

Summary of Consolidated Financial Results for the Fiscal Year Ended August 31, 2026 (Based on Japanese GAAP)

October 15, 2026

Company name: MANI, INC.
 Stock exchange listing: Tokyo
 Stock code: 7730 URL <https://www.mani.co.jp/en/>
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 Scheduled date of annual general meeting of shareholders: November 26, 2026
 Scheduled date to submit securities report: November 20, 2026
 Scheduled date to commence dividend payments: November 12, 2026
 Preparation of supplementary material on financial results: Yes Scheduled to be disclosed on October 15, 2026
 Holding of financial results meeting: Yes (For analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the fiscal year ended August 31, 2026 (from September 1, 2025 to August 31, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes)

	Net Sales		Operating income		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended August 31, 2026	33,018	10.2	9,943	21.4	10,554	27.6	7,237	55.9
Year ended August 31, 2025	29,968	5.1	8,193	(2.4)	8,271	(2.3)	4,643	(26.1)

Note: Comprehensive income:
 For the fiscal year ended August 31, 2026 ¥9,364 million 85.8%
 For the fiscal year ended August 31, 2025 ¥5,040 million (17.5%)

	Earnings per share	Diluted earnings per share	Return on equity	Return on assets	Operating margin
	Yen	Yen	%	%	%
Year ended August 31, 2026	73.47	—	12.9	17.2	30.1
Year ended August 31, 2025	47.14	—	8.8	14.4	27.3

Reference: Share of profit (loss) of entities accounted for using equity method
 As of August 31, 2026 ¥15 million
 As of August 31, 2025 ¥ - million

(2) Consolidated financial position

	Total assets	Net assets	Equity capital ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of August 31, 2026	65,087	58,986	90.6	598.94
As of August 31, 2025	57,987	53,561	92.4	543.76

Reference: Equity
 As of August 31, 2026 ¥58,986 million
 As of August 31, 2025 ¥53,561 million

(3) Consolidated cash flows

	Cash flow from operating activities	Cash flow from investing activities	Cash flow from financing activities	Cash and cash equivalents at end of year
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended August 31, 2026	11,844	(855)	(3,999)	25,677
Year ended August 31, 2025	7,017	(7,154)	(3,895)	17,401

2. Cash dividends

	Annual dividends per share					Total dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended August 31, 2025	—	16.00	—	23.00	39.00	3,841	82.7	7.3
Year ended August 31, 2026	—	17.00	—	24.00	41.00	4,038	55.8	7.2
Year ending August 31, 2027	—	18.00	—	24.00	42.00		54.4	

3. Forecast of consolidated financial results for the fiscal year ending August 31, 2027 (from September 1, 2026 to August 31, 2027)

(Percentages indicate year-on-year changes)

	Net Sales		Operating income		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Second quarter	17,700	9.9	5,000	(1.9)	5,000	(11.0)	3,500	(10.2)	35.54
Full year	36,500	10.5	10,800	8.6	10,900	3.3	7,600	5.0	77.17

※ Notes

(1) Significant changes in the scope of consolidation during the annual period: None

Newly included: —

Excluded: —

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

① Changes in accounting policies due to revisions to accounting standards and other regulations: None

② Changes in accounting policies due to other reasons: None

③ Changes in accounting estimates: None

④ Restatement: None

(3) Number of issued shares (common shares)

① Total number of issued shares at the end of the period (including treasury shares)

As of August 31, 2026	107,003,277 shares	As of August 31, 2025	107,003,277 shares
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② Number of treasury shares at the end of the period

As of August 31, 2026	8,518,633 shares	As of August 31, 2025	8,500,674 shares
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③ Average number of shares during the period (cumulative from the beginning of the fiscal year)

As of August 31, 2026	98,502,552 shares	As of August 31, 2025	98,500,211 shares
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* The financial statement is not subject to audit by certified public accountants or auditing firms.

* Proper use of earnings forecasts and other special matters:

The forward-looking statements, including earnings forecasts, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual business and other results may differ substantially due to various factors.

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Overview of Operating Results and Major Initiatives

(1) Key Initiatives During the Fiscal Year

MANI Group aims to contribute to the well-being of people around the world by providing our products worldwide, guided by our mission, “The Best Quality in the World, to the World.” To achieve further growth, we launched a new medium-term management plan, “Medium-Term Management Plan 2029,” starting from the fiscal year ending August 31, 2026. As we move toward becoming a centennial company, we are pursuing a robust growth strategy that reflects MANI’s unique characteristics, such as our commitment to the “Best Quality in the World” and our “trade-off management” approach, to create corporate value.

(Details for Medium-Term Management Plan 2029: <https://mani.co.jp/en/ir/library/plan/>)

The main initiatives during the fiscal year ended August 31, 2026 are as follows:

Sales of MANI DIA-BURS Resumed in China in November 2025, achieving the initial sales target ahead of schedule

Regarding the “MANI DIA-BURS (classified as dental diamond burs)” that the Company manufactures and sells, the Company conducted a voluntary recall in March 2025 and substantially completed the recall by August.

Following approval from Chinese regulatory authorities on October 29, 2025, we officially resumed sales in November 2025. Driven by proactive sales and marketing activities conducted by our Chinese sales subsidiary, orders from many customers, including distributors and end-users, have resumed. As a result, sales recovery has exceeded our initial expectations. During this fiscal year, sales recovered to ¥2.2 billion, equivalent to 88% of the pre-recall level, progressing ahead of our original target of reaching approximately 90% within two years.

(Millions of yen)

	Fiscal Year Ended August 31, 2024	Fiscal Year Ended August 31, 2025	Fiscal Year Ended August 31, 2026				
	Full-Year	Full-Year	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full-Year
	Results	Results	Results	Results	Results	Results	Results
Sales of China Dental (Index)	3,939 (100%)	2,467 (63%)	740 (60%)	1,121 (136%)	983 (94%)	853 (102%)	3,698 (94%)
Sales of dia- burs (Index)	2,553 (100%)	1,497 (59%)	298 (37%)	831 (156%)	579 (87%)	529 (98%)	2,238 (88%)

Index: Ratio to results of fiscal year ended August 31, 2024 for the relevant period

Progress in New Product Development

One of the key priorities of the Medium-Term Management Plan 2029 is to substantially enhance our R&D capabilities and develop the next generation of core products. In fiscal year ended August 31, 2026, we launched a “New Product Development Project” aimed at creating new products that will drive our future growth.

Below is an update on the progress of new products that have been under development since the previous medium-term management plan.

NiTi Rotary Files “JIZAI”	• Launched in 2021, with sales mainly in Japan, India, and Vietnam • Designed to offer superior root canal centering ability Going forward • Obtained regulatory approval in China and commenced commercial operations in September 2026 • Launched sales promotion for JIZAI-2, which offers enhanced cutting performance, in Japan • Commenced mass production at the smart factory in September 2026
Vitreous Forceps	• Launched in 2023, primarily in Japan • Developed to offer high rigidity and precision Going forward • Developed 27G and 25G models with improved grip, launched in Japan in April 2026 • Plan to commence automated mass production at the smart factory in August 2028 • Plan to expand into Europe, U.S., China, and India

Progress at the Dental Restorative Materials Business at German Subsidiary MANI MEDICAL GERMANY GmbH

As part of efforts to turn around the performance of German subsidiary MANI MEDICAL GERMANY GmbH (hereinafter MMG), the Company decided to implement the following three reform initiatives, aiming to strengthen competitiveness and achieve sustainable growth in the dental business in Europe.

1. Selection and Focus on the OEM Business

The Company is reviewing transaction terms with approximately 80 OEM customers and will focus on customers with whom it can enhance growth potential and profitability through co-creation.

2. Shift toward a Business Centered on Own-Brand Products Business

In September 2025, we launched three own-brand products in Europe: MANIFill (dental filling material), MANIBond (dental bonding material), and MANIShine (dental bleaching material). We are also expanding these products into Asia and other markets by leveraging the MANI Group's sales network. In addition, we aim to improve profitability through the standardization of production and supply chain management.

3. Establishing MMG as a European Sales Hub for MANI Dental Products

In addition to dental restorative materials, we will transfer the dental business, including burs and files, to MMG to strengthen customer engagement in Europe, drive sales growth, and improve sales efficiency.

Share Acquisition in German Distributor iRIS EYE GmbH (Equity-Method Affiliate)

On December 22, 2025, we acquired 36.67% of the issued shares of iRIS EYE GmbH (hereinafter "iRIS"), our ophthalmic product sales distributor in Germany, making iRIS an equity-method affiliate of the MANI Group. To achieve further growth in the global surgical business centered on ophthalmic products, we position Europe as one of our key regions and will strengthen our sales functions with iRIS as the core.

Related press release: <https://ssl4.eir-parts.net/doc/7730/announcement2/116520/00.pdf>

Capital and Business Alliance with Odne AG

To strengthen our dental product portfolio, we entered into a capital and business alliance agreement with Odne AG, a Swiss dental medical device startup company. Through this partnership, the Company will expand into the irrigation and obturation segments of endodontic treatment, enabling us to cover the entire root canal treatment workflow from shaping to restoration.

Under the agreement, the Company will make an investment in Odne AG and obtain exclusive distribution rights for Odne products in Japan. The parties also plan to discuss collaboration regarding expansion into Asian markets and product manufacturing.

Related press release: https://ssl4.eir-parts.net/doc/7730/ir_material10/285744/00.pdf

(2) Explanation of Financial Position and Cash Flows for the Fiscal Year Ended August 31, 2026**Record High Consolidated Results**

Net sales increased 10.2% year on year to ¥33,018 million, driven by continued depreciation of the Japanese yen, which boosted overseas sales, as well as strong growth in dental-related products, supported by the resumption of diamond bur sales in China and increased sales in India. Sales were also positively impacted by robust demand for surgical products in Europe and North America and higher sales of eyeless needle products in Asian markets, including China, Thailand, and India.

Gross profit increased 13.8% year on year to ¥21,976 million, reflecting higher sales and an improvement in the cost of sales ratio following the resumption of diamond bur sales. Although the impact of year-end bonuses recorded in the previous fiscal year was eliminated, selling, general and administrative expenses increased to ¥12,032 million, up 8.2% year on year, mainly due to growth-related investments, including higher personnel expenses at the headquarters and costs associated with the launch of operations at our U.S. subsidiary, MANI MEDICAL AMERICA, INC., as well as ongoing organizational restructuring at MMG.

As a result, growth in net sales and gross profit more than offset these cost increases, and operating profit rose 21.4% year on year to ¥9,943 million. In addition to the increase in operating profit, the Company recorded foreign exchange gains due to the depreciation of the Japanese yen, resulting in ordinary profit of ¥10,554 million, up 27.6% year on year. Profit attributable to owners of parent increased 55.9% year on year to ¥7,237 million. The Company also recorded an impairment loss of ¥302 million as an extraordinary loss related to the closure of the Takanezawa factory.

The following is an overview of financial results by segment. Segment sales figures are those from external customers.

	Net sales		Segment income (Operating income)	
	Millions of yen	Year on year	Millions of yen	Year on year
Surgical products	10,172	9.7%	3,551	15.3%
Eyeless Needle products	12,098	8.2%	4,678	16.9%
Dental products	10,748	13.0%	1,713	54.3%
Consolidated total	33,018	10.2%	9,943	21.4%

(Surgical products)

The segment sales were ¥10,172 million (up 9.7% year on year), and the Segment income was ¥3,551 million (up 15.3% year on year). Sales of ophthalmic knives used in cataract surgery remained strong in Europe and North America. In China, however, sales declined slightly due to the continued impact of changes in the market environment resulting from healthcare policies and inventory adjustments by distributors. Segment income increased, driven by higher sales and an improvement in the gross profit margin resulting from price increases.

(Eyeless Needle products)

The segment sales were ¥12,098 million (up 8.2% year on year), and the Segment income was ¥4,678 million (up 16.9% year on year). Sales and Segment income increased, primarily due to higher shipments in Asian markets, including China, Thailand, and India. In China, several of our eyeless needle customers secured GPO contracts across multiple provinces. In response, shipments of eyeless needles from MANI to these customers increased from the second half of fiscal year ended August 31, 2026. In Thailand and India, the Company's eyeless needles were selected for new projects by global manufacturers, demonstrating strong customer recognition of the Company's high product quality.

(Dental products)

The segment sales were ¥10,748 million (up 13.0% year on year), and the Segment income was ¥1,713 million (up 54.3% year on year). Sales increased, primarily due to a significant increase in diamond bur sales following the resumption of sales in China and strong sales growth in India. For MMG's dental restorative materials (OEM products), sales to a major customer in North America remained strong, while sales to a major customer in Europe were weak. MMG has been developing its own-brand products business in Europe as part of its medium- to long-term growth strategy.

Segment income recovered significantly from the previous fiscal year, driven by higher sales following the resumption of diamond bur sales in China and an improvement in the gross profit margin.

※Reference: Exchange rates

	Previous consolidated accounting period (Year ended August 31, 2025)				Current consolidated accounting period (Year ended August 31, 2026)			
	1Q (3M)	2Q (6M)	3Q (9M)	4Q (12M)	1Q (3M)	2Q (6M)	3Q (9M)	4Q (12M)
USD/JPY	149.03	151.57	149.77	148.91	151.50	153.73	155.42	156.73
EUR/JPY	161.99	161.25	161.51	163.62	176.38	179.85	181.52	182.37
CNY/JPY	20.88	21.00	20.71	20.63	21.28	21.82	22.28	22.65
INR/JPY	1.77	1.78	1.76	1.74	1.71	1.72	1.71	1.70

(3) Explanation of Financial Position and Cash Flows for the Fiscal Year Ended August 31, 2026**i). Financial position**

(Millions of yen)

	As of August 31, 2025	As of August 31, 2026	Change
Total assets	57,987	65,087	7,099
Current assets	29,978	37,288	7,310
Non-current assets	28,009	27,798	(210)
Liabilities	4,425	6,101	1,675
Net assets	53,561	58,986	5,424

Total assets as of the fiscal year ended August 31, 2026 stood at ¥65,087 million, an increase of ¥7,099 million from the end of the previous consolidated accounting period. This was mainly due to an increase of ¥7,310 million in current assets, primarily reflecting an increase in cash and deposits of ¥8,070 million, partially offset by a decrease in other current assets of ¥887 million due to refunds of consumption taxes receivable and other factors. Non-current assets decreased by ¥210 million, mainly due to a decrease in property, plant and equipment of ¥742 million, despite an increase in investments and other assets of ¥682 million.

Total liabilities as of the fiscal year ended August 31, 2026 stood at ¥6,101 million, a increase of ¥1,675 million from the end of the previous consolidated accounting period. This was mainly due to an increase of ¥1,713 million in current liabilities, primarily reflecting increases in accounts payable, income taxes payable and bonus provisions.

Total net assets as of the fiscal year ended August 31, 2026 stood at ¥58,986 million, an increase of ¥5,424 million from the end of the previous consolidated accounting period. This was primarily due to a decrease in retained earnings from dividend payments of ¥3,938 million, an increase from net income attributable to owners of the parent of ¥7,237 million, and an increase of ¥2,062 million in foreign currency translation adjustments due to the depreciation of the yen.

ii). Cash flows

(Millions of yen)

	Year ended August 31, 2025	Year ended August 31, 2026	Change
Cash flows from operating activities	7,017	11,844	4,827
Cash flows from investing activities	(7,154)	(855)	6,298
Cash flows from financing activities	(3,895)	(3,999)	(103)
Effect of exchange rate change on cash and cash equivalents	417	1,286	869
Cash and cash equivalents at beginning of period	21,017	17,401	(3,615)
Cash and cash equivalents at end of period	17,401	25,677	8,275

During the fiscal year ended August 31, 2026, the cash flows and factors contributing to those amounts are as follows.

(Cash flows from operating activities)

Cash inflows from operating activities were ¥11,844 million (up 68.8% year on year). This was mainly due to a substantial increase in operating cash flow, driven by higher profit before income taxes and temporary cash inflows such as refunds of consumption taxes receivable.

(Cash flows from investing activities)

Cash outflows from investing activities were ¥855 million (down 88.0% year on year). This was mainly attributable to lower expenditures for the acquisition of property, plant and equipment following the completion of construction of the Hanaoka Factory, as well as increased proceeds from the withdrawal of time deposits and the redemption of marketable securities.

(Cash flows from financing activities)

Cash outflows from financing activities were ¥3,999 million (up 2.7% year on year). This was mainly attributable to dividend payments of ¥3,938 million.

(4) Future OutlookAssumed exchange rates

The assumed exchange rate is set at a strong yen level in consideration of the exchange rate fluctuation risks.

(1 USD = 150.00 JPY, 1 EUR = 175.00 JPY, 1 CNY = 22.00 JPY, 1 INR = 1.70 JPY)

The Group's overseas sales accounted for approximately 85% of total sales in fiscal year ended August 31, 2026. As a result, our business performance is affected by foreign exchange fluctuations, with appreciation of the yen representing a risk factor. On the other hand, a portion of our manufacturing costs is denominated in Vietnamese dong, which generally moves in line with the U.S. dollar, thereby partially mitigating the impact of foreign exchange fluctuations.

Net sales: ¥36,500 million (up 10.5% year on year)

Surgical products: We expect sales of ophthalmic knives used in cataract surgery and other procedures, as well as skin stapler, to increase. For ophthalmic knives, we will continue to expand our market share in our key markets of Japan and Europe. In China, we expect sales to return to a growth trajectory in fiscal year ending August 31, 2027 as distributor inventories normalize. We will also focus on expanding sales in India and Southeast Asia.

Eyeless Needle products: Shipments of eyeless needles in China are expected to increase as a result of GPO contracts awarded to the Company's customers in the region. In addition, the Company expects increased shipments of eyeless needles to global manufacturers with production facilities in Thailand, India and other countries, as well as growth in sales of high value-added products such as microsurgical needles.

Dental products: We expect sales growth driven by the launch of its new NiTi rotary file, JIZAI, in China. Further growth in sales of reamers, files and diamond burs is expected, supported by sales expansion initiatives in emerging Asian markets and the increasing role of MMG as the Company's dental business hub in Europe.

In MMG's dental restorative materials business, sales of own-brand products launched in the previous fiscal year are expected to expand, particularly in Europe, while sales of existing OEM products to major customers in North America are also expected to increase.

Cost of sales: ¥12,350 million (up 11.8% year on year)

Although depreciation expenses are expected to increase as the Hanaoka Factory becomes fully operational, we expect to maintain the cost of sales ratio at approximately the same level as the previous fiscal year through cost reduction initiatives and other measures.

Selling, general and administrative expenses: ¥13,350 million (up 11.0% year on year)

We will continue to implement the growth initiatives and strengthen our management foundation in line with the Medium-Term Management Plan. In particular, we expect higher expenses associated with strengthening the operations of our sales subsidiaries in the U.S. and India, advancing IT and digital transformation (DX), and enhancing our global regulatory affairs capabilities. Although depreciation expenses will increase as the Hanaoka Factory becomes fully operational, we expect to maintain the SG&A expense ratio at approximately the same level as the previous fiscal year.

Operating income: ¥10,800 million (up 8.6% year on year)

We expect growth in sales across all product segments to offset increases in selling, general and administrative expenses, resulting in higher operating profit.

Consolidated Earnings Forecast

(Millions of yen)

	Net sales	Operating income	Ordinary profit	Profit attributable to owners of parent	Net profit per share (yen)
Year ended August 2027 (Forecast)	36,500	10,800	10,900	7,600	77.17
Year ended August 2026 (Actual)	33,018	9,943	10,554	7,237	73.47
Year on year	10.5%	8.6%	3.3%	5.0%	5.0%

(5) Basic Policy on Profit Distribution and Dividends for the Current and Next Fiscal Years

For the current fiscal year, there will be no change from the initial forecast, and the dividend will be set at 41 yen per share (¥17 interim dividend, ¥24 year-end dividend).

For the next fiscal year, we plan to increase the dividend by ¥1, resulting in ¥42 per share (¥18 interim dividend, ¥24 year-end dividend). By executing the financial management outlined in the medium-term management plan announced on October 8, 2025, we aim to achieve stable dividend increases and enhance shareholder returns.

2. Basic Policy Regarding Selection of Accounting Standards

Our Group policy is to prepare its consolidated financial statements in accordance with Japanese GAAP for the time being, considering the comparability of the consolidated financial statements between periods and between companies.

Our Group's policy on applying International Financial Reporting Standards (IFRS) is to respond appropriately based on considerations of various conditions in Japan and overseas.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Millions of yen)

	As of August 31, 2025	As of August 31, 2026
Assets		
Current assets		
Cash and deposits	18,424	26,494
Notes receivable - trade	122	119
Accounts receivable - trade	2,851	2,834
Securities	310	4
Merchandise and finished goods	744	1,036
Work in process	3,147	3,022
Raw materials and supplies	2,446	2,730
Other	1,935	1,048
Allowance for doubtful accounts	(3)	(3)
Total current assets	29,978	37,288
Non-current assets		
Property, plant and equipment		
Buildings and structures	19,680	20,530
Accumulated depreciation	(6,298)	(7,253)
Buildings and structures, net	13,382	13,276
Machinery, equipment and vehicles	17,996	20,276
Accumulated depreciation	(13,859)	(15,978)
Machinery, equipment and vehicles, net	4,136	4,297
Tools, furniture and fixtures	2,542	2,862
Accumulated depreciation	(1,856)	(2,154)
Tools, furniture and fixtures, net	685	708
Land	4,432	4,324
Construction in progress	3,044	2,326
Other	206	253
Accumulated depreciation	(130)	(171)
Other, net	76	81
Total property, plant and equipment	25,758	25,015
Intangible assets		
Software	557	401
Other	785	791
Total intangible assets	1,342	1,192
Investments and other assets		
Investment securities	63	291
Deferred tax assets	455	706
Insurance funds	248	261
Lease receivables	—	175
Other	141	155
Allowance for doubtful accounts	—	(0)
Total investments and other assets	908	1,590
Total non-current assets	28,009	27,798
Total assets	57,987	65,087

(Millions of yen)

	As of August 31, 2025	As of August 31, 2026
Liabilities		
Current liabilities		
Accounts payable – trade	250	255
Accounts payable – other	582	941
Lease liabilities	49	39
Income taxes payable	1,089	2,032
Provision for bonuses	423	684
Other	1,097	1,252
Total current liabilities	3,494	5,207
Non-current liabilities		
Lease liabilities	27	42
Retirement benefit liability	612	520
Asset retirement obligations	248	283
Other	43	48
Total non-current liabilities	931	894
Total liabilities	4,425	6,101
Net assets		
Shareholders' equity		
Share capital	1,087	1,087
Capital surplus	1,160	1,160
Retained earnings	48,925	52,222
Treasury shares	(3,118)	(3,118)
Total shareholders' equity	48,054	51,351
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2	2
Foreign currency translation adjustment	5,481	7,544
Remeasurements of defined benefit plans	23	87
Total accumulated other comprehensive income	5,507	7,634
Total net assets	53,561	58,986
Total liabilities and net assets	57,987	65,087

(2) Consolidated Income Statements and Consolidated Comprehensive Income Statements

(Consolidated Income Statements)

(Millions of yen)

	Fiscal year ended August 31, 2025	Fiscal year ended August 31, 2026
Net sales	29,968	33,018
Cost of sales	10,650	11,042
Gross profit	19,317	21,976
Selling, general and administrative expenses	11,124	12,032
Operating profit	8,193	9,943
Non-operating income		
Interest income	240	324
Share of profit of entities accounted for using equity Method	—	15
Foreign exchange gains	71	712
Gain on sale of scraps	62	89
Other	27	56
Total non-operating income	402	1,198
Non-operating expenses		
Interest expenses	3	1
Loss on extinguishment share-based compensation expenses	4	51
Unoperated land-related costs	310	518
Other	6	16
Total non-operating expenses	324	588
Ordinary profit	8,271	10,554
Extraordinary income		
Surrender value of insurance policies	15	38
Gain on sale of non-current assets	13	4
Total extraordinary income	28	43
Extraordinary losses		
Loss on sale of non-current assets	1	—
Loss on retirement of non-current assets	17	9
Impairment losses	1,190	302
Other	3	—
Total extraordinary losses	1,212	312
Profit before income taxes	7,087	10,284
Income taxes – current	2,291	3,326
Income taxes – deferred	152	(278)
Total income taxes	2,443	3,047
Profit	4,643	7,237
Profit attributable to owners of parent	4,643	7,237

(Consolidated Comprehensive Income Statements)

(Millions of yen)

	Fiscal year ended August 31, 2025	Fiscal year ended August 31, 2026
Net income	4,643	7,237
Other comprehensive income		
Valuation difference on available-for-sale securities	(8)	(0)
Foreign currency translation adjustment	424	2,059
Remeasurements of defined benefit plans	(18)	64
Share of other comprehensive income of entities accounted for using the equity method	—	3
Total other comprehensive income	397	2,126
Comprehensive income	5,040	9,364
(item)		
Comprehensive income attributable to owners of parent	5,040	9,364

(3) Consolidated Statements of Changes in Net Assets

Fiscal year ended August 31, 2025 (from September 1, 2024 to August 31, 2025)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,087	1,134	48,124	(3,125)	47,220
Changes during period					
Issuance of new shares					
Dividends of surplus			(3,841)		(3,841)
Profit attributable to owners of parent			4,643		4,643
Purchase of treasury shares					
Disposal of treasury shares		25		6	32
Other					
Net changes in items other than shareholders' equity					
Total changes during period	-	25	801	6	833
Balance at end of period	1,087	1,160	48,925	(3,118)	48,054

	Other accumulated comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	11	5,057	42	5,110	52,330
Changes during period					
Issuance of new shares					-
Dividends of surplus					(3,841)
Profit attributable to owners of parent					4,643
Purchase of treasury shares					-
Disposal of treasury shares					32
Other					-
Net changes in items other than shareholders' equity	(8)	424	(18)	397	397
Total changes during period	(8)	424	(18)	397	1,231
Balance at end of period	2	5,481	23	5,507	53,561

Fiscal year ended August 31, 2026 (from September 1, 2025 to August 31, 2026)

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	1,087	1,160	48,925	(3,118)	48,054
Changes during period					
Issuance of new shares					
Dividends of surplus			(3,940)		(3,940)
Profit attributable to owners of parent			7,237		7,237
Purchase of treasury shares				(0)	(0)
Disposal of treasury shares					
Other			0		0
Net changes in items other than shareholders' equity					
Total changes during period	-	-	3,297	(0)	3,297
Balance at end of period	1,087	1,160	52,222	(3,118)	51,351

	Other accumulated comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	2	5,481	23	5,507	53,561
Changes during period					
Issuance of new shares					-
Dividends of surplus					(3,940)
Profit attributable to owners of parent					7,237
Purchase of treasury shares					(0)
Disposal of treasury shares					-
Other					0
Net changes in items other than shareholders' equity	0	2,062	64	2,126	2,126
Total changes during period	0	2,062	64	2,126	5,424
Balance at end of period	2	7,544	87	7,634	58,986

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Fiscal year ended August 31, 2025	Fiscal year ended August 31, 2026
Cash flows from operating activities		
Profit before income taxes	7,087	10,284
Depreciation	2,471	2,437
Impairment losses	1,190	302
Increase (decrease) in allowance for doubtful accounts	(11)	(0)
Increase (decrease) in provision for bonuses	20	251
Increase (decrease) in retirement benefit liability	6	(7)
Interest income	(240)	(324)
Loss (gain) on investments in investment partnerships	1	3
Interest expenses	3	1
Foreign exchange losses (gains)	(336)	(459)
Loss (gain) on Share of profit of entities accounted for using equity method	—	(15)
Loss (gain) on sale of non-current assets	(11)	(4)
Loss on retirement of non-current assets	17	9
Surrender value of insurance policies	(15)	(38)
Decrease (increase) in trade receivables	(35)	85
Decrease (increase) in inventories	99	(85)
Decrease (increase) in other current assets	(968)	991
Increase (decrease) in trade payables	68	(13)
Increase (decrease) in accounts payable - other	(370)	298
Increase (decrease) in other current liabilities	(59)	118
Other, net	73	83
Subtotal	8,989	13,920
Interest received	236	346
Interest paid	(3)	(1)
Income taxes paid	(2,205)	(2,419)
Net cash provided by (used in) operating activities	7,017	11,844
Cash flows from investing activities		
Payments into time deposits	(436)	(562)
Proceeds from withdrawal of time deposits	14	799
Proceeds from sale and redemption of securities	—	300
Purchase of property, plant and equipment	(6,418)	(1,115)
Proceeds from sale of property, plant and equipment	20	10
Purchase of intangible assets	(252)	(32)
Decrease (increase) in guarantee deposits	—	(0)
Purchase of investment securities	(75)	(229)
Proceeds from distribution of investments in business partnership	13	5
Purchase of insurance funds	(49)	(50)
Proceeds from cancellation of insurance funds	31	75
Proceeds from collection of long-term loans receivable	—	17
Payments for long-term loans receivable	—	(73)
Other, net	0	—
Net cash provided by (used in) investing activities	(7,154)	(855)

(Millions of yen)

	Fiscal year ended August 31, 2025	Fiscal year ended August 31, 2026
Cash flows from financing activities		
Repayments of lease liabilities	(54)	(61)
Purchase of treasury shares	—	(0)
Dividends paid	(3,840)	(3,938)
Net cash provided by (used in) financing activities	(3,895)	(3,999)
Effect of exchange rate change on cash and cash equivalents	417	1,286
Net increase (decrease) in cash and cash equivalents	(3,615)	8,275
Cash and cash equivalents at beginning of period	21,017	17,401
Cash and cash equivalents at end of period	17,401	25,677

(5) Notes to Consolidated Financial Statements

(Notes on Premise of Going Concern)

Not applicable.

(Segment Information, etc.)

[Segment Information]

1. Overview of reportable segments

The reportable segments of the Group are constituent units of our Group for which separate financial information is obtainable. These segments are periodically examined by decision-making bodies, such as the Board of Directors, for deciding the allocation of management resources and evaluating business performances.

Our Group formulates comprehensive strategies and conducts business activities in domestic and overseas markets relating to the products it handles.

Therefore, our Group consists of product segments based on manufacturing and sales systems. The three reportable segments are Surgical products, Eyeless Needle products, and Dental products.

The major products belonging to each reportable segment are as follows.

Reportable segments	Major products, etc.
Surgical products	Surgical instruments
Eyeless Needle products	Needles for surgical sutures, surgical sutures, surgical needles
Dental products	Root canal treatment instruments, dental endodontic rotary cutting instruments, dental materials

2. Calculation methods for the amounts of sales, income or loss, assets, liabilities, and other items by reportable segment

The reported accounting method for reportable segments is generally the same as the accounting method of consolidated financial statements.

Profits of reportable segments are figures based on operating income. Intersegment sales or transfers are calculated based on production costs.

As assets are not allocated to business segments, descriptions of assets are omitted.

3. Information on net sales, income or loss, assets, liabilities and other items by reportable segment

Fiscal year ended August 31, 2025 (September 1, 2024, to August 31, 2025)

(Millions of yen)

	Reportable segments				Adjustments	Amount on the consolidated financial statements (Note)
	Surgical products	Eyeless Needle products	Dental products	Total		
Net sales						
Revenues from external customers	9,274	11,183	9,509	29,968	—	29,968
Transactions with other segments	—	1	—	1	(1)	—
Total	9,274	11,184	9,509	29,969	(1)	29,968
Segment income	3,080	4,002	1,110	8,193	—	8,193
Other items						
Depreciation	545	762	940	2,249	222	2,471

Note: 1. Segment income is adjusted for operating income on the consolidated financial statements.

2. Segment assets are not stated because segment assets are not allocated to business segments.

3. Depreciation adjustment of ¥222 million primarily consists of depreciation expenses not attributable to any reportable segment.

Fiscal year ended August 31, 2026 (from September 1, 2025 to August 31, 2026)

(Millions of yen)

	Reportable segments				Adjustments	Amount on the consolidated financial statements (Note)
	Surgical products	Eyeless Needle products	Dental products	Total		
Net sales						
Sales to external customers	10,172	12,098	10,748	33,018	—	33,018
Intersegment sales or transfer	—	1	—	1	(1)	—
Total	10,172	12,100	10,748	33,020	(1)	33,018
Segment income	3,551	4,678	1,713	9,943	—	9,943
Other items						
Depreciation	541	634	878	2,055	382	2,437

Note: 1. Segment income is adjusted for operating income on the consolidated financial statements.

2. Segment assets are not stated because segment assets are not allocated to business segments.

3. Depreciation adjustment of ¥382 million primarily consists of depreciation expenses not attributable to any reportable segment.

【Related Information】

Fiscal year ended August 31, 2025 (September 1, 2024, to August 31, 2025)

1. Information by products and services

This information is omitted because the same information is disclosed in the segment information.

2. Information by regions

(1) Net sales

(Millions of yen)

Japan	Asia		Europe		North America	Others	Total
		Of which, China		Of which, Germany			
4,871	13,426	7,558	5,721	1,407	2,909	3,038	29,968

Note: Sales are classified by country or region based on customer location.

(2) Property, plant and equipment

(Millions of yen)

Japan	Asia		Europe	North America	Total
		Of which, Vietnam			
16,324	6,815	6,403	2,601	17	25,758

Note: Amount classified under Europe is entirely attributable to Germany.

3. Information by major customers

No external customers account for 10% or more of consolidated net sales; therefore, no disclosure is required.

Fiscal year ended August 31, 2026 (September 1, 2025, to August 31, 2026)

1. Information by products and services

This information is omitted because the same information is disclosed in the segment information.

2. Information by regions

(1) Net sales

(Millions of yen)

Japan	Asia		Europe		North America	Others	Total
		Of which, China		Of which, Germany			
4,840	15,574	9,273	6,402	1,637	3,222	2,979	33,018

Note: Sales are classified by country or region based on customer location.

(2) Property, plant and equipment

(Millions of yen)

Japan	Asia		Europe	North America	Total
		Of which, Vietnam			
15,922	6,372	5,944	2,706	14	25,015

Note: Amount classified under Europe is entirely attributable to Germany.

3. Information by major customers

The name of the customer	Net sales	Affiliated Segment
Nachi (Beijing) Medical Technology Co., Ltd.	3,703	Dental products

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

Fiscal year ended August 31, 2025 (from September 1, 2024 to August 31, 2025)

(Millions of yen)

	Surgical products	Eyeless Needle products	Dental products	Unallocated amounts and elimination	Total
Impairment loss	—	—	1,190	—	1,190

Fiscal year ended August 31, 2026 (September 1, 2025, to August 31, 2026)

(Millions of yen)

	Surgical products	Eyeless Needle products	Dental products	Unallocated amounts and elimination	Total
Impairment loss	—	—	14	288	302

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

Fiscal year ended August 31, 2025 (from September 1, 2024 to August 31, 2025)

Not applicable.

Fiscal year ended August 31, 2026 (September 1, 2025, to August 31, 2026)

Not applicable.

[Information on gain on negative goodwill by reportable segment]

Not applicable.

(Revenue Recognition)

1 Breakdown information of revenue from contracts with customers

Fiscal year ended August 31, 2025 (from September 1, 2024 to August 31, 2025)

(Millions of yen)

	Reportable segments			Total
	Surgical products	Eyeless Needle products	Dental products	
Japan	2,635	954	1,282	4,871
Asia	2,433	5,637	5,354	13,426
Europe	2,586	1,642	1,493	5,721
North America	692	1,536	681	2,909
Others	927	1,413	697	3,038
Revenue arising from contracts with customers	9,274	11,183	9,509	29,968
Sales revenue to external customers	9,274	11,183	9,509	29,968

Fiscal year ended August 31, 2026 (September 1, 2025, to August 31, 2026)

(Millions of yen)

	Reportable segments			Total
	Surgical products	Eyeless Needle products	Dental products	
Japan	2,823	997	1,019	4,840
Asia	2,467	6,325	6,780	15,574
Europe	3,039	1,799	1,563	6,402
North America	888	1,497	836	3,222
Others	953	1,479	546	2,979
Revenue arising from contracts with customers	10,172	12,098	10,748	33,018
Sales revenue to external customers	10,172	12,098	10,748	33,018

(Per Share Information, etc.)

Fiscal year ended August 31, 2025 (from September 1, 2024 to August 31, 2025)		Fiscal year ended August 31, 2026 (From September 1, 2025 to August 31, 2026)	
Net assets per share	¥543.76	Net assets per share	¥598.94
Earnings per share	¥47.14	Earnings per share	¥73.47

Note: 1. Diluted earnings per share is not presented because there are no dilutive shares.

2. The basis of calculating earnings per share is as follows:

	Fiscal year ended August 31, 2025 (from September 1, 2024 to August 31, 2025)	Fiscal year ended August 31, 2026 (From September 1, 2025 to August 31, 2026)
Earnings per share		
Profit attributable to owners of parent (Millions of yen)	4,643	7,237
Amounts not attributable to common stock (Millions of yen)	—	—
Profit attributable to owners of parent attributable to common stock (Millions of yen)	4,643	7,237
Average number of shares during the period (thousands of shares)	98,500	98,502

(Significant Subsequent Events)

Not applicable.

4. Others

(1) Changes in officers

1). Changes in other officers

• Candidates for new directors (as of November 26, 2026)

Director: Shuichi Kurita	Current Senior Managing Executive Officer Division Head of Business Division, Department Head of Global Sales Department Department Head of Human Resources Department
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• Candidates for re-election of directors (as of November 26, 2026)

Director: Masaya Watanabe	Current President and Representative Executive Officer Member of Japan Agency for Medical Research and Development Visiting Professor of Health Care Data Science Course, Graduate School of Medicine, Ehime University Adviser of Japan Institute for Health Security (JIHS)
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Director: Kazuo Takahashi

Director: Yosuke Mitsusada	Current Professor of Institute of Management, Sanno University Outside Director of Kyodo Printing Co., Ltd.
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Director: Yukio Matsui	Current Goldman Sachs Asset Management Value Accelerator Operating Advisor Advisor of TOHO HOLDINGS CO., LTD.
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Director: Hiroyuki Sasa	Current Outside Director of Kyosan Electric Manufacturing Co., Ltd. Outside Director of Kanematsu Corporation Outside Director of AMADA CO., LTD.
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Director: Nao Tsuchiya	Current Outside Director of Meiko Electronics Co., Ltd. EVP, Corporate Officer, General Manager of Legal Department of LY Corporation
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Note: Mr. Yosuke Mitsusada, Mr. Yukio Matsui, Mr. Hiroyuki Sasa and Ms. Nao Tsuchiya are candidates for outside directors.

• Retiring directors

Director: Toshihide Takai

2). Changes in executive officers

Not applicable.

(2) Others

Not applicable.