October 30, 2025

Company name	Japan Medical Dynamic Marketing, INC.
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Notice Regarding Revision of Consolidated Earnings Forecasts for the Full Year of the Fiscal Year Ending March 31, 2026

We hereby announce that we have revised our full-year consolidated earnings forecast for the fiscal year ending March 2026, which was originally announced on September 5, 2025.

1. Revision of full-year consolidated earnings forecast

(1) Revised Full-Year Consolidated Earnings Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 to March 31, 2026)

	Net sales (Millions of yen)	Operating profit (Millions of yen)	Ordinary profit (Millions of yen)	Profit attributable to owners of parent (Millions of yen)	Basic earnings per share (Yen)
Previous forecast (A)	25,450	1,010	900	600	22.78
Revised forecast (B)	24,800	700	550	300	11.38
Change (B-A)	(650)	(310)	(350)	(300)	
Percentage change (%)	(2.6)%	(30.7)%	(38.9)%	(50.0)%	
(Reference) Results for the previous period (Year ending March 31, 2025)	25,114	1,555	1,488	(461)	(17.54)

(2) Reason for revision

Full-year consolidated sales are projected to increase due to nationwide sales of the new hip replacement product “Trivicta Hip Stem” in the United States. However, delivery delays persist for certain components of our outsourced knee joint products, and these supply constraints are expected to continue primarily for products such as the Balanced Knee System - Revision. This has resulted in the loss of sales opportunities with some customers.

Regarding operating profit accompanied with decrease in gross profit triggered by the decline in sales, while we are advancing initiatives to improve SG&A efficiency, we anticipate an increase in indirect costs, primarily labor expenses and training cost which are classified as upfront investment to establish appropriate organizational structure for expanding our in-house manufacturing capacity as well as strengthening our quality assurance system. The impact of U.S. reciprocal tariffs on procurement from Europe and Asia was already factored in during the previous downward revision and does not represent a new cost increase factor this time. On the other hand, due to revising the assumed exchange rate for the second half of the year from ¥148 to ¥152 per US dollar, we anticipate an increase in import procurement costs in Japan. As a result, operating profit is expected to fall below the previous forecast.

Consequently, operating profit is expected to decline, and both ordinary profit and net income attributable to owners of the parent are also projected to fall below the previous forecast.

In addition to expanding our customer base through the nationwide rollout of our new artificial hip joint product, “Trivicta Hip Stem”, starting sequentially from the third quarter, we are also exploring the establishment of a more efficient supply chain system. This includes advancing our manufacturing cost reduction project (SAICO Project) and developing a scheme to ship directly to Japan without transiting through the United States.

We will also continue to improve profitability through the streamlining of selling, general, and administrative expenses, striving to achieve a recovery in earnings and sustainable growth.

2. Full-Year Dividend Forecast

As stated above, we have revised downward our full-year consolidated earnings forecast. However, we maintain stable and continuous profit distribution to our shareholders as a key management principle.

In revising our outlook this time, we have comprehensively considered the prospects for performance recovery in the next fiscal year and beyond, as well as the soundness of our financial foundation. Accordingly, we maintain our policy of paying an annual dividend of ¥17 per share, consistent with our previously announced forecast.

Additionally, we will strive to improve profitability and achieve sustainable shareholder returns through expanding growth opportunities with the nationwide launch of our new artificial hip joint product, “Trivicta Hip Stem”, advancing the SAICO project, and optimizing SG&A expenses.

Note: The above forecasts are based on information available as of the date of this document's release. Please note that actual results may differ from these forecasts due to various factors. Should significant changes be anticipated, we will promptly notify you.