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May 13, 2026

## Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)



Company name: Menicon Co., Ltd.

Listing: Tokyo Stock Exchange, Nagoya Stock Exchange

Securities code: 7780

URL: <https://www.menicon.com>

Representative: Koji Kawaura

President and CEO

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Scheduled date of annual general meeting of shareholders: June 26, 2026

Scheduled date to commence dividend payments: June 29, 2026

Scheduled date to file annual securities report: June 25, 2026

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

### 1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

#### (1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
March 31, 2026	125,605	3.4	10,236	2.2	11,021	15.2	5,916	5.7
March 31, 2025	121,491	4.6	10,012	11.8	9,567	16.3	5,597	23.3

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥ 13,194 million [ 63.0%]  
For the fiscal year ended March 31, 2025: ¥ 8,094 million [ (0.7)%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
	Yen	Yen	%	%	%
Fiscal year ended					
March 31, 2026	79.11	78.70	6.6	5.8	8.1
March 31, 2025	73.72	68.86	6.8	5.2	8.2

Reference: Share of profit (loss) of entities accounted for using equity method

For the fiscal year ended March 31, 2026: ¥ - million

For the fiscal year ended March 31, 2025: ¥ (9) million

(Note) During the fiscal year ended March 31, 2026, the provisional accounting treatment for a business combination was finalized. Accordingly, the figures for the fiscal year ended March 31, 2025 reflect the finalized accounting treatment.

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of				
March 31, 2026	194,640	95,106	48.5	1,271.61
March 31, 2025	187,590	86,129	45.4	1,122.21

Reference: Equity

As of March 31, 2026: ¥ 94,349 million

As of March 31, 2025: ¥ 85,211 million

(Note) During the fiscal year ended March 31, 2026, the provisional accounting treatment for a business combination was finalized. Accordingly, the figures for the fiscal year ended March 31, 2025 reflect the finalized accounting treatment.

### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	11,839	(16,488)	(6,037)	32,410
March 31, 2025	13,944	(19,661)	714	41,864

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	-	0.00	-	28.00	28.00	2,146	38.0	2.6
Fiscal year ended March 31, 2026	-	0.00	-	28.00	28.00	2,091	35.4	2.3
Fiscal year ending March 31, 2027 (Forecast)	-	0.00	-	28.00	28.00		32.0	

(Note) Total dividends include dividends paid on the Company's shares held by Custody Bank of Japan, Ltd. (Trust E Account): JPY 20 million for the fiscal year ended March 31, 2025, and JPY 14 million for the fiscal year ending March 31, 2026.

### 3. Consolidated financial result forecasts for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(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
Full year	133,000	5.9	11,000	7.5	10,500	(4.7)	6,500	9.9	87.58

#### \* Notes

(1) Significant changes in the scope of consolidation during the period: Yes  
Newly included: - companies( )  
Excluded: 1 company( Oculus Visioncare (S) Pte. Ltd. )

(2) Changes in accounting policies, changes in accounting estimates, and restatement

- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(3) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2026	76,761,888 shares
As of March 31, 2025	76,645,888 shares

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

As of March 31, 2026	2,565,424 shares
As of March 31, 2025	714,024 shares

(iii) Average number of shares outstanding during the period

Fiscal Year ended March 31, 2026	74,786,444 shares
Fiscal Year ended March 31, 2025	75,935,036 shares

(Note) The Company's shares held by "Stock Benefit Trust (Employee Shareholder Association Purchase-Type)" and "Stock Benefit Trust (Employee Stock Ownership Plan)" are included in treasury shares, which are used in calculating the total number of treasury shares at the end of the period and deducted in calculating the average number of shares during the period.

**(Reference) Overview of non-consolidated financial results**

**1. Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)**

**(1) Non-consolidated operating results**

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended								
March 31, 2026	72,813	2.5	3,584	(7.4)	7,219	66.7	4,773	(3.2)
March 31, 2025	71,045	6.8	3,869	154.8	4,331	114.3	4,930	353.5

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended		
March 31, 2026	63.83	63.50
March 31, 2025	64.92	60.67

**(2) Non-consolidated financial position**

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of				
March 31, 2026	156,243	63,174	40.0	842.06
March 31, 2025	156,067	62,432	39.5	810.89

Reference: Equity

As of March 31, 2026:	¥	62,477 million
As of March 31, 2025:	¥	61,572 million

\* Financial results reports are exempt from audits conducted by certified public accountants or audit firms.

\* Proper use of earnings forecasts, and other special matters

- Forecasts regarding future performance presented in this material include the outlook for the future, assumptions on which the plan is based, and projections as of the date of announcement of this material. Actual results may differ from the forecasts presented in this material due to various factors.
- For the forecast of consolidated business results assumptions and our response, please refer to "1. Overview of Business Results (5) Outlook" on Page 5 of the appendix.

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# 1. Overview of Business Results

During the fiscal year ended March 31, 2026, the provisional accounting treatment for a business combination was finalized. Accordingly, the revised figures reflecting the finalized accounting treatment have been used for comparison with the previous consolidated fiscal year.

## (1) Overview of Business Results for the Fiscal Year Under Review

Under our Medium-Term Management Plan “Vision 2030,” we are promoting two growth strategies to realize our slogan, “New Vision of ‘Miru’ for the World”. With (i) the “1-DAY Strategy,” we aim to become a leading global player in the 1-DAY contact lens market through original products and services, and with (ii) the “Orthokeratology-related (Myopia Control-related) Strategy,” we aim to become a leading company in the orthokeratology-related (myopia control-related) field by creating new value in myopia control.

Performances in each business are as follows.

[Vision Care Business]

Regarding the 1-DAY lens Strategy, the global contact lens market is experiencing increasing demand for daily disposable contact lenses made of highly safe silicone hydrogel materials, driven by factors such as the increasing myopic population.

In Japan, we are working to increase the proportion of daily disposable contact lenses among MELS Plan members. Overseas, particularly in Europe and North America, we are focusing on expanding business with major retail chains.

In addition, in order to respond to growing demand, we are enhancing production capacity not only at the Kakamigahara Plant and Menicon Singapore Pte. Ltd., but also at Menicon Malaysia Sdn. Bhd., where commercial production commenced in February 2026.

During the fiscal year ended March 31, 2026, in Japan, “1DAY Menicon PremiO,” our own silicone hydrogel product, contributed to an increase in the number of MELS Plan members using daily disposable contact lenses and to expanded sales, driven by an increase in supply and the implementation of promotional activities through various media channels and sales promotion campaigns.

In Europe and North America, we continued sales activities targeting major retail chains, which resulted in an increase in orders for daily disposable contact lenses, primarily from existing business partners, leading to expanded sales. In China, we promoted the expansion of sales of daily disposable contact lens made of conventional materials through one of the country’s largest online contact lens specialty distributors, while also establishing a foundation for the launch of silicone hydrogel products.

Regarding the Orthokeratology-related (Myopia Control-related) Strategy, in China, the orthokeratology-related market remained stagnant due to a decline in consumer purchasing power amid the economic slowdown and the emergence of alternative products. Under these circumstances, we implemented initiatives to strengthen sales of orthokeratology lenses and care products used with orthokeratology lenses. Meanwhile, demand is expanding in Japan and other Asian countries, and further growth is expected going forward.

We offer a broad lineup of orthokeratology lenses, including “Alpha Ortho-K” (marketed as “Menicon Ortho-K” in Japan), which continues to record steady sales in Japan and other Asian countries; “Menicon Z Night,” for which sales are being strengthened in Europe and Asia; and “Menicon Bloom Night,” which obtained the industry’s first CE Mark certification for myopia control in 2019 and is expected to achieve further sales expansion. By combining these products with related care products, we aim to enhance product recognition and develop new sales channels, thereby expanding net sales on a global basis.

During the fiscal year ended March 31, 2026, in China, we provided continuous promotional support to our sales channels. In addition, in cooperation with physicians, we disseminated academic information regarding orthokeratology prescription cases and the effects of myopia control, with the aim of enhancing product understanding among medical professionals and promoting prescriptions.

[Other Business]

The Healthcare and Life Care Businesses are working on taking up the challenge to enter new fields that create health support and joy for people through the five senses. Key focus areas include the healthcare field, centered on products utilizing self-assembling peptide gel technology; the life care field, with a focus on green infrastructure business; the veterinary medical business supporting pet wellness; and the food business, which involves the sale and import/export of agricultural and marine products.

In the healthcare field, we focused on the peptide business and proceeded with the development of new products, while obtaining medical device approval for bone graft substitute materials. In the life care field, we continued efforts in the production and sale of turf grass as part of the green infrastructure business. In the veterinary medical business, we worked to expand sales of supplements for dogs and cats not only through animal hospitals and veterinary pharmaceutical wholesalers, but also through sales to general consumers. In the food business, we worked to expand sales channels primarily overseas.

As a result of the initiatives described above, our consolidated operating results during the period under review were as follows.

Net sales increased 3.4% year on year to ¥125,605 million, driven by an increase in the number of MELS Plan members and expanded sales of daily disposable contact lenses in Japan, as well as increased orders for these lenses from major retail chains in Europe and North America.

Operating profit increased 2.2% year on year to ¥10,236 million. Although investments and expenses for future growth increased, including preparations for the operation of a new plant, wage increases for employees, and amortization of goodwill arising from additional consideration based on the earn-out clause related to the acquisition of shares of Itabashi Trading Co., Ltd., we were able to appropriately control selling, general and administrative expenses.

Ordinary profit increased 15.2% year on year to ¥11,021 million, mainly due to the recognition of foreign exchange gains.

Regarding extraordinary gains and losses, extraordinary losses of ¥2,181 million were recorded, reflecting impairment losses on certain intangible assets arising from changes in the business environment of the orthokeratology-related market, particularly in China, as well as on goodwill and other assets of Group companies engaged in the manufacturing and sales of specialty contact lenses.

As a result of the above factors, profit attributable to owners of parent increased 5.7% year on year to ¥5,916 million.

Business results by segment are as follows:

1) Vision Care Business

Net sales in the Vision Care Business amounted to ¥116,523 million, a 3.7% increase year on year, while segment profit amounted to ¥17,468 million, a 2.9% increase year on year. Details are as follows.

Net sales in the Vision Care Business increased by ¥4,196 million year on year.

Net sales of daily disposable contact lens increased by ¥2,869 million, reflecting an increase in the number of MELS Plan members and sales volume in Japan due to enhanced production capacity for our in-house silicone hydrogel products, as well as expanded sales to major retail chains in Europe.

Net sales of Orthokeratology-related products remained generally flat, decreasing slightly by ¥350 million, due to the impact of the economic slowdown and intensified competitive environment in China, despite global sales expansion. Net sales of Other Contact lenses and Lens care products increased, mainly due to expanded sales of monthly replacement contact lenses in Europe and increased sales of care products in Japan and North America.

Segment profit increased by ¥499 million year on year. Although investments and expenses for future growth increased, including preparations for the operation of a new plant, wage increases for employees, and amortization of goodwill arising from additional consideration under the earn-out clause related to the acquisition of shares of Itabashi Trading Co., Ltd., this was offset by appropriate control of selling, general and administrative expenses.

## 2) Other

Net sales in Other Businesses amounted to ¥9,082 million, a 0.9% decrease year on year, as the increase in net sales from the composting-related business was offset by the contraction of the food business in China.

Segment loss amounted to ¥862 million (compared with a segment loss of ¥1,147 million in the same period of the previous year).

## (2) Overview of Financial Position for the Fiscal Year Under Review

### (Assets)

Total assets at the end of the fiscal year under review amounted to ¥194,640 million, an increase of ¥7,050 million from the end of the previous fiscal year. Current assets decreased by ¥3,690 million to ¥78,978 million. Although merchandise and finished goods increased as inventories of daily disposable contact lenses were secured in anticipation of future sales expansion, cash and deposits decreased mainly due to payments for capital expenditures, income taxes paid, and the acquisition of treasury shares. Non-current assets increased by ¥10,740 million to ¥115,661 million, mainly reflecting manufacturing facilities investments for daily disposable contact lenses at Menicon Malaysia Sdn. Bhd. and manufacturing facilities investments for contact lenses at the Company.

### (Liabilities and net assets)

Liabilities decreased by ¥1,927 million from the end of the previous fiscal year to ¥99,533 million, mainly due to a decrease in other accounts payable associated with payments for capital expenditures and repayments of lease liabilities, despite an increase in short-term borrowings.

Net assets increased by ¥8,977 million from the end of the previous fiscal year to ¥95,106 million, mainly due to the recording of profit attributable to owners of parent and an increase in foreign currency translation adjustments related to overseas subsidiaries as a result of the depreciation of the yen.

As a result, the equity ratio was 48.5%.

## (3) Overview of Cash Flows for the Fiscal Year Under Review

Cash and cash equivalents at the end of the fiscal year under review were ¥32,410 million, having decreased by ¥9,454 million or 22.6% from the end of the previous fiscal year.

### (Cash flows from operating activities)

Net cash provided by operating activities amounted to ¥11,839 million, compared with net cash provided by operating activities amounting to ¥13,944 million for the previous fiscal year, mainly due to the profit before income taxes and depreciation and amortization.

### (Cash flows from investing activities)

Net cash used in investing activities amounted to ¥16,488 million, compared with net cash used in investing activities amounting to ¥19,661 million for the previous fiscal year, mainly due to manufacturing facilities investments for daily disposable contact lenses at Menicon Malaysia Sdn. Bhd. and manufacturing facilities investments for contact lenses at the Company.

### (Cash flows from financing activities)

Net cash used in financing activities amounted to ¥6,037 million, compared with net cash provided in financing activities amounting to ¥714 million in the previous fiscal year, mainly due to the acquisition of treasury shares, repayments of lease liabilities, and dividend payments.

#### (4) Basic Policy on Profit Distribution and Dividends for the Fiscal Year Under Review and for the Next Fiscal Year

We believe that continuously returning profits to shareholders is one of our important management objectives. Regarding dividends from surplus, we will appropriately implement shareholder returns by maintaining stable and continuous dividends with a payout ratio of around 30% as a benchmark, while introducing a progressive dividend policy in order to further enhance the transparency of future dividend levels, comprehensively taking into consideration the results of the current fiscal year, future business development, and the securement and strengthening of the financial structure.

In line with these policies, we have decided to pay a dividend of ¥28 per share (dividend payout ratio of 35.4%) for the fiscal year under review. The dividend for the next fiscal year is planned to be ¥28 per share (dividend payout ratio:32.0%).

#### (5) Outlook

We expect the contact lens market to grow over the medium to long term against the background of an increase in the myopic population globally. On the other hand, the outlook is expected to remain uncertain due to rising costs resulting from soaring raw material, resource, and energy prices, changes in financial markets such as rising interest rates and foreign exchange fluctuations, and changes in consumer spending activities caused by prolonged global inflation. Under these circumstances, the Group will strive to achieve sustainable growth through strengthening a stable supply structure and expanding sales globally. As part of these initiatives, at the Malaysia Plant, which commenced commercial production in the fiscal year ended March 31, 2026, we will enhance production capacity for daily disposable contact lenses and strengthen the supply structure, while promoting global sales expansion under sales strategies tailored to the business foundations and characteristics of each region. On the other hand, it is expected to take a certain amount of time before the mass production effect of the Malaysia Plant contributes to business performance. In addition, external factors such as foreign exchange trends, international conditions, and fluctuations in resource and energy prices are expected to have a certain impact on cost of sales and selling, general and administrative expenses.

Based on the above, for the fiscal year ending March 31, 2027, we forecast net sales of ¥133,000 million, operating profit of ¥11,000 million, ordinary profit of ¥10,500 million, and profit attributable to owners of parent of ¥6,500 million.

These forecasts for business results have been calculated based on information currently available to us and certain assumptions deemed reasonable. Actual business activities and results may be affected by various factors in the future.

## 2. Basic Approach for Selection of Accounting Standards

We apply Japanese Accounting Standards.

We intend to examine whether to adopt the International Financial Reporting Standards (IFRS) in light of global business development and domestic and overseas trends.

### 3. Consolidated Financial Statements

#### Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Assets</b>		
Current assets		
Cash and deposits	42,046	32,608
Notes and accounts receivable - trade	13,641	14,794
Merchandise and finished goods	15,709	19,744
Work in process	1,464	2,186
Raw materials and supplies	4,045	4,514
Other	6,236	6,118
Allowance for doubtful accounts	(473)	(987)
Total current assets	82,669	78,978
Non-current assets		
Property, plant and equipment		
Buildings and structures	58,419	62,473
Accumulated depreciation	(15,722)	(17,966)
Buildings and structures, net	42,697	44,506
Machinery, equipment and vehicles	28,994	39,039
Accumulated depreciation	(19,251)	(21,817)
Machinery, equipment and vehicles, net	9,743	17,222
Tools, furniture and fixtures	11,992	13,981
Accumulated depreciation	(9,584)	(10,570)
Tools, furniture and fixtures, net	2,407	3,411
Land	5,656	5,708
Leased assets	6,008	5,998
Accumulated depreciation	(1,346)	(1,900)
Leased assets, net	4,662	4,098
Right of use assets	8,717	9,085
Accumulated depreciation	(5,057)	(5,925)
Right of use assets, net	3,660	3,160
Construction in progress	14,190	16,679
Other	46	46
Accumulated depreciation	-	-
Other, net	46	46
Total property, plant and equipment	83,064	94,833
Intangible assets		
Goodwill	3,227	2,768
Other	12,367	10,855
Total intangible assets	15,595	13,624
Investments and other assets		
Investment securities	822	1,135
Deferred tax assets	2,839	3,572
Other	3,142	3,048
Allowance for doubtful accounts	(542)	(552)
Total investments and other assets	6,261	7,204
Total non-current assets	104,921	115,661
Total assets	187,590	194,640

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	6,419	5,753
Short-term borrowings	25	1,868
Current portion of bonds payable	166	1,167
Current portion of long-term borrowings	978	1,635
Lease liabilities	2,064	1,807
Accounts payable - other	7,381	6,110
Income taxes payable	1,918	2,076
Provision for bonuses	2,107	2,327
Provision for point card certificates	32	50
Other	5,398	6,410
<b>Total current liabilities</b>	<b>26,492</b>	<b>29,206</b>
Non-current liabilities		
Bonds payable	46,167	45,000
Long-term borrowings	19,213	17,288
Lease liabilities	6,476	5,414
Retirement benefit liability	629	628
Deferred tax liabilities	1,534	1,543
Other	947	451
<b>Total non-current liabilities</b>	<b>74,968</b>	<b>70,326</b>
<b>Total liabilities</b>	<b>101,460</b>	<b>99,533</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	5,535	5,650
Capital surplus	7,558	7,673
Retained earnings	64,456	68,226
Treasury shares	(928)	(3,066)
<b>Total shareholders' equity</b>	<b>76,621</b>	<b>78,484</b>
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	362	577
Foreign currency translation adjustment	8,227	15,286
<b>Total accumulated other comprehensive income</b>	<b>8,590</b>	<b>15,864</b>
Share acquisition rights	859	696
Non-controlling interests	57	61
<b>Total net assets</b>	<b>86,129</b>	<b>95,106</b>
<b>Total liabilities and net assets</b>	<b>187,590</b>	<b>194,640</b>

Consolidated Statements of Income and Comprehensive Income

Consolidated Statement of Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	121,491	125,605
Cost of sales	56,456	58,006
Gross profit	65,034	67,599
Selling, general and administrative expenses	55,022	57,363
Operating profit	10,012	10,236
Non-operating income		
Interest income	135	149
Dividend income	18	27
Foreign exchange gains	47	969
Subsidy income	88	72
Other	283	530
Total non-operating income	573	1,750
Non-operating expenses		
Interest expenses	706	810
Bond issuance costs	45	-
Share of loss of entities accounted for using equity method	9	-
Other	256	154
Total non-operating expenses	1,017	964
Ordinary profit	9,567	11,021
Extraordinary income		
Gain on sale of non-current assets	5	5
Gain on reversal of share acquisition rights	1,632	-
Reversal of foreign currency translation adjustment	-	15
Total extraordinary income	1,638	20
Extraordinary losses		
Loss on sale of non-current assets	1	2
Loss on retirement of non-current assets	112	77
Impairment losses	1,296	1,903
Restructuring costs	511	168
Other	-	29
Total extraordinary losses	1,921	2,181
Profit before income taxes	9,284	8,859
Income taxes - current	3,458	3,783
Income taxes - deferred	224	(842)
Total income taxes	3,683	2,940
Profit	5,600	5,919
Profit attributable to non-controlling interests	2	3
Profit attributable to owners of parent	5,597	5,916

Consolidated Statement of Comprehensive Income

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit	5,600	5,919
Other comprehensive income		
Valuation difference on available-for-sale securities	78	215
Foreign currency translation adjustment	2,414	7,059
Share of other comprehensive income of entities accounted for using equity method	0	-
Total other comprehensive income	2,493	7,274
Comprehensive income	8,094	13,194
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,091	13,191
Comprehensive income attributable to non-controlling interests	2	3

Consolidated Statement of Changes in Equity

For the fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,521	7,309	60,763	(344)	73,250
Changes during period					
Issuance of new shares	13	13			27
Dividends of surplus			(1,905)		(1,905)
Profit attributable to owners of parent			5,597		5,597
Purchase of treasury shares				(1,140)	(1,140)
Disposal of treasury shares		234		555	790
Net changes in items other than shareholders' equity					
Total changes during period	13	248	3,692	(584)	3,371
Balance at end of period	5,535	7,558	64,456	(928)	76,621

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	283	5,812	6,096	2,403	55	81,804
Changes during period						
Issuance of new shares						27
Dividends of surplus						(1,905)
Profit attributable to owners of parent						5,597
Purchase of treasury shares						(1,140)
Disposal of treasury shares						790
Net changes in items other than shareholders' equity	79	2,414	2,493	(1,543)	2	953
Total changes during period	79	2,414	2,493	(1,543)	2	4,324
Balance at end of period	362	8,227	8,590	859	57	86,129

For the fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	5,535	7,558	64,456	(928)	76,621
Changes during period					
Issuance of new shares	115	115			230
Dividends of surplus			(2,146)		(2,146)
Profit attributable to owners of parent			5,916		5,916
Purchase of treasury shares				(2,399)	(2,399)
Disposal of treasury shares				261	261
Net changes in items other than shareholders' equity					
Total changes during period	115	115	3,770	(2,138)	1,862
Balance at end of period	5,650	7,673	68,226	(3,066)	78,484

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	362	8,227	8,590	859	57	86,129
Changes during period						
Issuance of new shares						230
Dividends of surplus						(2,146)
Profit attributable to owners of parent						5,916
Purchase of treasury shares						(2,399)
Disposal of treasury shares						261
Net changes in items other than shareholders' equity	215	7,059	7,274	(163)	3	7,114
Total changes during period	215	7,059	7,274	(163)	3	8,977
Balance at end of period	577	15,286	15,864	696	61	95,106

## Consolidated Statement of Cash Flows

(Millions of yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
<b>Cash flows from operating activities</b>		
Profit before income taxes	9,284	8,859
Depreciation	7,960	9,728
Impairment losses	1,296	1,903
Amortization of goodwill	485	1,089
Loss on retirement of non-current assets	112	77
Gain on reversal of share acquisition rights	(1,632)	-
Interest and dividend income	(153)	(177)
Interest expenses	706	810
Foreign exchange losses (gains)	257	(833)
Decrease (increase) in trade receivables	(33)	(480)
Decrease (increase) in inventories	(1,803)	(4,540)
Increase (decrease) in trade payables	(437)	(1,140)
Increase (decrease) in provision for bonuses	9	185
Other, net	1,123	682
Subtotal	17,175	16,165
Interest and dividends received	145	179
Interest paid	(557)	(805)
Income taxes paid	(2,819)	(3,699)
Net cash provided by (used in) operating activities	13,944	11,839
<b>Cash flows from investing activities</b>		
Purchase of intangible assets	(3,467)	(1,288)
Purchase of property, plant and equipment	(14,021)	(15,210)
Proceeds from sale of property, plant and equipment	6	5
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(2,066)	-
Other, net	(112)	4
Net cash provided by (used in) investing activities	(19,661)	(16,488)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(145)	1,837
Proceeds from long-term borrowings	16,140	-
Repayments of long-term borrowings	(1,836)	(1,270)
Proceeds from issuance of bonds	9,954	-
Redemption of bonds	(166)	(166)
Redemption of convertible bond-type bonds with subscription rights to shares	(23,000)	-
Purchase of treasury shares	(1,140)	(2,399)
Proceeds from sale of treasury shares	791	281
Repayments of lease liabilities	(2,029)	(2,173)
Proceeds from sale and leaseback transactions	4,050	-
Dividends paid	(1,904)	(2,145)
Other, net	0	0
Net cash provided by (used in) financing activities	714	(6,037)
Effect of exchange rate change on cash and cash equivalents	153	1,231
Net increase (decrease) in cash and cash equivalents	(4,848)	(9,454)
Cash and cash equivalents at beginning of period	46,713	41,864
Cash and cash equivalents at end of period	41,864	32,410

## (5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Additional information)

(Transaction to grant the Company's shares to employees, etc. through the trust)

We conducted transactions to grant the Company's shares to the Employee Shareholder Association through the trust with the purpose of enhancing employee benefits and providing incentives for improving the Company's corporate value.

### 1. Overview of Transaction

We reintroduced the Employee Stock Ownership Plan (Stock Benefit Trust; hereinafter, the "Plan") for the Employee Shareholder Association in June 2024. It is an employee incentive plan similar to the Stock Benefit Trust (Employee Shareholder Association Purchase-Type) introduced in September 2021.

The Plan is an employee benefit program designed mainly with reference to the Employee Stock Ownership Plan (ESOP), an employee compensation package widely used in the U.S. as part of an employee incentive plan, and the "Report on Company Stock Holding Schemes" released by the Ministry of Economy, Trade and Industry of Japan on November 17, 2008.

We will establish a trust in which members of the Shareholder Association who satisfy a certain set of requirements are beneficiaries, and the said trust will acquire the number of the Company's shares that the Shareholder Association is expected to acquire during the trust period within the predetermined share-acquisition period. Then, the trust will sell the Company's shares to the Shareholder Association on the same day every month. If the trust has generated profits due to a rise in share prices or otherwise at the time of expiration of the trust, cash will be distributed to employees who satisfy the beneficiary requirements. If, on the other hand, the trust incurred a loss on transfer due to a decline in share prices and a debt pertaining to trust assets remains, there will be no additional burden on the part of employees as we will pay off the outstanding loan balance en bloc to the bank pursuant to warranty provisions of the non-recourse loan agreement.

### 2. Residual Company's Shares Held in the Trust

The residual Company's shares held in the Trust are recorded at the book value in the trust (excluding incidental expenses) as treasury shares under net assets. The book value and number of shares of such treasury shares were ¥928 million and 713 thousand shares, respectively, for the previous fiscal year, and ¥666 million and 512 thousand shares, respectively for the fiscal year under review.

### 3. Book Value of Borrowings Recorded Through the Application of Total Amount Method

¥938 million for the previous consolidated fiscal year, ¥645 million for the fiscal year under review.

(Segment information)

[Segment Information]

#### 1. Overview of reportable segments

Reportable segments of the Group are components of the Group for which separate financial information is available and such information is evaluated regularly by the Board of Directors in deciding allocation of resources and in assessing performance.

Considering the similarity of products and services and their importance, the Vision Care Business is determined to be the reportable segment of the Group.

The Vision Care Business carries out the production and sales of contact lenses, lens care products, and products related thereto.

#### 2. Calculation method for net sales, profit (loss), assets, liabilities and other items by reportable segment

The method of accounting treatment for the reportable business segment is the same as that adopted for preparation of consolidated financial statements.

Profit of the reportable segment is on an operating profit basis.

Inter-segment profit and transfers are based on market prices.

During the fiscal year ended March 31, 2026, the provisional accounting treatment for a business combination was finalized. Accordingly, the figures for the fiscal year ended March 31, 2025 reflect the finalized accounting treatment.

### 3. Information on net sales, profit (loss), assets, liabilities and other items by reportable segment

Fiscal year from April 1, 2024 to March 31, 2025

(Millions of yen)

	Reportable segment	Others (Note)	Total
	Vision Care Business		
Net sales			
Net sales to external customers	112,327	9,163	121,491
Inter-segment net sales or transfers	—	0	0
Total	112,327	9,164	121,492
Segment profit (loss)	16,969	(1,147)	15,822
Segment assets	158,782	7,071	165,854
Other items			
Depreciation	7,432	37	7,469
Increase in property, plant and equipment and intangible assets	16,601	18	16,619

(Note) “Others” is a business segment not included in the reportable segment and includes the healthcare and life care businesses.

Fiscal year under review (from April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segment	Others (Note)	Total
	Vision Care Business		
Net sales			
Net sales to external customers	116,523	9,081	125,605
Inter-segment net sales or transfers	—	0	0
Total	116,523	9,082	125,606
Segment profit (loss)	17,468	(862)	16,605
Segment assets	175,123	5,880	181,004
Other items			
Depreciation	9,234	16	9,250
Increase in property, plant and equipment and intangible assets	14,986	11	14,997

(Note) “Others” is a business segment not included in the reportable segment and includes the healthcare and life care businesses.

4. Differences between the total amount of the reportable segment and the amount stated in consolidated financial statements, and major breakdown of such differences (Reconciliation)

Net sales	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Reportable segment total	112,327	116,523
Net sales of “Others”	9,164	9,082
Elimination of inter-segment transactions	(0)	(0)
Net sales stated in consolidated financial statements	121,491	125,605

(Millions of yen)

Profit	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Reportable segment total	16,969	17,468
Profit (Loss) of “Others”	(1,147)	(862)
Corporate expenses (Note)	(5,810)	(6,369)
Operating profit stated in consolidated financial statements	10,012	10,236

(Note) Corporate expenses are mainly general and administrative expenses not attributable to the reportable segment.

(Millions of yen)

Assets	As of March 31, 2025	As of March 31, 2026
Reportable segment total	158,782	175,123
Assets of “Others”	7,071	5,880
Corporate assets (Note)	21,736	13,636
Assets stated in consolidated financial statements	187,590	194,640

(Note) Corporate assets are mainly cash and deposits of the head office and the head office building, which are not attributable to the reportable segment.

(Millions of yen)

Other items	Reportable segment total		Others		Adjustment		Amounts stated in consolidated financial statements	
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Depreciation	7,432	9,234	37	16	490	477	7,960	9,728
Increase in property, plant and equipment and intangible assets	16,601	14,986	18	11	163	173	16,782	15,171

(Note) Adjustment of the increase in property, plant and equipment and intangible assets corresponds to capital investment for the equipment of head office.

[Related Information]

Fiscal year from April 1, 2024 to March 31, 2025

1. Information by product/service

	MELS Plan	Manufacture and sales of contact lenses and care products	Others	Total
Net sales to external customers	49,783	54,825	16,882	121,491

(Note) "Others" includes the healthcare and life care businesses.

2. Geographical information

(1) Net sales

(Millions of yen)

Japan	Europe	North America	Asia	Others	Total
84,720	14,442	2,565	18,718	1,045	121,491

(Note) 1. Net sales are classified according to countries or regions based on the locations of customers.

2. "Asia" includes the sales in China of ¥15,153 million.

(2) Property, plant and equipment

(Millions of yen)

Japan	Europe	North America	Asia	Others	Total
38,964	6,702	25	37,369	2	83,064

(Note) 1. Property, plant and equipment are classified according to countries or regions based on the locations of property, plant and equipment.

2. "Asia" includes property, plant and equipment in Malaysia and Singapore of ¥27,840 million and ¥8,349 million, respectively

3. Information by major customer

This information is not stated because, of net sales to external customers, no customer represents 10% or more of net sales stated in the consolidated statements of income.

Fiscal year under review (from April 1, 2025 to March 31, 2026)

1. Information by product/service

(Millions of yen)

	MELS Plan	Manufacture and sales of contact lenses and care products	Others	Total
Net sales to external customers	50,687	57,518	17,398	125,605

(Note) “Others” includes the healthcare and life care businesses.

2. Geographical information

(1) Net sales

(Millions of yen)

Japan	Europe	North America	Asia	Others	Total
86,876	16,062	3,455	18,124	1,087	125,605

- (Note)
1. Net sales are classified according to countries or regions based on the locations of customers.
  2. “Asia” includes the sales in China of ¥13,866 million.

(2) Property, plant and equipment

(Millions of yen)

Japan	Europe	North America	Asia	Others	Total
40,324	8,167	126	46,207	8	94,833

- (Note)
1. Property, plant and equipment are classified according to countries or regions based on the locations of property, plant and equipment.
  2. “Asia” includes property, plant and equipment in Malaysia of ¥37,258 million.

3. Information by major customer

This information is not stated because, of net sales to external customers, no customer represents 10% or more of net sales stated in the consolidated statements of income.

[Information on impairment loss of non-current assets by reportable segment]

Fiscal year from April 1, 2024 to March 31, 2025

	Reportable segment	Others (Note)	Corporate/elimination	Total
	Vision Care Business			
Impairment loss	1,462	—	—	1,462

- (Note) 1. “Others” includes the healthcare and life care businesses.  
 2. Of the impairment losses recorded for the current consolidated fiscal year, ¥166 million is included in business structure improvement expenses under extraordinary losses.

Fiscal year under review (from April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segment	Others (Note)	Corporate/elimination	Total
	Vision Care Business			
Impairment loss	2,003	—	—	2,003

- (Note) 1. “Others” includes the healthcare and life care businesses.  
 2. Of the impairment losses recorded for the current consolidated fiscal year, ¥99 million is included in business structure improvement expenses under extraordinary losses.

[Information on amortization of goodwill and unamortized balance by reportable segment]

Fiscal year from April 1, 2024 to March 31, 2025

(Millions of yen)

	Reportable segment	Others (Note)	Corporate/elimination	Total
	Vision Care Business			
Amortization	485	—	—	485
Unamortized balance	3,227	—	—	3,227

- (Note) 1. “Others” includes the healthcare and life care businesses.  
 2. During the fiscal year ended March 31, 2026, the provisional accounting treatment for a business combination was finalized. Accordingly, the figures for the fiscal year ended March 31, 2025 reflect the finalized accounting treatment.

Fiscal year under review (from April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segment	Others (Note)	Corporate/elimination	Total
	Vision Care Business			
Amortization	1,089	—	—	1,089
Unamortized balance	2,768	—	—	2,768

- (Note) “Others” includes the healthcare and life care businesses.

[Information on gain on bargain purchase by reportable segment]

Fiscal year from April 1, 2024 to March 31, 2025

Not applicable.

Fiscal year under review (from April 1, 2025 to March 31, 2026)

Not applicable.

(Per share information)

	Previous fiscal year (from April 1, 2024 to March 31, 2025)	Fiscal year under review (from April 1, 2025 to March 31, 2026)
Net assets per share	Yen 1,122.21	Yen 1,271.61
Basic earnings per share	73.72	79.11
Diluted earnings per share	68.86	78.70

- (Note) 1. The shares of the company remaining in the Trust recorded as treasury stock in shareholders' equity are included in the treasury stock to be deducted in the calculation of the average number of shares during the period in the calculation of net income per share, and per share. For the calculation of net assets, it is included in the number of treasury stock to be deducted from the total number of issued shares at the end of the fiscal year. The average number of treasury stock deducted during the period for calculating net income per share was 625,512 shares for the previous fiscal year and 605,219 shares for the current fiscal year, and the number of treasury stock deducted at the end of the fiscal year for calculating net asset value per share was 713,900 shares for the previous fiscal year and 512,400 shares for the current fiscal year.
2. Although provisional accounting treatment for a business combination was applied in the previous consolidated fiscal year, it was finalized in the current consolidated fiscal year. Accordingly, per-share information for the previous consolidated fiscal year has been revised to reflect the finalized accounting treatment.
3. The basis for calculation of basic earnings per share and diluted earnings per share is as follows.

	Fiscal year under review (from April 1, 2024 to March 31, 2025)	Fiscal year under review (from April 1, 2025 to March 31, 2026)
(1) Basic earnings per share		
Profit attributable to owners of parent (Millions of yen)	5,597	5,916
Amount not attributable to common shareholders (Millions of yen)	—	—
Profit attributable to owners of parent pertaining to shares of common stock (Millions of yen)	5,597	5,916
Average number of shares of common stock (shares)	75,935,036	74,786,444
(2) Diluted earnings per share		
Adjusted profit attributable to owners of parent (Millions of yen)	19	-
Increase in the number of shares of common stock (shares)	5,647,516	392,009
[Convertible bond-type bonds with share acquisition rights (shares)]	(5,242,088)	(-)
[Share acquisition rights (shares)]	(405,428)	(392,009)
Summary of Residual securities not included in the calculation of diluted earnings per share because of no dilutive effect	—	—

4. The basis for calculation of net assets per share is as follows.

	Previous fiscal year (as of March 31, 2025)	Fiscal year under review (as of March 31, 2026)
Total net assets (Millions of yen)	86,129	95,106
Amount to be deducted from total net assets (Millions of yen)	917	757
[Share acquisition rights (Millions of yen)]	(859)	(696)
[Non-controlling interests (Millions of yen)]	(57)	(61)
Net assets pertaining to shares of common stock at end of period (Millions of yen)	85,211	94,349
Number of shares of common stock at end of period used for calculation of net assets per share (shares)	75,931,864	74,196,464

(Significant subsequent events)

Not applicable.