

(Corrected on March 23, 2026)



Consolidated Financial Results
for the Fiscal Year Ended December 31, 2025
[IFRS]

February 12, 2026

Company name: Nissha Co., Ltd.
Stock exchange listing: Tokyo Stock Exchange
Code number: 7915
URL: <https://www.nissha.com/english>
Representative: Junya Suzuki, Chairman of the Board and Group CEO
Contact: Daisuke Inoue, Director of the Board, Senior Executive Vice President, Interim CFO
Phone: +81-75-811-8111
Scheduled date of the Ordinary General Meeting of Shareholders: March 24, 2026
Scheduled date of commencing dividend payments: March 4, 2026
Scheduled date of filing annual securities report: March 23, 2026
Availability of supplementary briefing material on financial results: Available
Schedule of financial results briefing session: Scheduled (for institutional investors)

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2025 (January 1, 2025 to December 31, 2025)

(1) Consolidated Operating Results

(% indicates changes from the previous corresponding period)

	Net sales		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent		Total comprehensive income	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Fiscal year ended December 31, 2025	194,898	(0.4)	4,040	(26.0)	3,551	(42.7)	1,383	(65.5)	1,001	(74.0)	4,831	(59.0)
Fiscal year ended December 31, 2024	195,598	16.6	5,457	–	6,202	–	4,011	–	3,851	–	11,795	223.4

	Basic earnings per share	Diluted earnings per share	Ratio of return on equity attributable to owners of parent	Ratio of profit before tax to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended December 31, 2025	21.13	–	0.9	1.4	2.1
Fiscal year ended December 31, 2024	79.93	–	3.4	2.6	2.8

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

Fiscal year ended December 31, 2025: ¥(358) million

Fiscal year ended December 31, 2024: ¥(331) million

(Note) The Company finalized the provisional accounting treatment pertaining to business combination in the fiscal year ended December 31, 2025, and reflected the details of the finalization of the provisional accounting treatment on figures related to the fiscal year ended December 31, 2024.

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity per share attributable to owners of parent
	Million yen	Million yen	Million yen	%	Yen
As of December 31, 2025	250,120	117,872	115,316	46.1	2,433.56
As of December 31, 2024	251,847	115,783	114,297	45.4	2,394.01

(Note) The Company finalized the provisional accounting treatment pertaining to business combination in the fiscal year ended December 31, 2025, and reflected the details of the finalization of the provisional accounting treatment on figures related to the fiscal year ended December 31, 2024.

(3) Consolidated Cash Flows

	Net cash provided by (used in) operating activities	Net cash provided by (used in) investing activities	Net cash provided by (used in) financing activities	Cash and cash equivalents at end of period
	Million yen	Million yen	Million yen	Million yen
Fiscal year ended December 31, 2025	9,205	(13,848)	(8,366)	39,213
Fiscal year ended December 31, 2024	12,312	(11,431)	9,147	50,970

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Ratio of dividends to equity attributable to owners of parent (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
Fiscal year ended December 31, 2024	–	25.00	–	25.00	50.00	2,420	62.6	2.1
Fiscal year ended December 31, 2025	–	25.00	–	25.00	50.00	2,393	236.6	2.1
Fiscal year ending December 31, 2026 (Forecast)	–	25.00	–	25.00	50.00		103.0	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending December 31, 2026 (January 1, 2026 to December 31, 2026)

(% indicates changes from the previous corresponding period)

	Net sales		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	87,500	(9.8)	900	(64.8)	100	(90.9)	(1,100)	–	(23.21)
Full year	191,500	(1.7)	6,600	63.4	5,000	40.8	2,300	129.6	48.54

Contents of Appendix

1. Overview of Consolidated Operating Results, etc.	2
(1) Overview of consolidated operating results for the term	2
(2) Overview of consolidated financial position for the term.....	4
(3) Overview of consolidated cash flows for the term	4
(4) Forecast for the fiscal year ending December 31, 2026.....	5
2. Basic Approach to the Selection of Accounting Standards.....	5
3. Consolidated Financial Statements and Principal Notes.....	6
(1) Consolidated statements of financial position	6
(2) Consolidated statements of profit or loss and comprehensive income	8
Consolidated statements of profit or loss.....	8
Consolidated statements of comprehensive income	9
(3) Consolidated statements of changes in equity	10
(4) Consolidated statements of cash flows	11
(5) Notes to consolidated financial statements	13
(Notes to going concern assumptions).....	13
(Segment information).....	13

1. Overview of Consolidated Operating Results, etc.

The provisional accounting treatment pertaining to Isometric Intermediate LLC and its group companies, which were acquired on March 1, 2024, Cathtek, LLC, which was acquired on October 1, 2024, as well as SHIGAKEN PHARM. IND. CO., LTD., which was acquired on January 8, 2025, was finalized during the fiscal year ended December 31, 2025. Accordingly, revised figures based on the finalization of the provisional accounting treatment have been used for the comparative analysis with figures for the previous fiscal year.

(1) Overview of consolidated operating results for the term

The Group's Mission is to use the diverse capabilities of its people and core technologies as an engine for growth to create highly competitive, feature-rich products and services that realize customer value and contribute to better lives for all.

Guided by this Mission, we established our Sustainability Vision as our long-term vision for 2030, and aim to create economic and social value by contributing to solving global social issues in the priority markets of Medical, Mobility, and Sustainable Materials, with the integration and orchestration of the diverse talents of our people and our technologies. Correspondingly, we have formulated and implemented the 8th Medium-term Business Plan that sets forth the medium-term plan to be achieved in the three years from fiscal 2024 to 2026 and a strategy to get there, reflecting backwards the Sustainability Vision. Aiming to achieve stable growth and increased capital efficiency, we will improve and stabilize profitability by strengthening the business portfolio we have built up to date.

During the fiscal year ended December 31, 2025, the global economy experienced restrained economic activity due to disruptions caused by the U.S. tariff policies and heightened geopolitical risks; however, the economy showed a gradual recovery. In the United States, inflation and a softening labor market dampened consumer sentiment, slowing the pace of economic expansion. In Europe, while some stagnation was observed, the economy trended toward recovery amid easing inflationary pressures and gradual interest rate cuts. In China, despite the implementation of measures to promote replacement purchases of durable consumer goods, the stagnant real estate market led to continued weakness in the economy. Meanwhile, in Japan, although the impact of the U.S. tariff policies was observed mainly in the automotive industry, the economy trended toward a moderate recovery.

Under these conditions, during the fiscal year ended December 31, 2025, product demand remained firm in the Industrial Materials and the Medical Technologies segments. On the other hand, in the Devices segment, product demand for tablets declined compared to the previous fiscal year, when demand grew due to new product launches. The contract design/development and manufacturing organization (CDMO) of over-the-counter (OTC) drugs that we have recently been focusing on have seen increased demand due to the effects of the corporate acquisition. As for profit, profitability was also pressured by upfront expenses for future growth, including the production start-up of new products for mobility components in the Industrial Materials segment and the impairment losses of existing facilities to expand production capacity in the CDMO business for OTC drugs.

As a result, regarding the financial results for the fiscal year ended December 31, 2025, net sales were ¥194,898 million (a decrease of 0.4% as compared to the previous year), operating profit was ¥4,040 million (a decrease of 26.0% as compared to the previous year) and profit attributable to owners of parent was ¥1,001 million (a decrease of 74.0% as compared to the previous year).

Following is an overview by business segment.

Industrial Materials

In the Industrial Materials segment, we mainly offer proprietary technologies that enable the creation of added value on the surfaces of various materials. IMD, IML, and IME, which facilitate simultaneous in-mold decoration, design and function

adding of plastic products, are extensively used in mobility components and home appliances in global markets. Also, the metallized paper, which unites the properties of metallic luster and printing friendliness, has the largest market share in the industry as sustainable materials for beverages and foods on a global basis.

During the fiscal year ended December 31, 2025, demand for mobility components in the fields of decorations remained firm, while demand for home appliances and other applications stayed solid, resulting in an increase in net sales year on year. On the other hand, operating profit decreased year on year mainly due to upfront expenses associated with new products for mobility components.

As a result, segment sales for the fiscal year ended December 31, 2025 were ¥76,315 million (an increase of 3.0% as compared to the previous year). Segment profit (operating profit) was ¥3,741 million (a decrease of 23.2% as compared to the previous year).

Devices

In the Devices segment, we produce components and module products that pursue precision and functionality. Our main products, film-based Touch Sensors are widely adopted mainly in tablets, handheld terminals (logistics related), mobility components, and gaming devices in global markets. In addition, we offer gas sensors that can detect gas conditions, along with other products.

During the fiscal year ended December 31, 2025, demand for tablets declined, resulting in a year-on-year decrease in net sales. However, operating profit increased year on year due to improved efficiency and productivity, reflecting pre-emptive measures, including the production restructuring.

As a result, segment sales for the fiscal year ended December 31, 2025 were ¥58,452 million (a decrease of 13.5% as compared to the previous year). Segment profit (operating profit) was ¥2,130 million (an increase of 18.5% as compared to the previous year).

Medical Technologies

The Medical Technologies segment is a business segment that offers high-quality and value-added products in medical devices and other related markets to contribute to healthy and affluent life. The segment currently provides contract design/development manufacturing services for major medical device manufacturers, especially for those in North America and Europe, with products such as surgical instruments for minimal invasive medical treatments and medical wearable sensors used for a wide range of therapeutic areas. In addition to these, the segment manufactures and sells its own brand products to medical institutions.

During the fiscal year ended December 31, 2025, net sales increased year on year, despite a partial stagnation in demand for our mainstay contract design/development manufacturing services for medical devices. On the other hand, operating profit decreased year on year, mainly due to a deterioration in the product mix of our own brand medical devices, among other factors.

As a result, segment sales for the fiscal year ended December 31, 2025 were ¥47,130 million (an increase of 3.3% as compared to the previous year). Segment profit (operating profit) was ¥2,035 million (a decrease of 14.8% as compared to the previous year).

(2) Overview of consolidated financial position for the term

Total assets at the end of the fiscal year ended December 31, 2025 decreased by ¥1,727 million from the end of the previous year (the fiscal year ended December 31, 2024) to ¥250,120 million.

Current assets decreased by ¥12,405 million from the end of the previous year to ¥116,221 million. This was mainly because an ¥11,756 million decrease of cash and cash equivalents and a ¥3,837 million decrease of inventories outweighed a ¥1,839 million increase of trade and other receivables.

Non-current assets increased by ¥10,677 million from the end of the previous year to ¥133,898 million. This was mainly because a ¥2,628 million increase of property, plant and equipment, a ¥1,442 million increase of goodwill due to new acquisitions and others, a ¥3,215 million increase of intangible assets, and a ¥2,001 increase of other financial assets primarily due to a change in the fair value of financial assets measured at fair value through other comprehensive income.

Total liabilities at the end of the fiscal year ended December 31, 2025 decreased by ¥3,816 million from the end of the previous year to ¥132,247 million.

Current liabilities increased by ¥17,058 million from the end of the previous year to ¥81,041 million. This was mainly because a ¥21,822 million increase of bonds and borrowings, etc. outweighed a ¥2,086 million decrease of income taxes payable and a ¥2,140 million decrease of other current liabilities.

Non-current liabilities decreased by ¥20,875 million from the end of the previous year to ¥51,206 million. This was mainly because a ¥21,626 million decrease of bonds and borrowings and a ¥2,128 million decrease of other financial liabilities outweighed a ¥2,213 million increase of deferred tax liabilities.

Total equity at the end of the fiscal year ended December 31, 2025 increased by ¥2,089 million from the end of the previous year to ¥117,872 million. This was mainly because a ¥4,382 million decrease of treasury shares and a ¥3,986 million increase of other components of equity due to the impact of foreign exchange conversion, etc. outweighed a ¥2,069 million decrease of capital surplus due to cancellation of treasury shares, etc. and a ¥5,279 million decrease of retained earnings due to dividends of surplus, etc.

(3) Overview of consolidated cash flows for the term

The balance of cash and cash equivalents (the “funds”) on a consolidated basis at the end of the fiscal year ended December 31, 2025 was ¥39,213 million, a decrease of ¥11,756 million compared to the end of the previous year.

The following describes the conditions of each cash flow and the underlying causes for the fiscal year ended December 31, 2025.

(Net cash provided by (used in) operating activities)

The funds provided by operating activities amounted to ¥9,205 million (a decrease of 25.2% as compared to the previous year). This was mainly because there were ¥3,551 million of profit before tax, ¥10,360 million of depreciation and amortization and ¥5,058 million of decrease in inventories, while there were ¥2,147 million of decrease in trade and other payables and ¥4,639 million of income taxes paid.

(Net cash provided by (used in) investing activities)

The funds used in investing activities amounted to ¥13,848 million (an increase of 21.1% as compared to the previous year). This was mainly because of ¥6,305 million of purchase of property, plant and equipment and ¥5,655 million of payments for acquisition of subsidiaries.

(Net cash provided by (used in) financing activities)

The funds used in financing activities amounted to ¥8,366 million (¥9,147 million provided for the previous year). This was mainly because there were ¥2,218 million of repayments of lease liabilities, ¥2,698 million of repayments of long-term borrowings, ¥2,892 million of payments for acquisition of non-controlling interests, and ¥2,376 million of dividends paid to owners of parent, while there was ¥2,865 million of proceeds from short-term borrowings.

(4) Forecast for the fiscal year ending December 31, 2026

Concerning the global economic environment in the fiscal year ending December 31, 2026, the economy is expected to make a gradual recovery; however, the outlook remains uncertain due to factors such as the fragmentation of the global economy, foreign exchange rate fluctuations, and trends in geopolitical risks.

Under such conditions, the Industrial Materials segment will respond to firm demand in existing fields and expects demand for new products for mobility exterior components to expand. In the Devices segment, we anticipate a decline in demand, mainly for tablets, while continuing initiatives to further improve the profitability structure. In the Medical Technologies segment, we expect the launch of new products in contract design/development manufacturing services for medical devices in the second half of the fiscal year. Demand for CDMO services for OTC drugs is expected to remain steady.

As a result, for the consolidated financial results for the fiscal year ending December 31, 2026, we expect net sales of ¥191,500 million, operating profit of ¥6,600 million, profit before tax of ¥5,000 million and profit attributable to owners of parent of ¥2,300 million. These figures are based on an exchange rate of 1US\$ = ¥145 for the fiscal year ending December 31, 2026.

Consolidated net sales forecast by segment (January 1, 2026 to December 31, 2026)

Segment	Amount (Million yen)	Ratio (%)	YoY (%)
Industrial Materials	78,600	41.0	+3.0
Devices	52,600	27.5	(10.0)
Medical Technologies	47,200	24.6	+0.1
Other	13,100	6.8	+0.8
Total	191,500	100.0	(1.7)

2. Basic Approach to the Selection of Accounting Standards

For the purposes of enhancing international comparability of financial information and strengthening global Group management control, beginning from the consolidated financial statements in the annual securities report for the fiscal year ended December 31, 2019, the Group has voluntarily adopted International Financial Reporting Standards (IFRS).

3. Consolidated Financial Statements and Principal Notes

(1) Consolidated statements of financial position

(Million yen)

	As of December 31, 2024	As of December 31, 2025
Assets		
Current assets		
Cash and cash equivalents	50,970	39,213
Trade and other receivables	37,588	39,427
Inventories	35,730	31,892
Other financial assets	178	525
Other current assets	4,159	5,162
Total current assets	128,627	116,221
Non-current assets		
Property, plant and equipment	46,651	49,279
Goodwill	31,834	33,277
Intangible assets	19,928	23,144
Right-of-use assets	9,408	10,176
Investments accounted for using equity method	5,136	5,542
Other financial assets	9,073	11,075
Retirement benefit asset	80	80
Deferred tax assets	747	938
Other non-current assets	357	382
Total non-current assets	123,220	133,898
Total assets	251,847	250,120

(Million yen)

	As of December 31, 2024	As of December 31, 2025
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	32,129	32,719
Bonds and borrowings	16,958	38,781
Other financial liabilities	2,700	1,131
Lease liabilities	1,910	2,228
Income taxes payable, etc.	2,638	551
Provisions	56	181
Other current liabilities	7,588	5,447
Total current liabilities	63,982	81,041
Non-current liabilities		
Bonds and borrowings	45,338	23,711
Other financial liabilities	6,448	4,319
Lease liabilities	8,577	9,077
Retirement benefit liability	5,267	5,214
Provisions	60	164
Deferred tax liabilities	5,999	8,213
Other non-current liabilities	388	505
Total non-current liabilities	72,081	51,206
Total liabilities	136,064	132,247
Equity		
Share capital	12,119	12,119
Capital surplus	10,653	8,583
Retained earnings	76,820	71,541
Treasury shares	(5,553)	(1,171)
Other components of equity	20,256	24,242
Total equity attributable to owners of parent	114,297	115,316
Non-controlling interests	1,486	2,555
Total equity	115,783	117,872
Total liabilities and equity	251,847	250,120

(2) Consolidated statements of profit or loss and comprehensive income

Consolidated statements of profit or loss

(Million yen)

	Fiscal Year Ended December 31, 2024	Fiscal Year Ended December 31, 2025
Net sales	195,598	194,898
Cost of sales	(151,800)	(151,203)
Gross profit	43,798	43,695
Selling, general and administrative expenses	(37,155)	(38,408)
Other income	439	628
Other expenses	(1,293)	(1,515)
Share of profit (loss) of investments accounted for using equity method	(331)	(358)
Operating profit (loss)	5,457	4,040
Finance income	2,546	1,435
Finance costs	(1,802)	(1,925)
Profit (loss) before tax	6,202	3,551
Income tax expense	(2,190)	(2,168)
Profit (loss)	4,011	1,383
Profit (loss) attributable to:		
Owners of parent	3,851	1,001
Non-controlling interests	160	381
Profit (loss)	4,011	1,383
Earnings (loss) per share attributable to owners of parent		
Basic earnings (loss) per share (Yen)	79.93	21.13
Diluted earnings (loss) per share (Yen)	—	—

Consolidated statements of comprehensive income

(Million yen)

	Fiscal Year Ended December 31, 2024	Fiscal Year Ended December 31, 2025
Profit (loss)	4,011	1,383
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of financial assets measured through other comprehensive income	474	1,331
Remeasurements of defined benefit plans	367	296
Total of items that will not be reclassified to profit or loss	842	1,627
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	6,531	1,617
Share of other comprehensive income of investments accounted for using equity method	410	203
Total of items that may be reclassified to profit or loss	6,941	1,820
Total other comprehensive income	7,783	3,448
Total comprehensive income	11,795	4,831
Comprehensive income attributable to:		
Owners of parent	11,554	4,455
Non-controlling interests	241	376
Total comprehensive income	11,795	4,831

(3) Consolidated statements of changes in equity

(Million yen)

	Equity attributable to owners of parent											
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity						Non-controlling interests	Total equity
					Net change in fair value of financial assets measured through other comprehensive income	Remeasurements of defined benefit plans	Exchange differences on translation of foreign operations	Total other components of equity	Total equity attributable to owners of parent			
Balance at January 1, 2024	12,119	14,865	69,934	(4,019)	7,684	–	10,329	18,013	110,913	(60)	110,852	
Profit (loss)	–	–	3,851	–	–	–	–	–	3,851	160	4,011	
Other comprehensive income	–	–	–	–	474	367	6,859	7,702	7,702	81	7,783	
Total comprehensive income	–	–	3,851	–	474	367	6,859	7,702	11,554	241	11,795	
Purchase of treasury shares	–	–	–	(1,916)	–	–	–	–	(1,916)	–	(1,916)	
Disposal of treasury shares	–	(162)	–	382	–	–	–	–	220	–	220	
Cancellation of treasury shares	–	–	–	–	–	–	–	–	–	–	–	
Transfer from retained earnings to capital surplus	–	–	–	–	–	–	–	–	–	–	–	
Dividends of surplus	–	–	(2,424)	–	–	–	–	–	(2,424)	(94)	(2,519)	
Share-based payment transactions	–	64	–	–	–	–	–	–	64	–	64	
Changes in ownership interest	–	(83)	–	–	–	–	–	–	(83)	79	(3)	
Increase (decrease) by business combination	–	–	–	–	–	–	–	–	–	1,320	1,320	
Put options granted to non-controlling interests	–	(4,030)	–	–	–	–	–	–	(4,030)	–	(4,030)	
Transfer from other components of equity to retained earnings	–	–	5,459	–	(5,091)	(367)	–	(5,459)	–	–	–	
Total transactions with owners, etc.	–	(4,211)	3,034	(1,533)	(5,091)	(367)	–	(5,459)	(8,170)	1,305	(6,864)	
Balance at December 31, 2024	12,119	10,653	76,820	(5,553)	3,067	–	17,188	20,256	114,297	1,486	115,783	
Profit (loss)	–	–	1,001	–	–	–	–	–	1,001	381	1,383	
Other comprehensive income	–	–	–	–	1,331	296	1,825	3,453	3,453	(4)	3,448	
Total comprehensive income	–	–	1,001	–	1,331	296	1,825	3,453	4,455	376	4,831	
Purchase of treasury shares	–	–	–	(656)	–	–	–	–	(656)	–	(656)	
Disposal of treasury shares	–	(39)	–	122	–	–	–	–	83	–	83	
Cancellation of treasury shares	–	(4,915)	–	4,915	–	–	–	–	–	–	–	
Transfer from retained earnings to capital surplus	–	3,370	(3,370)	–	–	–	–	–	–	–	–	
Dividends of surplus	–	–	(2,377)	–	–	–	–	–	(2,377)	(173)	(2,550)	
Share-based payment transactions	–	57	–	–	–	–	–	–	57	–	57	
Changes in ownership interest	–	(1,475)	–	–	–	–	–	–	(1,475)	(158)	(1,633)	
Increase (decrease) by business combination	–	–	–	–	–	–	–	–	–	1,024	1,024	
Put options granted to non-controlling interests	–	932	–	–	–	–	–	–	932	–	932	
Transfer from other components of equity to retained earnings	–	–	(533)	–	830	(296)	–	533	–	–	–	
Total transactions with owners, etc.	–	(2,069)	(6,281)	4,382	830	(296)	–	533	(3,435)	693	(2,742)	
Balance at December 31, 2025	12,119	8,583	71,541	(1,171)	5,228	–	19,013	24,242	115,316	2,555	117,872	

(4) Consolidated statements of cash flows

(Million yen)

	Fiscal Year Ended December 31, 2024	Fiscal Year Ended December 31, 2025
Cash flows from operating activities		
Profit (loss) before tax	6,202	3,551
Depreciation and amortization	9,542	10,360
Impairment losses	—	699
Loss (gain) on sale and retirement of fixed assets	108	(5)
Share of loss (profit) of investments accounted for using equity method	331	358
Finance income	(2,546)	(1,435)
Finance costs	1,802	1,925
Decrease (increase) in trade and other receivables	(3,934)	1,049
Decrease (increase) in inventories	(2,299)	5,058
Increase (decrease) in trade and other payables	1,852	(2,147)
Increase (decrease) in provisions	(8)	184
Increase (decrease) in retirement benefit asset or liability	(508)	(1,174)
Other	3,012	(3,534)
Subtotal	13,554	14,889
Interest received	510	389
Dividends received	290	164
Interest paid	(1,530)	(1,675)
Income taxes paid	(1,602)	(4,639)
Income taxes refund	1,090	77
Net cash provided by (used in) operating activities	12,312	9,205
Cash flows from investing activities		
Proceeds from withdrawal of time deposits	7	—
Purchase of property, plant and equipment	(6,710)	(6,305)
Payments for retirement of property, plant and equipment	(49)	(51)
Proceeds from sale of property, plant and equipment	127	864
Purchase of intangible assets	(1,398)	(1,491)
Purchase of investment securities	(138)	(318)
Proceeds from sale of investment securities	8,185	51
Payments for acquisition of subsidiaries	(11,320)	(5,655)
Purchase of shares of affiliates	(540)	(484)
Other	406	(457)
Net cash provided by (used in) investing activities	(11,431)	(13,848)

(Million yen)

	Fiscal Year Ended December 31, 2024	Fiscal Year Ended December 31, 2025
Cash flows from financing activities		
Proceeds from short-term borrowings	11,134	2,865
Repayments of short-term borrowings	(2,534)	(1,321)
Repayments of lease liabilities	(2,116)	(2,218)
Proceeds from long-term borrowings	857	1,017
Repayments of long-term borrowings	(2,703)	(2,698)
Proceeds from issuance of bonds	8,953	—
Payments for acquisition of non-controlling interests	—	(2,892)
Purchase of treasury shares	(1,916)	(656)
Proceeds from sale of treasury shares	210	87
Decrease (increase) in deposit paid for repurchase of treasury stock	639	—
Dividends paid to owners of parent	(2,424)	(2,376)
Dividends paid to non-controlling shareholders	(94)	(175)
Other	(857)	(0)
Net cash provided by (used in) financing activities	9,147	(8,366)
Effect of exchange rate changes on cash and cash equivalents	3,087	1,253
Net increase (decrease) in cash and cash equivalents	13,115	(11,756)
Cash and cash equivalents at beginning of period	37,854	50,970
Cash and cash equivalents at end of period	50,970	39,213

(5) Notes to consolidated financial statements

(Notes to going concern assumptions)

Not applicable

(Segment information)

1. Description of reportable segments

The Group's reportable segments are those for which separate financial information is available and regular evaluation by the board of directors is being performed in order to decide the allocation of management resources and to review business results.

The Group sets up divisions by product or service. Each division draws up a plan for comprehensive strategies in Japan and overseas for the products and services it handles, and thereupon develops its business activities.

Accordingly, the Group consists of segments by product and service based on the divisions. The three reportable segments are the Industrial Materials segment, Devices segment, and Medical Technologies segment.

The Industrial Materials segment manufactures and sells decorative films, decorative molded parts, metallized paper, sustainable molded products and others. The Devices segment manufactures and sells film-based Touch Sensors, gas sensors and others. The Medical Technologies segment provides contract design/development and manufacturing services for major medical device manufacturers especially for those in North America and Europe, along with products such as surgical instruments for minimally invasive treatments, medical wearable sensors and disposable electrocardiogram (ECG) electrodes. In addition to these, the segment manufactures and sells its own brand products to medical institutions.

2. Methods of measurement for the amounts of sales, profit (loss), assets, and other items for each reportable segment

The accounting methods for the reportable segments are the same as those used in preparing the consolidated financial statements. Segment profit is based on operating profit, and inter-segment sales are based on current market prices.

3. Information about sales, profit (loss), assets, and other items by reportable segment

Fiscal year ended December 31, 2024 (January 1, 2024 to December 31, 2024)

(Million yen)

	Reportable segment				Other (Note 1)	Total	Reconcili- ations (Note 2)	Consolidated (Note 3)
	Industrial Materials	Devices	Medical Technologies	Sub-total				
Sales from external customers	74,090	67,542	45,622	187,255	8,343	195,598	–	195,598
Inter-segment sales	61	22	–	83	997	1,081	(1,081)	–
Total	74,151	67,564	45,622	187,338	9,341	196,680	(1,081)	195,598
Segment profit (loss)	4,871	1,798	2,388	9,058	(731)	8,327	(2,869)	5,457
Finance income	–	–	–	–	–	–	–	2,546
Finance costs	–	–	–	–	–	–	–	(1,802)
Profit (loss) before tax	–	–	–	–	–	–	–	6,202
Segment assets	64,425	38,756	68,200	171,382	10,969	182,351	69,495	251,847
Other								
Depreciation and amortization	4,181	2,293	2,016	8,491	797	9,289	252	9,542
Share of profit (loss) of investments accounted for using equity method	(131)	–	(51)	(182)	(148)	(331)	–	(331)
Impairment losses	–	–	–	–	–	–	–	–
Increase in property, plant and equipment, intangible assets and right-of-use assets	5,441	1,485	1,824	8,752	532	9,284	326	9,611
Investments accounted for using equity method	2,319	–	711	3,031	2,105	5,136	–	5,136

(Notes) 1. The “Other” category consists of a business segment not included in the reportable segments and includes the Information and Communication, the prescription pharmaceutical manufacturing business, etc.

2. Reconciliations are as follows:

- (1) The negative ¥2,869 million of reconciliations in segment profit (loss) includes unallocated corporate expenses, etc. Corporate expenses mainly consist of general and administrative expenses and foreign exchange loss or gain not attributable to any reportable segment.
- (2) The positive ¥69,495 million of reconciliations in segment assets consists of the positive ¥69,614 million in total of cash and cash equivalents, investment securities, and corporate (R&D and administrative) property, plant and equipment, not allocated to reportable segments and the negative ¥118 million of inter-segment elimination of receivables and payables.
- (3) The positive ¥252 million of reconciliations in depreciation and amortization relates to corporate (R&D and administrative) property, plant and equipment, etc.
- (4) The positive ¥326 million of reconciliations in increase in property, plant and equipment, intangible assets and right-of-use assets is the amount of corporate (R&D and administrative) capital investment.

3. Segment profit (loss) is reconciled with operating profit (loss) recorded in the consolidated statements of profit or loss.

4. In the fiscal year ended December 31, 2025, the Company finalized the provisional accounting treatment pertaining to business combination. Accordingly, the figures for the previous fiscal year have been retrospectively revised to reflect the finalization of the provisional accounting treatment.

Fiscal year ended December 31, 2025 (January 1, 2025 to December 31, 2025)

(Million yen)

	Reportable segment				Other (Note 1)	Total	Reconcili- ations (Note 2)	Consolidated (Note 3)
	Industrial Materials	Devices	Medical Technologies	Sub-total				
Sales from external customers	76,315	58,452	47,130	181,897	13,000	194,898	-	194,898
Inter-segment sales	103	12	-	116	1,056	1,172	(1,172)	-
Total	76,418	58,464	47,130	182,013	14,057	196,070	(1,172)	194,898
Segment profit (loss)	3,741	2,130	2,035	7,908	390	8,299	(4,258)	4,040
Finance income	-	-	-	-	-	-	-	1,435
Finance costs	-	-	-	-	-	-	-	(1,925)
Profit (loss) before tax	-	-	-	-	-	-	-	3,551
Segment assets	68,379	29,192	67,171	164,744	21,405	186,150	63,970	250,120
Other								
Depreciation and amortization	4,577	2,025	2,098	8,701	1,201	9,903	457	10,360
Share of profit (loss) of investments accounted for using equity method	(63)	-	(74)	(137)	(221)	(358)	-	(358)
Impairment losses	-	-	-	-	6	6	693	699
Increase in property, plant and equipment, intangible assets and right-of-use assets	5,362	1,719	2,322	9,405	1,198	10,603	1,104	11,707
Investments accounted for using equity method	2,546	-	627	3,173	2,368	5,542	-	5,542

(Notes) 1. The “Other” category consists of a business segment not included in the reportable segments and includes the Information and Communication, the prescription pharmaceutical manufacturing business, etc.

2. Reconciliations are as follows:

- (1) The negative ¥4,258 million of reconciliations in segment profit (loss) includes unallocated corporate expenses, etc. Corporate expenses mainly consist of general and administrative expenses and foreign exchange loss or gain not attributable to any reportable segment.
- (2) The positive ¥63,970 million of reconciliations in segment assets consists of the positive ¥64,126 million in total of cash and cash equivalents, investment securities, and corporate (R&D and administrative) property, plant and equipment, not allocated to reportable segments and the negative ¥156 million of inter-segment elimination of receivables and payables.
- (3) The negative ¥457 million of reconciliations in depreciation and amortization relates to corporate (R&D and administrative) property, plant and equipment, etc.
- (4) The positive ¥1,104 million of reconciliations in increase in property, plant and equipment, intangible assets and right-of-use assets is the amount of corporate (R&D and administrative) capital investment.

3. Segment profit (loss) is reconciled with operating profit (loss) recorded in the consolidated statements of profit or loss.