo business	Three Important Domains/ Drug-fostering research and G formulations centered Achievement More than 10% prescriptions, more than 50% of doctors prescribe ★	50% of doctors prescribe all basic prescriptions for treatment areas More than 10% prescriptions, more than 70% of doctors prescribe ★	50% of doctors prescribe all basic prescriptions for treatment areas ★ Implementation of an automated medical interview system ★
Expansion of standardization of Kampo treatments			
Personalization of Kampo treatment			
Research and development	Construction of a clinical data platform Intron retention research	Women's health / Clinical research Depressive disorder/ I-R research	Differentiated use of prescriptions / Social implementation Establishing Diagnostics and Treatments / Social Implementation
Personalization of Kampo treatment			
Pre-symptomatic Disease and Science			
Healthcare business	Expansion of the number of supplied stores and shelf spaces Entry preparation / Test sales	Establishment of TSUMURA over-the-counter consultation Kampo Full-scale entry / New products · Yomeishu	Realization of shopping venues suited to individuals Business expansion and profitability improvement / The third pillar business
OTC Kampo formulations			
Healthcare (Yakushoku Dogen, etc.)			
China business	Processing / Removal from the negative list Narrowing down of partners Sales of raw material crude drug/ Increasing awareness of crude drug quality Policy review / Application for classical prescriptions	Political situation / search for negotiations and alliances Automation of systems / “Personalized Medicine” sales Expansion of approved/classified classical prescriptions and application items	Business alliances with traditional Chinese medicinal products companies “Personalized Medicine” business expansion Sales of classical prescriptions / building evidence
Formulation PF (traditional Chinese medical products business)			
Crude drug PF (crude drug, drug pieces, large health products)			
Research PF			
DX	Construction of a renewed IT infrastructure	Development and introduction of advanced technologies such as robots	Establishment of the Gunma smart factory infrastructure
Labor productivity	Improvement of productivity in sales, research, and administrative divisions	Improving productivity in crude drug and production departments	Doubling productivity

- Speeding up decision-making through delegation of authority
- Clarifying responsibility through independent profitability (ROIC)
- Early development of managerial human resources
- Early realization of diversified profit-generating businesses



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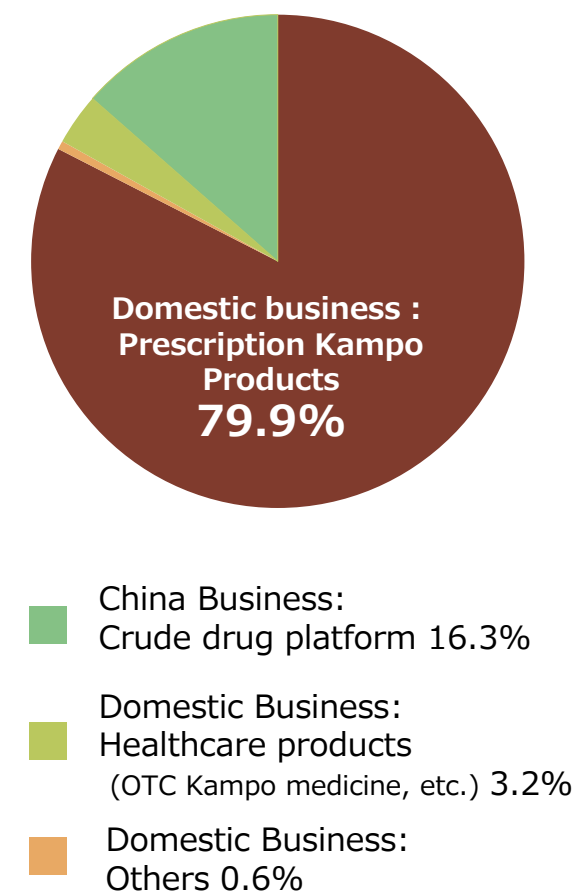
FY 2026 Plan and Earnings Forecast

Business Results for Fiscal 2025

- Sales fell short of the plan in the domestic business, while the China business met the plan. All profit indicators achieved the plan
- The sales composition ratio of the China business increased significantly

[Million yen]	FY2025 Plan (Revised on November 10)	FY 2025 Results	Achievement rate	YoY	
				Amount	Rate of Increase/ Decrease
Sales	198,000	192,615	97.3%	+11,521	+6.4%
Domestic business	167,900	161,172	96.0%	+712	+0.4%
China business	30,100	31,442	104.5%	+10,809	+52.4%
Operating profit	35,000	35,219	100.6%	(4,905)	(12.2%)
Domestic business	35,500	35,024	98.7%	(5,112)	(12.7%)
China business	△500	195	—	+206	—
Ordinary profit	34,500	40,036	116.0%	(2,410)	(5.7%)
Profit attributable to owners of parent	24,300	28,117	115.7%	(4,311)	(13.3%)

Ratio to total sales



Key Points in Performance

TSUMURA

Net sales	192,615	million yen	achievement rate of plan	97.3%	YoY	+6.4%
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- Domestic business : Total sales for the 129 prescription Kampo formulations : 153,918 million yen, down 0.1% YoY
Total sales of healthcare products (OTC Kampo medicine, etc.) : 6,206 million yen, up 17.4% YoY
- China business Raw material crude drugs, drug pieces, health products, etc. : 31,442 million yen, up 52.4% YoY

Operating profit	35,219	million yen	achievement rate of plan	100.6%	YoY	(12.2)%
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Operating profit margin	18.3	%	Vs. FY 2025 plan	+0.6pt	YoY	(3.9)pt
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- Cost ratio: 52.5%
Vs plan: (1.5) pt (compared with plan: reduction in processing costs)
YoY: +2.5pt (compared with last year: higher proportion of sales from China operations)
- SG&A expense ratio: 29.2%
Vs. plan: +0.9pt (compared with plan: sales shortfall against plan)
YoY: +1.3pt (compared with last year: increases in salaries and allowances and costs related to information provision)

Ordinary profit	40,036	million yen	achievement rate of plan	116.0%	YoY	(5.7)%
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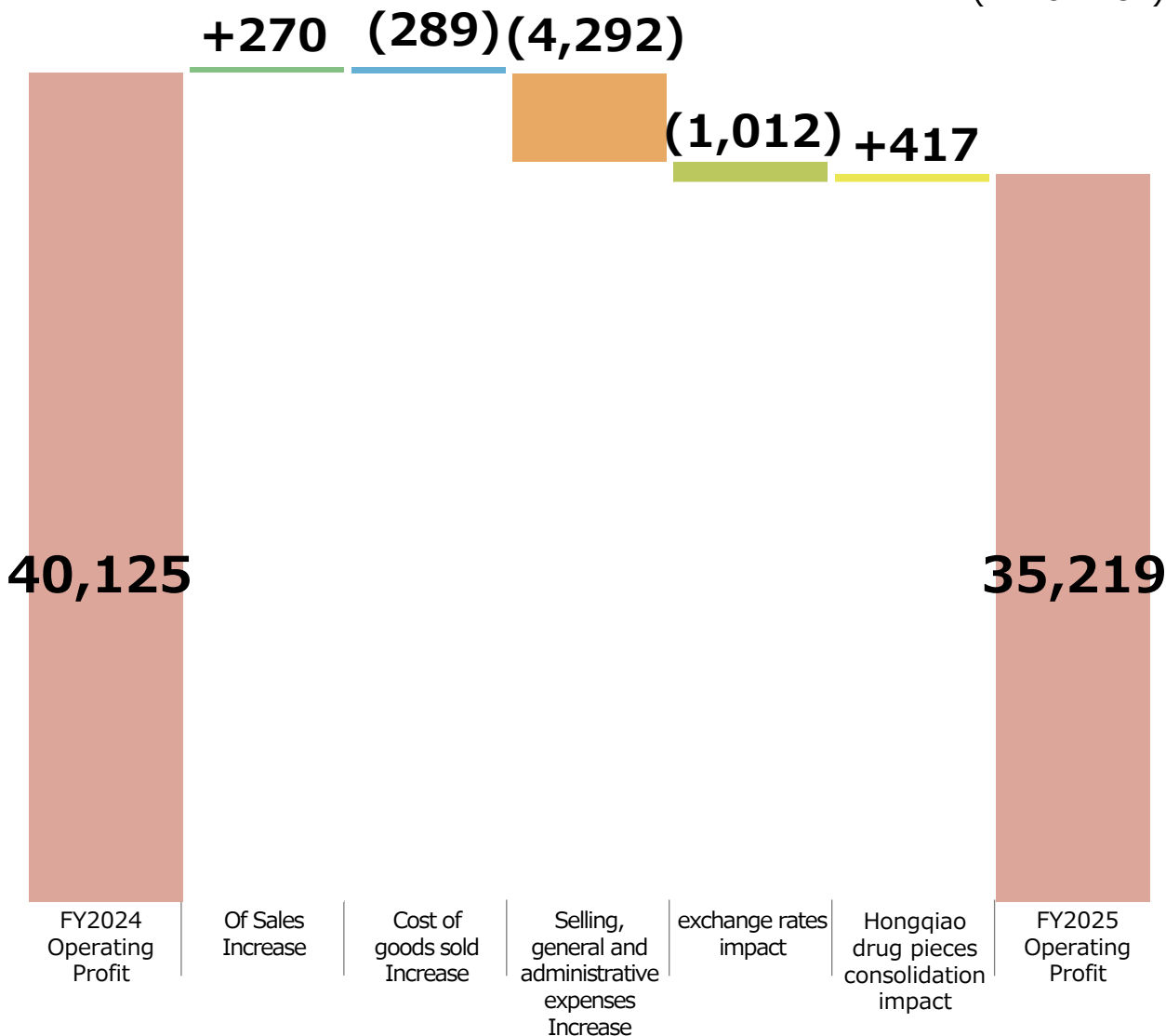
- Foreign exchange gains related to loans to overseas subsidiaries: 5,752 million yen
Foreign exchange gains were 1,176 million yen in the same period of the previous year
*Foreign exchange gain not factored into earnings forecast

Profit attributable to owners of parent	28,117	million yen	achievement rate of plan	115.7%	YoY	(13.3)%
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- Gain on sales of cross-shareholdings : 2,193 million yen, YoY (1,046) million yen
*Gain on sales of cross-shareholdings from the third quarter are not included in the earnings forecast

Factors for changes in operating profit (YoY comparison)

(Million Yen)



← Excluding Hongqiao drug pieces →

Increase in Sales: +270 million yen			
Domestic Business (Sales Volume, Sales Composition)	+58		
China Business	+212		
Increase in cost of goods sold: (289) million yen			
Domestic business	Crude drug cost	Domestic cost of crude drug	+807
		Cost of crude drug contained in Chinese extract powder	(192)
		Raw material costs	(540)
	Processing costs	Domestic processing costs	(37)
		Processing costs for Chinese extract powder	(176)
China Business	Increase in sales composition ratio		(151)
Increase in Selling, General and Administrative Expenses : (4,292) million yen			
Salaries and allowances			(2,155)
Outsourcing expenses (strengthening the foundation related to information provision, etc.)			(587)
Selling and promotional expenses (increase in costs related to information provision, etc.)			(323)
Others(Increase in activity expenses, etc.)			(1,227)
Impact of exchange rates: (1,012) million yen			
Hongqiao drug pieces consolidation impact: +417 million yen			

Financial condition and cash flow

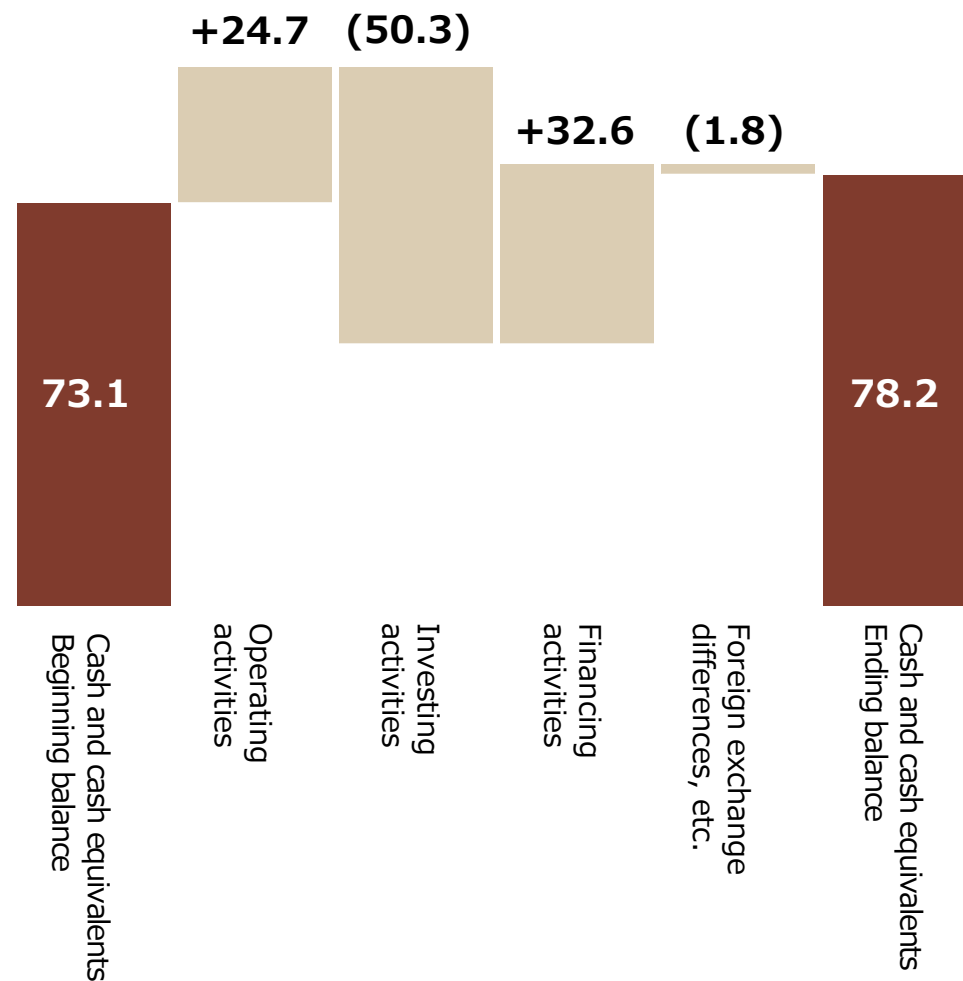
(Million yen)

	FY2024 (End of March 2025)	FY2025 (End of March 2026)	Increase/ Decrease Amount	Including, Hongqiao Consolidation Impact
Total Assets	464,380	592,766	128,385	37,728
Current Assets	295,709	349,212	53,502	18,068
Fixed Assets	168,670	243,553	74,883	19,659
Total Liabilities	134,270	221,162	86,892	19,028
Current liabilities	61,913	83,257	21,344	5,585
Long-term Liabilities	72,357	137,904	65,547	13,443
Total Net Assets	330,110	371,603	41,493	18,699

Equity Ratio	64.7%	54.3%	(10.4)pt
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	FY2024 (End of March 2025)	FY2025 (End of March 2026)	Amount of increase/ decrease	Of which, foreign exchange
Total inventory assets	133,784	164,006	30,221	2,991
Merchandise and Products	14,939	24,262	9,322	215
Work in Progress	20,197	25,115	4,917	172
Raw materials and stored goods	98,647	114,629	15,981	2,604

(billion yen)



Domestic business: Sales by prescription of prescription Kampo formulations

TSUMURA

(Million yen)

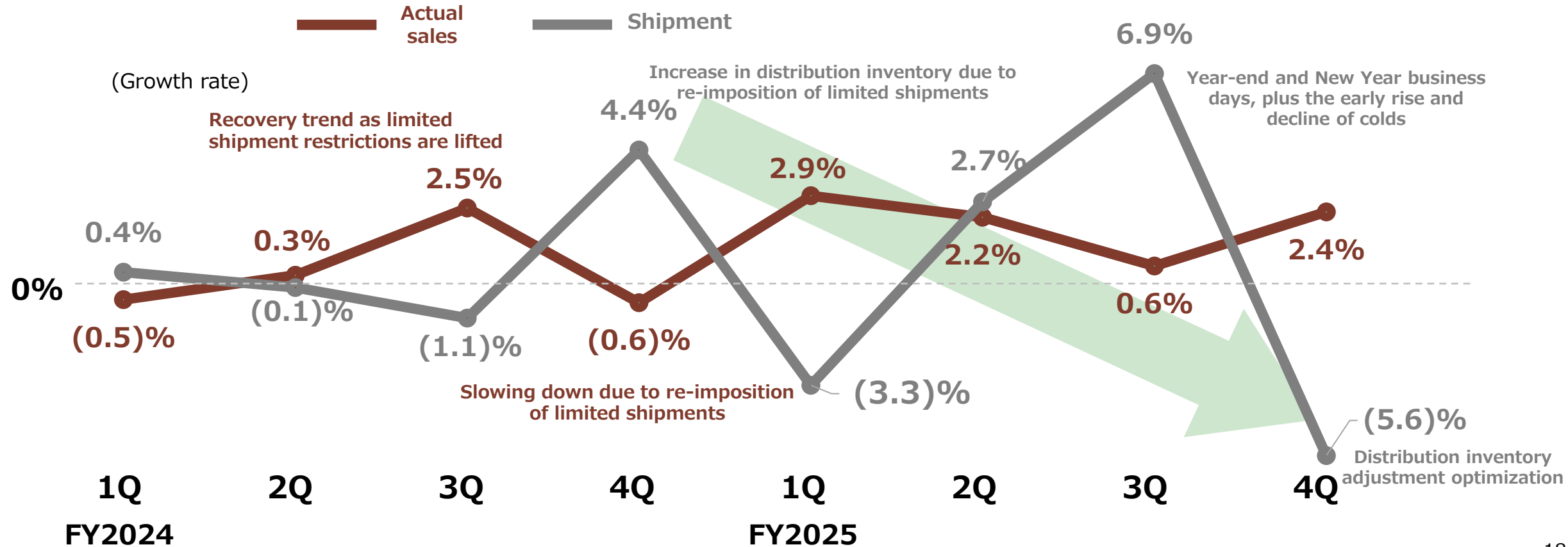
	Sales Ranking	Product No. / Formulation Name	FY2024	FY 2025	Year-on-Year Comparison		[Reference: Actual Sales Volume*] YoY
Drug-fostering program formulations	1	100 Daikenchuto	14,769	14,688	(81)	(0.5)%	+ 1.9%
	2	54 Yokukansan	11,147	11,053	(93)	(0.8)%	+ 2.6%
	5	43 Rikkunshito	7,199	7,205	+6	+0.1%	+ 0.7%
	7	107 Goshajinkigan	5,583	5,623	+40	+0.7%	+ 3.1%
	24	14 Hangeshashinto	1,464	1,546	+81	+5.6%	+ 5.7%
Total of drug-fostering program formulations			40,163	40,117	(45)	(0.1)%	+ 2.1%
"Growing" formulations	3	17 Goreisan	7,376	8,338	+962	+13.0%	+ 15.0%
	4	41 Hochuekkito	7,597	7,451	(146)	(1.9)%	(1.4)%
	9	24 Kamishoyosan	4,917	5,043	+125	+2.6%	+ 2.6%
	18	137 Kamikihito	2,238	2,405	+166	+7.5%	+ 7.1%
	19	108 Ninjin'yoeito	2,234	2,107	(126)	(5.7)%	(2.5)%
Total of "growing" formulations			24,364	25,346	+982	+4.0%	+ 6.4%
Total of 119 prescriptions excluding Drug-fostering program formulations and "Growing" formulations			89,545	88,454	(1,090)	(1.2)%	+ 0.9%
Total of 129 prescription Kampo formulations			154,072	153,918	(154)	(0.1)%	+ 2.0%

*Actual sales quantity refers to the quantity delivered from pharmaceutical agents and wholesalers to medical institutions.

Domestic Business: Trends in Growth Rates of Shipment Volume and Actual Sales Volume

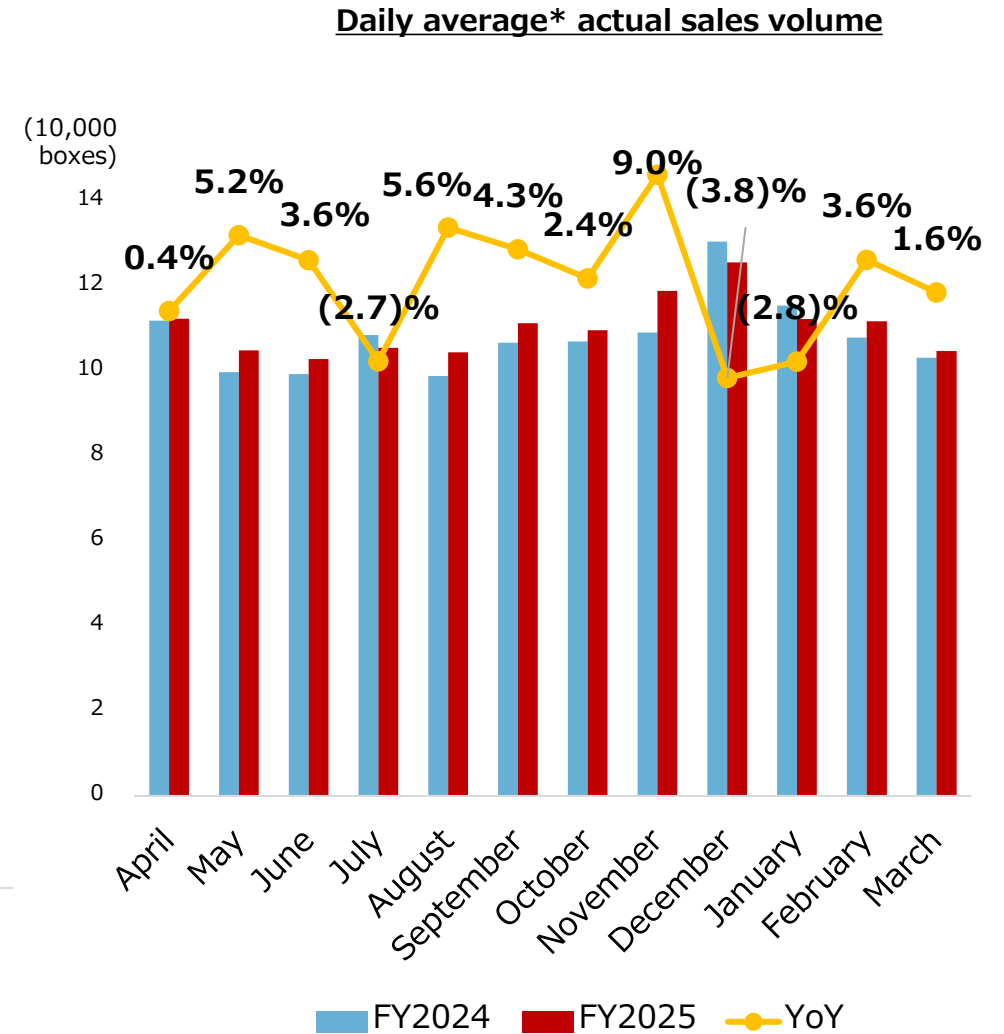
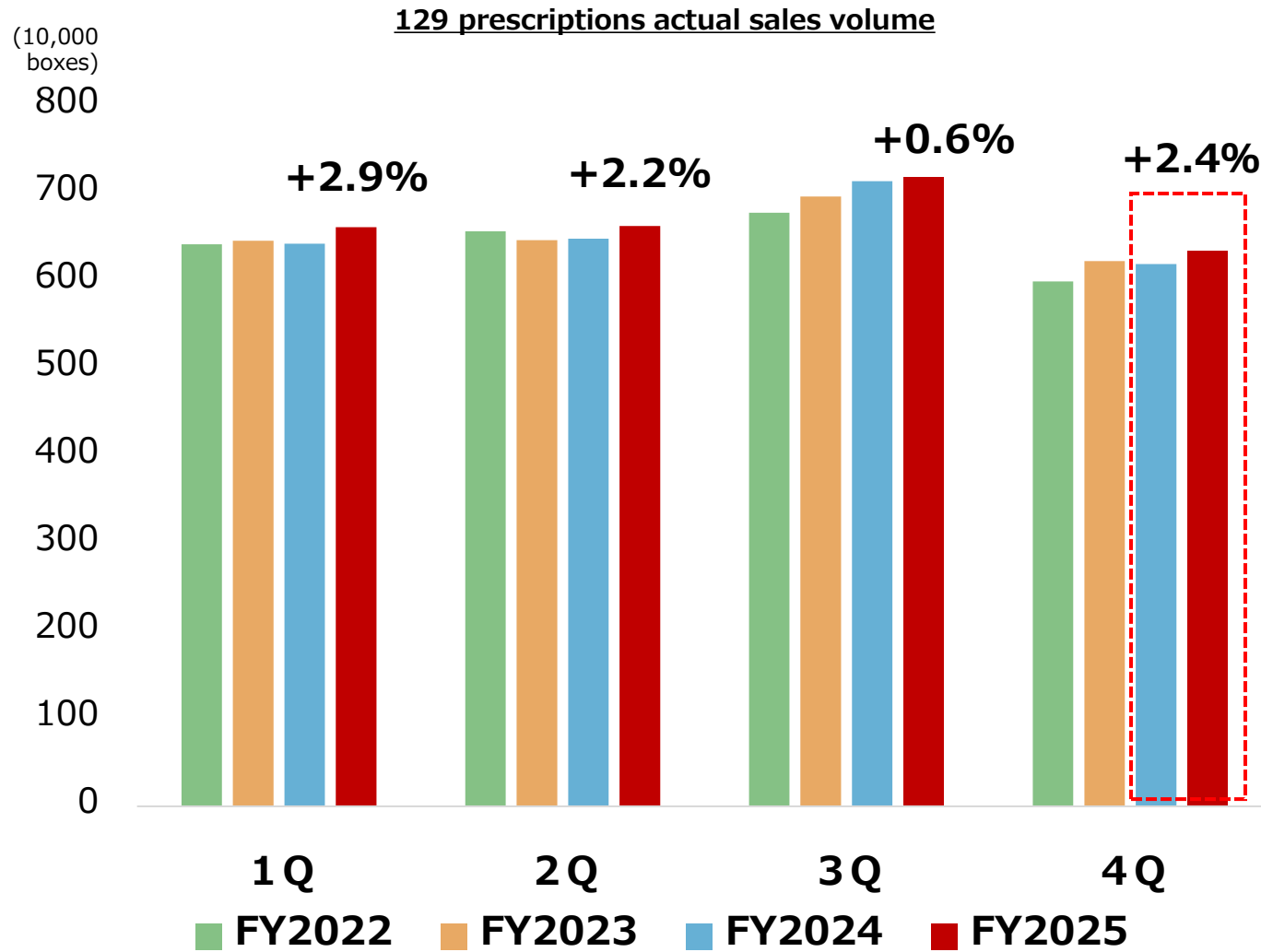
Although there had been limited shipments, the impact has run its course, and distribution inventory is normalized as of the end of FY2025

Trend of Sales Volume Growth Rate (Shipments and Actual Sales) of 129 Prescriptions of Kampo formulations



Domestic business: Actual sales volume trends for 129 prescription Kampo formulations

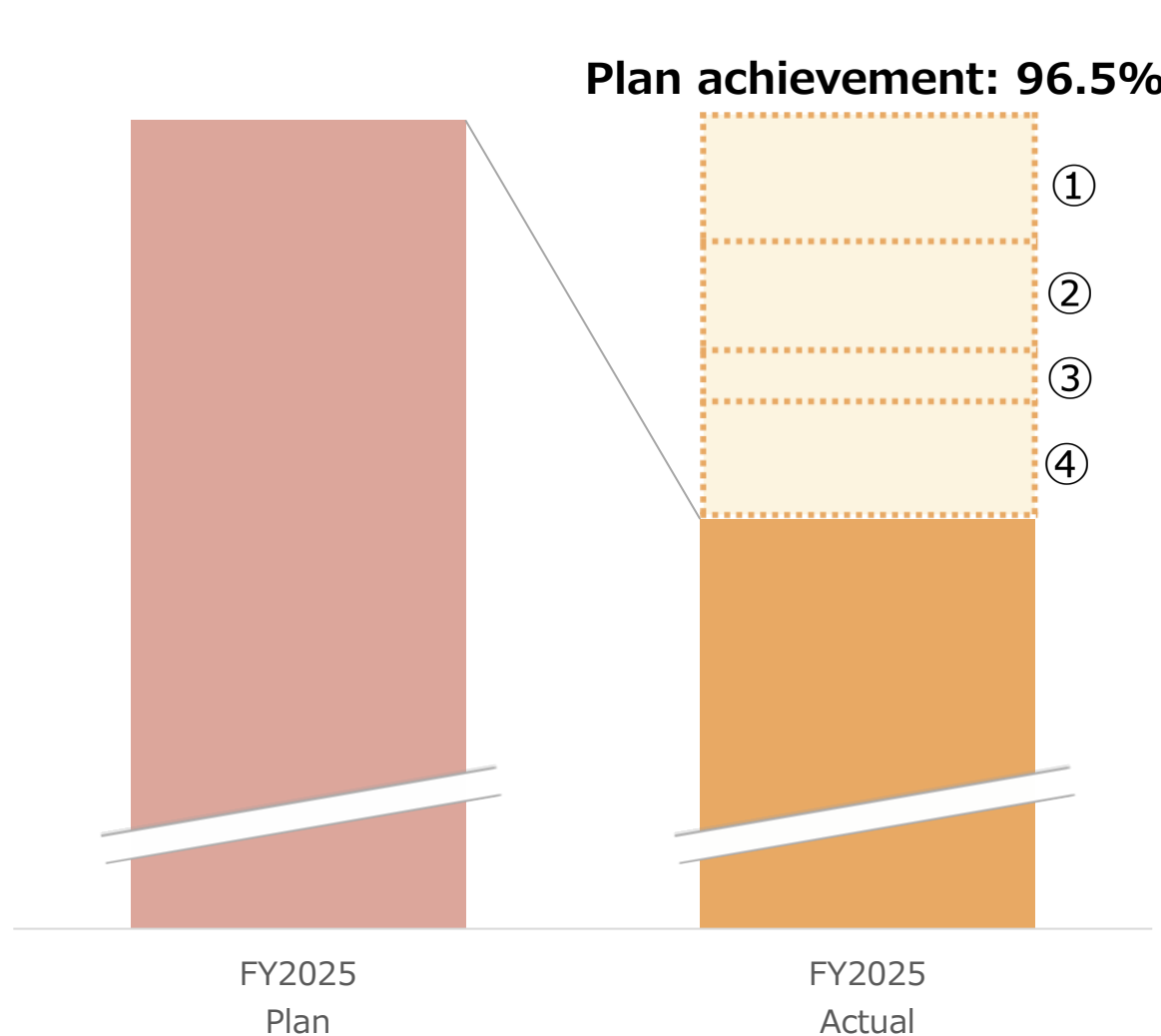
Year-on-year growth remained positive, with actual sales volume in the fourth quarter increasing by 2.4%



*Calculated considering the number of business days per month

Domestic Business: Plan variance in actual sales amount for 129 prescription Kampo formulations

Analysis of factors for failure to meet targets



① Cold associated formulations

In addition to the outbreak of infectious diseases being lower than expected, impact of recovery in the supply of antitussives, expectorants, etc.

Major prescriptions: Bakumondoto, Kakkonto ,etc

② Limited shipment prescriptions

The recovery of prescriptions that were limited shipment in Q3 of last year is slower than expected.

Major prescriptions: Ninjin'yoeito, Yokukansan-Ka-chinpi-hange,etc

③ Women's health

Impact of expansion of competitive new drugs

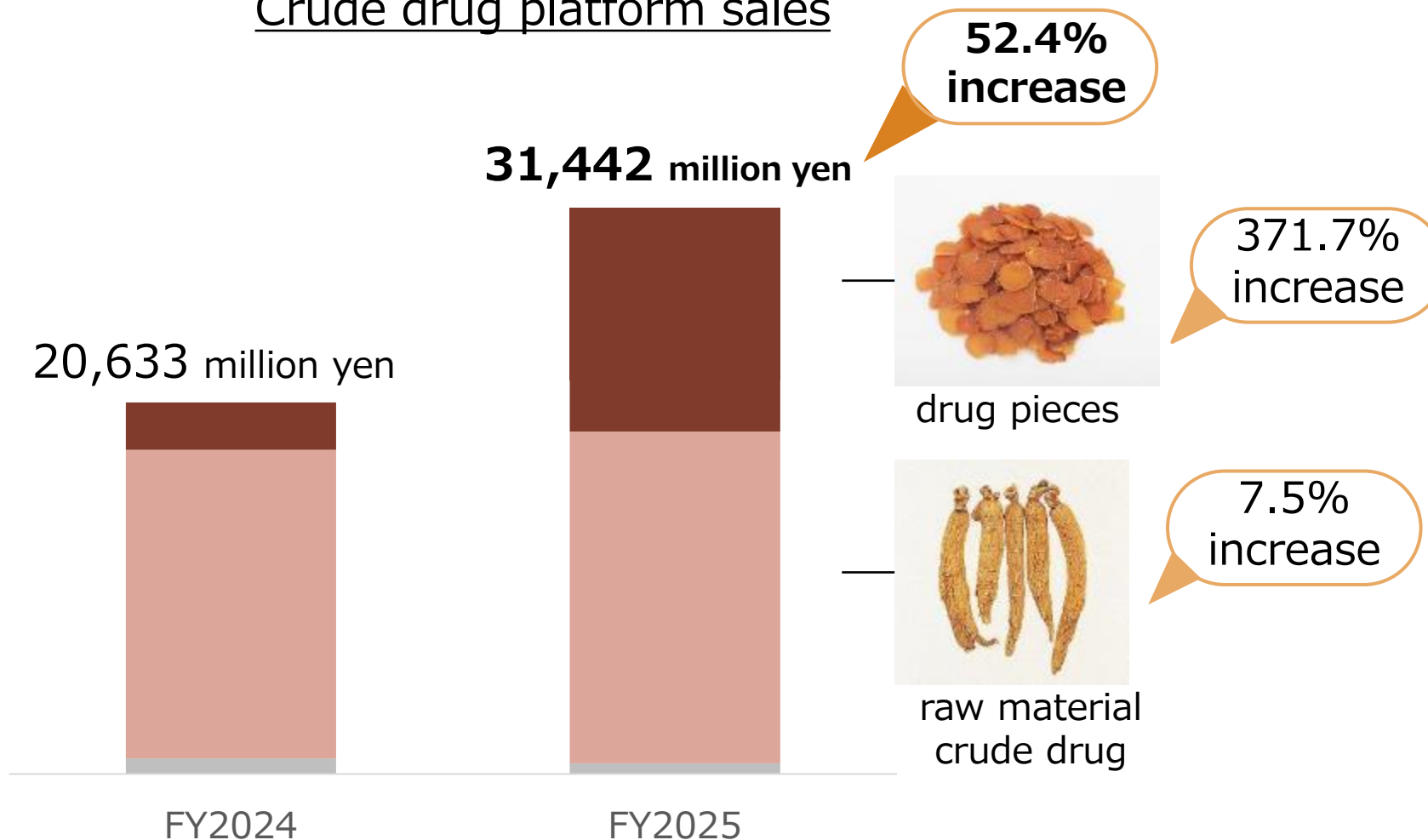
Major prescriptions: Tokisyakuyakusan, Keishibukuryogan,etc

④ Others (strategic formulations, etc.)

Major prescriptions: Hochuekkito,Rikkunshito,etc

- Sales of the crude drug platform increased for both raw crude drugs and drug pieces
- Sales of drug pieces rose significantly following the consolidation of Hongqiao drug pieces

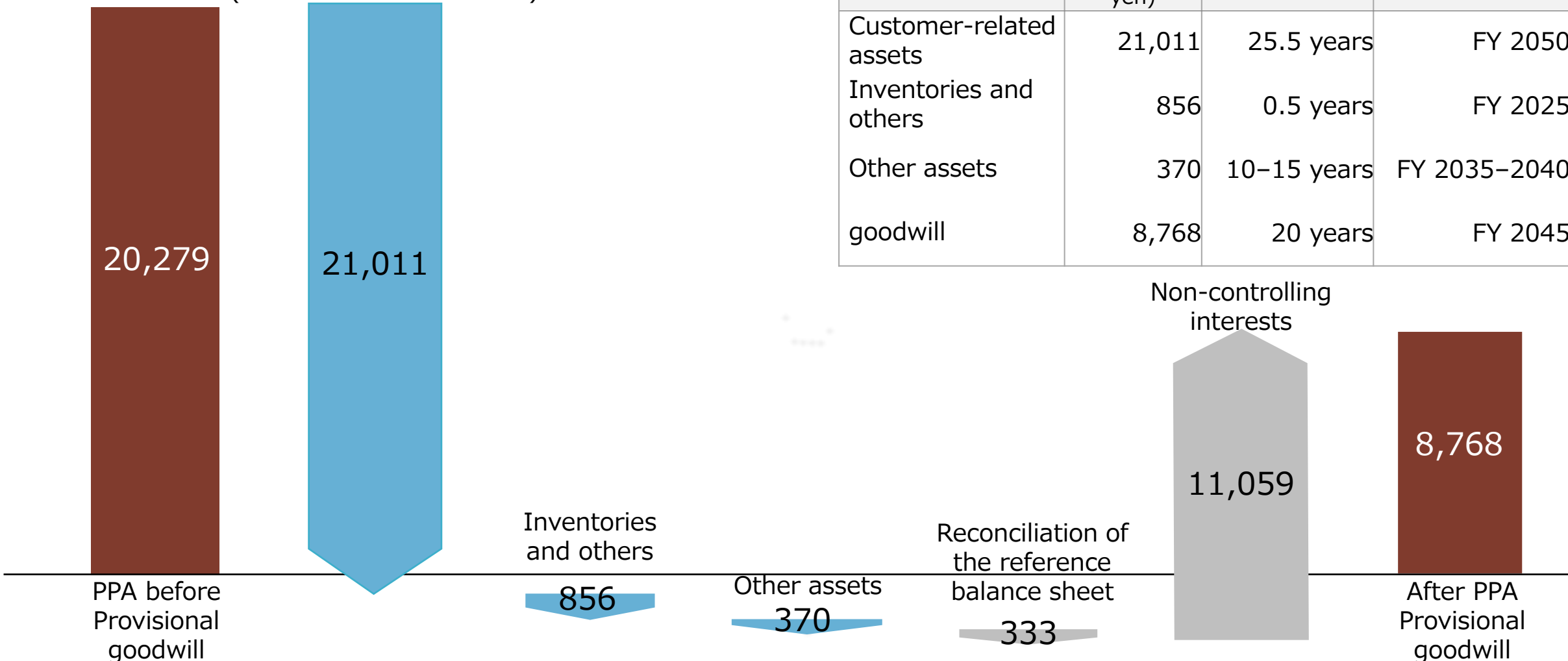
Crude drug platform sales



China business: Overview of Shanghai Hongqiao drug pieces PPA (allocation of acquisition cost)

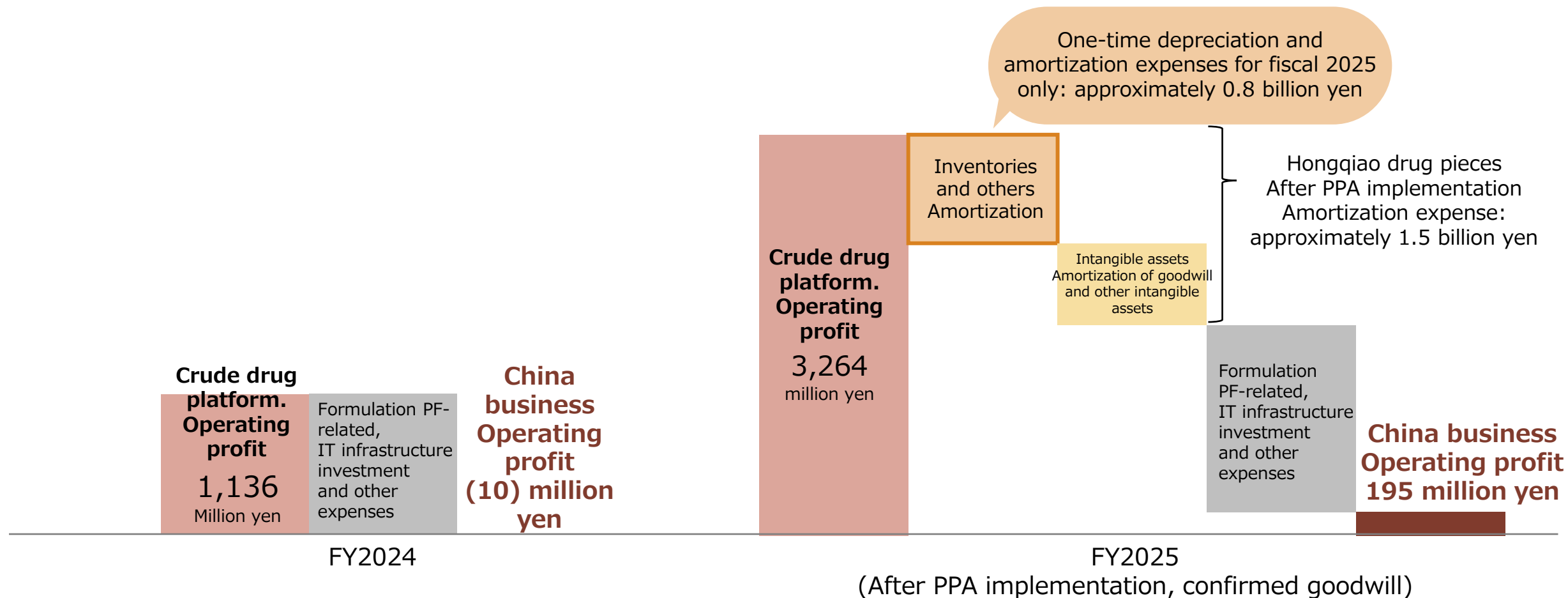
The main identifiable assets are customer-related assets of 21 billion yen and provisional goodwill of 8.7 billion yen

(Millions of yen) Intangible fixed assets (Customer-related assets)



Identifiable assets	Amount (Millions of yen)	Amortization period	Amortization end FY
Customer-related assets	21,011	25.5 years	FY 2050
Inventories and others	856	0.5 years	FY 2025
Other assets	370	10–15 years	FY 2035–2040
goodwill	8,768	20 years	FY 2045

- The China business turned profitable as operating profit of the crude drug platform increased significantly following the consolidation of Hongqiao drug pieces
- Depreciation and amortization expenses after the implementation of the PPA for Hongqiao drug pieces amounted to approximately 1.5 billion, including one-time costs related to inventories and other items



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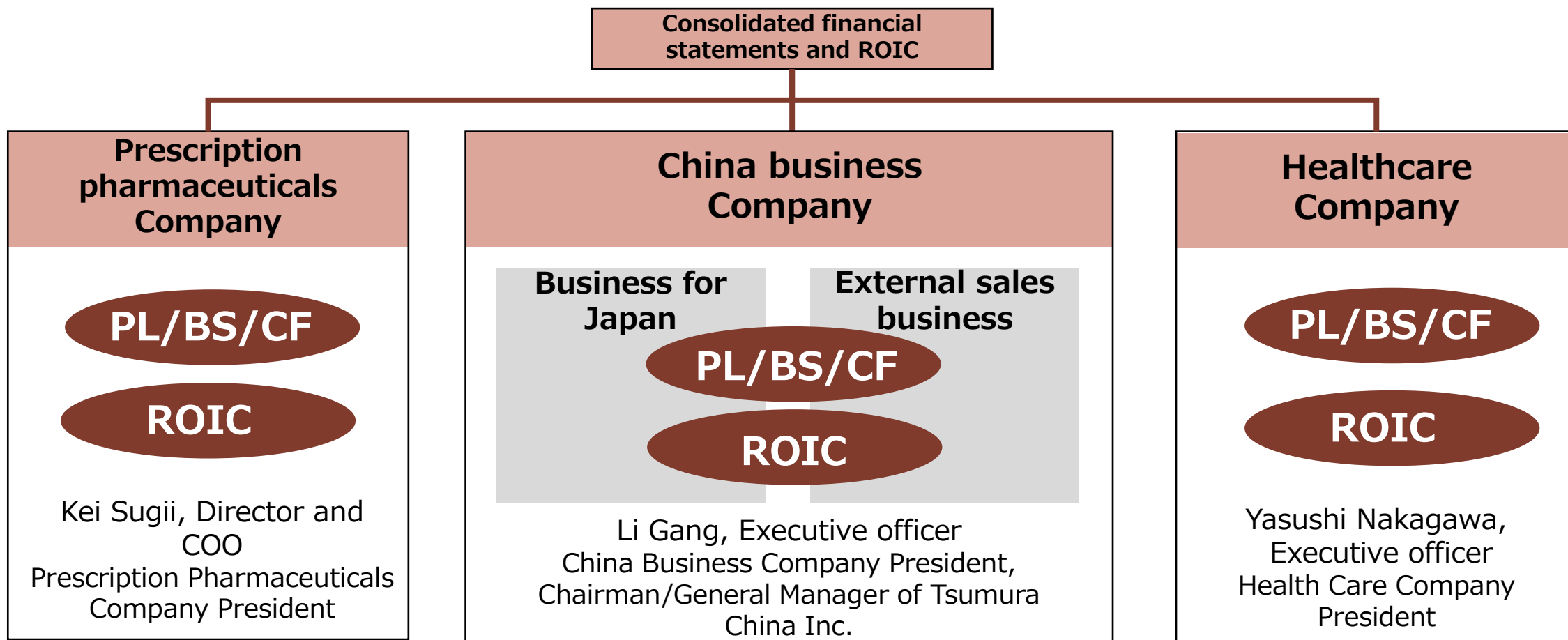
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FY 2026 Plan and Earnings Forecast

Clarify the management accountability of Company Presidents

- Establish a management framework by company for PL and ROIC within the first quarter, with disclosure planned
- From fiscal 2027 onward, the management framework will be expanded to include the balance sheet and cash flows.



FY2026 Earnings Forecast

[million yen]	FY 2025 Results	FY 2026 prediction	YoY change	
			Amount	Rate of increase/decrease
Sales	192,615	213,600	+20,984	+10.9%
Domestic Business	161,172	167,600	+6,427	+4.0%
China Business	31,442	46,000	+14,557	+46.3%
Operating profit	35,219	37,500	+2,280	+6.5%
Domestic Business	35,024	34,800	(224)	(0.6)%
China Business	195	2,700	+2,504	+1,281.4%
Ordinary Profit	40,036	35,500	(4,536)	(11.3)%
Profit attributable to owners of parent	28,117	26,200	(1,917)	(6.8)%

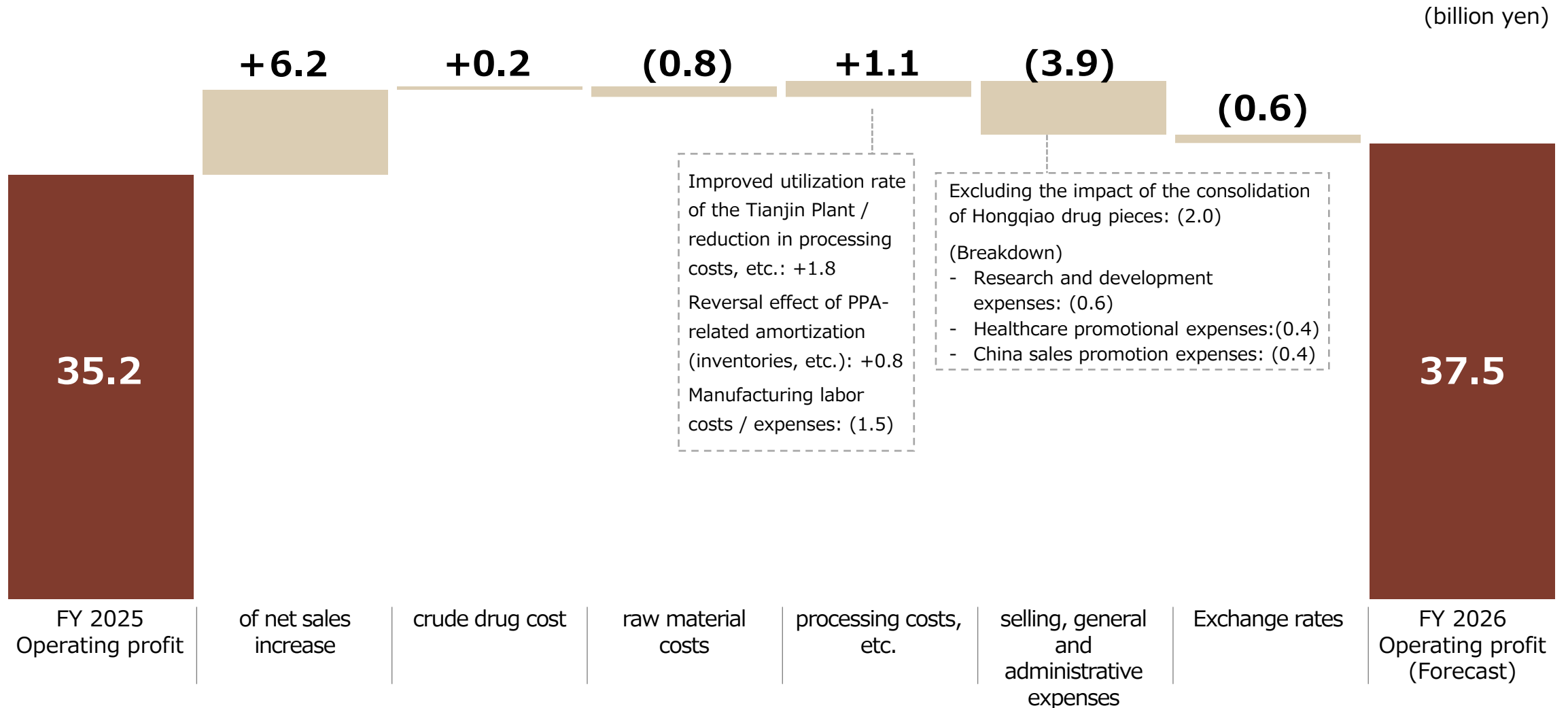
ROE	9.0%	8.0%
EPS	376.28yen	351.46yen

(Note)

Among non-operating income and expenses, foreign exchange gains related to loans and other receivables to overseas subsidiaries are not included in the earnings forecast, as it is difficult to make a reasonable estimation due to fluctuations in foreign exchange rates.

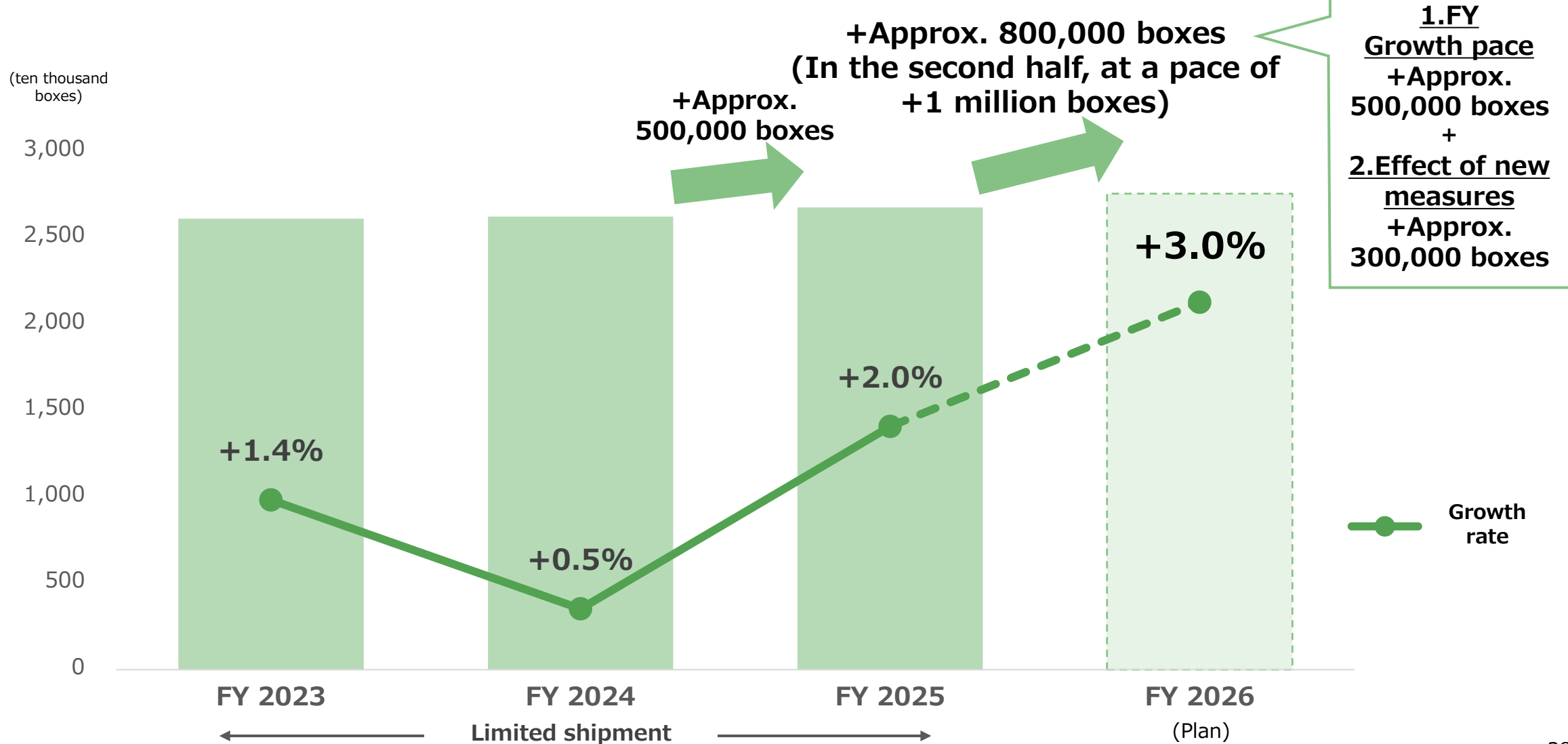
With regard to extraordinary income, a portion of gains on sales of investment securities is included.

Although raw material costs and labor costs are rising, increased sales and cost reductions are expected to result in higher profits



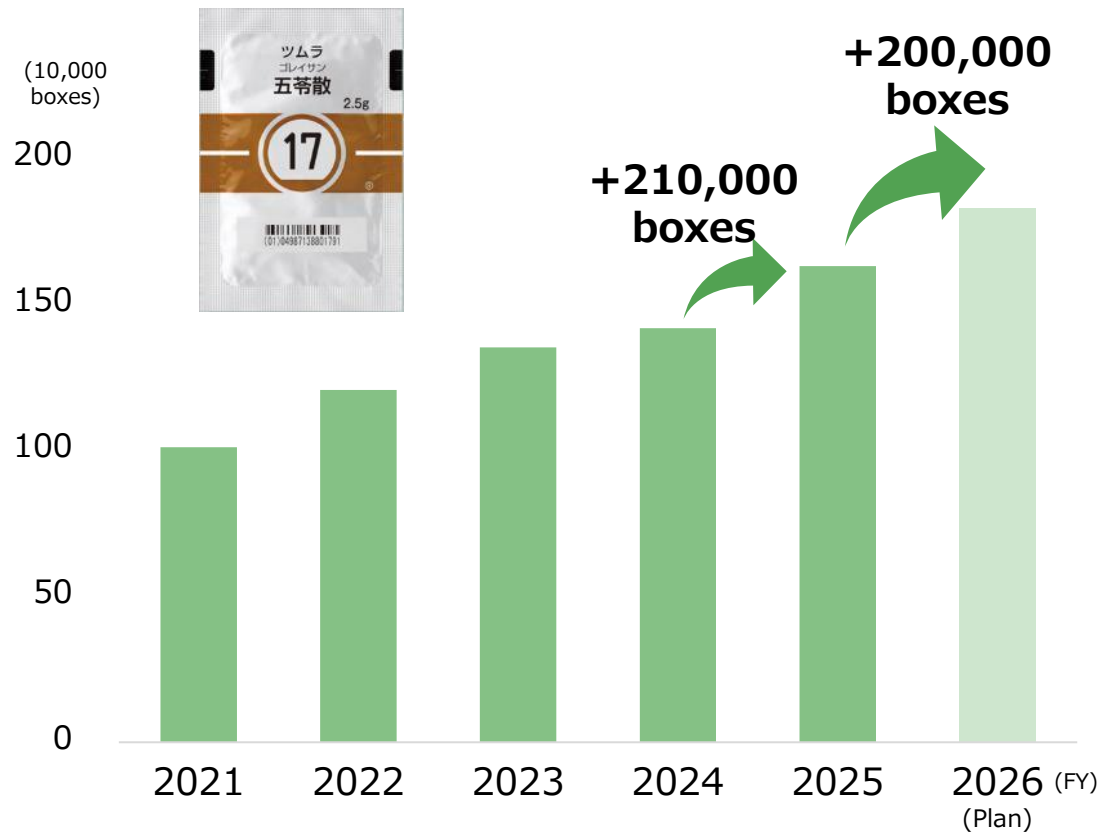
Domestic business: actual sales volume plan for 129 prescription Kampo formulations

Through the phased effects of various measures, we aim to restore the growth pace assumed in the mid-term plan in the second half of the fiscal year



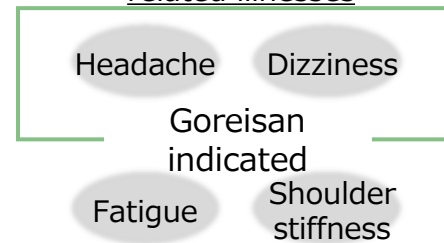
By continuing to capture current prescription needs and building evidence in the cardiorenal disease area, we aim to create medium- to long-term growth opportunities

Goreisan actual sales volume trends



Continue acquiring prescription needs due to weather-related illnesses *

Main symptoms of weather-related illnesses



The usage rate of Goreisan for weather-related ailments is **below 5%**

(Refer to MDV data, our company's estimate)

► **Maintain the trend of expanded prescribing through strengthened information-provision activities**

Expansion into cardiorenal diseases through building evidence

**1. In heart failure
Large-scale clinical study**

Being conducted mainly by Kyoto University
Results to be disclosed in 2027

**2. For chronic kidney disease
Exploratory clinical trial**

Conducted mainly at Kobe University
Results to be disclosed in 2026

► **Rising expectations and attention regarding the usefulness of Goreisan**

*Physical and mental disorders caused by meteorological factors such as changes in atmospheric pressure, temperature, and humidity

Measures implemented focusing on priority areas Aiming for continuous expansion of the Kampo market

Cancer area

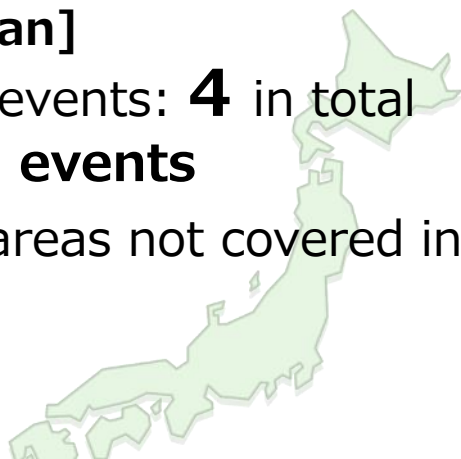
Cancer Caravan

Accelerate spread of Kampo by creating opportunities for physician-to-physician information sharing through lectures

[FY2026 Plan]

Number of events: **4** in total
+ satellite events

Expand to areas not covered in FY2025



Main prescriptions



Women's health

A project to consult about menstrual issues

Awareness activities on menstrual-related symptoms; promote medical consultations and counseling



Number of participating institutions increasing
Over 1,700

*As of the end of March 2026

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Large-scale web lecture on women's health

Deliver Kampo information suitable for each specialty area in obstetrics and gynecology nationwide and contribute to improving patients' QOL

[FY 2026 Plan]

Kampo Medicine **SOS Series** for Women's Health Problems

Number of events: **4** in total
(co-hosted with related academic societies)

Main prescriptions



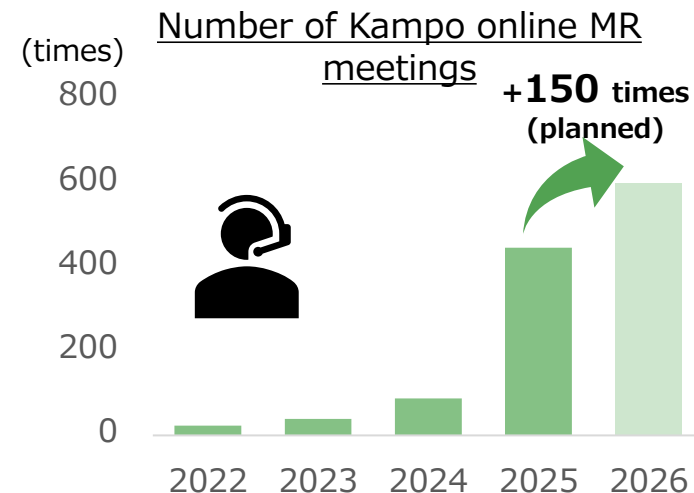
Strengthening e-promotion

Kampo online MR

Providing information to physicians who have not had interviews through interactive communication on the medical platform

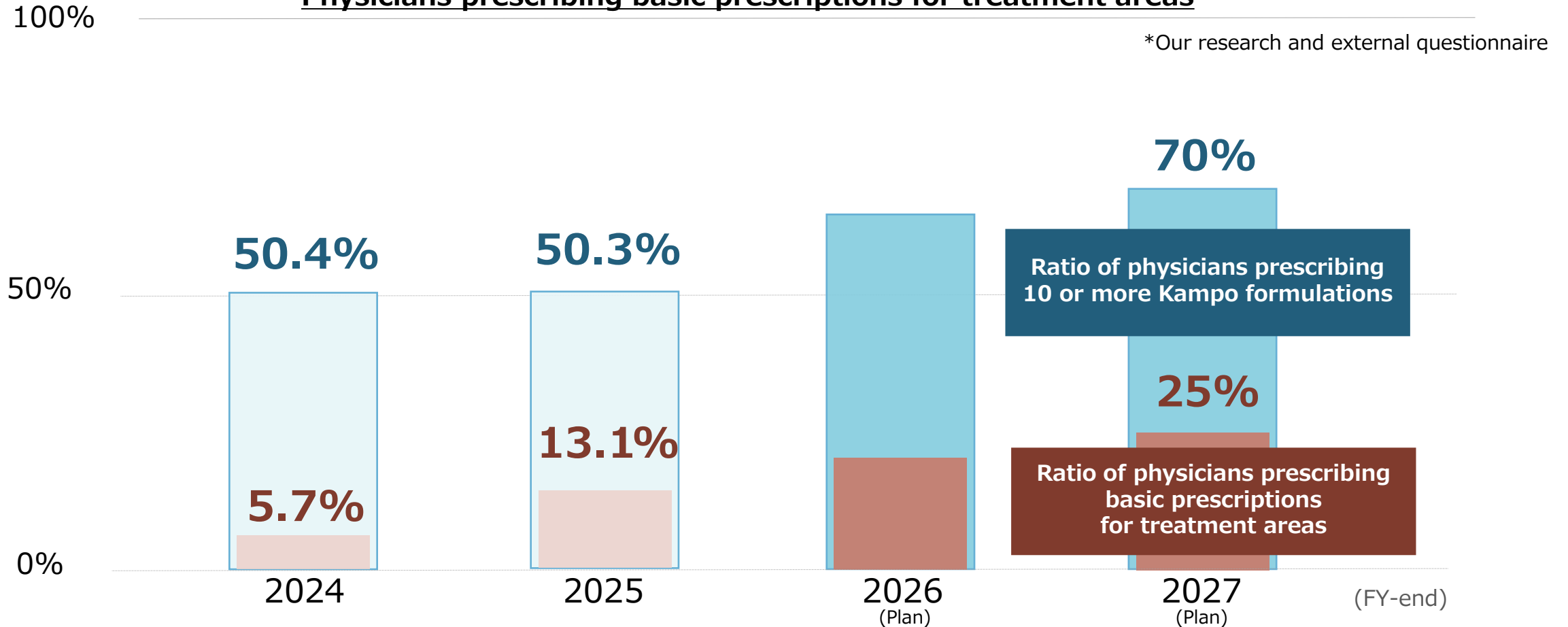
[FY 2026 Plan]

- Number of meetings: **600**
- Online studio (seminar) Viewers: **6,000**



- The Ratio of physicians prescribing basic prescriptions for treatment areas has steadily increased
- Aiming to contribute to realizing medical settings where each person can receive Kampo tailored to them

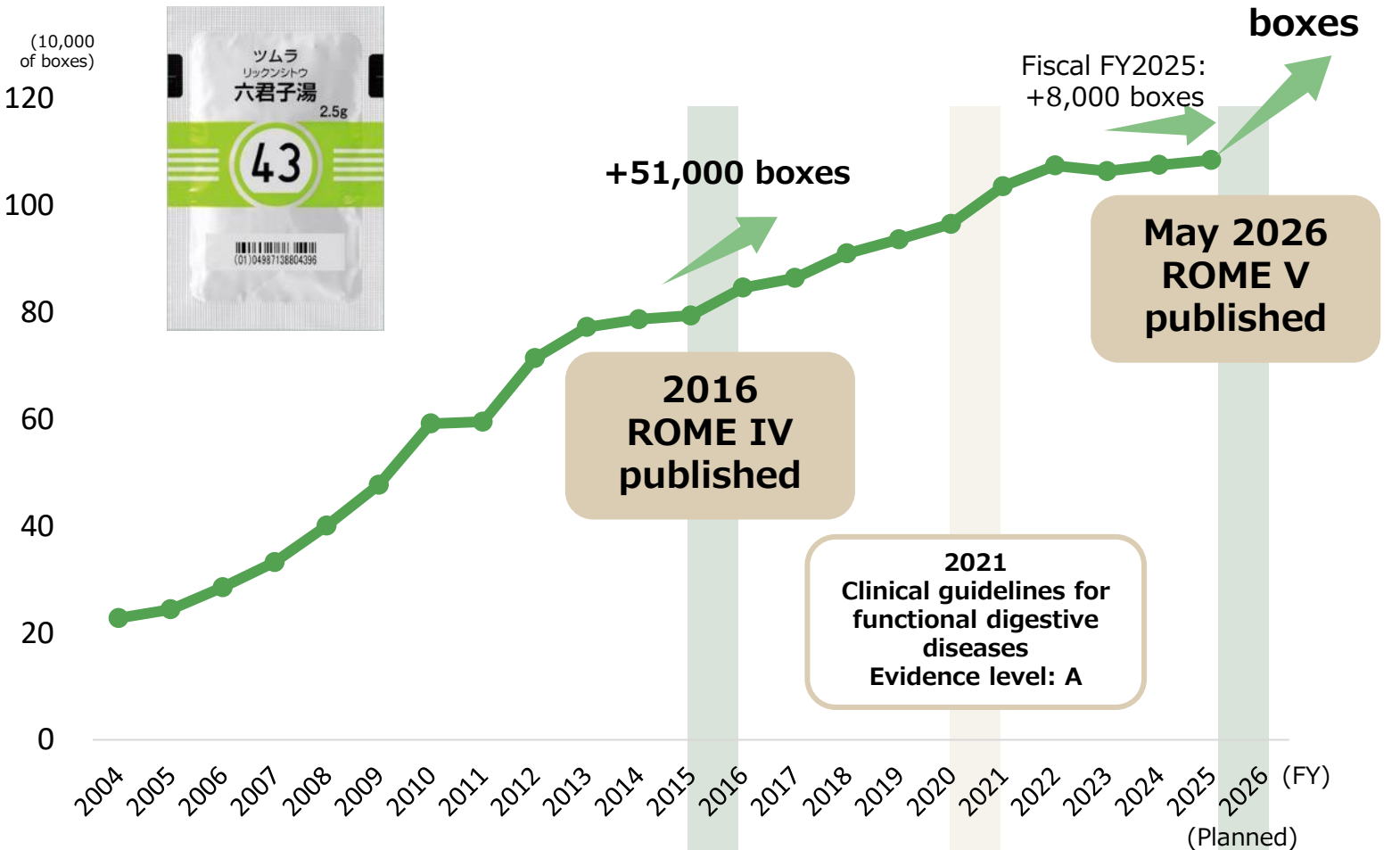
Trend in the ratio of physicians prescribing 10 or more Kampo formulations and Physicians prescribing basic prescriptions for treatment areas



Rikkunshito continues to be listed in ROME V. Strengthen promotion of usefulness for functional gastrointestinal disorders

*ROME criteria: International diagnostic criteria for functional gastrointestinal disorders

Trend of actual sales volume of Rikkunshito



Clinical research underway in Europe (Belgium)

- Highly favorable evaluation by Dr. Jan Tack
- Strengthening of evidence

► **Continuation of inclusion in ROME V (diagnostic criteria)**

Clinical study overview: placebo-controlled, double-blind comparative trial in patients with functional gastrointestinal disorders

Functional gastrointestinal disorders : a disease with high unmet medical needs, as symptoms and underlying causes vary from patient to patient.

Prevalence in Japanese: 11-17% (health check-up population)

Aim to expand the use of Kampo as a treatment option for patients with sleep disorders (insomnia)



The number of patients is on the rise
 Estimated number of insomnia patients
Approximately 25 million*
 (Including latent patients)

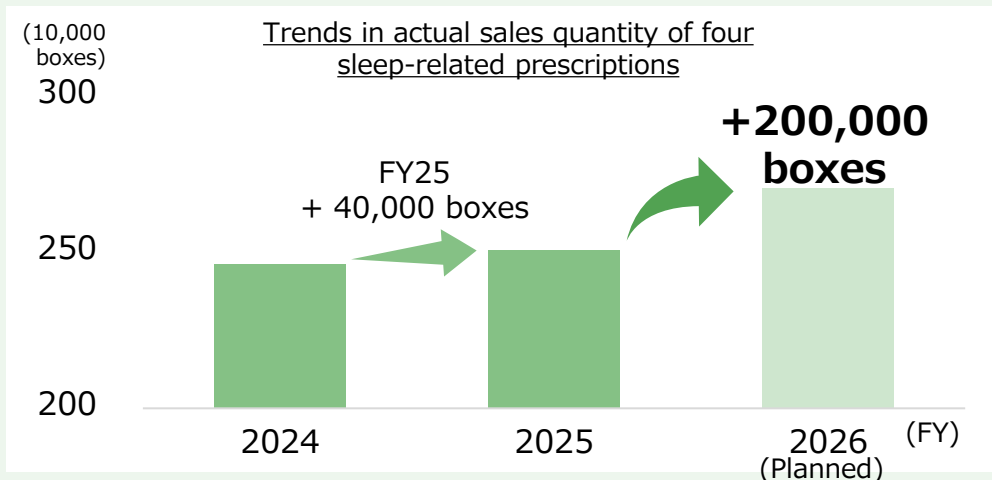
Due to sleep disorders
 Economic losses in Japan
Approximately JPY 15 trillion*



Effects expected from Kampo

- Improvement of accompanying symptoms such as agitation, anxiety, and fatigue
- No driving prohibition restrictions
- ▶ **In addition to improving sleep disorders, an improvement in QOL is expected**

On the usefulness of Yokukansan combined with sleep hygiene guidance Physician-initiated clinical study completed



Challenges in treatment (of health issues)

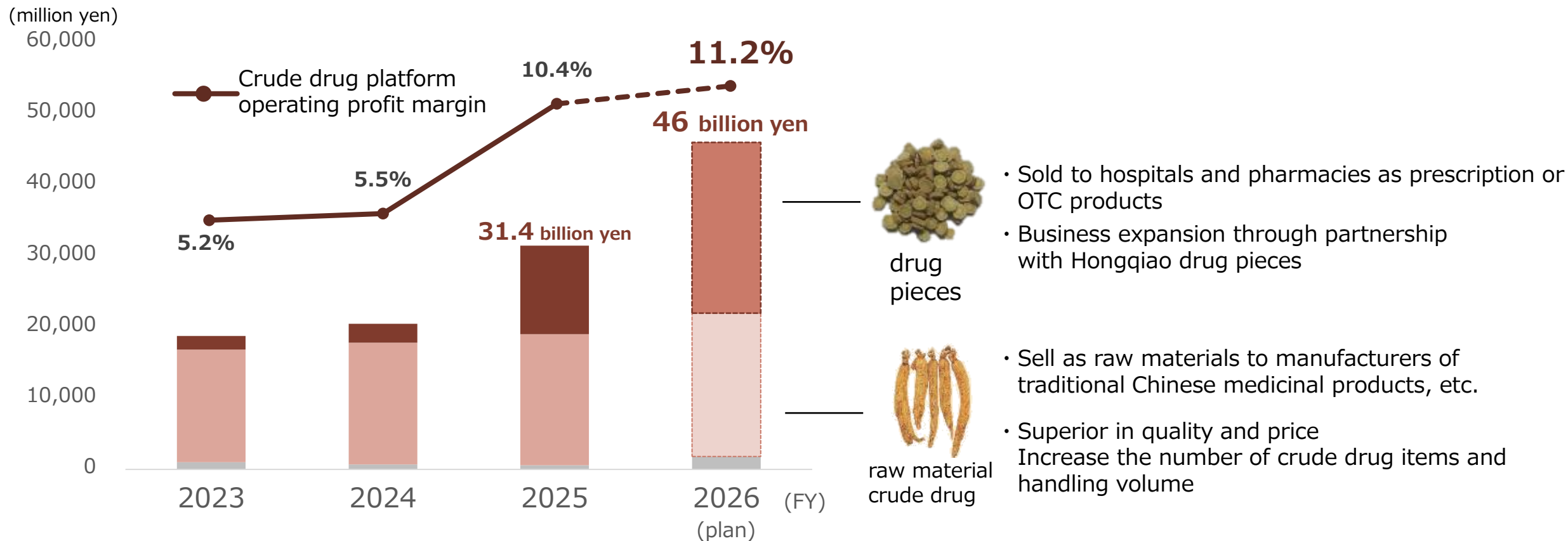
- Comorbidity with diverse background factors / other diseases
- Dependence on drug treatment and long-term use
- Residual drowsiness the day after taking medication
- Difficult to determine which department to see

Institutional arrangements for the designation of "sleep disorders" are planned
Such as "Sleep Disorders Internal Medicine" and "Sleep Disorders Psychiatry"

* From Ministry of Health, Labour and Welfare National Health and Nutrition Survey and materials published by the U.S. think tank RAND Corporation

Aim to increase the proportion of processed drug pieces slices to over 50% of China business sales and to improve profitability

Crude drug platform sales and operating profit margin



drug pieces

- Sold to hospitals and pharmacies as prescription or OTC products
- Business expansion through partnership with Hongqiao drug pieces



raw material crude drug

- Sell as raw materials to manufacturers of traditional Chinese medicinal products, etc.
- Superior in quality and price
Increase the number of crude drug items and handling volume

Expand sales centered on processed drug pieces

Equipment that fully automates "Personalized Medicine" will be introduced and operational during FY2026

Fully automated processes

FY2026
Planned equipment installation and operation

Order management



blending



Decoction



Decoction (product)



Liquid Extract



Extract powder



Aiming to realize a system that for the first time in the industry, automates the entire process through to the final stage

FY2026
Earnings
forecast

Net sales
213.6 billion yen

Operating profit
37.5 billion yen

ROE
8.0%

Mid-term plan
target
(unchanged)

234
billion yen

46
billion yen

9.0%

Prescription
pharmaceuticals

Increase and stabilization of actual sales growth rate due to research and policy effects

China business

Increase in decoction drug pieces sales and profit margin due to operation of the "Personalized Medicine" system

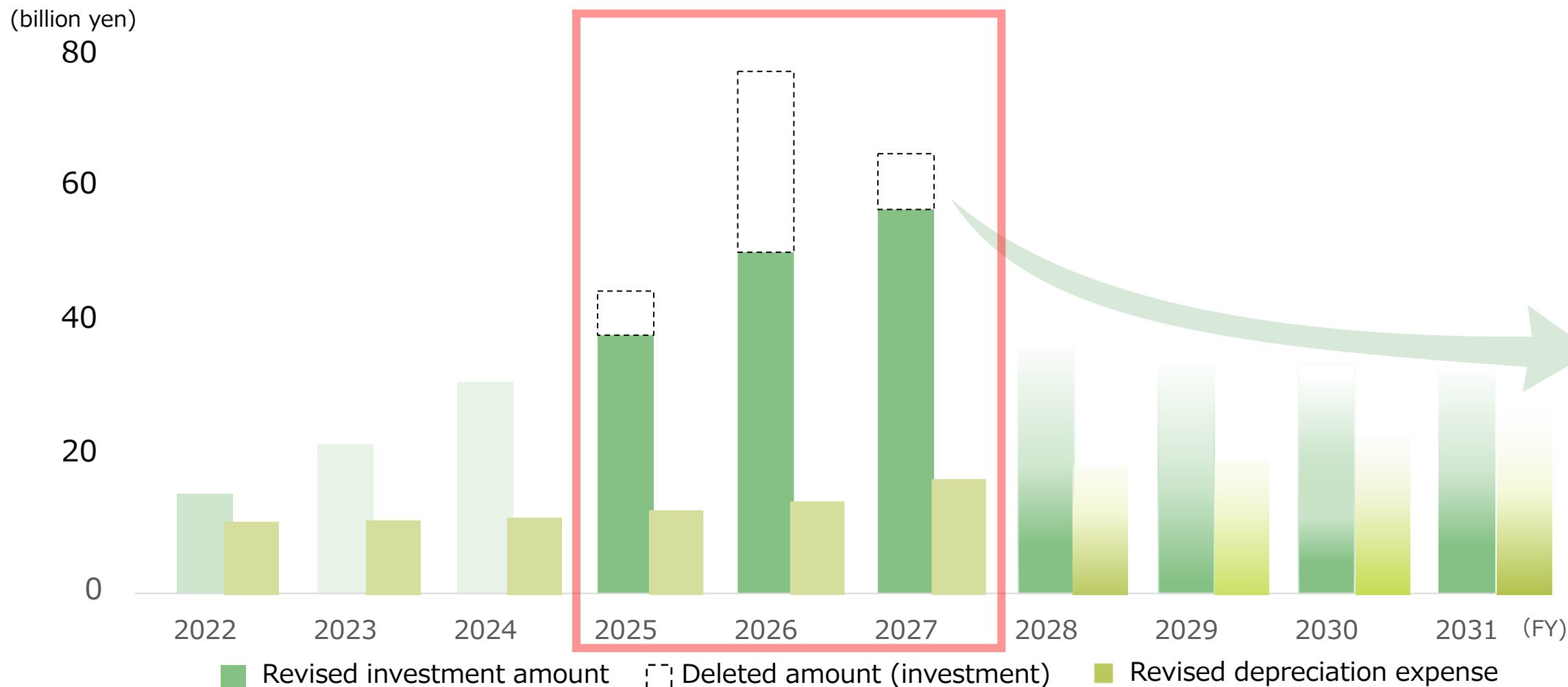
Healthcare

Healthcare product promotion
+ consolidated effect of YOMEISHU SEIZO Co., Ltd.



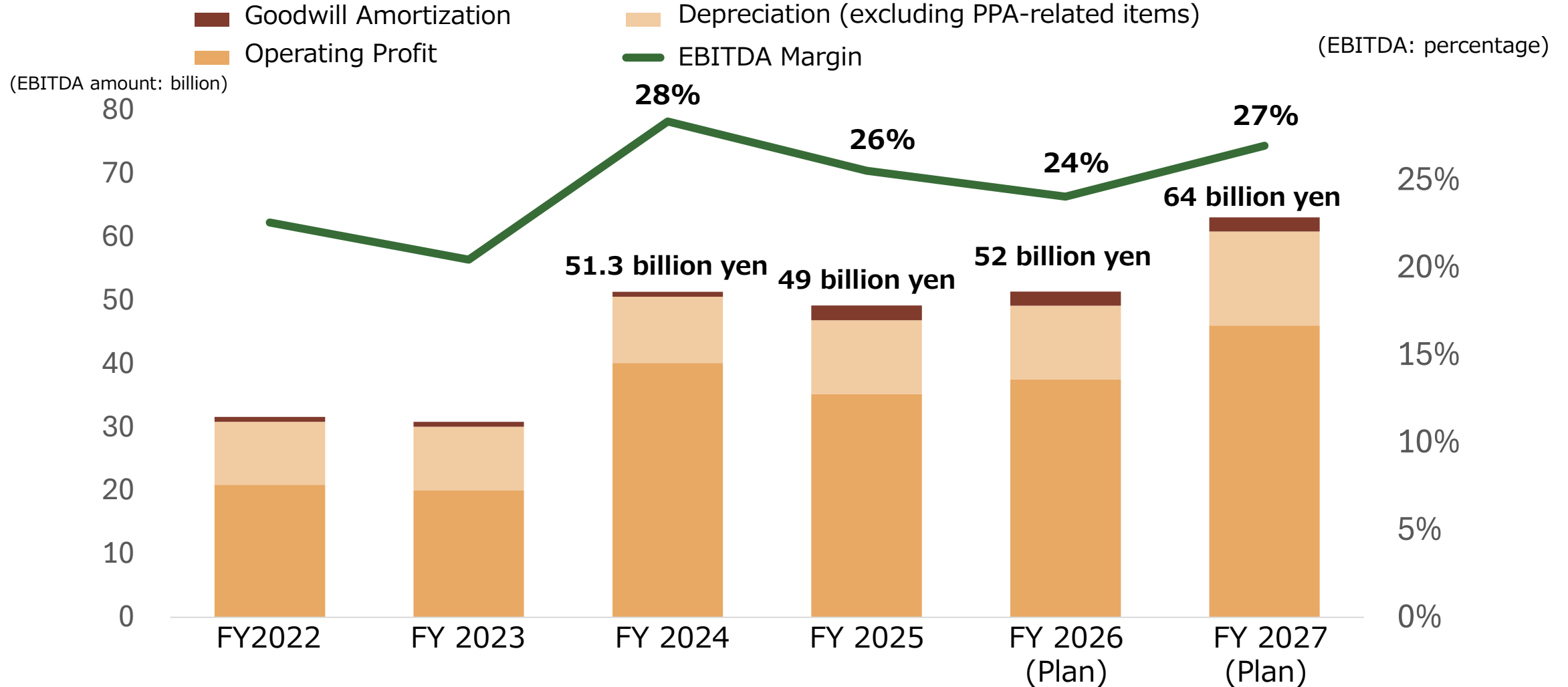
Improvement
of Company
ROIC

- Technical verification for life-extension operation of certain production equipment at the Ibaraki/Shizuoka Plant has been completed
- By leveling new capital investments, reduce investment amounts by approximately 40 billion yen during the second-phase medium-term plan period

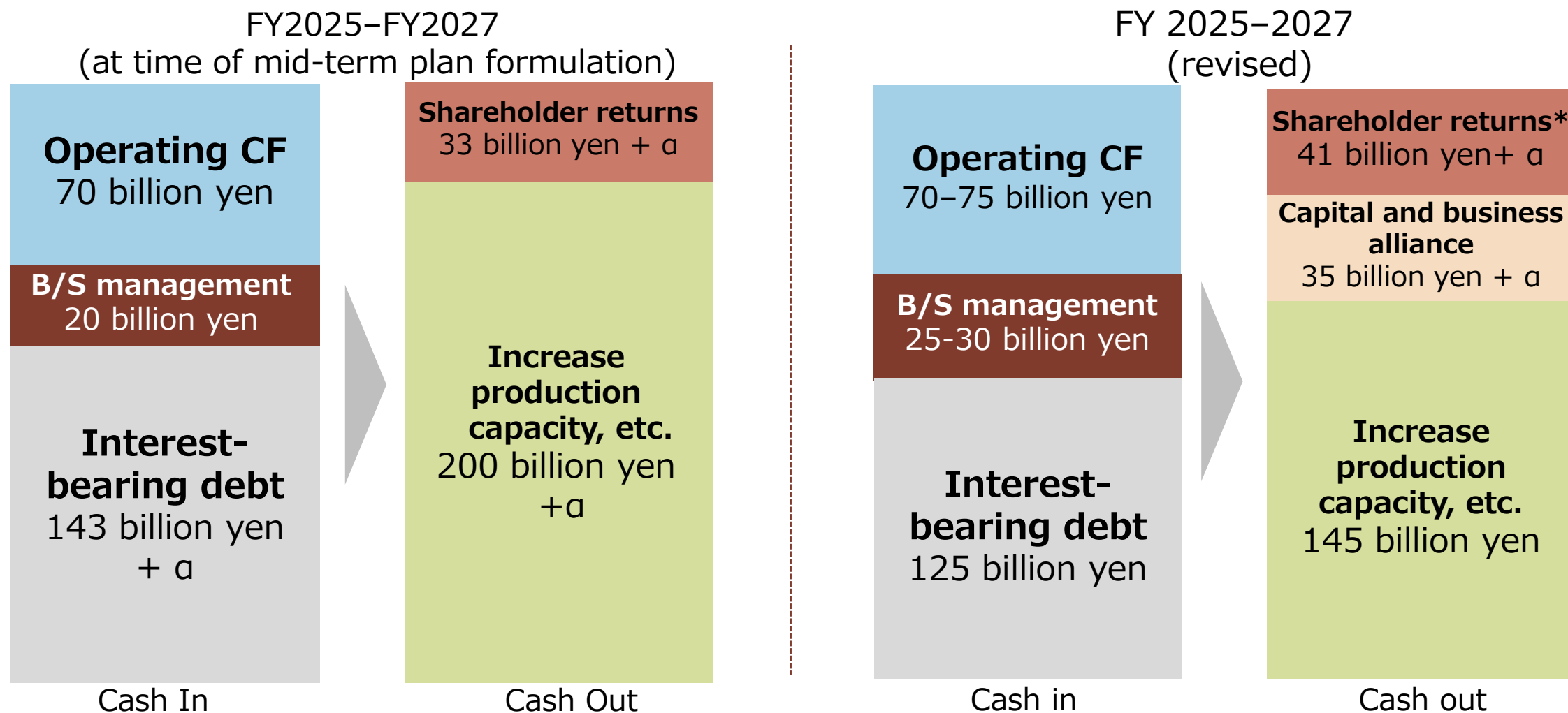


EBITDA trend

【Calculation conditions for amortization of goodwill and PPA】
 CHINA MEDICO CORPORATION: customer- and technology-related assets from goodwill and PPA
 Hongqiao drug pieces: goodwill + PPA for customer- and technology-related assets + inventory and other assets
 【Depreciation (excluding PPA-related) calculation conditions】
 Depreciation expense minus amortization of customer- and technology-related assets from PPA

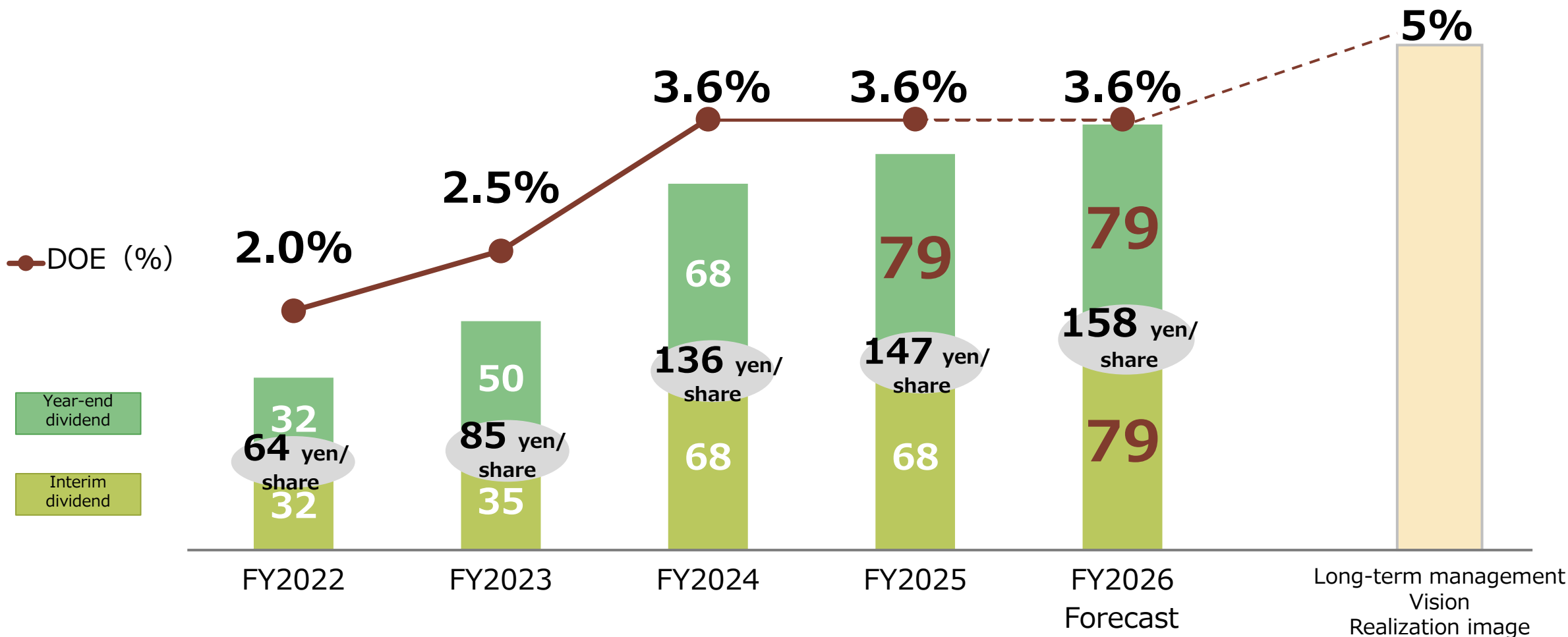


Compress capital expenditure and allocate to growth investments such as capital and business alliances; reduce interest-bearing debt through cash flow and balance sheet management



* Including the 6 billion yen share buyback conducted in 2025 (not included when the medium-term plan was formulated) 39

- Pursuing “optimal dividends based on an optimal capital structure that ensures financial soundness”
For FY2025, 147 yen/share, +11 yen/share versus the initial forecast (+3 yen/share versus the revised forecast)
- Based on a shareholder return policy that maintains and improves DOE, 11yen / share dividend increase is expected FY2026



Corporate Communications Department

IR Relations Group

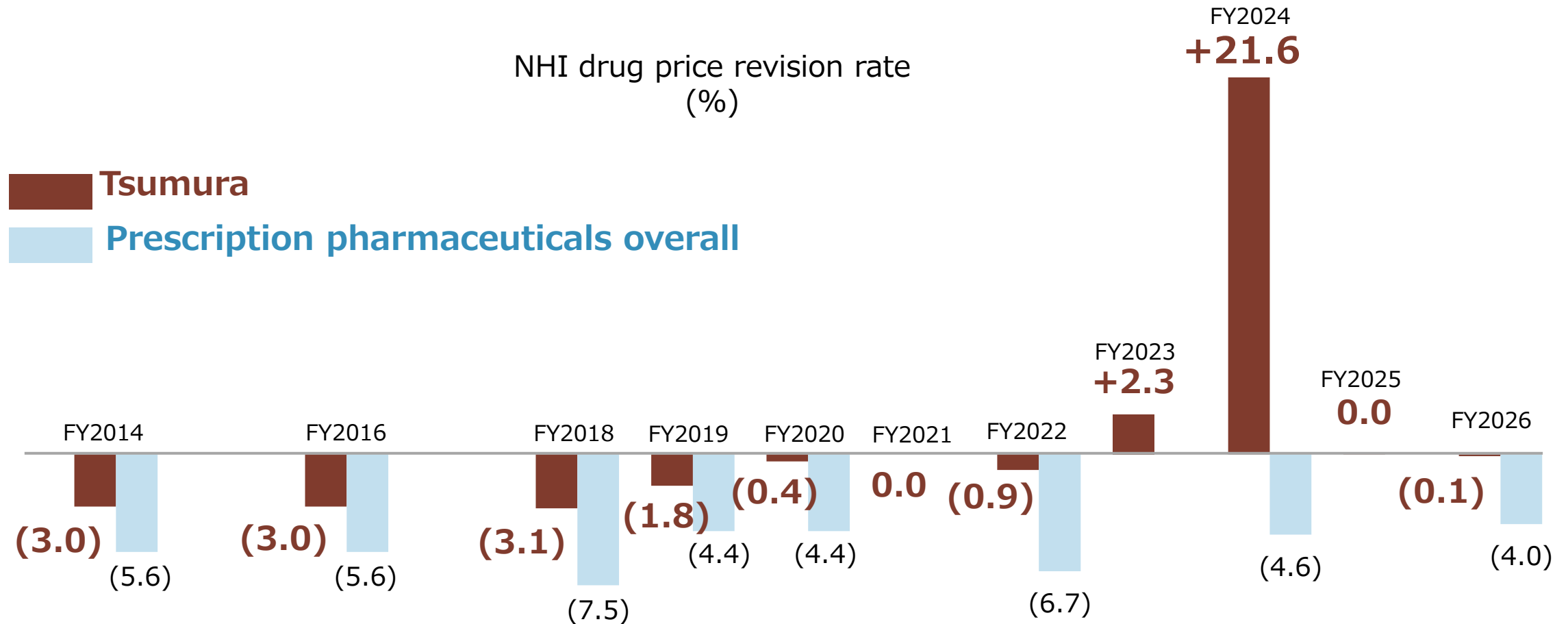
investor_madoguchi@mail.tsumura.co.jp

Notes regarding this material

- The information provided in this material includes so-called "forward-looking statements." Whether these forward-looking statements can be realized is affected by various risks and uncertainties. Therefore, please be aware that actual results may differ significantly from these forward-looking statements.
- If regulations related to healthcare administration, such as medical insurance systems and drug prices, are changed by the Japanese government and other foreign governments, or if interest rates or exchange rates fluctuate, our business results and financial condition may be affected.
- If any of our currently marketed major products are discontinued or their sales significantly decline due to product defects, unforeseen side effects, or other causes, our business results and financial condition would be materially affected.
- This document includes information about pharmaceuticals (including items under development), but it is not intended as advertising or medical advice.
- The materials and information provided in this document may be changed, added to, or deleted without notice.

Appendix

The weighted average revision rate for the April 2026 drug price revision is (0.1)%



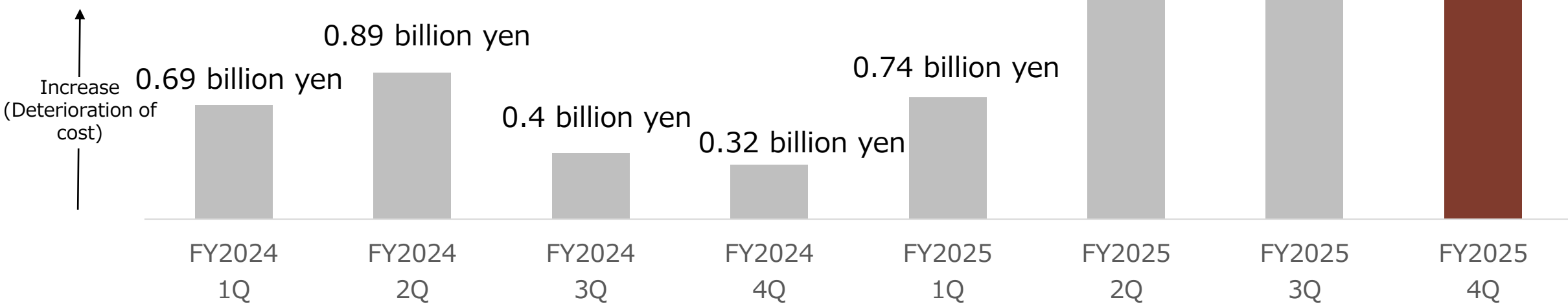
※ Overall revision rates for 2021, 2023 and 2025 are not disclosed because of mid-year revisions

The strategic increase in raw material crude drug inventory has temporarily boosted unrealized profits

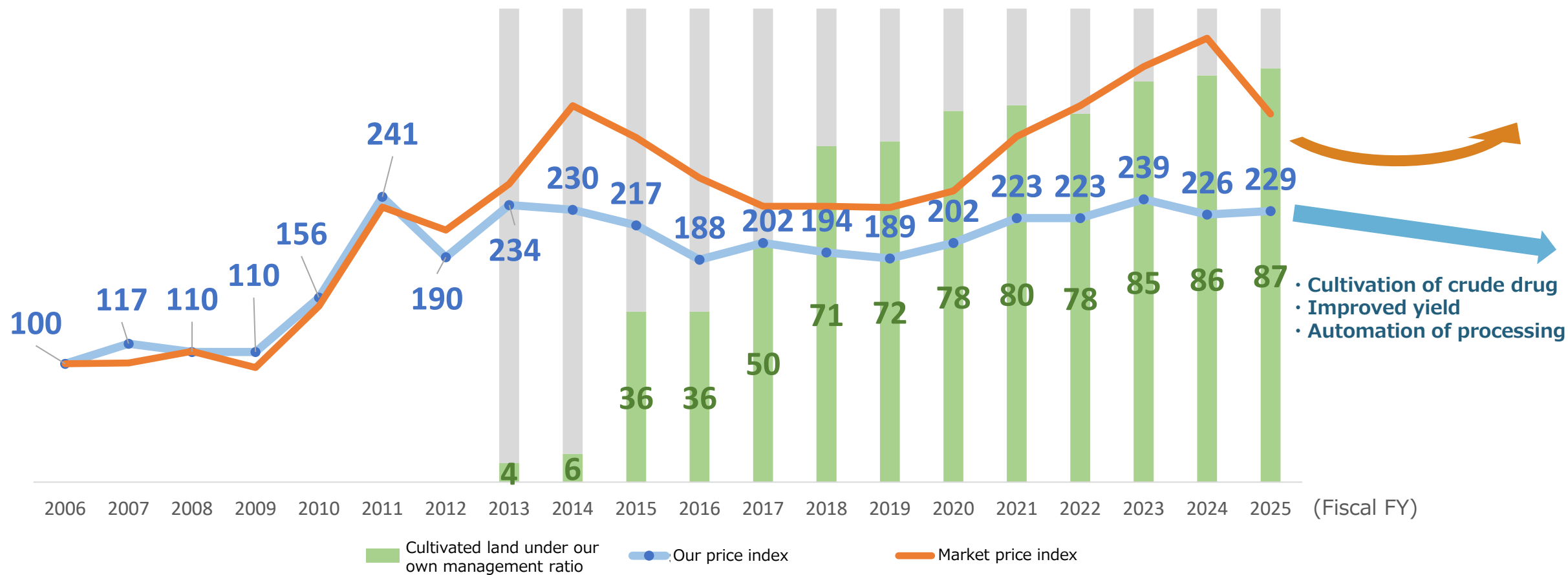
Trends in the impact amount of unrealized profits on profit and loss

* Before considering inter-subsidary sales profits

Impact after considering inter-subsidary sales profits: 0.8 billion yen



With the expansion of company-managed cultivation fields, our crude drug procurement price index has remained stable



(Created by our company using external and our company data)

*1 Our price index: Weighted average price based on our group's usage (2006 as 100)

*2 Cultivated land under our own management: Farmland where our group can provide direct cultivation guidance, understand the costs involved in cultivation, and set purchase prices based on that. In the medium to long term, we will be able to procure high-quality, high-value crude drug in a stable manner at a superior position to the market.

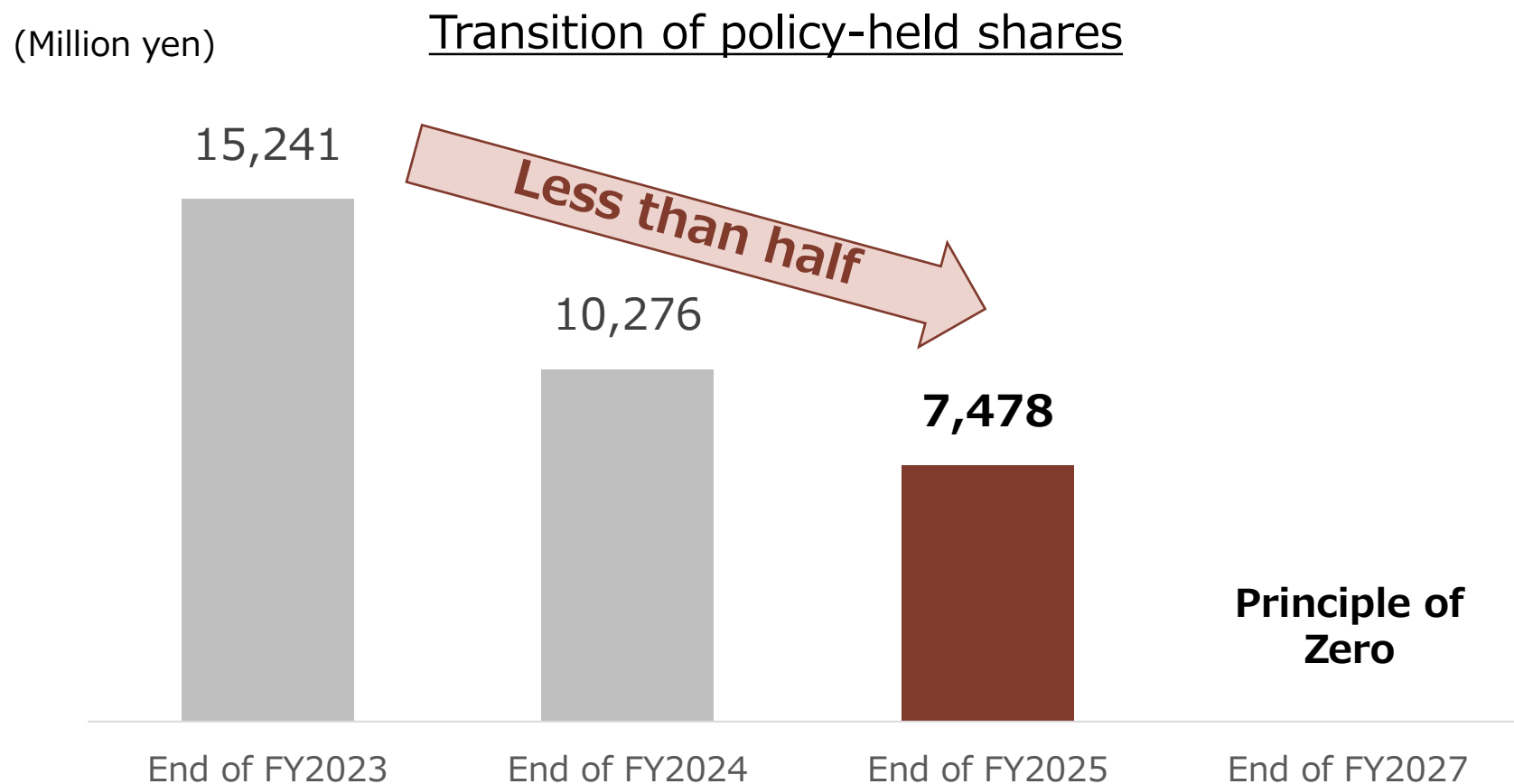
Capital investments: Major planned large-scale investments

Significantly reduced planned investment amount during the second mid-term plan period, centered on the Gunma plant

(billion yen)

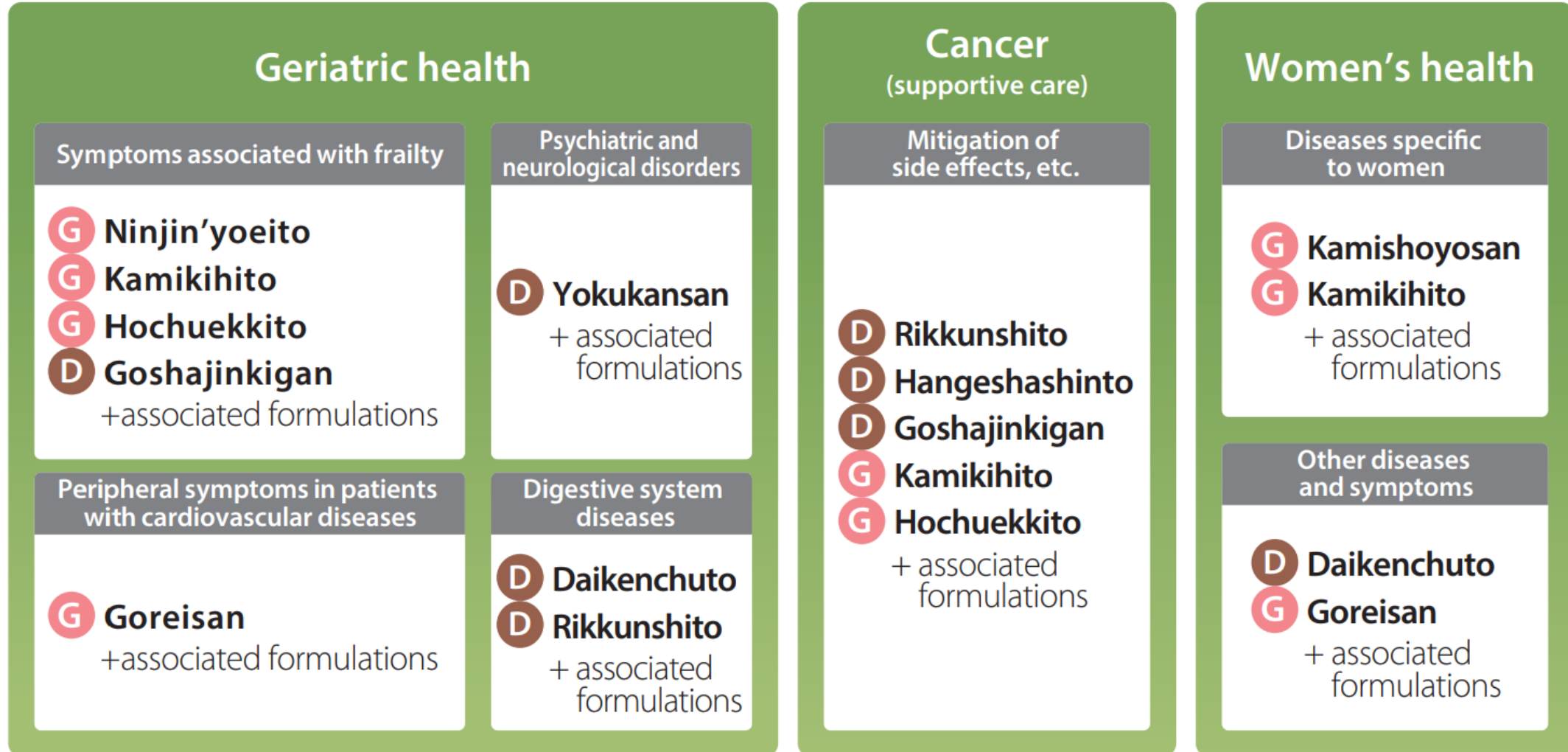
Manufacturing process	Main investment items	First mid-term management plan (Results)	At the time of mid-term plan formulation Second mid-term plan	After revision Second mid-term plan	Total amount
Extract powder Manufacturing process	Tianjin plant (Manufacturing Buildings 1-3 and ancillary facilities)	22	4	6	35.5
	Ibaraki Plant (Building 4 SD)	8	21	19	27
	Gunma factory (Phase 1 construction)	1.8	50	17	Undecided
Granulation and packaging process	Ibaraki Plant (New granulation and Packaging Building)	2.7	39	41	43
Enhanced storage capacity	Ibaraki Plant (Building 3 Crude drugs)	2.3	5	5	7
	Crude drug warehouses (Yubari, Ishioka, China)	1.4	13	13	14.5
Other	Quality control building (Ibaraki)	-	8	7	8
	Updating production facilities, labor-saving measures, etc.	19	40	29	Undecided
Investments related to production of Kampo formulations – subtotal		60	180	137	
Other			6	8	
Total			186	145	

Policy shareholdings have been halved (compared to the end of fiscal FY 2023), and continuous reduction will be carried out going forward.



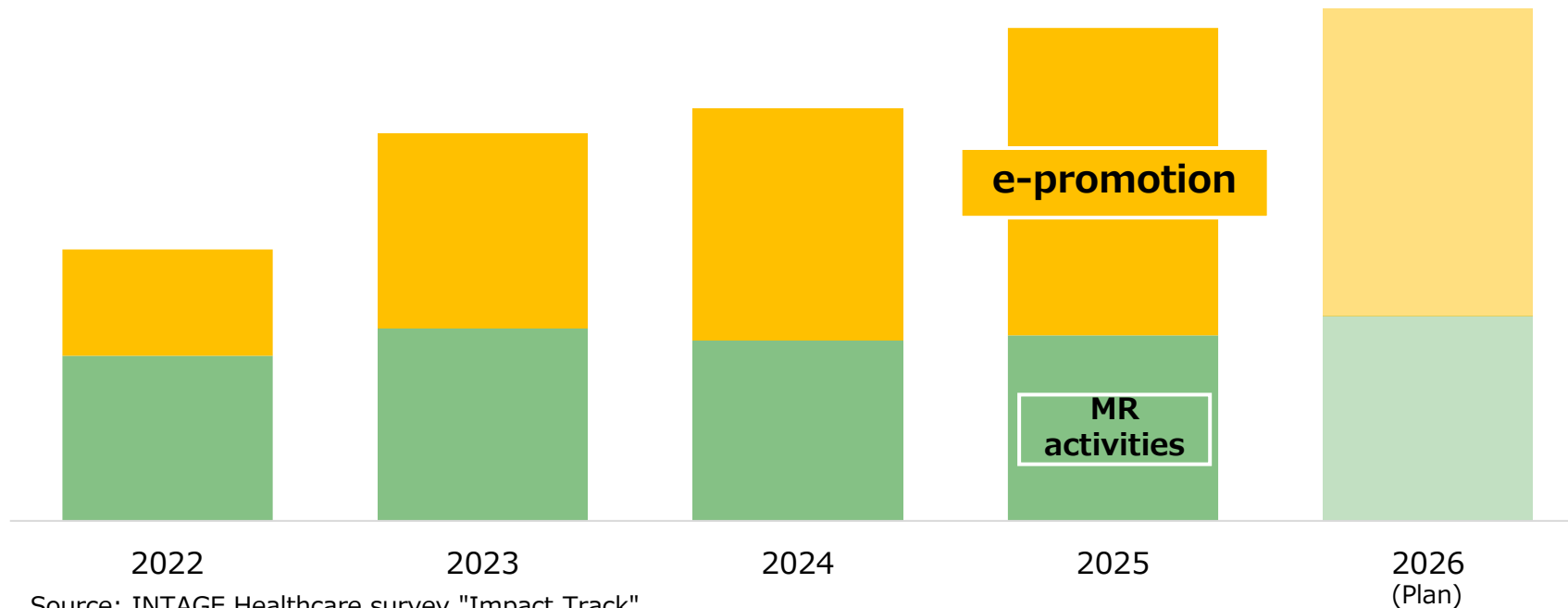
Information provision activities centered on the three important domains, which are social issues

D Drug-fostering program formulations **G** "Growing" formulations



- Number of detailing impacts increased significantly centered on e-promotion
- Aim for detailing impacts in FY2026 to exceed the previous year

Number of detailing impacts*



Source: INTAGE Healthcare survey "Impact Track"

* Number of detailing impacts: the number of times information is recognized via channels such as MR activities and the Internet (estimation)

MR activities: detailing via MR, online meetings, in-hospital briefings, etc.

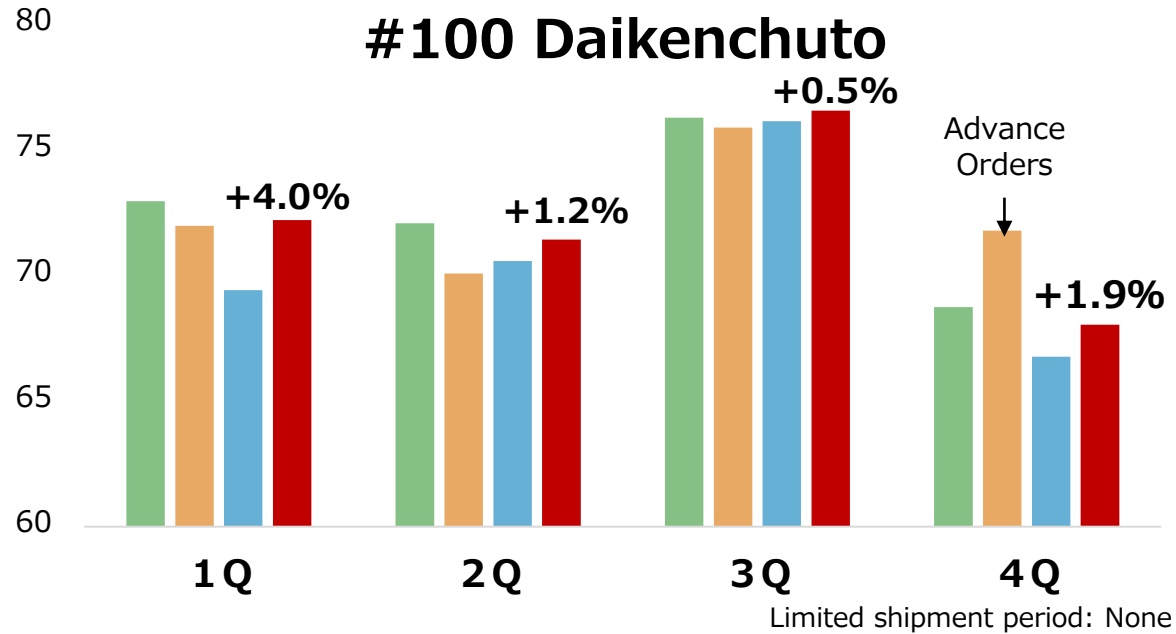
e-Promotion: Online information provision activities without involving MR

Data period: April 2022 to March 2026

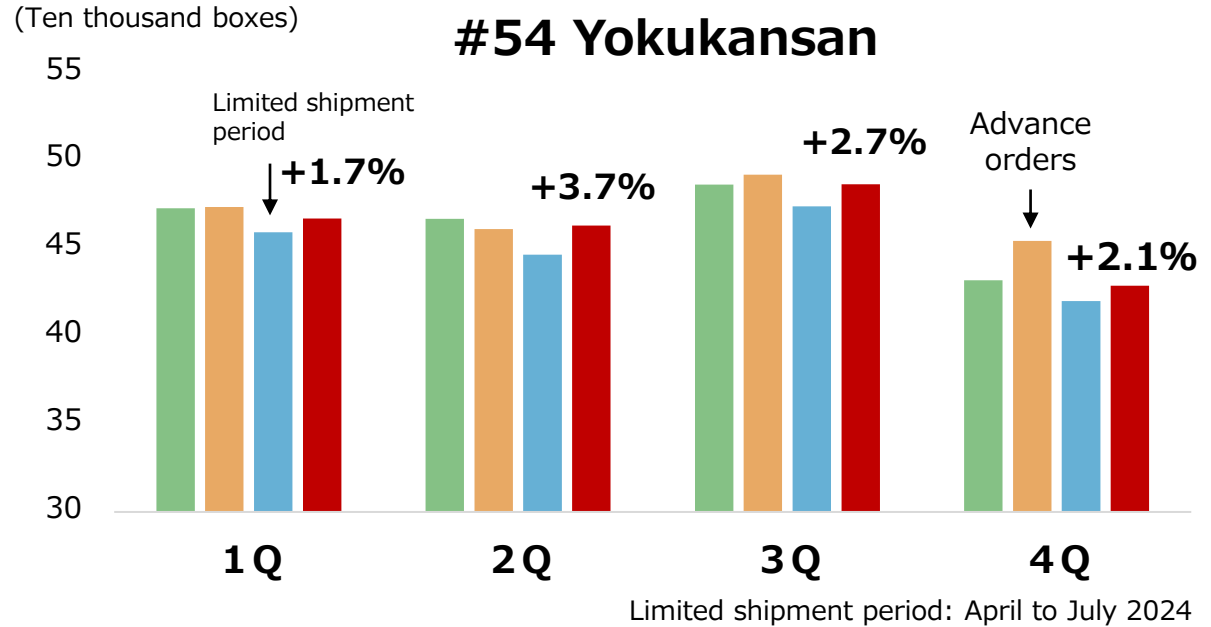
Domestic Business: Actual Sales Volume Trends (Daikenchuto, Yokukansan)

(Ten thousand boxes)

■ FY2022 ■ FY2023 ■ FY2024 ■ FY2025



(Ten thousand boxes)



FY2022–2023: Flat due to fewer surgeries affected by COVID-19 and limited shipments of other prescriptions.

FY2024: Considering the impact of advance orders in Q4 of FY2023 due to the NHI drug price revision, the volume is almost flat.

FY 2025: Recovery as the effects of continued activities at universities and designated clinical training hospitals become apparent. All quarters exceeded the same period of the previous year

FY 2024: Decrease due to advance orders before limited shipments and switching to other prescriptions. Recovery is delayed due to some prescriptions being re-limited for shipment.

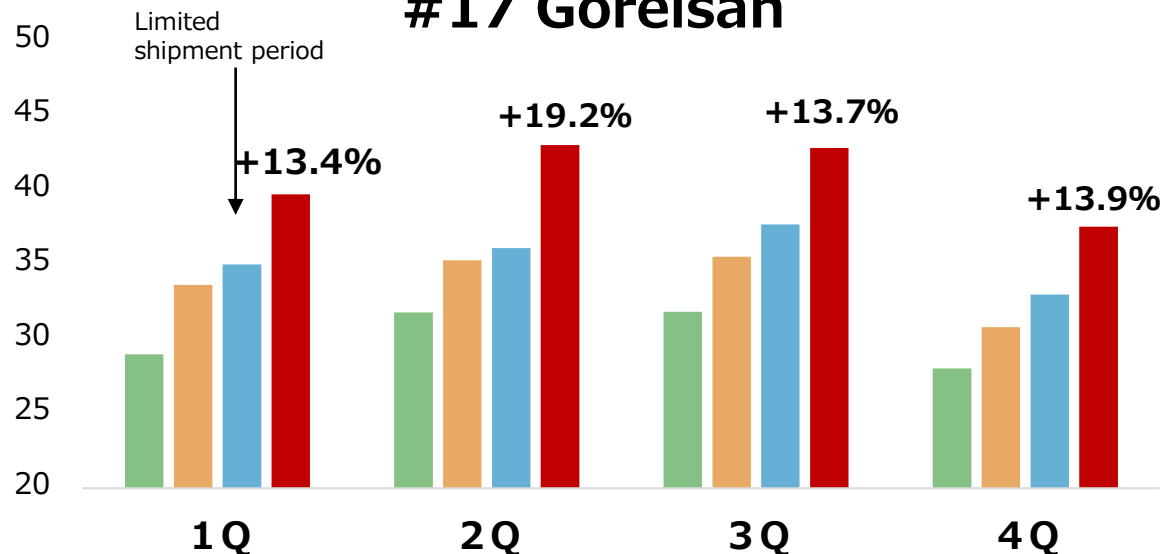
FY 2025: Recovery compared to the previous year due to developments centered on psychiatric and neurological symptoms associated with dementia

Domestic Business: Actual Sales Volume Trends (Goreisan, Hangeshashinto)

■ FY2022 ■ FY2023 ■ FY2024 ■ FY2025

(Ten thousand boxes)

#17 Goreisan



Limited shipment period: March to May 2024.

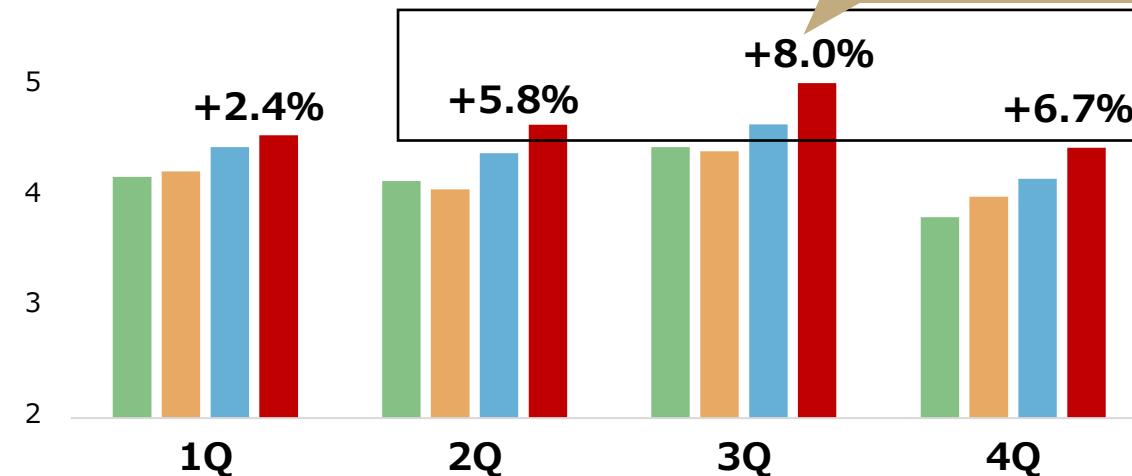
FY 2023: Continued growth in neurosurgery and otolaryngology due to symptoms such as edema, dizziness, and headache.

FY 2024: Growth stagnated during the restricted shipment period but recovered after the restriction was lifted.

FY 2025: Continued double-digit growth driven by expanded use for weather-related headaches and dizziness and broader adoption in cardiology.

(Ten thousand boxes)

#14 Hangeshashinto



Cancer Caravan 2025 Measures (June) also contributed

FY 2022 to 2023: Flat due to restrictions on information provision during the limited shipment period.

FY 2024: Steady growth due to measures addressing digestive symptoms (heartburn from reflux esophagitis, diarrhea from irritable bowel syndrome, stomatitis).

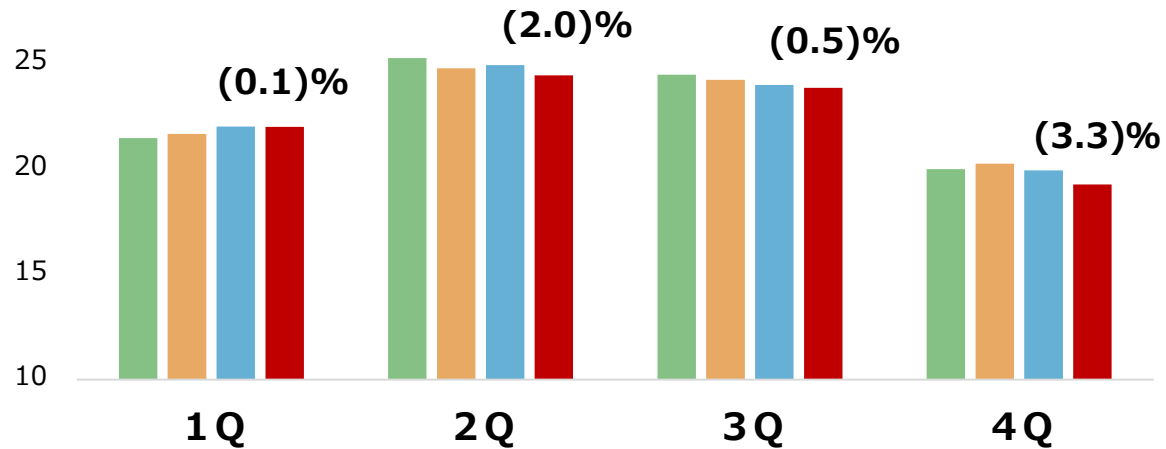
FY 2025: Growth due to follow-up activities after the Cancer Caravan and promotion addressing diarrhea symptoms associated with irritable bowel syndrome

Domestic Business: Actual Sales Volume Trends (Hochuekkito, Ninjin'yoeito)

■ FY2022 ■ FY2023 ■ FY2024 ■ FY2025

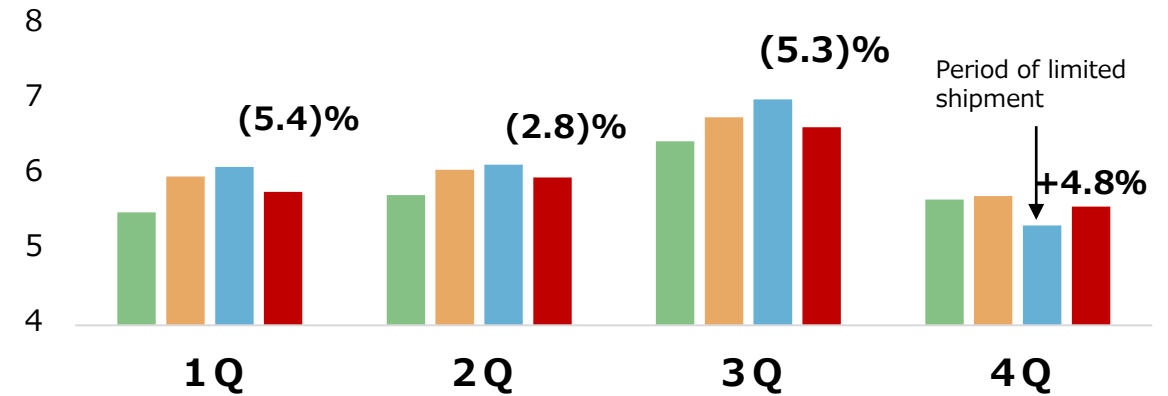
(Ten thousand boxes)

#41 Hochuekkito



(Ten thousand boxes)

#108 Ninjin'yoeitoito



Limited Shipping Period: December 2024 to January 2025

FY2022-2023: Demand for fatigue related to post-COVID syndrome increased, resulting in growth.

FY2024: Despite the retreat of COVID-19, demand was flat due to summer-related weight loss and other factors

FY2025: Sluggish due to the backlash from COVID-19-related demand. In the oncology field, we will continue to strengthen information-provision activities on fatigue and malaise through Cancer Caravan 2025.

FY2024: Due to limited shipment, some customers switched to other companies' products.

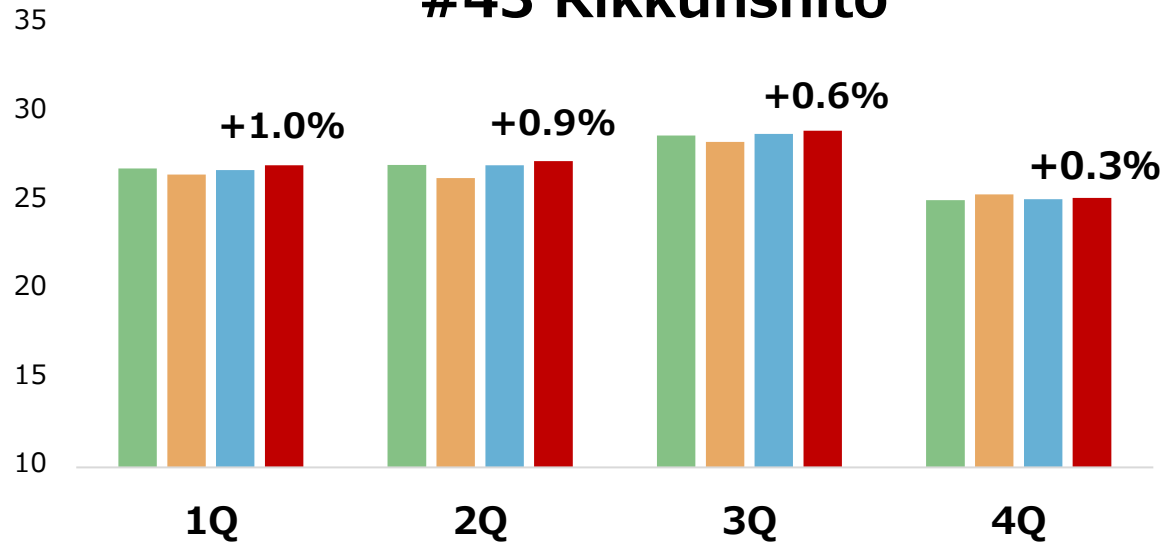
FY2025: Recovery after limited shipment was slow and remained sluggish. In 4Q of FY, a rebound was seen affected by the restricted shipment.

Domestic Business: Actual Sales Volume Trends (Rikkunshito, Goshajinkigan)

■ FY2022 ■ FY2023 ■ FY2024 ■ FY2025

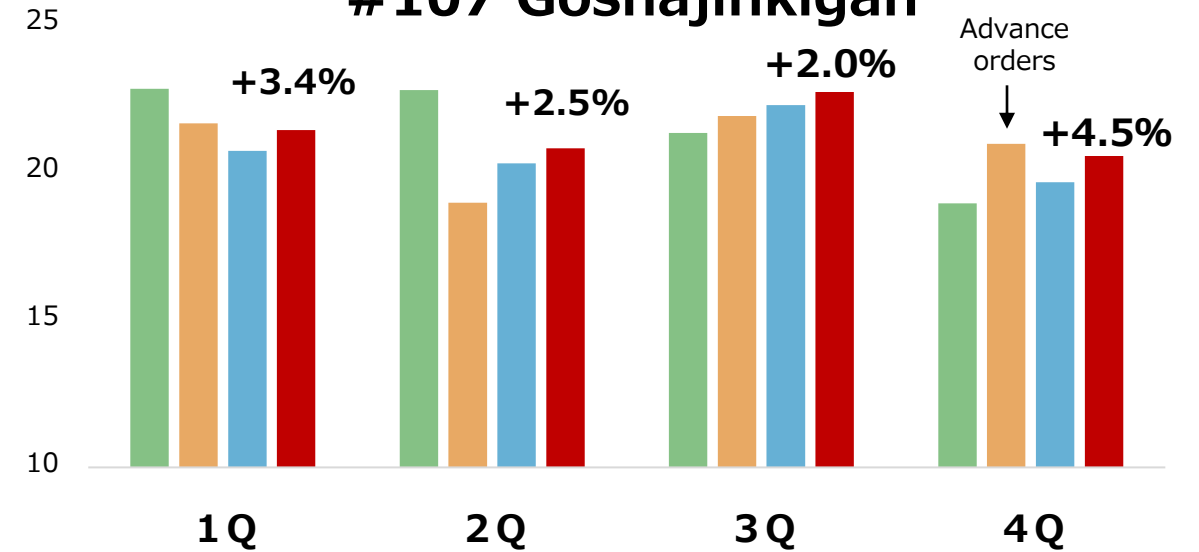
(Ten thousand boxes)

#43 Rikkunshito



(Ten thousand boxes)

#107 Goshajinkigan



Limited shipping period: August 2022 to April 2023

FY 2022-23: Despite restricting information provision during the limited shipping period and being unable to acquire new cases, the volume remained flat.

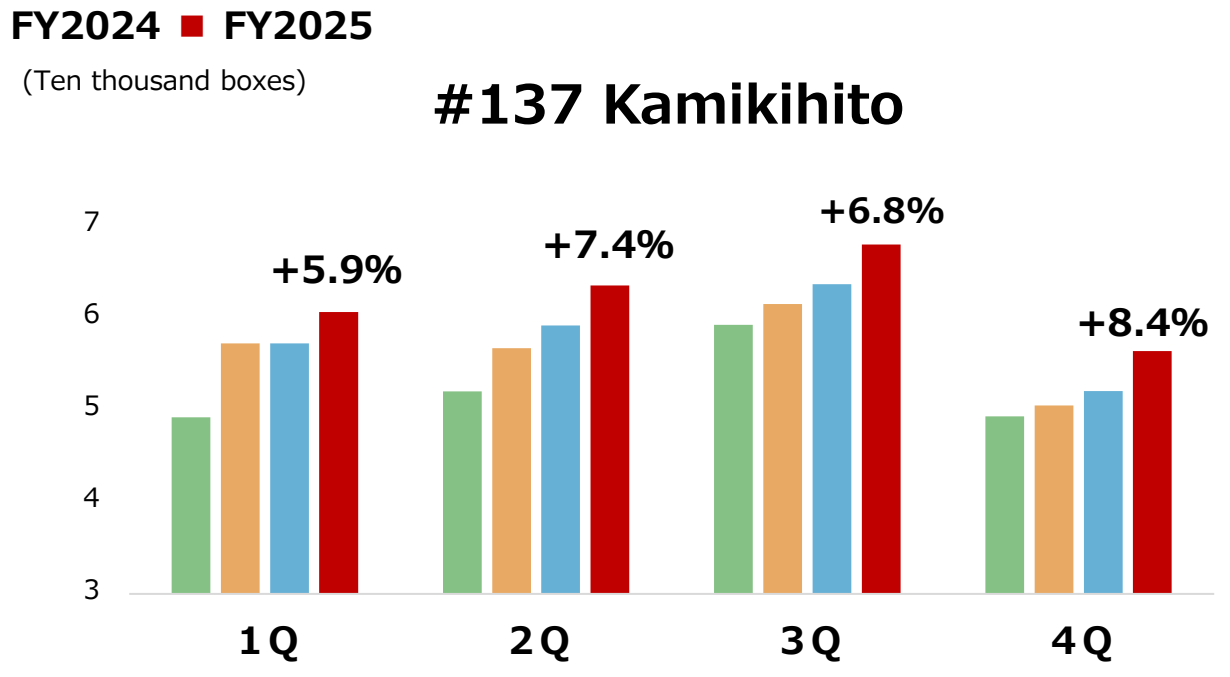
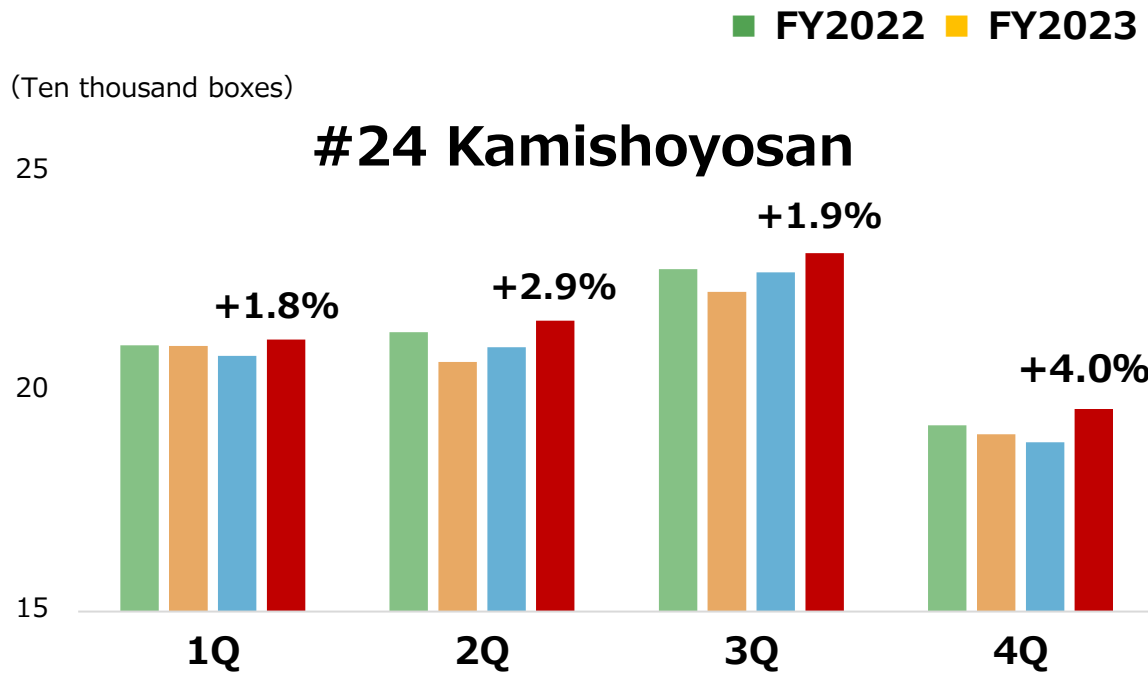
FY24-25: Despite hospital briefings in the cancer field, the Cancer Caravan 2025, and web seminars appealing to postoperative gastric cancer appetite loss, growth was limited.

FY 2022-2023: Since the limited shipping period was long, recovery after its termination took time.

FY 2024: Decrease in 1Q due to impact of advance orders ahead of the drug price revision

FY25: Use expanded in urologic disease-related areas, mainly for nocturia among the elderly, leading to growth.

Domestic Business: Actual Sales Volume Trends (Kamishyosan, Kamikihito)



FY 2022: Growth due to symptoms of fatigue and anxiety related to post-COVID conditions.

FY 2023-24: COVID demand declined and then leveled off.

FY 2025: Differentiation in use for psychological symptoms of premenstrual syndrome (PMS) and premenstrual dysphoric disorder (PMDD) progressed, leading to growth

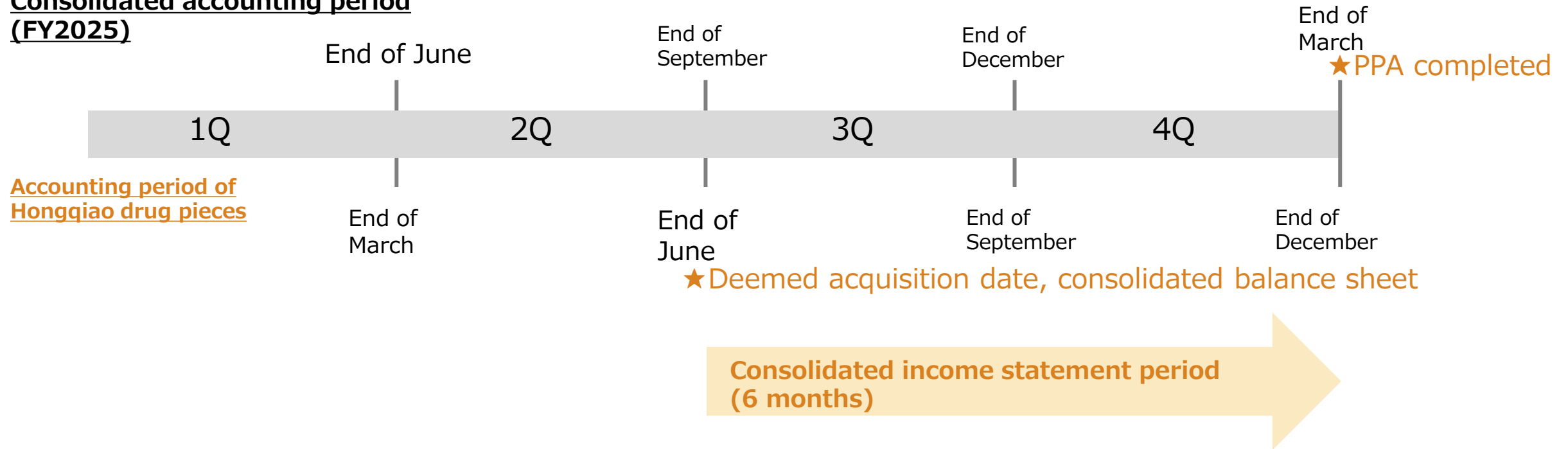
FY 2022 to 2023: Increased demand due to anxiety and insomnia related to post-COVID-19 syndrome.

FY 2024: Recognition as a prescription for anxiety and insomnia spreads, leading to continuous growth.

FY 2025: Continued growth as use expands for differentiating treatment of anxiety associated with premenstrual syndrome (PMS) and premenstrual dysphoric disorder (PMDD).

**Consolidate the balance sheet at the end of Q2 FY2025,
and consolidate the income statement from Q3**

**Consolidated accounting period
(FY2025)**



Exchange rate (Yen/Yuan) Period average rate: Consolidation of Profit and Loss Statement

	1Q	2Q	3Q	4Q	Plan
FY 2024	20.63	21.07	20.99	21.04	-
FY 2025	20.94	20.44	20.50	20.81	20.30
FY 2026	-	-	-	-	22.60

Exchange Rate (Yen/Yuan) at Fiscal Year-End: Consolidation of Balance Sheet,
Foreign Exchange Gain (Non-Operating Income and Expenses)

	End of March	End of June	End of Sep.	End of Dec.
Year 2024	20.83	22.04	20.46	21.67
Year 2025	20.59	20.19	20.88	22.36
Year 2026	23.11	-	-	-

- For imports of raw medicinal crude drug and Kampo extract powders (intermediate products), exchange contracts have already been made, so the applicable rate differs from the above.

CDP rating (Climate change, water security)

Two consecutive years
Received the highest rating



FY 2025 results

A **A**
Climate change Water security

Health & Productivity Stock Selection · Health & Productivity Management Outstanding Organization (White 500)

Initiatives related to Health &
Productivity Management were
recognized

