# FY2026Q1 Financial Results

# Main Points of the Financial Results (Core Basis)

## FY2026Q1 results showed lower revenue but higher profit.

| | |
|---|---|
| FY2026Q1 Sales Revenue | Revenue decreased by 11.4 JPY billion (8.9%) YoY to 116.2 JPY billion<br>Japan: Revenue declined due to the termination of the FORXIGA co-promotion agreement.<br>Overseas: Qinlock sales increased by 2.8 JPY bn YoY to 11.7 JPY bn, and Romvimza sales rose by 3.1 JPY bn YoY to 4.1 JPY bn. Overseas royalty income from Opdivo and other products also continued to grow steadily. |
| FY2026Q1 Core Profit for the Period | Core operating profit increased by 7.1 JPY billion (+22.5%) YoY to 38.7 JPY billion, and core profit for the period rose by 5.4 JPY billion (+21.9%) YoY to 30.2 JPY billion.<br>Profit increased due to the absence of FORXIGA-related cost of sales and co-promotion expenses, as well as lower R&D expenses reflecting the reversal of one-time costs incurred in the prior-year period. |
| FY2026 Financial Forecast | No Update from the recent forecast. Revenue and Profit are expected to decline YoY.<br>Revenue is expected to be 455.0 JPY bn (-11.8% YoY), mainly due to the termination of the co-promotion agreement with AstraZeneca for FORXIGA. The Company plans to continue investing in research and development at approximately 30% of net sales for future growth.<br>Core operating profit is expected to be 124.0 JPY bn (-9.6% YoY) due to proactive investments and declining revenue |

# FY2026Q1 : Sales Revenue

## Revenue

116.2 JPY bn

YoY -11.4 JPY bn (-8.9%)

## Goods and Products Sales

67.9 JPY bn

YoY -19.8 JPY bn (-22.6%)

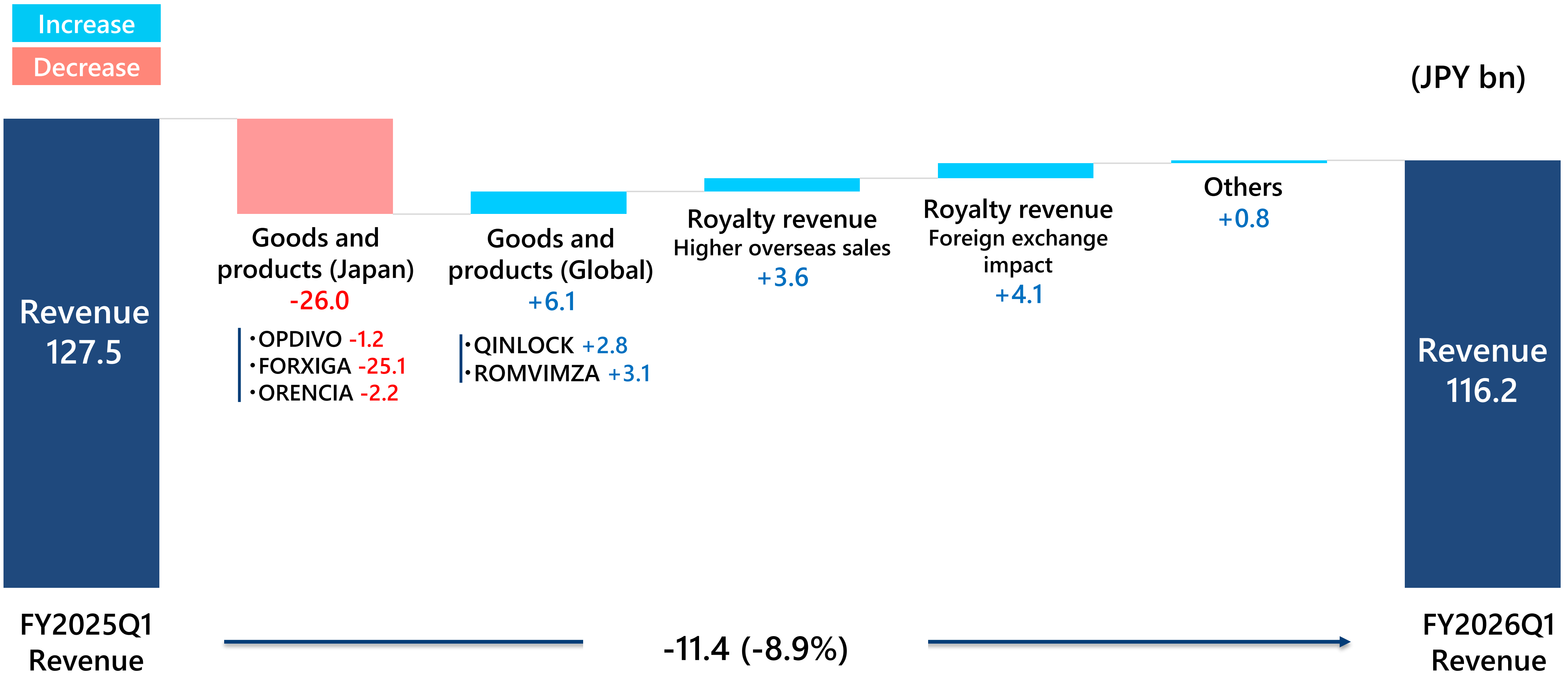
## Royalty and Others

48.2 JPY bn

YoY +8.5 JPY bn (+21.2%)

# FY2026Q1 : Sales Revenue (Breakdown)

Revenue declined by 11.4 JPY billion to 116.2 JPY billion YoY, primarily due to the loss of FORXIGA sales after the co-promotion agreement terminated, despite growth in Opdivo royalties and Deciphera-related revenue.



# FY2026Q1 : Sales Revenue by Product / Japan

| JPY bn | FY2025Q1 | FY2026Q1 | YoY | | FY2026 Forecast* |
|---|---|---|---|---|---|
| | | | Change | Change(%) | |
| Revenue | 127.5 | 116.2 | -11.4 | -8.9% | 455.0 |
| Goods and products | 87.8 | 67.9 | -19.8 | -22.6% | 270.0 |
| Royalty and others | 39.8 | 48.2 | 8.5 | 21.2% | 185.0 |

| Goods and Products (Japan) | FY2025Q1 | FY2026Q1 | YoY | | FY2026 Forecast* |
|---|---|---|---|---|---|
| | | | Change | Change(%) | |
| OPDIVO Intravenous Infusion | 29.4 | 28.2 | -1.2 | -4.1% | 120.0 |
| ORENCIA for Subcutaneous Injection | 7.0 | 4.8 | -2.2 | -31.6% | 19.0 |
| VELEXBRU Tablets | 3.0 | 3.2 | 0.1 | 4.6% | 12.0 |
| PARSABIV Intravenous Injection | 2.2 | 2.4 | 0.2 | 10.0% | 10.0 |
| ONGENTYS Tablets | 2.3 | 2.6 | 0.4 | 16.9% | 10.0 |
| GLACTIV Tablets | 3.6 | 3.1 | -0.4 | -11.8% | 9.5 |
| BRAFTOVI Capsules | 1.3 | 2.0 | 0.7 | 51.1% | 8.5 |
| KYPROLIS for Intravenous Infusion | 2.0 | 1.8 | -0.2 | -12.0% | 7.0 |

* The consolidated financial forecast for the fiscal year ending March 2027, announced on May 8, 2026, is provided.

・Sales revenue of domestic products is shown in a gross sales basis (shipment price), and sales revenue of overseas products is shown in a net sales basis.

# FY2026Q1 : Sales Revenue by Product / Overseas / Royalty

| JPY bn | FY2025Q1 | FY2026Q1 | YoY | | FY2026 Forecast* |
|---|---|---|---|---|---|
| | | | Change | Change(%) | |
| Revenue | 127.5 | 116.2 | -11.4 | -8.9% | 455.0 |
| Goods and products | 87.8 | 67.9 | -19.8 | -22.6% | 270.0 |
| Royalty and others | 39.8 | 48.2 | 8.5 | 21.2% | 185.0 |

| Goods and Products (Overseas) | FY2025Q1 | FY2026Q1 | YoY | | FY2026 Forecast* |
|---|---|---|---|---|---|
| | | | Change | Change(%) | |
| OPDIVO® | 3.3 | 3.5 | 0.2 | 7.3% | 13.0 |
| QINLOCK® | 8.9 | 11.7 | 2.8 | 31.5% | 43.0 |
| ROMVIMZA® | 1.1 | 4.1 | 3.1 | 289.3% | 19.0 |

| Royalty and others | FY2025Q1 | FY2026Q1 | YoY | |
|---|---|---|---|---|
| | | | Change | Change(%) |
| OPDIVO® | 29.2 | 34.7 | 5.5 | 18.9% |
| KEYTRUDA® | 6.5 | 7.9 | 1.3 | 20.5% |

* The consolidated financial forecast for the fiscal year ending March 2027, announced on May 8, 2026, is provided.

・Sales revenue of domestic products is shown in a gross sales basis (shipment price), and sales revenue of overseas products is shown in a net sales basis.

# FY2026Q1 : Core Operating Profit

Core Operating Profit

38.7 JPY bn

YoY +7.1 JPY bn (+22.5%)

Revenue 116.2 JPY bn

YoY -11.4 JPY bn (-8.9%)

Cost of Sales 20.6 JPY bn

YoY -7.5 JPY bn (-26.5%)

R&D Expense 32.4 JPY bn

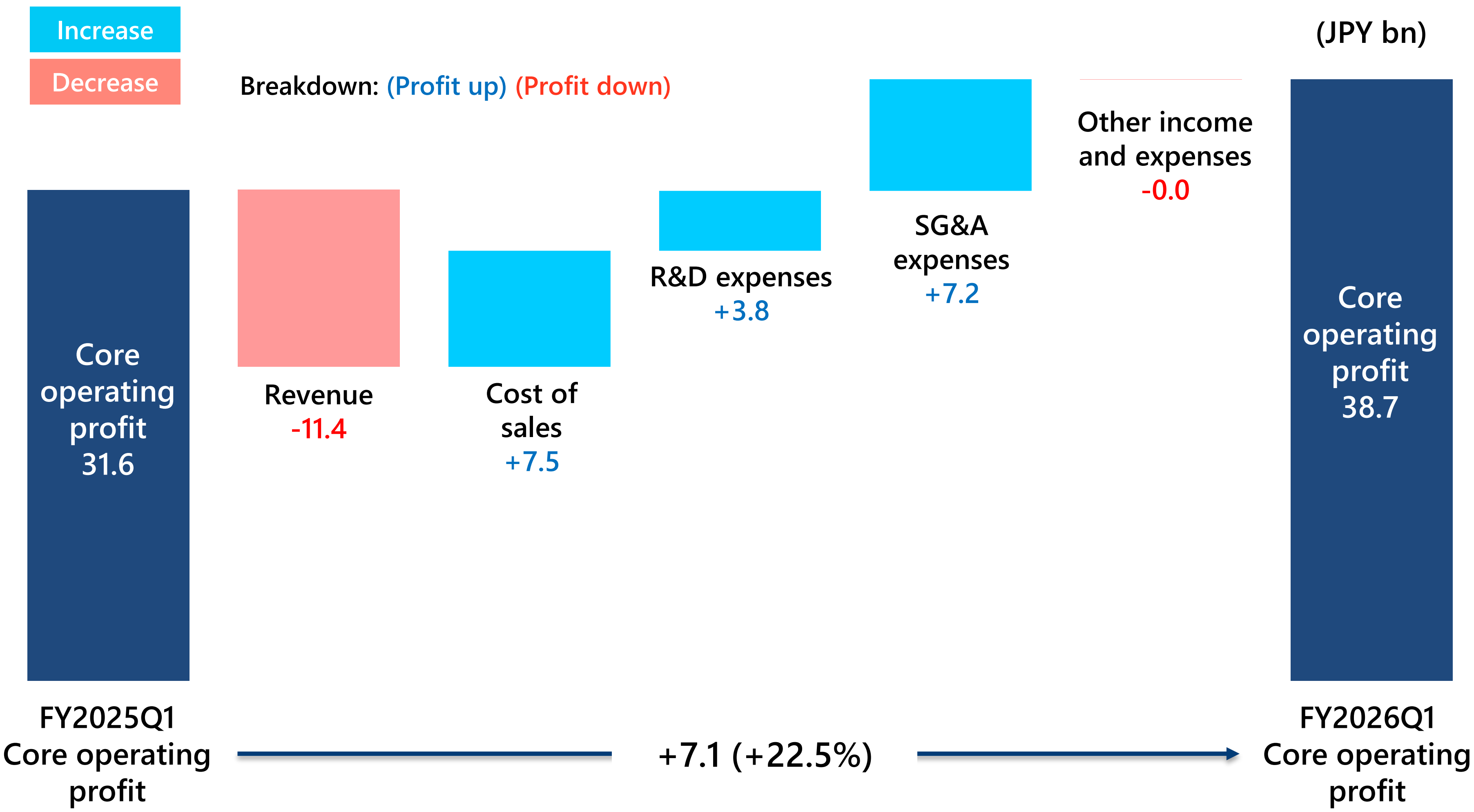
YoY -3.8 JPY bn (-10.6%)

SG&A Expense 23.9 JPY bn

YoY -7.2 JPY bn (-23.1%)

# FY2026Q1 : Core Operating Profit (Breakdown)

**Core operating profit increased by 7.1 JPY billion YoY to 38.7 JPY billion, driven by the absence of FORXIGA sales-related expenses following the termination of the co-promotion agreement and ongoing cost-efficiency initiatives.**




## YoY Breakdown

### Sales revenue

Main reason

- Goods and products : -19.8
- Royalty and others : +8.5

### Cost of sales

Main reason

- Decrease due to the termination of FORXIGA co-promotion agreement

### R&D expenses

Main reason

- Absence of one-time costs to Bristol-Myers Squibb recorded in the previous year
- Absence of expenses related to the drug discovery collaboration agreement with LigaChem recorded in the previous year

### SG&A expenses

Main reason

- Decrease in co-promotion fees due to the termination of FORXIGA co-promotion agreement

# FY2026Q1 : Financial Overview (Core)

| JPY bn | FY2025Q1 | FY2026Q1 | YoY | | FY2026 Forecast* |
|---|---|---|---|---|---|
| | | | Change | Change(%) | |
| Revenue | 127.5 | 116.2 | -11.4 | -8.9% | 455.0 |
| Cost of sales | 28.1 | 20.6 | -7.5 | -26.5% | 84.0 |
| R&D expenses | 36.3 | 32.4 | -3.8 | -10.6% | 143.0 |
| SG&A expenses | 31.1 | 23.9 | -7.2 | -23.1% | 101.0 |
| Core operating profit | 31.6 | 38.7 | 7.1 | 22.5% | 124.0 |
| Core profit before tax | 32.2 | 39.3 | 7.1 | 21.9% | 124.0 |
| Core profit for the period (attributable to owners of the Company) | 24.8 | 30.2 | 5.4 | 21.9% | 93.0 |

* The consolidated financial forecast for the fiscal year ending March 2027, announced on May 8, 2026, is provided.

## YoY Breakdown

### Cost of sales -7.5 JPY bn (-26.5%)

COGS ratio : 17.8%
Main reason
- Decrease due to the termination of FORXIGA co-promotion agreement

### R&D expenses -3.8 JPY bn (-10.6%)

R&D ratio：27.9%
Main reason
- Absence of one-time costs to Bristol-Myers Squibb recorded in the previous year
- Absence of expenses related to the drug discovery collaboration agreement with LigaChem recorded in the previous year

### SG&A expenses -7.2 JPY bn (-23.1%)

SG&A ratio : 20.6%
Main reason
- Decrease in co-promotion fees due to the termination of FORXIGA co-promotion agreement

### Core operating profit ratio : 33.3%

# (Ref) FY2026Q1 : Financial Overview (Full Basis)

| JPY bn | FY2025Q1 | FY2026Q1 | YoY | | FY2026 Forecast* |
|---|---|---|---|---|---|
| | | | Change | Change(%) | |
| Revenue | 127.5 | 116.2 | -11.4 | -8.9% | 455.0 |
| Cost of sales | 37.0 | 28.7 | -8.3 | -22.5% | 114.0 |
| R&D expenses | 36.3 | 32.4 | -3.8 | -10.6% | 143.0 |
| SG&A expenses | 31.1 | 23.9 | -7.2 | -23.1% | 101.0 |
| Operating profit | 22.0 | 30.7 | 8.7 | 39.4% | 94.0 |
| Profit before tax | 22.6 | 31.3 | 8.6 | 38.0% | 94.0 |
| Profit for the period (attributable to owners of the Company) | 17.7 | 24.2 | 6.5 | 36.7% | 71.0 |

* The consolidated financial forecast for the fiscal year ending March 2027, announced on May 8, 2026, is provided.

**YoY Breakdown**

**Cost of sales -8.3JPY bn (-22.5%)**

COGS ratio : 24.7%

Main reason

- Decrease due to the termination of FORXIGA co-promotion agreement

**R&D expenses -3.8 JPY bn (-10.6%)**

R&D ratio : 27.9%

Main reason

- Absence of one-time costs to Bristol-Myers Squibb recorded in the previous year
- Absence of expenses related to the drug discovery collaboration agreement with LigaChem recorded in the previous year

**SG&A expenses -7.2 JPY bn (-23.1%)**

SG&A ratio : 20.6%

Main reason

- Decrease in co-promotion fees due to the termination of FORXIGA co-promotion agreement

**Operating profit ratio : 26.4%**

# (Ref) FY2026Q1 : Reconciliation from Full to Core Basis

| JPY bn | IFRS (Full) basis | Adjustment | | | | Core basis |
|---|---|---|---|---|---|---|
| | | Amortization | Impairment loss | Others | Total | |
| Revenue | 116.2 | | | | | 116.2 |
| Cost of sales | 28.7 | -6.0 | | -2.0 | -8.0 | 20.6 |
| Gross profit | 87.5 | +6.0 | – | +2.0 | +8.0 | 95.5 |
| R&D expenses | 32.4 | | | | – | 32.4 |
| SG&A expenses | 23.9 | | | | – | 23.9 |
| Other income /expenses (- Exp) | -0.5 | | | | – | -0.5 |
| Operating profit | 30.7 | +6.0 | – | +2.0 | +8.0 | 38.7 |
| Operating profit ratio | 26.4% | | | | – | 33.3% |
| Finance income / Finance cost (- Exp) | 0.6 | | | | – | 0.6 |
| Profit before tax | 31.3 | +6.0 | – | +2.0 | +8.0 | 39.3 |
| Income tax expense | 7.1 | +1.5 | | +0.5 | +2.0 | 9.0 |
| Profit for the period | 24.2 | +4.5 | – | +1.5 | +6.1 | 30.2 |

## Breakdown

### Cost of sales

Main reason

- Amortization expenses related to intangible assets acquired through acquisitions or in-licensing
- Amortization expenses related to inventories from *PPA

### R&D expenses

Main reason

- None

### SG&A expenses and Other income&expense

Main reason

- None

*PPA : Purchase Price Allocation

# FY2026 Financial Forecasts

# FY2026 : Financial Forecast (Core/Compared to the Previous Year)

There is no change from the consolidated financial forecasts, announced on May 8th, 2026.

| JPY bn | FY2025 Actual | FY2026 Forecast | Change | Change (%) |
|---|---|---|---|---|
| Revenue | 515.8 | 455.0 | -60.8 | -11.8% |
| Cost of sales | 107.0 | 84.0 | -23.0 | -21.5% |
| R&D expenses | 145.1 | 143.0 | -2.1 | -1.5% |
| SG&A expenses | 123.6 | 101.0 | -22.6 | -18.3% |
| Core operating profit | 137.1 | 124.0 | -13.1 | -9.6% |
| Core profit before tax | 138.3 | 124.0 | -14.3 | -10.3% |
| Income tax expense | 34.6 | 31.0 | -3.6 | -10.5% |
| Core profit for the year (attributable to owners of the Company) | 103.5 | 93.0 | -10.5 | -10.1% |

* The exchange rate assumed in the financial forecast is ¥155 per US dollar.

**Breakdown**

**Cost of sales -23.0 JPY bn (-21.5%)**

COGS ratio : 18.5%
Main reason
- Decrease in sales related to FORXIGA tablets due to the termination of the co-promotion agreement

**R&D expenses -2.1 JPY bn (-1.5%)**

R&D ratio: 31.4%
Main reason
- A reclassification of certain expenses previously recorded as R&D expenses to SG&A expenses
- Increase in global clinical trial costs

**SG&A expenses -22.6 JPY bn (-18.3%)**

SG&A ratio : 22.2%
Main reason
- The termination of co-promotion agreement for FORXIGA Tablets

**Core operating profit ratio : 27.3%**

# (Ref) FY2026 : Financial Forecast (Full / Compared to the Previous Year)

There is no change from the consolidated financial forecasts, announced on May 8th, 2026.

| JPY bn | FY2025 Actual | FY2026 Forecast | Change | Change (%) |
|---|---|---|---|---|
| Revenue | 515.8 | 455.0 | -60.8 | -11.8% |
| Cost of sales | 141.7 | 114.0 | -27.7 | -19.6% |
| R&D expenses | 147.0 | 143.0 | -4.0 | -2.7% |
| SG&A expenses | 123.7 | 101.0 | -22.7 | -18.3% |
| Operating profit | 92.2 | 94.0 | 1.8 | 1.9% |
| Profit before tax | 92.7 | 94.0 | 1.3 | 1.5% |
| Income tax expense | 22.7 | 23.0 | 0.3 | 1.1% |
| Profit for the year (attributable to owners of the Company) | 69.8 | 71.0 | 1.2 | 1.8% |

* The exchange rate assumed in the financial forecast is ¥155 per US dollar.
The sensitivity to exchange rates is assumed to be an increase of ¥1.5 billion in revenue and an increase of ¥0.5 billion in operating profit for every ¥1 depreciation of the yen.

## Breakdown

### Cost of sales -27.7 JPY bn (-19.6%)

COGS ratio : 25.1%
Main reason
- Decrease in sales related to FORXIGA tablets due to the termination of the co-promotion agreement

### R&D expenses -4.0 JPY bn (-2.7%)

R&D ratio: 31.4%
Main reason
- A reclassification of certain expenses previously recorded as R&D expenses to SG&A expenses
- Increase in global clinical trial costs

### SG&A expenses -22.7 JPY bn (-18.3%)

SG&A ratio : 22.2%
Main reason
- The termination of co-promotion agreement for FORXIGA Tablets

### Operating profit ratio : 20.7%