

# CONSOLIDATED FINANCIAL REPORT [IFRS] for the Nine-Month Period Ended December 31, 2024

February 7, 2025  
Eisai Co., Ltd.

Stock exchange listing: Tokyo Stock Exchange (TSE)

TSE Code: 4523

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Expected date of dividend payment commencement: —

Preparation of supplementary explanatory material: Yes

Financial results briefing held: Yes

(Figures are rounded to the nearest million yen)

## 1. Consolidated Financial Results for the Nine-Month Period Ended December 31, 2024

### (1) Consolidated Operating Results

(Percentage figures show year on year change)

	Revenue		Operating profit		Profit before income taxes		Profit for the period		Profit for the period attributable to owners of the parent		Comprehensive income for the period	
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)
Nine-month period ended December 31, 2024	601,164	9.1	55,402	47.6	61,086	39.8	47,453	54.1	45,484	56.3	75,448	13.5
Nine-month period ended December 31, 2023	551,255	0.9	37,537	171.6	43,690	148.4	30,800	-24.7	29,098	-25.6	66,497	-6.9

	Earnings per share attributable to owners of the parent (basic)	Earnings per share attributable to owners of the parent (diluted)
	(¥)	(¥)
Nine-month period ended December 31, 2024	160.14	—
Nine-month period ended December 31, 2023	101.46	—

### (2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent	Equity per share attributable to owners of the parent
	(¥ million)	(¥ million)	(¥ million)	(%)	(¥)
As of December 31, 2024	1,432,864	898,261	873,357	61.0	3,098.23
As of March 31, 2024	1,393,799	898,975	875,614	62.8	3,052.99

## 2. Dividends

	Annual dividend per share				
	End of Q1	End of Q2	End of Q3	End of FY	Total
	(¥)	(¥)	(¥)	(¥)	(¥)
FY 2023	—	80.00	—	80.00	160.00
FY 2024	—	80.00	—		
FY 2024 (Forecast)				80.00	160.00

(Note) Revisions to the latest dividend forecast: No

## 3. Consolidated Financial Forecast for Fiscal 2024 (April 1, 2024 – March 31, 2025)

(Percentage figures show year on year change)

Fiscal Year	Revenue		Operating profit		Profit before income taxes		Profit for the year		Profit for the year attributable to owners of the parent		Earnings per share attributable to owners of the parent (basic)
	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥ million)	(%)	(¥)
	754,000	1.7	53,500	0.2	60,000	-2.9	44,500	1.6	43,000	1.4	152.50

(Note) 1. Revisions to the latest financial forecast: No

2. A resolution to acquire the Company's own shares was adopted at the meeting of the Board of Directors held on May 15, 2024.

The impact of the acquisition of the Company's own shares is taken into account in the "earnings per share attributable to owners of the parent (basic)" in the consolidated financial forecast for the fiscal year ending March 31, 2025.

### \* Explanatory Notes

- (1) Changes in number of significant subsidiaries during the period (changes in specified subsidiaries resulting in a change in scope of consolidation): No
- (2) Changes in accounting policies and accounting estimates:
  - 1) Changes in accounting policies required by IFRS: Yes
  - 2) Changes in accounting policies other than 1): No
  - 3) Changes in accounting estimates: No
- (3) Number of shares issued (common shares):

1) Number of shares issued (including treasury shares)	As of December 31, 2024	291,649,149	As of March 31, 2024	296,566,949
2) Number of treasury shares	As of December 31, 2024	9,532,763	As of March 31, 2024	9,531,401
3) Weighted average number of shares outstanding	For the nine-month period ended December 31, 2024	284,024,996	For the nine-month period ended December 31, 2023	286,801,992

The Company's shares held through a trust (227,695 shares) are not included in the number of treasury shares as of the end of the period, but are included in the weighted average number of shares outstanding as treasury shares that are deducted from the calculation of earnings per share.

\* Review of the Consolidated Financial Statements by independent auditors: No

\* Explanation concerning the appropriate use of results forecast and other special instructions:

(Caution concerning forward-looking statements)

Materials and information provided in this financial disclosure may contain "forward-looking statements" based on expectations, business goals, estimates, forecasts and assumptions that are subject to risks and uncertainties as of the publication date of these materials. Accordingly, actual outcomes and results may differ materially from these statements depending on a number of important factors. Please refer to page 9 for details with regard to the assumptions and other related matters concerning the consolidated financial forecast.

(Methods for obtaining supplementary materials and content of financial results disclosure meeting)

Supplementary materials are attached to this financial report. The Company plans to hold a financial results disclosure meeting for institutional investors and securities analysts on Friday, February 7, 2025. The handouts for the disclosure meeting will be made available on the Company's website.

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# 1. Qualitative Information regarding Financial Results for the Period

## (1) Operating Results

[Revenue and Profit]

- Eisai Co., Ltd. (“the Company”) and its affiliates (collectively referred to as “the Group”) recorded the following consolidated financial results for the nine-month period ended December 31, 2024.

(¥billion)

	Nine-month period ended December 31, 2023	<b>Nine-month period ended December 31, 2024</b>	Year on year change (%)
Revenue	551.3	<b>601.2</b>	109.1
Cost of sales	119.2	<b>128.2</b>	107.5
Gross profit	432.0	<b>473.0</b>	109.5
Selling, general and administrative expenses	271.0	<b>301.5</b>	111.2
Research and development expenses	124.5	<b>125.3</b>	100.7
Other income	1.4	<b>11.4</b>	823.7
Operating profit	37.5	<b>55.4</b>	147.6
Profit before income taxes	43.7	<b>61.1</b>	139.8
Profit for the period	30.8	<b>47.5</b>	154.1
Profit for the period attributable to owners of the parent	29.1	<b>45.5</b>	156.3

- Revenue increased due to continued growth of anticancer agent Lenvima, insomnia treatment Dayvigo and Alzheimer’s disease (AD) treatment Leqembi. Revenue of pharmaceutical business came to ¥569.1 billion (107.8% year on year).
- Regarding revenue from major products, revenue for Lenvima, Dayvigo, Leqembi, and antiepileptic agent Fycompa was ¥248.1 billion (111.2% year on year), ¥40.5 billion (129.9% year on year), ¥29.6 billion (¥1.4 billion in the same period of the previous fiscal year), and ¥22.2 billion (112.8% year on year), respectively.
- Selling, general and administrative expenses increased due to increase in selling expenses for Leqembi and shared profit paid to Merck & Co., Inc., Rahway, NJ, USA following Lenvima’s revenue growth, as well as depreciation of the Japanese yen.
- While efficiency was enhanced through the partnership model, research and development expenses stood at the same level as in the same period of the previous fiscal year mainly due to aggressive resource investment in important projects such as Leqembi and the depreciation of the Japanese yen.
- Other income increased due to the recording of ¥5.9 billion as reversal profit of the deposit which Eisai previously received from Bristol Myers Squibb (U.S.) at the time of entering into

a global strategic collaboration agreement for the antibody drug conjugate farletuzumab ecteribulin following the end of the agreement, and recording of gain on transfer of sales rights.

- As a result of the above, operating profit increased significantly, and segment profit of pharmaceutical business came to ¥272.3 billion (106.3% year on year).

#### [Performance by Segment]

(Revenue for each segment indicates revenue from external customers)

The Group's business is comprised of pharmaceutical business and other business. The pharmaceutical business is organized into the following five reporting segments in this report: Japan, Americas (North America), China, EMEA (Europe, the Middle East, Africa, Russia and Oceania), and East Asia Global South (primarily South Korea, Taiwan, India, ASEAN, Central and South America, and South Africa).

As the Asia and Latin America pharmaceutical business includes Asia (excluding Japan and China), Central and South America, and South Africa, the name was changed to East Asia Global South pharmaceutical business starting from October 1, 2024. This change will not affect segment information as only the name changes.

In order to more accurately reflect the actual condition of management, expenses associated with medical activities in each reporting segment which were previously included in research and development expenses, will be reflected in the profits of each segment from this fiscal year. This change has been reflected in Segment Information for the fiscal year ended March 31, 2024.

#### <Japan pharmaceutical business>

- Total revenue came to ¥167.1 billion (97.1 % year on year), with a segment profit of ¥58.7 billion (100.0% year on year). Breakdown of revenue was ¥149.2 billion (96.8% year on year) from prescription medicines and ¥17.9 billion (100.3% year on year) from OTC and others. Revenue decreased mainly due to expiration of the co-promotion agreement for fully human anti-TNF- $\alpha$  monoclonal antibody Humira in June 2023.
- Regarding revenue by product, from neurology products, revenue for Dayvigo and Fycompa achieved significant growth coming to ¥33.8 billion (127.0% year on year) and ¥5.9 billion (110.4% year on year), respectively. Revenue for Leqembi, which was launched in December 2023, came to ¥8.3 billion (¥0.01 billion in the same period of the previous fiscal year). Among oncology products, revenue for Lenvima and anticancer agent Halaven came to ¥10.6 billion (86.7% year on year) and ¥5.7 billion (93.4% year on year), respectively. Revenue for a JAK (Janus kinase) inhibitor Jyseleca achieved significant growth coming to ¥11.1 billion (115.3% year on year). Chronic constipation treatment Goofice achieved growth coming to ¥6.1 billion (109.4% year on year). In OTC and others, revenue for Chocola BB Group achieved growth coming to ¥12.1 billion (104.9% year on year).
- An injection formulation of Fycompa was launched in April 2024.
- Anticancer agent Tasfygo was launched in November 2024.

- Amyotrophic lateral sclerosis (ALS) treatment Rozebalamine was launched in November 2024.

#### <Americas pharmaceutical business>

- Total revenue came to ¥209.3 billion (121.6% year on year), with a segment profit of ¥121.0 billion (114.4% year on year).
- Regarding revenue by product, from neurology products, revenue for Leqembi and Dayvigo both achieved significant growth coming to ¥18.1 billion (¥1.4 billion in the same period of the previous fiscal year) and ¥5.0 billion (131.0% year on year), respectively. Among oncology products, Lenvima earned ¥175.5 billion (115.4% year on year) achieving significant growth. Revenue for Halaven came to ¥6.5 billion (70.2% year on year).

#### <China pharmaceutical business>

- Revenue totaled ¥88.5 billion (102.5% year on year), with a segment profit of ¥44.0 billion (95.7% year on year).
- Regarding revenue by product, revenue for Lenvima came to ¥19.2 billion (91.1% year on year). Revenue for vertigo and equilibrium disturbance treatment Merislon came to ¥11.5 billion (112.8% year on year) achieving growth. Revenue for peripheral neuropathy treatment Methycobal came to ¥9.7 billion (98.3% year on year). Revenue for Leqembi came to ¥2.8 billion.
- Leqembi was launched in China in June 2024, and in Hong Kong in August of the same year.

#### <EMEA pharmaceutical business>

- Revenue totaled ¥59.7 billion (106.3% year on year), with a segment profit of ¥28.0 billion (104.2% year on year).
- Regarding revenue by product, from neurology products, revenue for Fycompa came to ¥11.4 billion (120.6% year on year) achieving significant growth. Among oncology products, revenue for Lenvima/Kispixy achieved significant growth coming to ¥31.4 billion (113.5% year on year). Revenue for Halaven came to ¥7.3 billion (80.4% year on year).
- Leqembi was launched in Israel in July 2024, in the United Arab Emirates in September 2024, and in the UK in October 2024.

#### <East Asia Global South pharmaceutical business>

- Revenue totaled ¥44.4 billion (107.3% year on year), with a segment profit of ¥20.6 billion (109.1% year on year).
- Regarding revenue by product, Lenvima achieved significant growth, recording revenue of ¥11.4 billion (113.5% year on year). Revenue for Aricept, a treatment for Alzheimer's disease dementia, achieved growth coming to ¥10.9 billion (107.6% year on year).
- Parkinson's disease treatment Equifina was launched in Malaysia in May 2024.
- Dayvigo was launched in South Africa in July 2024.
- Leqembi was launched in South Korea in November 2024.

- Jyseleca was launched in Singapore in November 2024.

## **(2) Financial Position**

### **[Assets, Liabilities, and Equity]**

- Total assets as of the end of the period amounted to ¥1,432.9 billion (up ¥39.1 billion from the end of the previous fiscal year). In addition to increase in assets of the overseas subsidiaries due to the exchange rate impact, inventories increased due to the production of Leqembi and others.
- Total liabilities as of the end of the period amounted to ¥534.6 billion (up ¥39.8 billion from the end of the previous fiscal year). While other financial liabilities decreased following decrease in deposit received, short-term borrowings increased.
- Total equity as of the end of the period amounted to ¥898.3 billion (down ¥0.7 billion from the end of the previous fiscal year). While exchange differences on translation of foreign operations increased due to the exchange rate impact, retained earnings decreased due to payment for dividends and cancellation of acquired treasury shares.
- As a result of the above, the ratio of equity attributable to owners of the parent was 61.0% (down 1.9 percentage points from the end of the previous fiscal year).

### **[Cash Flows]**

- Net cash from operating activities amounted to an inflow of ¥0.8 billion (down ¥37.1 billion from the same period of previous fiscal year). Working capital increased mainly due to increase in inventories for Leqembi and others, as well as increase in accounts receivable-trade and decrease in deposits received.
- Net cash used in investing activities amounted to an inflow of ¥1.2 billion (an outflow of ¥22.3 billion in the same period of previous fiscal year). The Company received upfront payments for divestiture of sales rights.
- Net cash used in financing activities amounted to an outflow of ¥24.2 billion (up ¥10.9 billion from the same period of previous fiscal year) mainly due to acquisition of the Company's own shares and payment for dividends.
- As a result of the above, cash and cash equivalents as of the end of the period stood at ¥291.3 billion (down ¥13.4 billion from the end of the previous fiscal year). Free cash flow (cash flow from operating activities excluding capital expenditures) for the year was an inflow of ¥2.1 billion.

## **(3) Research & Development Pipeline and Other Events**

### **[Status of Ongoing Research & Development Pipelines]**

- Anticancer agent Lenvima (lenvatinib, jointly developed with Merck & Co., Inc., Rahway, NJ, USA)
  - Approved as a monotherapy for use in the treatment of thyroid cancer and hepatocellular carcinoma (first-line) mainly in Japan, the United States, Europe, China and Asia.
  - Approved as a monotherapy for use in the treatment of unresectable thymic carcinoma in Japan.
  - Approved in combination with everolimus for use in the treatment of renal cell carcinoma (second-line) mainly in the United States, Europe and Asia.

- Approved in combination with pembrolizumab, Merck & Co., Inc., Rahway, NJ, USA's anti-PD-1 therapy, for use in the treatment of renal cell carcinoma (first-line) and endometrial carcinoma (following prior systemic therapy) mainly in Japan, the United States, Europe and Asia.
  - Regarding studies of the agent in combination with pembrolizumab, respective Phase III studies for hepatocellular carcinoma (in combination with transcatheter arterial chemoembolization), and esophageal carcinoma (first-line, in combination with chemotherapy) are underway in Japan, the United States, Europe and China. A Phase II study for head and neck cancer (second-line) in the United States and Europe was discontinued based on the recommendation of an independent Data Monitoring Committee. Although a Phase III study for gastric cancer (first-line, in combination with chemotherapy) in Japan, the United States, Europe and China met one of its primary endpoints of progression-free survival, it didn't meet the other primary endpoint of overall survival.
- AD treatment Leqembi (lecanemab, jointly developed with Biogen Inc. (U.S.))
- In addition to being approved as a treatment for early AD in Japan, the United States and China, the agent was approved in South Korea in May 2024, in Hong Kong and Israel in July 2024, in the United Arab Emirates and the UK in August 2024, in Mexico in November 2024, and in Macao in December 2024. Applications have been filed mainly in Europe, Canada and Australia.
  - A Supplemental Biologics License Application (sBLA) for once every four weeks intravenous maintenance dosing was approved in the United States in January 2025.
  - Regarding a subcutaneous injection formulation, the submission of a Biologics License Application (BLA) for subcutaneous autoinjector for weekly maintenance dosing was accepted in the United States under the Fast Track status in December 2024, and a Prescription Drug User Fee Act (PDUFA) date is set on August 31, 2025.
  - In November 2024, a positive opinion was received from the Committee for Medicinal Products for Human Use (CHMP) of the European Medicines Agency recommending approval of the agent. As part of its decision-making process, the European Commission (EC) has asked the CHMP to consider information on the safety of lecanemab that became available after the adoption of the CHMP opinion and whether this may require an update of the opinion, and to consider whether the wording of the risk minimization measures in the opinion is clear enough to ensure correct implementation. These will be discussed at the CHMP meeting in February 2025.
  - In October 2024, the Therapeutic Goods Administration (TGA) of Australia issued a public statement about the initial decision not to register the agent as a treatment for early AD. Eisai requested a reconsideration of this decision in December 2024.
  - AHEAD 3-45 (Phase III study) for preclinical (asymptomatic) AD is underway in countries including Japan, the United States and Europe. In this study, the agent has been selected by the Alzheimer's Clinical Trials Consortium (ACTC) as a treatment to be evaluated.

- Insomnia treatment Dayvigo (lemborexant)
  - Approved for the treatment of insomnia mainly in Japan, the United States and Asia.
  - An application seeking approval for the treatment of insomnia has been filed in China.
- Antiepileptic agent Fycompa (perampanel)
  - Approved as an adjunctive therapy for use in the treatment of partial-onset seizures mainly in Japan, Europe, China and Asia. Approved as a monotherapy in Japan and China.
  - Approved as an adjunctive therapy for use in the treatment of primary generalized tonic-clonic seizures mainly in Japan, Europe and Asia. Indication expansion as an adjunctive therapy for use in the treatment of primary generalized tonic-clonic seizures in patients with epilepsy 12 years of age and older was approved in China in April 2024.
- Anticancer agent Tasfygo (tasurgratinib) was approved in Japan for biliary tract cancer with *FGFR2* gene fusions or rearrangements in September 2024.
- Rozebalamin (mecobalamin) was approved in Japan for amyotrophic lateral sclerosis in September 2024.
- URECE (dotinurad), treatment for hyperuricemia and gout, was approved in Thailand for gout and hyperuricemia in September 2024, and in China for gout in December of the same year.
- Regarding anti-MTBR (microtubule binding region) tau antibody E2814, a Phase II study for sporadic early AD was initiated in combination with lecanemab in Japan and the United States.
- Regarding anticancer agent E7386, the Phase II part of a Phase Ib/II study for solid tumors was initiated in combination with Lenvatinib in Japan, the United States and Europe.
- Regarding serotonin 2C receptor agonist lorcaserin, a Phase III study for Dravet syndrome in the United States was discontinued.

#### [Major Alliances and Agreements]

- In June 2024, Eisai's consolidated subsidiary EA Pharma Co., Ltd. (Tokyo, hereinafter "EA Pharma") entered into a licensing agreement granting Ensho Therapeutics, Inc. (U.S.) exclusive rights to develop, manufacture, and commercialize a novel inflammatory bowel disease treatment (development code: EA1080) and a portfolio of other antagonists globally, excluding Japan, China, Hong Kong, Macau, South Korea, Taiwan, and ASEAN.
- In June 2024, Eisai agreed to end its global strategic collaboration with Bristol Myers Squibb for the co-development and co-commercialization of the antibody drug conjugate farletuzumab ecteribulin, and moved to solo global development and commercialization of the agent.
- In July 2024, Eisai entered into a license agreement regarding the development and commercialization rights for the antifungal agent fosravuconazole for fungal diseases (excluding mycetoma and its associated conditions) in 10 ASEAN nations, Australia, New Zealand, South Korea and Taiwan with Sato Pharmaceutical Co., Ltd. (Tokyo).
- In July 2024, Eisai entered into a business alliance agreement with EcoNaviSta, Inc. (Tokyo) with the aim of building an ecosystem in the area of dementia. Under the agreement, both

companies will mainly promote a proof-of-concept experiment to encourage awareness of changes in cognitive function among residents in nursing care facilities.

- In December 2024, Eisai entered into a memorandum of understanding with Fujirebio Holdings, Inc. (Tokyo) for the joint research and social implementation of novel blood-based biomarkers in the field of neurodegenerative diseases.
- In December 2024, EA Pharma entered into a license agreement with Newron Pharmaceuticals S.p.A. for evenamide, a novel treatment for schizophrenia, in Japan and other designated Asian territories.
- In December 2024, Eisai entered into an agreement with H.A.C Pharma (France) to transfer rights for Targretin in Europe.
- Eisai agreed with Bliss Biopharmaceutical Co., Ltd. (hereinafter “BlissBio”) that BlissBio will be solely responsible for future global development and commercialization of BB-1701, an antibody-drug conjugate jointly developed by both companies, and decided not to exercise its option rights for a strategic collaboration. Eisai will continue to collaborate with BlissBio as a licensor for eribulin payload.

#### [Other Events]

- In April 2024, Eisai absorbed and merged with its wholly-owned subsidiary KAN Research Institute, Inc. (Hyogo, Japan) and named it Kobe Research Laboratories.
- In April 2024, Eisai Europe Ltd., Eisai’s subsidiary in the UK, established pharmaceutical sales company Eisai Pharmaceuticals Single Person Limited Liability Company as its wholly-owned subsidiary in Saudi Arabia, and has commenced business activities in October 2024.
- In May 2024, a resolution was adopted at a meeting of the Board of Directors to acquire Eisai’s own shares up to 6,500,000 shares (ratio to total number of issued shares (excluding treasury shares): 2.3%) for ¥30.0 billion at maximum, and cancel these treasury shares from a long-term ROE management perspective, taking into consideration Eisai's future financial situation and shareholder returns. In October 2024, the acquisition of treasury shares was completed with total number of shares acquired reaching 4,917,800 shares (¥29,999,561,921). The cancellation of all acquired treasury shares was completed on November 29, 2024.
- In November 2024, Eisai Innovation, Inc. (U.S.), Eisai’s corporate venture capital subsidiary, was selected as a registered venture capital of the Strengthening Program for Pharmaceutical Startup Ecosystem implemented by the Japan Agency for Medical Research and Development (AMED).
- In February 2025, Eisai was selected as the highest rated company “A” in both categories of 'Climate Change' and 'Water Security' by the CDP (UK), a non-profit organization.

#### (4) Information on Outlook for the Future including Financial Forecast (April 1, 2024 – March 31, 2025)

[Consolidated Financial Forecast]

- There are no changes to the consolidated financial forecast announced on May 15, 2024.

	FY2023	<b>FY2024 Forecast</b>	Year on year change
Revenue	¥741.8 billion	<b>¥754.0 billion</b>	101.7%
Operating profit	¥53.4 billion	<b>¥53.5 billion</b>	100.2%
Profit before income taxes	¥61.8 billion	<b>¥60.0 billion</b>	97.1%
Profit for the year	¥43.8 billion	<b>¥44.5 billion</b>	101.6%
Profit for the year attributable to owners of the parent	¥42.4 billion	<b>¥43.0 billion</b>	101.4%
Earnings per share attributable to owners of the parent (basic)	¥147.86	<b>¥152.50</b>	103.1%

(Assumptions: 1 USD = ¥145.0, 1 EUR = ¥155.0, 1 GBP = ¥180.0, 1 RMB = ¥20.4)

#### [Forecasts and Risk Factors]

The materials and information provided in this announcement include current forecasts, targets, evaluations, estimates, assumptions that are accompanied by risks, and other matters that are based on uncertain factors. Accordingly, it is possible that actual results will deviate significantly from forecasts, etc., due to changes to a variety of factors. These risks and uncertainties include general industry and market conditions, fluctuation of interest rates and currency exchange rates, and other aspects of economic conditions in Japan and internationally.

For further details on risks and uncertainties that could cause significant fluctuations in the results of the Group or have a material effect on investment decisions, please refer to the “Risk Factors” section of the Annual Securities Report in the previous fiscal year. However, these do not cover all of the risks and uncertainties faced by the Group, and it is possible that they will be affected in the future by other factors that cannot be foreseen, or are not deemed to be important, at this point in time.

These are judgments as of the time of the announcement, and statements in the text regarding the future are not guarantees that they will occur or be achieved.

#### (5) Basic Policy on Profit Appropriation and Year-End Dividend Forecast

The Company pays dividends to all shareholders in a sustainable and stable way based on factors such as a healthy balance sheet and comprehensive consideration of the consolidated financial results, Dividends on Equity (DOE) and free cash flow, as well as taking into consideration the signaling effect. Because DOE indicates the ratio of dividends to consolidated net assets, the Group has positioned it as an indicator that reflects balance sheet management, and, consequently, capital policy. Acquisition of treasury stock will be carried out appropriately after factors such as the market environment and capital efficiency are taken into account. The Group uses the ratio of equity attributable to owners of the parent and net debt equity ratio as indicators to measure a healthy balance sheet.

At the Company, the dividend payments are determined by a resolution of the Board of Directors as specified in the Company's Articles of Incorporation. The Company intends to set the fiscal year-end dividend at ¥80 per share (same amount as the previous fiscal year) as previously forecasted. With an interim dividend of ¥80 per share paid at the end of the second quarter, the Company intends to set the total dividend for the fiscal year at ¥160 per share (same amount as the previous fiscal year).

## 2. Condensed Interim Consolidated Financial Statements and Major Notes

### (1) Condensed Interim Consolidated Statement of Income

(Millions of yen)

	For the nine-month period ended December 31, 2024	For the nine-month period ended December 31, 2023
Revenue	601,164	551,255
Cost of sales	(128,204)	(119,227)
Gross profit	472,960	432,028
Selling, general and administrative expenses	(301,477)	(271,039)
Research and development expenses	(125,323)	(124,474)
Other income	11,416	1,386
Other expenses	(2,174)	(364)
Operating profit	55,402	37,537
Financial income	8,113	7,696
Financial costs	(2,429)	(1,543)
Profit before income taxes	61,086	43,690
Income taxes	(13,634)	(12,891)
Profit for the period	47,453	30,800
Profit for the period attributable to		
Owners of the parent	45,484	29,098
Non-controlling interests	1,969	1,702
Earnings per share		
Basic (yen)	160.14	101.46
Diluted (yen)	—	—

**(2) Condensed Interim Consolidated Statement of Comprehensive Income**

(Millions of yen)

	For the nine-month period ended December 31, 2024	For the nine-month period ended December 31, 2023
Profit for the period	47,453	30,800
Other comprehensive income (loss)		
Items that will not be reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income (loss)	1,590	1,773
Subtotal	1,590	1,773
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of foreign operations (loss)	26,128	34,139
Cash flow hedges	277	(214)
Subtotal	26,405	33,925
Total other comprehensive income (loss), net of tax	27,995	35,698
Comprehensive income (loss) for the period	75,448	66,497
Comprehensive income (loss) for the period attributable to		
Owners of the parent	73,465	64,767
Non-controlling interests	1,983	1,730

**(3) Condensed Interim Consolidated Statement of Financial Position**

(Millions of yen)

	As of December 31, 2024	As of March 31, 2024
<b>Assets</b>		
Non-current assets		
Property, plant and equipment	159,932	164,894
Goodwill	246,843	236,366
Intangible assets	79,157	85,493
Other financial assets	60,140	57,674
Other assets	26,297	25,564
Deferred tax assets	99,395	100,826
Total non-current assets	671,765	670,816
Current assets		
Inventories	206,110	174,651
Trade and other receivables	235,640	217,208
Other financial assets	817	445
Other assets	27,272	26,001
Cash and cash equivalents	291,260	304,678
Total current assets	761,099	722,983
Total assets	1,432,864	1,393,799

(Millions of yen)

	As of December 31, 2024	As of March 31, 2024
<b>Equity</b>		
Equity attributable to owners of the parent		
Share capital	44,986	44,986
Capital surplus	75,662	78,863
Treasury shares	(42,292)	(33,612)
Retained earnings	509,724	526,490
Other components of equity	285,278	258,886
Total equity attributable to owners of the parent	873,357	875,614
Non-controlling interests	24,904	23,361
Total equity	898,261	898,975
<b>Liabilities</b>		
Non-current liabilities		
Borrowings	99,823	134,773
Other financial liabilities	37,019	38,548
Provisions	1,456	1,413
Other liabilities	14,050	14,915
Deferred tax liabilities	638	704
Total non-current liabilities	152,986	190,352
Current liabilities		
Borrowings	119,279	24,632
Trade and other payables	64,533	72,249
Other financial liabilities	18,136	34,250
Income taxes payable	3,962	8,718
Provisions	33,568	31,195
Other liabilities	142,139	133,428
Total current liabilities	381,617	304,472
Total liabilities	534,603	494,825
Total equity and liabilities	1,432,864	1,393,799

#### (4) Condensed Interim Consolidated Statement of Changes in Equity

For the nine-month period ended December 31, 2024

(Millions of yen)

	Equity attributable to owners of the parent					Other components of equity
	Share capital	Capital surplus	Treasury shares	Retained earnings	Financial assets measured at fair value through other comprehensive income (loss)	
As of April 1, 2024	44,986	78,863	(33,612)	526,490		—
Profit for the period	—	—	—	45,484		—
Total other comprehensive income (loss)	—	—	—	—		1,590
Comprehensive income (loss) for the period	—	—	—	45,484		1,590
Dividends	—	—	—	(45,545)		—
Acquisition of treasury shares	—	—	(30,104)	—		—
Disposal of treasury shares	—	9	9	—		—
Cancellation of treasury shares	—	(21,414)	21,414	—		—
Transfer to capital surplus from retained earnings	—	18,294	—	(18,294)		—
Reclassification	—	—	—	1,590		(1,590)
Other	—	(91)	—	—		—
Total transactions with owners (loss)	—	(3,201)	(8,681)	(62,250)		(1,590)
As of December 31, 2024	44,986	75,662	(42,292)	509,724		—

	Equity attributable to owners of the parent					
	Other components of equity			Total equity attributable to owners of the parent	Non-controlling interests	Total Equity
	Exchange differences on translation of foreign operations	Cash flow hedges	Total other components of equity			
As of April 1, 2024	258,855	32	258,886	875,614	23,361	898,975
Profit for the period	—	—	—	45,484	1,969	47,453
Total other comprehensive income (loss)	26,114	277	27,981	27,981	14	27,995
Comprehensive income (loss) for the period	26,114	277	27,981	73,465	1,983	75,448
Dividends	—	—	—	(45,545)	(531)	(46,077)
Acquisition of treasury shares	—	—	—	(30,104)	—	(30,104)
Disposal of treasury shares	—	—	—	18	—	18
Cancellation of treasury shares	—	—	—	—	—	—
Transfer to capital surplus from retained earnings	—	—	—	—	—	—
Reclassification	—	—	(1,590)	—	—	—
Other	—	—	—	(91)	91	—
Total transactions with owners (loss)	—	—	(1,590)	(75,721)	(440)	(76,162)
As of December 31, 2024	284,969	309	285,278	873,357	24,904	898,261

For the nine-month period ended December 31, 2023

(Millions of yen)

	Equity attributable to owners of the parent					Other components of equity
	Share capital	Capital surplus	Treasury shares	Retained earnings	Financial assets measured at fair value through other comprehensive income (loss)	
As of April 1, 2023	44,986	78,813	(33,638)	522,774	—	—
Profit for the period	—	—	—	29,098	—	—
Total other comprehensive income (loss)	—	—	—	—	—	1,773
Comprehensive income (loss) for the period	—	—	—	29,098	—	1,773
Dividends	—	—	—	(45,915)	—	—
Acquisition of treasury shares	—	—	(16)	—	—	—
Disposal of treasury shares	—	50	48	—	—	—
Reclassification	—	—	—	1,773	—	(1,773)
Total transactions with owners (loss)	—	50	31	(44,142)	—	(1,773)
As of December 31, 2023	44,986	78,863	(33,607)	507,730	—	—

	Equity attributable to owners of the parent					
	Other components of equity			Total equity attributable to owners of the parent	Non-controlling interests	Total Equity
	Exchange differences on translation of foreign operations	Cash flow hedges	Total other components of equity			
As of April 1, 2023	186,988	37	187,024	799,959	22,612	822,571
Profit for the period	—	—	—	29,098	1,702	30,800
Total other comprehensive income (loss)	34,110	(214)	35,670	35,670	28	35,698
Comprehensive income (loss) for the period	34,110	(214)	35,670	64,767	1,730	66,497
Dividends	—	—	—	(45,915)	(520)	(46,435)
Acquisition of treasury shares	—	—	—	(16)	—	(16)
Disposal of treasury shares	—	—	—	98	—	98
Reclassification	—	—	(1,773)	—	—	—
Total transactions with owners (loss)	—	—	(1,773)	(45,833)	(520)	(46,354)
As of December 31, 2023	221,098	(177)	220,921	818,893	23,822	842,715

**(5) Condensed Interim Consolidated Statement of Cash Flows**

(Millions of yen)

	For the nine-month period ended December 31, 2024	For the nine-month period ended December 31, 2023
<b>Operating activities</b>		
Profit before income taxes	61,086	43,690
Depreciation and amortization	30,075	29,416
Impairment losses	3,918	2,377
(Increase) decrease in working capital	(73,266)	(27,957)
Interest and dividends received	7,405	6,960
Interest paid	(1,901)	(1,102)
Income taxes paid	(17,830)	(10,577)
Income taxes refund	1,866	3,045
Other	(10,556)	(7,919)
Net cash from (used in) operating activities	797	37,934
<b>Investing activities</b>		
Purchases of property, plant and equipment	(8,645)	(10,964)
Purchases of intangible assets	(3,243)	(8,563)
Proceeds from sale of property, plant and equipment and intangible assets	14,194	364
Payments on investments in joint ventures	(260)	—
Purchases of financial assets	(3,461)	(5,308)
Proceeds from sale and redemption of financial assets	2,735	2,076
Payments of time deposits exceeding three months	—	(3)
Proceeds from redemption of time deposits exceeding three months	0	0
Other	(77)	58
Net cash from (used in) investing activities	1,243	(22,339)
<b>Financing activities</b>		
Net increase (decrease) in short-term borrowings	59,235	301
Proceeds from long-term borrowings	—	49,825
Repayments of long-term borrowings	(6)	(10,000)
Repayments of lease liabilities	(7,533)	(7,088)
Payments for acquisition of treasury shares	(30,104)	(16)
Dividends paid	(45,545)	(45,915)
Other	(274)	(483)
Net cash from (used in) financing activities	(24,227)	(13,376)
Effect of exchange rate change on cash and cash equivalents	8,768	15,221
Net increase (decrease) in cash and cash equivalents	(13,418)	17,441
Cash and cash equivalents at beginning of period	304,678	267,350
Cash and cash equivalents at end of period	291,260	284,791

**(6) Notes to Condensed Interim Consolidated Financial Statements****(Going Concern)**

Not applicable

**(Changes in Accounting Policies)**

With the exception of the following, all material accounting policies that are applied to these condensed interim consolidated financial statements for this period are the same as those that were applied to the consolidated financial statements for the previous fiscal year. None of the following accounting standards and interpretations applied by the Group has any major impact on the condensed interim consolidated financial statements for this period.

Accounting standards and interpretations	Mandatory application (Date of commencement)	To be applied by the Group	Description
IAS 1 Presentation of Financial Statements	January 1, 2024	Fiscal year ending March 31, 2025	Clarifying of the classification of liabilities as current or non-current
IFRS 16 Leases	January 1, 2024	Fiscal year ending March 31, 2025	Clarifying the accounting treatments of lease liabilities in a sale-and-leaseback
IAS 7 Statement of Cash Flows IFRS 7 Financial Instruments: Disclosures	January 1, 2024	Fiscal year ending March 31, 2025	Amendments to disclosure of supplier finance arrangements

### (Segment Information)

Reporting segments are units for which the Group can obtain independent financial information and for which top management undertakes periodic reviews in order to determine the allocation of management resources and evaluate performance.

The Group's business is comprised of pharmaceutical business and other business. The pharmaceutical business is organized into the following five reporting segments in this report: Japan, Americas (North America), China, EMEA (Europe, the Middle East, Africa, Russia and Oceania), and East Asia Global South (primarily South Korea, Taiwan, India, ASEAN, Central and South America, and South Africa).

As the Asia and Latin America pharmaceutical business includes Asia (excluding Japan and China), Central and South America, and South Africa, the name was changed to East Asia Global South pharmaceutical business starting from October 1, 2024. This change will not affect segment information as only the name changes.

In order to more accurately reflect the actual condition of management, expenses associated with medical activities in each reporting segment which were previously included in research and development (R&D) expenses will be reflected in the profits of each segment from this fiscal year. This change has been reflected in Segment Information for the fiscal year ended March 31, 2024.

(Millions of yen)

	For the nine-month period ended December 31, 2024		For the nine-month period ended December 31, 2023	
	Revenue	Segment profit (loss)	Revenue	Segment profit (loss)
Pharmaceutical business				
Japan	167,117	58,678	172,022	58,653
Americas	209,277	121,045	172,108	105,829
China	88,544	43,993	86,361	45,986
EMEA	59,706	28,026	56,167	26,893
East Asia Global South	44,436	20,606	41,407	18,895
Reporting segment total	569,081	272,348	528,065	256,256
Other business (Note 1)	32,083	23,230	23,190	15,559
Total	601,164	295,578	551,255	271,815
R&D expenses (Note 2)	—	(109,973)	—	(111,101)
Group headquarters' management costs and other expenses (Note 3)	—	(130,203)	—	(123,178)
Operating profit in the condensed interim consolidated statement of income	—	55,402	—	37,537

(Note 1) "Other business" mainly includes the license revenue and pharmaceutical ingredient business of the parent company.

(Note 2) "R&D expenses" do not include expenses associated with medical activities, which are reflected in each reporting segment.

(Note 3) "Group headquarters' management costs and other expenses" are the costs and expenses covering Group-wide operations which include the amount of other income and expenses, and the amount of profits and expenses shared under strategic collaborations with partners. For the nine-month period ended December 31, 2024, shared profit of ¥115,085 million (¥103,433 million for the nine-month period ended December 31, 2023) for anticancer agent Lenvima paid by the Group to Merck & Co., Inc., Rahway, NJ, USA was included in Group headquarters' management costs and other expenses.

**(Consolidated Statement of Income)****(1) Selling, general and administrative expenses (SG&A expenses)**

For the nine-month period ended December 31, 2024, the Group recognized shared profit of ¥115,085 million (¥103,433 million for the nine-month period ended December 31, 2023) for anticancer agent Lenvima paid by the Group to Merck & Co., Inc., Rahway, NJ, USA as SG&A expenses.

**(2) Research and development expenses (R&D expenses)**

The Company and Bliss Biopharmaceutical Co., Ltd. (hereinafter "BlissBio") agreed that BlissBio will be solely responsible for future global development and commercialization of BB-1701, an antibody-drug conjugate jointly developed by both companies, and the Company decided not to exercise its option rights for a strategic collaboration based on the joint development agreement with BlissBio. Therefore, the Company recorded the fair value of the related IPR&D assets as zero, and the carrying amount of the IPR&D assets of ¥3,740 million as an impairment loss in R&D expenses in the nine-month period ended December 31, 2024.

For the nine-month period ended December 31, 2023, due to the idle operation of some parts of the research facilities at the Company's consolidated U.S. subsidiary Eisai Inc.'s former headquarters, for which a lease agreement was concluded, the Group estimated the recoverable amount of right-of-use assets for those facilities zero, and recorded impairment losses of ¥2,227 million related to right-of-use assets as R&D expenses.

**(3) Other income**

For the nine-month period ended December 31, 2024, the Company has agreed to end its global strategic collaboration with Bristol Myers Squibb for the antibody-drug conjugate farletuzumab ecteribulin (development code: MORAb-202). Following the agreement to end the collaboration, of the unused portion of the deposit received from Bristol Myers Squibb for the Company's future R&D, the Company recorded ¥5,937 million, which is not required to be refunded, as Other income.

In addition, the company recognized gain on sale of non-current assets of ¥4,871 million including the transfer of sales rights as Other income.

**(Significant Subsequent Events)**

Not applicable