

2. Dividends

	Dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	–	48.00	–	49.00	97.00
Fiscal year ending March 31, 2026	–				
Fiscal year ending March 31, 2026 (Forecast)		62.00	–	63.00	125.00

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

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 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
Six months ending September 30, 2025	48,200	(1.0)	3,400	(17.1)	3,600	4.2	2,700	18.8	48.16
Fiscal year ending March 31, 2026	113,000	4.1	13,800	6.3	14,200	10.5	10,000	10.1	178.36

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

*** Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Application of special accounting for preparing quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies in accordance with changes in accounting standards, etc.: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

(4) Number of shares issued (common shares)

- (i) Number of shares issued at the end of the period (including treasury shares)

As of June 30, 2025	57,598,692 shares
As of March 31, 2025	57,598,692 shares

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

As of June 30, 2025	1,533,017 shares
As of March 31, 2025	1,531,117 shares

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

Three months ended June 30, 2025	56,066,496 shares
Three months ended June 30, 2024	57,419,385 shares

*** Review of the Japanese-language originals of the attached quarterly consolidated 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 earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, the statements herein do not constitute assurances regarding the Company's actual results. Actual financial and other results may differ substantially from the statements herein due to various factors. Please refer to "1. Qualitative information regarding financial results for the period under review, (3) Information regarding consolidated earnings forecasts and other forward-looking statements" on page 4 of the attached materials for the suppositions that form the assumptions for the earnings forecasts and cautions regarding the use of the earnings forecasts.

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1. Qualitative information regarding financial results for the period under review

(1) Information regarding operating results

During the three months ended June 30, 2025, the outlook for the Japanese economy remained uncertain due to factors such as the soaring raw material prices caused by the prolonged trend of yen depreciation, stagnant consumer confidence caused by higher prices exceeding wage increases, and the impact of labor shortages.

The Group is focusing on the priority measures of “expansion of recurring revenue business,” “evolution of health promotion business,” and “rapid growth in focused areas in Asia” in Phase II of the medium-term management plan based on the “Paramount Vision 2030,” which describes the type of company we aim to be in 2030.

The operating results of our three core businesses for the three months ended June 30, 2025 were as follows. Beginning with the medical care business, in Japan, under the environment which remained severe for hospital management due to the ongoing labor shortage and persistently high heating and lighting expenses and material prices, sales of beds and other products was sluggish due to the continuing trend of wait-and-see attitude toward capital investment. However, demand for products and services that contribute to operational efficiency and task shifting that help medical staff continued to remain strong, and the recurring revenue business showed steady growth. In the overseas market, sales declined due to the postponement or disappearance of large-scale projects in Indonesia and China, where sales are large. As a result, net sales in the medical care business decreased by 2.3% year-on-year to ¥7,756 million.

In the nursing care business, net sales decreased by 1.0% year-on-year to ¥14,152 million, mainly due to sluggish sales to nursing homes, which continue to face the same difficult business environment as domestic medical institutions, despite steady performance of rentals for home use. In the health promotion business, net sales decreased by 29.3% year-on-year to ¥348 million, mainly due to the slump in consumer confidence caused by higher prices.

The topics of each business are as follows. In the medical care business, we launched the “A3typeE,” a standard type of electric beds for the Chinese market in May. In June, we added a product with the “ParaDrive” electric bed transport assist system to the ALiUS Series lineup of electric beds for intensive care units (ICUs). “ParaDrive” is the first in the industry to offer a left-right transfer assist function. We aim to reduce the physical burden on medical staff and contribute to operational efficiency.

In the nursing care business, “Omutsu COLOR (Diaper COLOR),” a defecation sensor for disposable diapers, was launched in May. By detecting color changes in the diaper and notifying nursing staff of bowel movements at the appropriate time, the system contributes to reducing workload of nursing staff and providing attentive care to users.

As for the health promotion business, in April, our directly-managed store “Nemuri Gallery OSAKA” was relocated to “KITTE OSAKA,” a large-scale commercial complex directly connected to JR Osaka Station, and reopened as the new “Nemuri Gallery KITTE OSAKA.” This will be the first time Nemuri Gallery has opened a store in a commercial facility. By opening stores in highly convenient commercial facilities in the Umekita district, the largest redevelopment project in the Kansai region and one that is attracting increasing attention, we will work to increase awareness of “Active Sleep BED” and other products.

The information on disaggregation of net sales for the three months ended June 30, 2025 is as follows.

Net sales by business

(Millions of yen)

Sales categories	Three months ended June 30, 2024	Three months ended June 30, 2025	Change
Medical care	7,935	7,756	(2.3)%
Nursing care	14,300	14,152	(1.0)%
Health promotion	493	348	(29.3)%
Others	415	–	–%
Total	23,145	22,257	(3.8)%

Net sales by region

(Millions of yen)

Sales categories	Three months ended June 30, 2024	Three months ended June 30, 2025	Change
Domestic	20,919	20,549	(1.8)%
Overseas	2,225	1,708	(23.2)%
Total	23,145	22,257	(3.8)%

As a result of the above, net sales for the three months ended June 30, 2025 decreased by ¥887 million (down 3.8%) year-on-year to ¥22,257 million. In terms of profits, mainly due to the decreased gross profit resulting from the sales decline, operating profit decreased by ¥506 million to ¥1,086 million (down 31.8%), ordinary profit decreased by ¥987 million to ¥1,148 million (down 46.2%), and profit attributable to owners of parent decreased by ¥480 million to ¥1,085 million (down 30.7%).

As the Group's business consists of a single segment, segment information has been omitted.

(2) Information regarding financial position

Total assets as of June 30, 2025 stood at ¥176,022 million, a decrease of ¥7,005 million compared with the end of the previous fiscal year. The main aspects that contributed to this decrease were decreases in notes and accounts receivable - trade.

Total liabilities stood at ¥41,160 million, a decrease of ¥4,582 million compared with the end of the previous fiscal year. The main aspects that contributed to this decrease were decreases in notes and accounts payable - trade, and income taxes payable.

Net assets stood at ¥134,861 million, a decrease of ¥2,423 million compared with the end of the previous fiscal year. The main aspects that contributed to this decrease were decreases in retained earnings as a result of year-end dividends and in foreign currency translation adjustment. As a result of the above, equity-to-asset ratio as of June 30, 2025 rose by 1.6 points, compared with the end of the previous fiscal year to 76.6%.

(3) Information regarding consolidated earnings forecasts and other forward-looking statements

No revisions have been made to the consolidated earnings forecasts announced on May 14, 2025. Although both sales and profits for the first three months ended June 30, 2025 were slightly below the initial plan, we aim to achieve our performance targets for the six months ending September 30, 2025 and the fiscal year ending March 31, 2026, by planning to change the model of our mainstay beds for home care in the second quarter as disclosed today and focusing on various measures.

2. Quarterly consolidated financial statements and significant notes thereto

(1) Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	34,943	33,778
Notes and accounts receivable - trade	28,992	21,689
Lease receivables and investments in leases	7,838	8,024
Securities	8,593	8,540
Merchandise and finished goods	9,333	9,525
Work in process	423	412
Raw materials and supplies	2,719	2,741
Other	1,690	2,246
Allowance for doubtful accounts	(4)	(5)
Total current assets	94,531	86,953
Non-current assets		
Property, plant and equipment		
Buildings and structures	33,800	33,777
Accumulated depreciation	(23,682)	(23,810)
Buildings and structures, net	10,117	9,967
Machinery, equipment and vehicles	9,880	9,590
Accumulated depreciation	(8,129)	(7,926)
Machinery, equipment and vehicles, net	1,750	1,664
Land	8,518	8,518
Leased assets	2,406	2,673
Accumulated depreciation	(920)	(983)
Leased assets, net	1,486	1,689
Assets for rent	68,741	70,405
Accumulated depreciation	(43,922)	(45,188)
Assets for rent, net	24,819	25,216
Construction in progress	185	164
Other	12,539	12,577
Accumulated depreciation	(10,618)	(10,630)
Other, net	1,920	1,946
Total property, plant and equipment	48,799	49,168
Intangible assets		
Goodwill	286	270
Other	5,642	5,613
Total intangible assets	5,928	5,883
Investments and other assets		
Investment securities	*1 21,682	*1 21,580
Other	12,848	13,262
Allowance for doubtful accounts	(762)	(825)
Total investments and other assets	33,767	34,016
Total non-current assets	88,495	89,068
Total assets	183,027	176,022

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	13,701	11,329
Lease liabilities	1,455	1,526
Income taxes payable	1,648	235
Provision for bonuses	1,740	841
Provision for bonuses for directors (and other officers)	22	–
Other	7,189	6,829
Total current liabilities	25,759	20,762
Non-current liabilities		
Lease liabilities	5,350	5,703
Retirement benefit liability	6,883	6,609
Other	7,749	8,085
Total non-current liabilities	19,983	20,398
Total liabilities	45,742	41,160
Net assets		
Shareholders' equity		
Share capital	4,207	4,207
Capital surplus	49,877	49,877
Retained earnings	81,085	79,423
Treasury shares	(4,020)	(4,020)
Total shareholders' equity	131,149	129,487
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,608	1,561
Foreign currency translation adjustment	4,096	3,462
Remeasurements of defined benefit plans	428	348
Total accumulated other comprehensive income	6,133	5,372
Non-controlling interests	1	1
Total net assets	137,284	134,861
Total liabilities and net assets	183,027	176,022

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income**Quarterly consolidated statement of income**

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	23,145	22,257
Cost of sales	11,887	11,127
Gross profit	11,257	11,130
Selling, general and administrative expenses	9,664	10,044
Operating profit	1,593	1,086
Non-operating income		
Interest income	127	100
Dividend income	114	67
Foreign exchange gains	169	92
Gain on investments in investment partnerships	93	-
Other	146	63
Total non-operating income	650	323
Non-operating expenses		
Interest expenses	37	46
Loss on investments in investment partnerships	-	53
Loss on investments in silent partnerships	28	50
Provision of allowance for doubtful accounts	32	63
Other	9	46
Total non-operating expenses	107	260
Ordinary profit	2,136	1,148
Extraordinary income		
Gain on redemption of investment securities	49	2
Gain on revision of retirement benefit plan	-	109
Total extraordinary income	49	112
Extraordinary losses		
Loss on redemption of investment securities	0	-
Loss on valuation of investment securities	3	-
Total extraordinary losses	4	-
Profit before income taxes	2,181	1,260
Income taxes - current	170	14
Income taxes - deferred	444	161
Total income taxes	615	175
Profit	1,566	1,085
Profit attributable to non-controlling interests	0	0
Profit attributable to owners of parent	1,566	1,085

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	1,566	1,085
Other comprehensive income		
Valuation difference on available-for-sale securities	106	(47)
Foreign currency translation adjustment	1,015	(633)
Remeasurements of defined benefit plans, net of tax	11	(79)
Total other comprehensive income	1,133	(760)
Comprehensive income	2,699	324
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,699	324
Comprehensive income attributable to non-controlling interests	0	0

(3) Notes to quarterly consolidated financial statements**Notes on segment information, etc.**

Segment Information

I Three months ended June 30, 2024 (April 1, 2024 to June 30, 2024)

As the Group's business consists of a single segment of healthcare-related business, segment information has been omitted.

II Three months ended June 30, 2025 (April 1, 2025 to June 30, 2025)

As the Group's business consists of a single segment of healthcare-related business, segment information has been omitted.

Notes on significant changes in the amount of shareholders' equity

Not applicable.

Notes on premise of going concern

Not applicable.

Notes on quarterly consolidated balance sheet

*1. The amounts due to non-consolidated subsidiaries and affiliated companies are as follows:

	(Millions of yen)	
	As of March 31, 2025	As of June 30, 2025
Investment securities (stocks)	3,141	3,080
Investment securities (other)	1,215	1,215

2. Contingent liabilities

The Company guarantees the liabilities for borrowings from financial institutions as follows:

	(Millions of yen)	
	As of March 31, 2025	As of June 30, 2025
Employees (housing loan obligations)	8	7

Notes on quarterly consolidated statement of cash flows

Quarterly consolidated statement of cash flows has not been prepared for the three months ended June 30, 2025. In addition, the amounts of depreciation (including amortization related to intangible assets excluding goodwill) and amortization of goodwill for the first three months of the current and previous fiscal years are as follows:

	(Millions of yen)	
	Three months ended June 30, 2024 (April 1, 2024 to June 30, 2024)	Three months ended June 30, 2025 (April 1, 2025 to June 30, 2025)
Depreciation	2,580	2,814
Amortization of goodwill	-	16