

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



Financial Results for the Second Quarter of Fiscal Year Ending March 31, 2026

November 7, 2025

Stock Exchange Listings : Tokyo Stock Exchange

Company name : JMS Co., Ltd. (URL <https://www.jms.cc/english/>)
Securities code : 7702
Representative : Ryuji Katsura, President and Representative Director
Inquiries : Yoshiki Ochiai , Executive Officer, Head of Corporate Affairs Division
TEL : +81-82-243-5844
Quarterly statement filing date (as planned) : November 13, 2025 Dividend payable date : December 10, 2025
Supplemental material of quarterly results : Yes
Convening briefing of quarterly results : Yes

(Note: Amounts below are rounded down to the nearest million yen)

1. Consolidated Financial Highlights for the Interim Period Ended September 2025 (From April 1, 2025 to September 30, 2025)

(1) Consolidated operating results

(%: change from the same previous period)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2025	32,216	(4.8)	(19)	—	(46)	—	(190)	—
Six months ended September 30, 2024	33,830	8.3	155	—	(118)	—	(258)	—

(Note) Comprehensive income : Six months ended September 30, 2025 : 14 million yen [(78.6)%] ,
Six months ended September 30, 2024 : 68 million yen [(96.3)%] .

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2025	(7.78)	—
Six months ended September 30, 2024	(10.56)	—

(2) Consolidated financial positions

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As at September 30, 2025	83,016	40,744	49.0
As at March 31, 2025	81,432	40,927	50.1

(Note) Owner's equity: September 30, 2025: 40,679 million yen, March 31, 2025: 40,835 million yen.

2. Dividends

	Dividend per share				
	1st quarter	2nd quarter	3rd quarter	Fiscal Year end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2025	—	8.50	—	8.50	17.00
Year ending March 31, 2026	—	8.50	—	—	—
Year ending March 31, 2026 (forecast)	—	—	—	8.50	17.00

(Note) Correction of dividend forecast from the most recent dividend forecast: None

3. Consolidated Forecast for the Year Ending March 2026 (From April 1, 2025 to March 31, 2026)

(%: change from the same previous period)

	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
Year ending March 31, 2026	66,000	(5.4)	500	(42.7)	300	(41.7)	100	11.7	4.08

(Note) Correction of financial forecast from the most recent financial forecast. : Yes

The aforementioned projections are based on the information currently available, and may contain some uncertainties.
The final results might be significantly different from the aforementioned projections due to changes in business conditions.

4. Overview of business performance

(1) Overview of business performance for the current interim period

JMS strives to improve the quality of corporate management and the corporate value, in order 'To be a bridge for the people who give and seek medical care, and to bring a smile to people by contributing to a healthy and better life' under our Founding Spirit of 'For People's Precious Life'. JMS focused on four fields of business activities such as Infusion & Enteral Nutrition, Dialysis, Cardiovascular and Blood Management & Cell Therapy and promotes product development, production and sales.

During the current interim consolidated accounting period, in Japan, although sales of Medical Gloves decreased, sales of Closed Drug Mixing/Infusion Systems—a key focus area—and Dysphagia-related products, for which demand is expanding, continued to grow. In overseas markets, while sales of AV Fistula Needles remained strong, sales of Apheresis Kits for North America and those related to Hemodialysis Business to China decreased.

As a result, net sales decreased by 1,614 million yen compared to the previous interim consolidated accounting period, amounting to 32,216 million yen (4.8% decrease from the same period of the previous fiscal year). This decrease was also due to a reduction in yen-denominated amounts resulting from the strong yen.

Despite efforts to improve profitability, the Company recorded an operating loss of 19 million yen, compared to operating profit of 155 million yen in the previous interim consolidated accounting period, mainly due to decreased sales of mainstay overseas products and higher selling expenses. In addition, although the Company recorded equity in earnings of affiliates, foreign exchange losses resulted in an ordinary loss of 46 million yen (ordinary loss of 118 million yen in the previous interim consolidated accounting period). After income taxes, net loss attributable to owners of parent for the interim period amounted to 190 million yen (compared to an interim net loss of 258 million yen in the previous interim period).

Business performance by geographical segment

(i) Japan

Sales of Closed Drug Mixing/Infusion Systems and Dysphagia-related products continued to grow. However, sales of Hemodialysis products for China and Acute Blood Purification products decreased, resulting in net sales of 21,925 million yen (1.5% decrease year-over-year). Segment profit decreased by 29.4% year-over-year to 301 million yen, due to increases in labor and repair costs as well as higher selling expenses arising from sales activities.

(ii) Singapore

Sales of Apheresis Kits for Europe increased, while sales of Apheresis Kits for North America and Blood Bags for Africa and Asia declined, partly due to inventory adjustments at major customers, resulting in net sales of 11,748 million yen (8.9% decrease year-over-year). Segment profit, despite lower sales of core products, improved to a loss of 183 million yen (from a loss of 418 million yen in the previous interim consolidated accounting period), due to reduced foreign exchange losses.

(iii) China

Sales increased to 2,064 million yen (up 5.5% from the previous interim consolidated accounting period) due to increased sales of Infusion Sets with Needleless Access Port and Transfusion Sets for Japan and Transfusion-related supplies. Segment profit of 86 million yen (segment loss of 80 million yen for the previous interim consolidated accounting period) resulted from the effect of increased sales as well as cost reductions.

(iv) Philippines

Sales of Infusion Sets for Japan increased, while sales of Blood Bags and Apheresis Kits for Asian markets decreased, resulting in net sales of 1,648 million yen (9.7% decrease year-over-year). Segment loss increased to 311 million yen (from a loss of 144 million yen in the previous interim consolidated accounting period) due to lower capacity utilization following a decline in Blood Bags demand and higher labor costs.

(v) Germany

Sales of AV Fistula Needles and Blood Bags for Europe remained strong, resulting in net sales of 2,088 million yen (up 2.3% from the previous interim consolidated accounting period). Segment profit of 253 million yen (up 30.1% from the previous interim consolidated accounting period) resulted due to the effect of increased sales.

(vi) Others

Net sales increased 19.9% from the previous interim consolidated accounting period to 2,911 million yen, mainly due to strong sales of AV Fistula Needles to North America, resulting in segment loss of 85 million yen (50 million yen loss in the previous interim consolidated accounting period).

(2) Overview of the financial condition

(i) Status of assets, liabilities and net assets

Total assets at the end of the interim consolidated accounting period increased by 1,584 million yen compared to the end of the previous consolidated fiscal year, reaching 83,016 million yen. The details of assets, liabilities, and net assets are as follows.

(Assets)

Current assets increased by 2,423 million yen compared to the end of the previous fiscal year, reaching 48,197 million yen. This was primarily due to an increase in cash and deposits resulting from borrowings. Fixed assets decreased by 839 million yen compared to the end of the previous fiscal year, totaling 34,819 million yen. This decrease was mainly attributable to a reduction in tangible fixed assets.

(Liabilities)

Current liabilities decreased by 129 million yen compared to the end of the previous fiscal year, totaling 25,499 million yen. This decrease was primarily due to a reduction in notes and accounts payable. Non-current liabilities increased by 1,896 million yen compared to the end of the previous fiscal year, totaling 16,771 million yen. This increase was primarily due to an increase in long-term borrowings.

(Net assets)

Net assets decreased by 182 million yen compared to the end of the previous consolidated fiscal year, totaling 40,744 million yen. The equity ratio decreased by 1.1 percentage points compared to the end of the previous consolidated fiscal year, standing at 49.0%.

(ii) Overview of the cash flows

Cash and cash equivalents (hereinafter referred to as “funds”) at the end of the interim period decreased by 376 million yen compared to the previous interim period, totaling 8,125 million yen. Cash flows and the factors affecting them are as follows.

(Cash flows from operating activities)

Net cash provided by operating activities increased by 545 million yen compared to the previous interim consolidated accounting period, reaching 800 million yen. This increase was primarily due to changes in inventories.

(Cash flows from investing activities)

Net cash used in investing activities was 858 million yen, a decrease of 868 million yen compared to the previous interim consolidated accounting period. This decrease was primarily due to a reduction in expenditures related to the acquisition of property, plant, and equipment.

(Cash flows from financing activities)

Net cash provided by financing activities was 2,673 million yen, an increase of 3,082 million yen compared to the previous interim consolidated accounting period. This was primarily due to the net change in borrowings.

(3) Overview of consolidated business forecast

The consolidated earnings forecast for the fiscal year ending March 2026, which was announced in the “Consolidated Financial Results for the Fiscal Year Ended March 2025” dated May 9, 2025, has been revised. For details, please refer to the “Notice Regarding Differences Between Forecasted and Actual Results for the Interim Consolidated Accounting Period of the Fiscal Year Ending March 2026 and Revision of Full-Year Consolidated Earnings Forecast” announced today.

5. Consolidated Financial Statements

Consolidated Balance Sheet
JMS CO., LTD. and Consolidated Subsidiaries

(Millions of yen)

	<u>As at March 31,</u> 2025	<u>As at September 30,</u> 2025
Assets		
Current assets		
Cash and deposits	5,511	8,129
Notes and accounts receivable - trade	18,636	17,749
Merchandise and finished goods	10,913	10,680
Work in process	3,667	3,919
Raw materials and supplies	6,106	6,174
Other	945	1,549
Allowance for doubtful accounts	(7)	(6)
Total current assets	45,773	48,197
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	9,841	9,531
Machinery, equipment and vehicles, net	8,821	8,676
Other, net	9,627	8,929
Total property, plant and equipment	28,291	27,137
Intangible assets		
Goodwill	296	263
Other	647	642
Total intangible assets	943	906
Investments and other assets		
Investments and other assets	6,498	6,853
Allowance for doubtful accounts	(75)	(78)
Total investments and other assets	6,423	6,775
Total non-current assets	35,658	34,819
Total assets	81,432	83,016

Consolidated Balance Sheet
JMS CO., LTD. and Consolidated Subsidiaries

(Millions of yen)

	<u>As at March 31,</u> <u>2025</u>	<u>As at September 30,</u> <u>2025</u>
Liabilities		
Current liabilities		
Notes and accounts payable - trade	7,951	6,845
Short-term borrowings	5,072	5,232
Current portion of long-term borrowings	6,002	6,717
Income taxes payable	357	178
Provision for bonuses	1,040	1,160
Other	5,203	5,364
Total current liabilities	<u>25,629</u>	<u>25,499</u>
Non-current liabilities		
Long-term borrowings	11,793	13,895
Provision for retirement benefits for directors (and other officers)	171	174
Retirement benefit liability	574	577
Asset retirement obligations	329	345
Other	2,006	1,780
Total non-current liabilities	<u>14,875</u>	<u>16,771</u>
Total liabilities	<u>40,504</u>	<u>42,271</u>
Net assets		
Shareholders' equity		
Share capital	7,411	7,411
Capital surplus	10,351	10,351
Retained earnings	16,723	16,315
Treasury shares	(177)	(156)
Total shareholders' equity	<u>34,308</u>	<u>33,921</u>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,073	1,327
Foreign currency translation adjustment	5,453	5,430
Total accumulated other comprehensive income	<u>6,526</u>	<u>6,757</u>
Non-controlling interests	91	65
Total net assets	<u>40,927</u>	<u>40,744</u>
Total liabilities and net assets	<u>81,432</u>	<u>83,016</u>

Consolidated statements of income

JMS CO., LTD. and Consolidated Subsidiaries

(Millions of yen)

	<u>Six months ended</u> <u>September 30, 2024</u>	<u>Six months ended</u> <u>September 30, 2025</u>
Net sales	33,830	32,216
Cost of sales	26,246	24,866
Gross profit	7,583	7,349
Selling, general and administrative expenses	7,428	7,368
Operating profit (loss)	155	(19)
Non-operating income		
Interest income	6	13
Dividend income	31	47
Share of profit of entities accounted for using equity method	86	99
Other	80	53
Total non-operating income	204	213
Non-operating expenses		
Interest expenses	160	176
Foreign exchange losses	261	35
Other	57	29
Total non-operating expenses	478	241
Ordinary loss	(118)	(46)
Extraordinary income		
Gain on sale of non-current assets	2	5
Gain on sale of investment securities	—	0
Total extraordinary income	2	5
Extraordinary losses		
Loss on sale of non-current assets	0	2
Loss on abandonment of non-current assets	19	16
Total extraordinary losses	20	19
Loss before income taxes	(136)	(60)
Income taxes - current	144	191
Income taxes - deferred	(18)	(36)
Total income taxes	126	155
Loss	(263)	(215)
Loss attributable to non-controlling interests	(4)	(25)
Loss attributable to owners of parent	(258)	(190)

Consolidated statements of comprehensive income

JMS CO., LTD. and Consolidated Subsidiaries

(Millions of yen)

	<u>Six months ended</u> <u>September 30, 2024</u>	<u>Six months ended</u> <u>September 30, 2025</u>
Loss	(263)	(215)
Other comprehensive income		
Valuation difference on available-for-sale securities	(32)	253
Foreign currency translation adjustment	364	(23)
Total other comprehensive income	<u>332</u>	<u>230</u>
Comprehensive income	<u>68</u>	<u>14</u>
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	73	40
Comprehensive income attributable to non-controlling interests	(5)	(26)

Consolidated statements of cash flows

JMS CO., LTD. and Consolidated Subsidiaries

(Millions of yen)

	<u>Six months ended</u> <u>September 30, 2024</u>	<u>Six months ended</u> <u>September 30, 2025</u>
Cash flows from operating activities		
Loss before income taxes	(136)	(60)
Depreciation	1,944	1,863
Amortization of goodwill	18	18
Increase (decrease) in allowance for doubtful accounts	(51)	(1)
Increase (decrease) in provision for retirement benefits for directors (and other office	(2)	(2)
Increase (decrease) in retirement benefit liability	42	(13)
Interest and dividend income	(37)	(60)
Interest expenses	160	176
Foreign exchange losses (gains)	(18)	(78)
Share of loss (profit) of entities accounted for using equity method	(86)	(99)
Loss (gain) on sale of non-current assets	(1)	(2)
Loss on abandonment of non-current assets	19	16
Loss (gain) on sale of investment securities	—	(0)
Decrease (increase) in trade receivables	132	996
Decrease (increase) in inventories	(1,168)	20
Increase (decrease) in trade payables	(95)	(1,134)
Increase (decrease) in accrued consumption taxes	(170)	96
Decrease (increase) in other current assets	(37)	(575)
Increase (decrease) in other current liabilities	134	91
Other, net	7	38
Subtotal	653	1,288
Interest and dividends received	37	60
Interest paid	(188)	(177)
Income taxes paid	(247)	(370)
Net cash provided by (used in) operating activities	255	800
Cash flows from investing activities		
Payments into time deposits	(0)	(0)
Purchase of property, plant and equipment	(1,522)	(795)
Proceeds from sale of property, plant and equipment	7	11
Purchase of intangible assets	(63)	(69)
Proceeds from sale of intangible assets	—	0
Purchase of investment securities	(5)	—
Proceeds from sale of investment securities	—	0
Advance payments for purchase of shares of subsidiaries and associates	(98)	(13)
Proceeds from distributions from investment partnerships	6	—
Other, net	(50)	8
Net cash provided by (used in) investing activities	(1,726)	(858)
Cash flows from financing activities		
Proceeds from short-term borrowings	6,215	5,914
Repayments of short-term borrowings	(8,482)	(5,738)
Proceeds from long-term borrowings	7,182	6,050
Repayments of long-term borrowings	(5,000)	(3,213)
Purchase of treasury shares	0	0
Dividends paid	(207)	(208)
Repayments of lease liabilities	(116)	(130)
Net cash provided by (used in) financing activities	(408)	2,673
Effect of exchange rate change on cash and cash equivalents	76	1
Net increase (decrease) in cash and cash equivalents	(1,802)	2,617
Cash and cash equivalents at beginning of period	10,304	5,507
Cash and cash equivalents at end of period	8,501	8,125