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## Consolidated Financial Statements for Fiscal Year Ended March 31, 2026 [Under Japanese GAAP]



May 12, 2026

Name of listed company: SHIP HEALTHCARE HOLDINGS, INC.  
 Shares listed on: Tokyo Stock Exchange  
 Code: 3360 URL <https://www.shiphd.co.jp/en/>  
 Representative: (Title) President (Name) Futoshi Ohashi  
 Contact: (Title) Executive Vice President (Name) Hiroshi Yokoyama Tel.: +81-6-6369-0130  
 Scheduled date for Ordinary General Meeting of Shareholders: June 25, 2026  
 Scheduled start date for dividend payments: June 26, 2026  
 Scheduled date for filing securities report: June 25, 2026  
 Supplementary briefing materials on results: Yes  
 Briefing on results: Yes (for institutional investors and analysts)

(All figures are rounded down to the nearest million yen.)

### 1. Consolidated financial results for the fiscal year ended March 31, 2026

(April 1, 2025 – March 31, 2026)

#### (1) Consolidated operating results

(Percentages represent year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	(Million yen)	%	(Million yen)	%	(Million yen)	%	(Million yen)	%
FY ended March 2026	718,163	5.9	24,482	(1.2)	26,331	1.2	13,394	(11.5)
FY ended March 2025	678,229	7.5	24,779	1.0	26,023	3.2	15,128	9.6

Note: Comprehensive income: FY ended March 2026: ¥12,859 million ((8.1)%); FY ended March 2025: ¥13,988 million ((9.0)%)

	Net income per share	Diluted net income per share	Return on equity	Return on ordinary profit to total assets	Return of operating profit to net sales
	(Yen)	(Yen)	%	%	%
FY ended March 2026	144.19	—	8.9	6.9	3.4
FY ended March 2025	160.34	—	10.5	6.8	3.7

Reference: Share of profit (loss) of entities accounted for using equity method: FY ended March 31, 2026: ¥ 613 million;  
 FY ended March 31, 2025: ¥ 1,091 million

Note: Diluted net income per share are not stated because there are no outstanding potential shares.

#### (2) Consolidated financial condition

	Total assets	Net assets	Equity capital ratio	Net assets per share
	(Million yen)	(Million yen)	%	(Yen)
FY ended March 2026	385,109	152,428	39.2	1,641.74
FY ended March 2025	381,702	150,280	39.1	1,580.05

Reference: Equity: FY ended March 2026: ¥151,070 million; FY ended March 2025: ¥149,077 million

#### (3) Consolidated cash flows

	Net cash from operating activities	Net cash from investing activities	Net cash from financing activities	Cash and cash equivalents at end of period
	(Million yen)	(Million yen)	(Million yen)	(Million yen)
FY ended March 2026	22,078	(2,075)	(16,334)	78,604
FY ended March 2025	20,384	(4,025)	(24,622)	74,857

### 2. Dividends

	Annual dividends					Total annual dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	End Q1	End Q2	End Q3	Year-end	Total			
	(Yen)	(Yen)	(Yen)	(Yen)	(Yen)	(Million yen)	%	%
FY ended March 2025	—	0.00	—	58.00	58.00	5,472	36.2	3.8
FY ended March 2026	—	0.00	—	60.00	60.00	5,521	41.6	3.7
FY ending March 2027 (forecast)	—	0.00	—	65.00	65.00		37.4	

3. Forecast of consolidated financial results for fiscal year ending March 31, 2027  
(April 1, 2026 – March 31, 2027)

(Percentages represent changes from the previous year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	(Million yen)	%	(Million yen)	%	(Million yen)	%	(Million yen)	%	(Yen)
Cumulative through second quarter	345,000	3.5	8,500	3.3	8,500	(3.1)	5,500	0.5	59.77
Full-year	740,000	3.0	26,000	6.2	26,500	0.6	16,000	19.5	173.88

Notes

(1) Significant changes made in the scope of consolidation during this fiscal year under review: Yes

New inclusion: 5 companies (Note), Elimination: 11 companies (Note)

(Note) Details are in page 19 “Changes in the scope of consolidation or of application of equity method”

(2) Changes made in accounting policies, accounting estimates, and/or restatements:

(i) Changes in accounting policies associated with changes in accounting standards, etc.: None

(ii) Any changes in accounting policies other than those under (i) above: None

(iii) Changes in accounting estimates: None

(iv) Restatements: None

(3) Number of shares issued and outstanding (common stocks)

(i) Number of shares issued and outstanding at the end of the period (including treasury stock)	FY ended March 2026	94,350,134 shares	FY ended March 2025	101,669,400 shares
(ii) Number of treasury stock at the end of the period	FY ended March 2026	2,331,200 shares	FY ended March 2025	7,319,266 shares
(iii) Average number of shares during the period	FY ended March 2026	92,896,426 shares	FY ended March 2025	94,350,162 shares

Reference: Overview of non-consolidated financial results

1. Non-consolidated financial results for fiscal year ended March 31, 2026 (April 1, 2025–March 31, 2026)

(1) Non-consolidated operating results (Percentages represent year-on-year changes.)

	Operating revenue		Operating profit		Ordinary profit		Net income	
	(Million yen)	%	(Million yen)	%	(Million yen)	%	(Million yen)	%
FY ended March 2026	8,261	5.7	6,512	6.8	6,194	4.3	5,442	(5.0)
FY ended March 2025	7,815	(12.3)	6,097	(15.6)	5,938	(17.5)	5,729	(16.0)

	Net income per share	Diluted net income per share
	(Yen)	(Yen)
FY ended March 2026	58.58	—
FY ended March 2025	60.73	—

Note: Diluted net income per share are not stated because there are no outstanding potential shares.

(2) Non-consolidated financial condition

	Total assets	Net assets	Equity capital ratio	Net assets per share
	(Million yen)	(Million yen)	%	(Yen)
FY ended March 2026	112,781	52,205	46.3	567.34
FY ended March 2025	115,277	57,321	49.7	607.54

Reference: Equity: FY ended March 31, 2026: ¥52,205 million; FY ended March 31, 2025: ¥57,321 million

\* This financial results is not subject to review by a Certified Public Accountant or an audit firm.

\* Information on appropriate use of financial forecasts and other special notes:

- The number of outstanding shares (excluding treasury stock) as of March 31, 2026 is used for the average number of shares during the period, which is the basis for calculating net income per share in the consolidated financial forecast for fiscal year ending March 31, 2027.
- The forecasts of financial results and other forward-looking statements provided herein are based on information available at the time this document was prepared and certain assumptions considered reasonable. Actual results may differ significantly from forecasts due to various factors. For assumptions underlying forecasts of financial results, notes on use of forecasts of financial results, and other related information, please refer to “Future outlook” on page 5 of the Attached Materials.
- The Company is a holding company and the bulk of its revenue consists of dividends received from subsidiaries and revenues from their operating income. Detailed information on non-consolidated financial forecasts is omitted since information is not important for investment information and business indicators.

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## 1. Qualitative information on business results

### (1) Description of business results

The Japanese economy during the current consolidated accounting period, showed signs of improvement in employment and income conditions and gradual recovery particularly in domestic demand. However, the outlook remained uncertain due to rising prices, persistently high energy costs and impact of trade policies implemented by various countries.

Japanese healthcare industry to which the Group operates, the business environment for medical sites remained challenging amid rising material and labor costs as well as ongoing workforce shortages. Under these circumstances, there is an increasing need to promote Medical DX, improve operational efficiency, and establish sustainable healthcare delivery systems.

Under these circumstances, the Group has engaged in creating new business, reorganizing and integrating and expanding the field of growth under the basic policy “Portfolio Management through the Optimization of Group Management Resources” in the first year of the Group’s Medium-term Management Plan “SHIP VISION 2030.” Specifically, the Group promoted preparation for the second and the third project of senior condominium project, participation in ODA business in overseas and expansion of the Medical IT solutions business. The Group also promoted internal reorganization and integration especially in Kingrun Group, Dispensing Pharmacy business and food provision service. In addition, the Group aimed to expand its growth field through the establishment of a medical material logistics center in the Tokyo metropolitan area and the commencement of integrated SPD contract covering multiple hospitals operated by different management entities.

For FY ended March 2026, the various factors noted above resulted in net sales of 718,163 million yen (up 5.9% YoY), operating profit of 24,482 million yen (down 1.2% YoY), ordinary profit of 26,331 million yen (up 1.2% YoY), and profit attributable to owners of the parent of 13,394 million yen (down 11.5% YoY).

Business results by segment are summarized below.

#### (i) Total Pack Produce business

In Total Pack Produce business, the performance was positively impacted by contributions from the ODA-focused trading company that joined the Group in May 2025, in addition to performance in the Medical IT solutions business. On the other hand, profits declined YoY due to several factors, including absence of completion and sale of a large-scale senior condominium project that had contributed in the previous fiscal year, weaker profitability in renewal projects caused primarily by delays in the delivery of materials for energy-saving related construction projects, and rising component costs and partial production delays in the manufacturing-related business. In addition, it has recorded non-recurring expenses including M&A-related advisory fees.

As a result, this segment recorded net sales of 136,604 million yen (up 2.6% YoY) and segment profit (operating profit) of 10,812 million yen (down 10.0% YoY).

#### (ii) Medical Supply business

In Medical Supply business, the launch of integrated SPD contracts covering multiple hospitals under different management entities and operation at newly contracted SPD facilities from the 1H of the current fiscal period has contributed to the expansion of sales. In addition, progress in operation efficiency driven by the integration of 5-companies effective October 1, 2024, as well as the operation of a new medical material logistics center in the Tokyo metropolitan area, strengthened the Group’s business foundation. On the other hand, postponement of equipment purchases due to the severe business situation of hospitals also affected.

As a result, this segment recorded net sales of 509,569 million yen (up 7.3% YoY) and segment profit (operating profit) of 7,484 million yen (up 7.4% YoY).

#### (iii) Lifecare business

In food provision service, the number of contract facilities increased while initiatives were undertaken to withdraw kitchen operations from unprofitable facilities or transition their operating structures. On the other hand, nursing care services was affected by rising utility and labor costs.

As a result, this segment recorded net sales of 37,322 million yen (up 1.8% YoY) and segment profit (operating profit) of 2,216 million yen (up 1.2% YoY).

#### (iv) Dispensing Pharmacy business

In Dispensing Pharmacy business, revenue increased due to small-scale M&As and operation efficiency by reorganization.

As a result, this segment recorded net sales of 34,666 million yen (up 3.6% YoY) and segment profit (operating profit) of 4,004 million yen (up 16.9% YoY).

## (2) Description of financial position

### (i) Current assets

The balance of current assets at the end of this consolidated fiscal year stood at 270,599 million yen (vs. a balance of 259,457 million yen at the end of the previous consolidated fiscal year), increase of 11,141 million yen since the end of the previous consolidated fiscal year.

Major reasons included increases of 4,605 million yen in “Accounts receivable-trade”, 3,063 million yen in “Cash and deposits” and 2,284 million yen in “Electronically recorded monetary claims – operating”.

### (ii) Non-current assets

The balance of non-current assets at the end of this consolidated fiscal year stood at 114,510 million yen (vs. a balance of 122,245 million yen at the end of the previous consolidated fiscal year), decrease of 7,734 million yen since the end of the previous consolidated fiscal year.

Major reasons included increase of 2,572 million yen in “Allowance for doubtful accounts”, decreases of 1,691 million yen in “Investment securities” and 1,571 million yen in “Real estate for rent”, despite increase of 1,039 million yen in “Machinery, equipment and vehicles”.

### (iii) Current liabilities

The balance of current liabilities at the end of this consolidated fiscal year stood at 195,914 million yen (vs. a balance of 188,013 million yen at the end of the previous consolidated fiscal year), increase of 7,900 million yen since the end of the previous consolidated fiscal year.

Major reasons included increases of 6,272 million yen in “Notes and accounts payable - trade” and 1,230 million yen in “Electronically recorded obligations - operating”, despite decrease of 2,593 million yen in “Current portion of long-term loans payable”.

### (iv) Non-current liabilities

The balance of non-current liabilities at the end of this consolidated fiscal year stood at 36,767 million yen (vs. a balance of 43,408 million yen at the end of the previous consolidated fiscal year), decrease of 6,640 million yen since the end of the previous consolidated fiscal year.

Major reasons included decreases of 5,013 million yen in “Long-term loans payable” and 1,026 million yen in “Deferred tax liabilities”.

### (v) Net assets

The balance of net assets at the end of this consolidated fiscal year stood at 152,428 million yen (vs. a balance of 150,280 million yen at the end of the previous consolidated fiscal year), increase of 2,147 million yen since the end of the previous consolidated fiscal year.

Major reasons included increase of 13,394 million yen in “Retained earnings” from “Profit attributable to owners of parent”, despite decreases of 5,472 million yen in “Retained earnings” due to payment of dividends and 714 million yen in “Valuation differences on available-for-sale securities”.

### (3) Description of cash flows

The balance of cash and cash equivalents at the end of this consolidated fiscal year stood at 78,604 million yen, increase 3,746 million yen from the balance of 74,857 million yen at the end of the previous consolidated fiscal year.

#### (i) Cash flow from operating activities

Cash flow proceeded from operating activities was 22,078 million yen (proceeds increased 1,693 million yen compared to the previous consolidated fiscal year). Major contributing factors included recording of 23,106 million yen in “Income before income taxes” and increase of 7,132 million yen in “Notes and accounts payable-trade”, despite recording of 9,468 in “Income taxes paid” and increase of 6,031 million yen in “Notes and accounts receivable-trade”.

#### (ii) Cash flow from investing activities

Cash flow expended in investing activities was 2,075 million yen (expenses decreased 1,950 million yen compared to the previous consolidated fiscal year). Major contributing factors included 4,281 million yen on “Purchases of property, plant and equipment, despite incomes of 1,419 million yen on “Proceeds from withdrawal of time deposits ” and 1,130 million yen on “Collection of long-term loans receivable”.

#### (iii) Cash flow from financing activities

Cash flow expended in financing activities was 16,334 million yen (expenses decreased 8,288 million yen compared to the previous consolidated fiscal year). Major contributing factors included 6,136 million yen on “Repayments of long-term loans payable”, 5,472 million yen on “Cash dividends paid” and 4,999 million yen on “Expenditures for the purchase of treasury stock”, despite 776 million yen on “Proceeds from long-term loans payable”.

#### Reference: Trends in cash flow indices

	FY ended March 2022	FY ended March 2023	FY ended March 2024	FY ended March 2025	FY ended March 2026
Equity capital ratio (%)	35.3	33.5	36.0	39.1	39.2
Mark-to-market equity capital ratio (%)	56.0	60.2	51.2	49.5	57.3
Years of debt redemption (years)	5.1	5.4	1.9	1.9	1.4
Interest coverage ratio (times)	43.7	33.1	70.8	40.7	48.9

\* Equity capital ratio = equity capital/total assets

Mark-to-market equity capital ratio = total market capitalization/total assets

Years of debt redemption = interest-bearing debt/operating cash flows

Interest coverage ratio = operating cash flows/interest paid

#### Notes:

- All indices are calculated from consolidated-basis financial data.
- Total market capitalization is calculated by multiplying the closing stock price at the end of the fiscal year by total number of shares issued and outstanding (after subtracting treasury stock) as of the end of the fiscal year.
- Calculations of operating cash flows are based on cash flows from operating activities on the Consolidated Cash Flow Statement. Interest-bearing debt consists of all debt on the Consolidated Balance Sheet for which interest is paid. The amount of interest paid is based on interest paid as shown on the Consolidated Cash Flow Statement.

#### (4) Future outlook

As the baby boom generation aging and low birth rates rapidly proceed, it is indicated that Japan Government will continue to save and reduce the unit price, and restraints on remuneration for medical and nursing care costs. In addition, as measures relating medical policies based on the above prediction, the reforms to improve working conditions for doctors and consideration for general reforms of in the structure of providing medical care towards 2040.

Given these conditions and drawing on advanced capabilities, the Group will seek to create Well-Being society by “Preserving Nature” as well as providing comprehensive and optimal solutions in “Medical”, “Healthcare”, “Welfare”, “Nursing care”, and “Services”, based on the SHIP philosophy and Group mission to “Creating environments for medical professionals”.

The Group has formulated the medium-term management plan “SHIP VISION 2030” for the five-year period from the fiscal year ended March 31, 2026 to the fiscal year ending March 31, 2030.

“Portfolio Management through the Optimization of Group Management Resources ” is set as the basic policy, the Group plans to achieve 5% of Sales Growth Ratio (CAGR) in five-year average, 4% of Operating Profit Margin in the fiscal year ending March 31, 2030 and 12% of ROE in the fiscal year ending March 31, 2030.

The business performance projected for the next fiscal year (FY ending March 2027) is expected as follows.

<Projected consolidated results>

(Unit: Million yen, %)

	FY ending March 2027 (projected)			FY ended March 2026 (actual)	
		Profit margin	YoY change		Profit margin
Net sales	740,000	–	3.0	718,163	–
Operating profit	26,000	3.5	6.2	24,482	3.4
Ordinary profit	26,500	3.6	0.6	26,331	3.7
Profit attributable to owners of parent	16,000	2.2	19.5	13,394	1.9

The projected amount of (year-end) dividends per share in FY ending March 2027 is 65 yen.

## 2. Basic approach in selecting accounting standards

To facilitate comparisons from period to period and between entities, the Group for the time being will continue to prepare its consolidated financial statements based on J-GAAP.

The Group will duly address the application of International Financial Reporting Standards (IFRS) after taking into account various circumstances both in Japan and abroad.

## 3. Consolidated financial statements and notes thereto

## (1) Consolidated balance sheet

(Unit: Million yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
<b>Assets</b>		
Current assets		
Cash and deposits	77,502	80,566
Notes receivable - trade	1,065	391
Accounts receivable - trade	132,758	137,363
Electronically recorded monetary claims - operating	6,236	8,521
Lease investment assets	2,508	0
Merchandise and finished goods	23,575	24,544
Work in process	3,363	4,336
Raw materials and supplies	1,920	1,577
Short-term loans receivable	1,694	1,608
Other	8,863	11,713
Allowance for doubtful accounts	(31)	(23)
Total current assets	259,457	270,599
Non-current assets		
Property, plant, and equipment		
Buildings and structures	44,130	44,602
Accumulated depreciation	(22,600)	(23,760)
Buildings and structures, net	21,529	20,841
Machinery, equipment and vehicles	9,299	10,738
Accumulated depreciation	(5,896)	(6,296)
Machinery, equipment and vehicles, net	3,402	4,442
Land	18,162	17,951
Real estate for rent	12,498	11,166
Accumulated depreciation	(4,417)	(4,657)
Real estate for rent, net	8,080	6,509
Construction in progress	976	51
Other	22,604	23,521
Accumulated depreciation	(15,796)	(16,654)
Other, net	6,808	6,867
Total property, plant, and equipment	58,960	56,663
Intangible assets		
Goodwill	7,414	6,706
Other	5,316	5,013
Total intangible assets	12,731	11,720
Investments and other assets		
Investment securities	29,381	27,690
Long-term loans receivable	10,351	10,754
Net defined benefit asset	1,070	1,095
Deferred tax assets	4,140	3,459
Claims provable in bankruptcy, claims provable in rehabilitation and other	57	59
Guarantee deposits	5,394	5,523
Other	3,393	3,350
Allowance for doubtful accounts	(3,236)	(5,808)
Total investments and other assets	50,553	46,125
Total non-current assets	122,245	114,510
Total assets	381,702	385,109



(Unit: Million yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	121,667	127,939
Electronically recorded obligations - operating	35,470	36,700
Short-term loans payable	698	1,333
Current portion of long-term loans payable	6,022	3,429
Income taxes payable	5,932	6,046
Provision for bonuses	3,135	3,324
Other	15,086	17,140
Total current liabilities	188,013	195,914
Non-current liabilities		
Long-term loans payable	30,620	25,606
Net defined benefit liability	3,531	3,427
Deferred tax liabilities	3,111	2,084
Asset retirement obligations	1,190	1,208
Other	4,953	4,439
Total non-current liabilities	43,408	36,767
Total liabilities	231,421	232,681
<b>Net assets</b>		
Shareholders' equity		
Capital stock	15,553	15,553
Capital surplus	23,575	19,417
Retained earnings	120,407	116,758
Treasury stock	(15,527)	(5,049)
Total shareholders' equity	144,008	146,679
Accumulated other comprehensive income		
Valuation differences on available-for-sale securities	5,182	4,468
Deferred gains or losses on hedges	2	2
Foreign currency translation adjustments	(215)	(185)
Remeasurements of defined benefit plans	99	105
Total accumulated other comprehensive income	5,068	4,391
Non-controlling interests	1,203	1,357
Total net assets	150,280	152,428
Total liabilities and net assets	381,702	385,109

## (2) Consolidated statement of income and consolidated statement of comprehensive income

## Consolidated statement of income

(Unit: Million yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales	678,229	718,163
Cost of sales	611,486	651,459
Gross profit	66,743	66,703
Sales, general, and administrative expenses		
Directors' compensation	1,801	1,736
Salaries and allowances	13,854	14,431
Bonuses	1,576	1,720
Retirement benefit expenses	550	502
Provision for bonus	1,480	1,419
Other	22,701	22,410
Total sales, general, and administrative expenses	41,964	42,221
Operating profit	24,779	24,482
Non-operating profit		
Interest income	319	315
Dividend income	271	293
Equity in earnings of affiliates	1,091	613
Reversal of allowance for doubtful accounts	12	-
Foreign exchange gain	-	514
Gain on termination of lease	-	336
Other	435	551
Total non-operating profit	2,131	2,625
Non-operating expenses		
Interest expenses	499	426
Foreign exchange loss	244	-
Provision for doubtful accounts	0	146
Commission paid	32	18
Other	111	185
Total non-operating expenses	887	775
Ordinary profit	26,023	26,331
Extraordinary profit		
Gains on sales of non-current assets	9	16
Subsidy income	353	-
Gains on sales of investment securities	79	49
Gain on sale of shares in affiliated companies	-	36
Reversal of allowance for doubtful accounts	1,600	-
Other	37	5
Total extraordinary profit	2,079	107
Extraordinary losses		
Losses on sales of non-current assets	8	6
Losses on retirement of non-current assets	63	158
Loss on valuation of investment securities	109	738
Impairment loss	409	-
Provision for allowance for doubtful accounts	3,070	2,415
Other	114	14
Total extraordinary losses	3,775	3,332
Profit before income taxes	24,328	23,106
Income taxes - current	9,780	9,383
Income taxes - deferred	(427)	213
Total income taxes	9,353	9,597
Profit	14,974	13,509
Gains or losses attributable to non-controlling interests	(153)	115
Profit attributable to owners of parent	15,128	13,394

Consolidated statement of comprehensive income

	(Unit: Million yen)	
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	14,974	13,509
Other comprehensive income		
Valuation differences on available-for-sale securities	(684)	(748)
Foreign currency translation adjustments	(309)	66
Remeasurements of defined benefit plans	(0)	15
Share of earnings of equity-method affiliates	8	15
Total other comprehensive income	(986)	(650)
Comprehensive income	13,988	12,859
(Breakdown)		
Comprehensive income attributable to owners of parent	14,277	12,716
Comprehensive income attributable to non-controlling interests	(289)	142

## (3) Consolidated statement of changes in shareholders' equity

Previous consolidated fiscal year (April 1, 2024–March 31, 2025)

(Unit: Million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of current period	15,553	23,585	109,996	(15,526)	133,607
Changes of items during current period					
Dividends of surplus			(4,717)		(4,717)
Profit attributable to owners of parent			15,128		15,128
Purchase of treasury stock				(0)	(0)
Cancellation of treasury stock					—
Transfer from retained earnings to capital surplus					—
Capital decrease by consolidated subsidiaries		(9)			(9)
Change in scope of consolidation					—
Net changes of items other than shareholders' equity					
Total changes of items during current period	—	(9)	10,410	(0)	10,400
Balance at end of current period	15,553	23,575	120,407	(15,527)	144,008

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	5,863	2	(42)	95	5,919	2,699	142,226
Changes of items during current period							
Dividends of surplus							(4,717)
Profit attributable to owners of parent							15,128
Purchase of treasury stock							(0)
Cancellation of treasury stock							—
Transfer from retained earnings to capital surplus							—
Capital decrease by consolidated subsidiaries							(9)
Change in scope of consolidation							—
Net changes of items other than shareholders' equity	(681)	0	(173)	4	(850)	(1,496)	(2,346)
Total changes of items during current period	(681)	0	(173)	4	(850)	(1,496)	8,054
Balance at end of current period	5,182	2	(215)	99	5,068	1,203	150,280

This consolidated fiscal year (April 1, 2025–March 31, 2026)

(Unit: Million yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of current period	15,553	23,575	120,407	(15,527)	144,008
Changes of items during current period					
Dividends of surplus			(5,472)		(5,472)
Profit attributable to owners of parent			13,394		13,394
Purchase of treasury stock				(4,999)	(4,999)
Cancellation of treasury stock		(15,477)		15,477	—
Transfer from retained earnings to capital surplus		11,571	(11,571)		—
Capital decrease by consolidated subsidiaries		(250)			(250)
Change in scope of consolidation		(1)			(1)
Net changes of items other than shareholders' equity					
Total changes of items during current period	—	(4,158)	(3,648)	10,478	2,670
Balance at end of current period	15,553	19,417	116,758	(5,049)	146,679

	Accumulated other comprehensive income					Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of current period	5,182	2	(215)	99	5,068	1,203	150,280
Changes of items during current period							
Dividends of surplus							(5,472)
Profit attributable to owners of parent							13,394
Purchase of treasury stock							(4,999)
Cancellation of treasury stock							—
Transfer from retained earnings to capital surplus							—
Capital decrease by consolidated subsidiaries							(250)
Change in scope of consolidation							(1)
Net changes of items other than shareholders' equity	(714)	(0)	30	5	(677)	153	(523)
Total changes of items during current period	(714)	(0)	30	5	(677)	153	2,147
Balance at end of current period	4,468	2	(185)	105	4,391	1,357	152,428

## (4) Consolidated statement of cash flows

(Unit: Million yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
<b>Cash flows from operating activities</b>		
Income before income taxes	24,328	23,106
Depreciation and amortization	5,543	5,476
Impairment loss	409	-
Amortization of goodwill	1,826	1,765
Share of loss (profit) of entities accounted for using equity method [( ) represents profit]	(1,091)	(613)
Increase (decrease) in provision for bonuses [( ) represents decrease]	143	191
Increase (decrease) in allowance for doubtful accounts [( ) represents decrease]	1,448	2,564
Decrease (increase) in lease investment assets [( ) represents increase]	160	34
Increase (decrease) in net defined benefit liability [( ) represents decrease]	111	(69)
Loss on retirement of property, plant, and equipment	55	158
Loss (Profit) on sales of subsidiaries and affiliates' stocks	0	(21)
Interest and dividend income	(591)	(612)
Interest expenses	499	426
Decrease (increase) in notes and accounts receivable – trade [( ) represents increase]	(11,026)	(6,031)
Decrease (increase) in inventories [( ) represents increase]	(2,081)	343
Increase (decrease) in notes and accounts payable – trade [( ) represents decrease]	10,016	7,132
Other	(3,047)	(2,971)
<b>Subtotal</b>	<b>26,703</b>	<b>30,878</b>
Interest and dividend income received	876	1,126
Interest expenses paid	(501)	(458)
Income taxes paid	(6,694)	(9,468)
<b>Cash flows from operating activities</b>	<b>20,384</b>	<b>22,078</b>

	(Unit: Million yen)	
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
<b>Cash flows from investing activities</b>		
Payments into time deposits	(1,102)	(735)
Proceeds from withdrawal of time deposits	401	1,419
Purchase of property, plant, and equipment	(3,821)	(4,281)
Proceeds from sales of property, plant, and equipment	237	89
Purchase of intangible assets	(361)	(434)
Payments of short-term loans receivable	(102)	(13)
Collection of short-term loans receivable	125	100
Payments of long-term loans receivable	(2)	(432)
Collection of long-term loans receivable	306	1,130
Purchase of investment securities	(348)	(292)
Proceeds from sales and redemption of investment securities	254	230
Expenditures related to the acquisition of a business	-	(190)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(120)	(245)
Proceeds for purchase of shares of subsidiaries resulting in change in scope of consolidation	-	638
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	462	977
Other	44	(37)
<b>Cash flows from investing activities</b>	<b>(4,025)</b>	<b>(2,075)</b>
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term loans payable [( ) represents decrease]	(10)	11
Proceeds from long-term loans payable	593	776
Repayments of long-term loans payable	(19,495)	(6,136)
Expenditures for the purchase of treasury stock	(0)	(4,999)
Cash dividends paid	(4,717)	(5,472)
Dividends paid to non-controlling shareholders	(286)	(3)
Purchase of shares of subsidiaries not involving a change in scope of consolidation	(454)	(250)
Repayments of lease obligations	(252)	(273)
Other	0	13
<b>Cash flows from financing activities</b>	<b>(24,622)</b>	<b>(16,334)</b>
Effect of exchange rate change on cash and cash equivalents	(7)	73
<b>Increase (decrease) in cash and cash equivalents [( ) represents decrease]</b>	<b>(8,270)</b>	<b>3,742</b>
Cash and cash equivalents at the beginning of the period	83,128	74,857
<b>Increase in cash and cash equivalents resulting from the consolidation of new subsidiaries</b>	<b>-</b>	<b>4</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>74,857</b>	<b>78,604</b>

(5) Notes on consolidated financial statements

(Notes on the going concern assumption)

Not applicable

(Segment information)

1 Overview of reportable segments

The Company's reportable segments are Company components for which separate financial information is available and subject to periodic review by the Board of Directors in determining the allocation of management resources and evaluating business performance.

The Company classifies its business divisions by each service. The Company formulates comprehensive strategies reflecting the nature of the activities of each business division and subsidiary and undertakes business activities based on these strategies.

Accordingly, the Company organizes its segments based on its business divisions. Its four reportable segments are the Total Pack Produce business, the Medical Supply business, the Lifecare business, and the Dispensing Pharmacy business.

The Total Pack Produce segment engages in sales of medical devices and medical equipment based on bulk orders; consulting on topics including medicine, healthcare, welfare, and nursing care facilities; and leasing of real estate to medical facilities and other tenants. The Medical Supply segment engages in sales of medical examination and treatment materials and special treatment materials. The Lifecare segment operates homes for senior citizens, group homes and other facilities, and provide food service. The Dispensing Pharmacy segment operates dispensing pharmacies, among other business activities.

2 Methods for calculating net sales, profit (loss), assets, and other amounts by reportable segment

The accounting methods for reportable segments are same as those adopted in the "Consolidated Financial Statements. Reportable segment profit figures are based on operating profit. Intersegment revenues and transfers are based on market prices.



3 Net sales, profit (loss), assets, and other amounts by reportable segment

Previous consolidated fiscal year (April 1, 2024–March 31, 2025)

(Unit: Million yen)

	Reportable segment					Adjustments*1	Amount recorded on consolidated financial statements*2
	Total Pack Produce business	Medical Supply business	Lifecare business	Dispensing Pharmacy business	Subtotal		
Net sales							
(1) Sales to outside customers	133,167	474,919	36,674	33,468	678,229	—	678,229
(2) Intersegment sales or transfers	4,264	2,721	82	122	7,191	(7,191)	—
Subtotal	137,431	477,641	36,757	33,590	685,421	(7,191)	678,229
Segment profit	12,017	6,970	2,189	3,426	24,603	175	24,779
Segment assets	131,227	179,510	40,288	36,007	387,033	(5,330)	381,702
Other items							
Depreciation	3,252	1,011	846	377	5,488	55	5,543
Amortization of goodwill	726	441	481	176	1,826	—	1,826
Impairment loss	409	—	—	—	409	—	409
Investment in entities accounted for using equity method	536	—	10,858	—	11,394	—	11,394
Increase in property, plant, and equipment, and intangible fixed assets	1,996	1,502	394	474	4,368	81	4,449

Notes:

1. The amounts of the various adjustments are described below.

- (1) The figure of 175 million yen in adjustments to segment profit includes (127) million yen for the cancellation of intersegment transactions and 298 million yen for companywide costs not allocated to an individual reportable segment. These companywide costs consist mainly of income for parent company operating expenses, general, and administrative expenses not attributable to individual reportable segments.
- (2) The figure of (5,330) million yen in adjustments to segment assets includes (48,301) million yen for cancellation of intersegment transactions, and 42,959 million yen for companywide assets not allocated to an individual reportable segment. These companywide assets consist mainly of assets related to administrative sections not attributable to individual reportable segments.
- (3) The figure of 81 million yen in adjustments to increase in property, plant, and equipment, and intangible fixed assets consists mainly of capital investment related to administrative sections not attributable to individual reportable segments.

2. Segment profit is adjusted against the operating profit reported on the consolidated statement of income.

Consolidated fiscal year under review (April 1, 2025–March 31, 2026)

(Unit: Million yen)

	Reportable segment					Adjustments*1	Amount recorded on consolidated financial statements*2
	Total Pack Produce business	Medical Supply business	Lifecare business	Dispensing Pharmacy business	Subtotal		
Net sales							
(1) Sales to outside customers	136,604	509,569	37,322	34,666	718,163	—	718,163
(2) Intersegment sales or transfers	2,017	2,147	84	139	4,388	(4,388)	—
Subtotal	138,621	511,716	37,406	34,806	722,551	(4,388)	718,163
Segment profit	10,812	7,484	2,216	4,004	24,517	(35)	24,482
Segment assets	130,495	187,860	40,590	39,229	398,175	(13,065)	385,109
Other items							
Depreciation	3,239	1,000	858	312	5,410	66	5,476
Amortization of goodwill	780	318	481	184	1,765	—	1,765
Impairment loss	—	—	—	—	—	—	—
Investment in entities accounted for using equity method	579	—	10,983	—	11,562	—	11,562
Increase in property, plant, and equipment, and intangible fixed assets	2,423	1,800	546	309	5,079	84	5,164

Notes:

- The amounts of the various adjustments are described below.
  - The figure of (35) million yen in adjustments to segment profit includes (116) million yen for the cancellation of intersegment transactions and 76 million yen for companywide costs not allocated to an individual reportable segment. These companywide costs consist mainly of income for parent company operating expenses, general, and administrative expenses not attributable to individual reportable segments.
  - The figure of (13,065) million yen in adjustments to segment assets includes (53,624) million yen for cancellation of intersegment transactions, and 40,542 million yen for companywide assets not allocated to an individual reportable segment. These companywide assets consist mainly of assets related to administrative sections not attributable to individual reportable segments.
  - The figure of 84 million yen in adjustments to increase in property, plant, and equipment, and intangible fixed assets consists mainly of capital investment related to administrative sections not attributable to individual reportable segments.
- Segment profit is adjusted against the operating profit reported on the consolidated statement of income.

[Related information]

Previous consolidated fiscal year (April 1, 2024–March 31, 2025)

1 Product and service-specific information

This information is reported under segment information and is therefore omitted here.

2 Region-specific information

(1) Net sales

This information is omitted because sales to external customers in Japan account for more than 90% of net sales on the Consolidated Statement of Income.

(2) Property, plant, and equipment

This information is omitted because property, plant, and equipment located in Japan account for more than 90% of property, plant, and equipment on the Consolidated Balance Sheet.

3 Information concerning key individual customers

Not applicable because sales to no single external customer account for 10% or more of net sales on the Consolidated Statement of Income.

This consolidated fiscal year (April 1, 2025–March 31, 2026)

1 Product and service-specific information

This information is reported under segment information and is therefore omitted here.

2 Region-specific information

(1) Net sales

This information is omitted because sales to external customers in Japan account for more than 90% of net sales on the Consolidated Statement of Income.

(2) Property, plant, and equipment

This information is omitted because property, plant, and equipment located in Japan account for more than 90% of property, plant, and equipment on the Consolidated Balance Sheet.

3 Information concerning key individual customers

Not applicable because sales to no single external customer account for 10% or more of net sales on the Consolidated Statement of Income.

[Information concerning impairment losses on fixed assets per reportable segment]

Previous consolidated fiscal year (April 1, 2024–March 31, 2025)

This information is reported under segment information and is therefore omitted here.

This consolidated fiscal year (April 1, 2025–March 31, 2026)

This information is reported under segment information and is therefore omitted here.

[Information concerning amounts of amortization of goodwill and remaining unamortized balances, per reportable segment]

Previous consolidated fiscal year (April 1, 2024–March 31, 2025)

(Unit: Million yen)

	Reportable segment					Companywide/ cancellation	Total
	Total Pack Produce business	Medical Supply business	Lifecare business	Dispensing Pharmacy business	Subtotal		
(Goodwill) Ending balance	4,317	991	1,220	883	7,414	—	7,414

Note: Amounts of amortization of goodwill is omitted because similar information is reported under segment information.

This consolidated fiscal year (April 1, 2025–March 31, 2026)

(Unit: Million yen)

	Reportable segment					Companywide/ cancellation	Total
	Total Pack Produce business	Medical Supply business	Lifecare business	Dispensing Pharmacy business	Subtotal		
(Goodwill) Ending balance	4,232	673	739	1,062	6,706	—	6,706

Note: Amounts of amortization of goodwill is omitted because similar information is reported under segment information.

[Information on gains on bargain purchases per reportable segment]

Previous consolidated fiscal year (April 1, 2024–March 31, 2025)

No important gains on bargain purchases occurred.

This consolidated fiscal year (April 1, 2025–March 31, 2026)

No important gains on bargain purchases occurred.

(Per-share information)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
	(Yen)	(Yen)
Net assets per share	1,580.05	1,641.74
Net income per share	160.34	144.19

Notes:

1. Diluted net income per share for the current consolidated fiscal year is not stated because there are no potential shares with anti-dilutive effect.
2. "Net income per share" is calculated based on the following information:

Account	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit attributable to owners of parent (million yen)	15,128	13,394
Amount not attributable to owners of common stock (million yen)	—	—
Profit attributable to owners of parent related to common stock (million yen)	15,128	13,394
Average shares of common stock during the period (shares)	94,350,162	92,896,426

3. Net assets per share were calculated based on the following information:

Account	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Total net assets (million yen)	150,280	152,428
Amount subtracted from total net assets (million yen)	1,203	1,357
[Non-controlling interests included in above (million yen)]	[1,203]	[1,357]
Ending balance of net assets related to common stock (million yen)	149,077	151,070
Ending number of shares of common stock used in calculation of net assets per share (shares)	94,350,134	92,018,934

(Important subsequent information)

Not applicable

(Changes in the scope of consolidation or of application of equity method)

(Significant changes in the scope of consolidation)

The company contains Tec International Inc., DELPHIA CO., LTD. and HASHIMOTO PHARMACY CO., LTD. by new purchase of share from the consolidated accounting period.

The company contains MASTERS FOREST CO., LTD. and AKISHIMA INTERNATIONAL JUSTICE MANAGEMENT by new establishment from the consolidated accounting period.

The company excludes SHIP HEALTHCARE ESTATE EAST, INC. and Ingenious Co, Ltd. by transfer of all shares.

Kingrun Co., Ltd. absorbed and merged Kingrun Medicare Co., Ltd., Kingrun Kyushu Co., Ltd., Kingrun Hokkaido Co., Ltd.

and Kingrun Kansai Co., Ltd. and SHIP HEALTHCARE PHARMACY CO., LTD. (changed its name from SHIP

HEALTHCARE PHARMACY EAST CO., LTD.) absorbed and merged Nisseichozai, Inc., GREEN PHARMACY Co., Ltd.,

STARSHIP Ltd., MONAKA CO., LTD. and OMP CO., LTD. (which was a non-consolidated subsidiary in the last consolidated

fiscal year), and SHIP HEALTHCARE FOOD, INC. absorbed and merged Grand-gourmet Co., Ltd.. However all these

transactions were organizational restructurings among consolidated subsidiaries.