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Total commitment to good health

Kyoso Mirai

Financial Highlights for the Three Months Ended June 30, 2026

August 5, 2026 (Wed)

TOHO HOLDINGS CO.,LTD.

Profit and Loss Statement (Consolidated)

Summary：

- **Implemented a 4.02% NHI drug price reduction on a drug price basis due to the April drug price revision**
- **Formulated the Medium-term Management Plan 2026-2028 “Soaring into the Next Generation,” covering a three-year period from FY2026**

（Unit: million Yen）

	Three months ended June 30, 2025		Three months ended June 30, 2026		
	Results	% of net sales	Results	% of net sales	YoY change (%)
Net sales	375,813		397,774		5.84
Gross profit	30,060	8.00	29,479	7.41	-1.93
SG&A	26,217	6.98	27,013	6.79	3.04
Operating profit	3,842	1.02	2,465	0.62	-35.84
Ordinary profit	4,436	1.18	3,810	0.96	-14.11
Net profit*	3,353	0.89	2,355	0.59	-29.76

*Profit attributable to owners of parent

Profit and Loss Statement (Pharmaceutical Wholesaling Business)

Summary：
- Continued sales growth of cancer drugs and limited-handling products for selected wholesalers, such as specialty pharmaceuticals
- Gross profit and operating profit declined due to rising pharmaceutical purchase costs
- Sales of COVID-19 drugs and reagents declined (down 68.2 % year-on-year)

（Unit: million Yen）

	Three months ended June 30, 2025		Three months ended June 30, 2026		
	Results	% of net sales	Results	% of net sales	YoY change (%)
Net sales	362,029		384,570		6.23
Gross profit	20,542	5.67	20,090	5.22	-2.20
SG&A	16,386	4.53	16,979	4.42	3.62
Operating profit	4,155	1.15	3,110	0.81	-25.15

Composition of Sales by Category and Contract Rate

＜Composition of sales by category＞

	April 2025-June 2025	April 2026-June 2026
Innovative drugs	40.7%	46.3%
Patented drugs, others	39.9%	38.7%
Long-listed original drugs	10.4%	5.8%
Generic drugs	8.9%	9.2%

＜Contract rate＞

	2024/6	2025/6	2026/6
Value Basis	13.2%	12.9%	10.8%

Profit and Loss Statement (Dispensing Pharmacy Business)

Summary：

- Operating profit declined due to a decrease in the number of patient visits resulting from an increase in long-term prescriptions
- Strengthened initiatives in home healthcare, including the assignment of pharmacists specializing in home care
- Promoted digital transformation (DX) in healthcare through the installation of dispensing robots and automated check-in kiosks, and the introduction of AI-powered medication history systems

（Unit: million Yen）

	Three months ended June 30, 2025		Three months ended June 30, 2026		
	Results	% of net sales	Results	% of net sales	YoY change (%)
Net sales	24,619		24,977		1.45
Gross profit	8,653	35.15	8,654	34.65	0.01
SG&A	8,468	34.40	8,541	34.20	0.86
Operating profit	184	0.75	113	0.45	-38.59

Investments and alliances aimed at creating new businesses

	Company Name	Details of Alliances
April	**Metaphore Biotechnologies Inc.**	A U.S. next-generation antibody drug discovery company utilizing AI technology; the first investment by the CVC fund “TOHO Ventures”
May	**Kyowa Medical Corporation**	Signed a memorandum of understanding on joint research aimed at strengthening SPD functions for pharmaceuticals and medical supplies and developing solutions for medical institutions in the Tokai region
June	**DHL Supply Chain Japan, Inc.**	Signed a memorandum of understanding on collaboration to provide comprehensive logistics solutions in Japan
June	**Rege Nephro Co., Ltd.**	Invested in a bio-venture company conducting R&D on kidney regenerative medicine and drug discovery using iPS cells, in order to support its R&D activities

Making Ishin Pharma Co., Ltd. a Subsidiary

A biotech venture founded in September 2008 that developed “AloStem® Sheet,” a regenerative medical product for the treatment of epidermolysis bullosa, a designated intractable genetic chronic skin disease

AloStem® Sheet

The world’s first regenerative medical product derived from human (allogeneic) adipose-derived mesenchymal stem cells, indicated for dystrophic, junctional, and simplex (limited to severe generalized type) epidermolysis bullosa*

*： Indicated for patients with dystrophic, junctional, and simplex (limited to severe generalized type) epidermolysis bullosa who have intractable or recurrent erosions/ulcers. Applied to intractable or recurrent erosion/ulcer sites to promote re-epithelialization.

Established a Group full-line service system, with KYOSOMIRAI PHARMA handling shipment approval, and TOHO PHARMACEUTICAL and its pharmaceutical wholesale subsidiaries managing the distribution process under strict temperature control

Progress of the Medium-Term Management Plan

	Measure	Progress
Growth Strategy	Increasing gross profit in our Pharmaceutical Wholesaling business	• Identified key challenges related to securing specialty pharmaceuticals and focusing on growth-driving products, and have begun implementing a new PDCA cycle to address these challenges.
Efficiency Strategy	Reduction of indirect material costs	• Identified products and services that could help reduce costs and reviewed our business partners and contracts. • Exploring ways to improve productivity in our transportation and delivery operations, and promote measures with clearly specified cost savings.
	Business process reform	• Implementing specific measures, starting with back-office operations.
Strengthening the Management Foundation	HR system reform	• Progress is being made on the overhaul of our core human resources system, and we plan to complete the transition to the new system during the second quarter.
	Corporate culture reform	• Based on the results of the engagement survey, we are promoting the development and implementation of measures to create a better work environment across all companies and departments.

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TOHO HOLDINGS CO.,LTD.

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