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

May 12, 2026

The Sumitomo Warehouse Co., Ltd.

Listing:	Tokyo Stock Exchange
Securities code:	9303
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Scheduled date of annual general meeting of shareholders:	June 25, 2026
Scheduled date to commence dividend payments:	June 26, 2026
Scheduled date to file annual securities report:	June 23, 2026
Preparation of supplementary material on financial results:	Yes
Holding of financial results briefing:	Yes

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

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

(1) Consolidated operating results (Percentages indicate year-on-year changes.)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	196,244	1.5	11,413	(14.0)	15,808	(9.7)	17,668	(11.9)
March 31, 2025	193,398	4.7	13,275	0.7	17,497	3.7	20,065	60.6

Note: Comprehensive income:

For the fiscal year ended March 31, 2026: ¥62,852 million [191.2%]

For the fiscal year ended March 31, 2025: ¥21,583 million [(55.6)%]

	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
Fiscal year ended	Yen	Yen	%	%	%
March 31, 2026	230.86	230.72	6.1	3.3	5.8
March 31, 2025	257.32	257.12	7.7	4.0	6.9

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

For the fiscal year ended March 31, 2026: ¥115 million

For the fiscal year ended March 31, 2025: ¥262 million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2026	513,098	325,072	61.2	4,117.89
March 31, 2025	439,847	274,145	60.0	3,411.77

Reference: Equity

As of March 31, 2026: ¥313,841 million

As of March 31, 2025: ¥263,758 million

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	28,162	(20,001)	(14,303)	39,070
March 31, 2025	31,733	(10,045)	(25,273)	44,950

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	－	50.50	－	52.50	103.00	8,000	40.0	3.1
Fiscal year ended March 31, 2026	－	51.50	－	51.50	103.00	7,859	44.6	2.7
Fiscal year ending March 31, 2027 (Forecast)	－	51.50	－	51.50	103.00		45.0	

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

(Percentages indicate year-on-year changes.)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months ending September 30, 2026	100,000	3.4	5,950	9.7	7,900	3.2	8,200	18.8	108.30
Fiscal year ending March 31, 2027	200,000	1.9	12,200	6.9	16,100	1.8	17,200	(2.6)	228.68

*** Notes**

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

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

(3) Number of issued shares (common shares)
- (i) Total number of issued shares at the end of the period (including treasury shares) :
  As of March 31, 2026 : 76,614,215 shares
  As of March 31, 2025 : 77,747,315 shares
- (ii) Number of treasury shares at the end of the period :
  As of March 31, 2026 : 400,075 shares
  As of March 31, 2025 : 438,956 shares
- (iii) Average number of shares outstanding during the period:
  Fiscal year ended March 31, 2026 : 76,532,824 shares
  Fiscal year ended March 31, 2025 : 77,976,647 shares

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The forecasts are based on information currently available and certain assumptions judged to be reasonable. The Company's actual results may differ materially from the forecasts as a result of numerous factors outside of the Company's control.

Attached Materials Index

1. Overview of Operating Results under Review

(1) Overview of Operating Results

In the economic environment during the fiscal year ended March 31, 2026, although the impact of U.S. trade policies was seen, a moderate economic recovery continued in Japan due to capital investment showing signs of improvement and personal consumption gradually recovering. Overseas, although there was uncertainty in the United States associated with tariff hikes, the economy expanded moderately, supported by robust consumer spending and capital investment. In China, the real estate market remained stagnant, and the economy lacked momentum, showing a gradual slowdown.

In the logistics industry, demand for domestic cargo transportation remained sluggish, and cargo movements generally lacked momentum. In the real estate industry, vacancy rates improved against the backdrop of demand for office relocations and expansions, and rent levels continued on an upward trend.

Under these circumstances, the Group implemented various measures aimed at achieving sustainable growth based on the business strategies set forth in the Medium-Term Business Plan, for which the current fiscal year was the final year.

In the logistics business, in Japan, we worked to expand our logistics bases, including a new warehouse that had been under construction in Hamamatsu City being completed in January 2026. As part of our DX promotion initiatives, we also worked to promote operational efficiency through the use of AI and to develop DX promotion personnel. Meanwhile, overseas, we engaged in consideration aimed at expansion of our locations in the United States, Europe, and Southeast Asia, as well as entry into India.

In the real estate business, we expanded the scale of revenue by acquiring a rental apartment building in Joto-ku, Osaka, in June 2025, and by acquiring an additional co-ownership interest in a jointly owned office building for lease in Chuo-ku, Osaka, in December of the same year, making it wholly owned by the Company. In addition, we engaged in the construction of a logistics facility in Misato City, Saitama Prefecture, jointly with two other companies.

Furthermore, we made efforts to collect appropriate fees in response to rising costs across all aspects of our business, and also proceeded to establish data management infrastructure for centralizing the Company's core information.

As a result of these efforts, in the consolidated financial results for the fiscal year ended March 31, 2026, operating revenue increased by 1.5% year on year to ¥196,244 million due in part to increases in warehouse income and harbor transportation income, but, operating profit decreased by 14.0% year on year to ¥11,413 million due to increases in personal expenses and cost of sales accompanying wage increases and rising prices, as well as the occurrence of real estate acquisition tax and other expenses related to newly acquired properties, and ordinary profit decreased by 9.7% year on year to ¥15,808 million. Although we recorded a gain on sale of investment securities from the partial sale of cross-shareholdings and compensation income received in connection with the Company's buildings related to the railway construction project, there had been compensation income exceeding this amount recorded in the previous fiscal year, and profit attributable to owners of parent decreased by 11.9% year on year to ¥17,668 million.

Segment results are as follows.

(Logistics business)

In the warehousing business, warehouse income was ¥33,402 million (up 3.9% year on year), due to factors such as an increase in the handling of high-value-added goods, including temperature-controlled cargo.

In the harbor transportation business, harbor transportation income was ¥33,610 million (up 3.3% year on year), due to factors such as an increase in container cargo handling.

In the international transportation business, although revenue from airfreight transportation increased, revenue from international multimodal transportation and project cargo transportation decreased, and international transportation income was ¥54,596 million (down 0.5% year on year).

In the land transportation business and other operations, land transportation and other income was ¥64,308 million (up 1.8% year on year), due to such factors as an increase in freight volume and strong performance at our information systems subsidiary.

In addition to the above, as a result of our efforts to collect appropriate fees in response to rising costs, operating revenue in the logistics business reached ¥185,918 million (up 1.8% year on year), but operating profit was ¥13,538 million (down 3.8% year on year) due to increases in personal expenses and depreciation, among other factors.

(Real estate business)

In the real estate business, although properties acquired for lease in the previous and current fiscal years contributed to an increase in rental income, the decline in rental income resulting from the handover of our buildings associated with the railway construction project was significant, operating revenue was ¥10,930 million (down 3.0% year on year). Operating profit was ¥4,383 million (down 19.0% year on year), due to lower revenue as well as the incurrence of real estate acquisition tax and other expenses related to newly acquired properties.

Notes: 1. The operating revenue for the segments above includes inter-segment revenue of ¥604 million (¥585 million in the previous fiscal year).

2. The operating profit for the segments above is the profit before deduction of company-wide expenses, etc., that do not belong to each segment, amounting to ¥6,509 million (¥6,207 million in the previous fiscal year).

Details of operating revenue by segment

Details	Year ended March 31, 2025	Year ended March 31, 2026	Increase / decrease	
			Amount	Ratio%
Logistics business	182,710 million	185,918 million	3,207 million	1.8
[Warehouse income]	[32,138]	[33,402]	[1,263]	[3.9]
[Harbor transportation income]	[32,534]	[33,610]	[1,076]	[3.3]
[International transportation income]	[54,875]	[54,596]	[(279)]	[(0.5)]
[Land transportation and other operations income]	[63,161]	[64,308]	[1,146]	[1.8]
Real estate business	11,274	10,930	(343)	(3.0)
[Real estate business income]	[11,274]	[10,930]	[(343)]	[(3.0)]
Total	193,984	196,848	2,863	1.5
Inter-segment revenue	(585)	(604)	(18)	—
Net operating revenue	193,398	196,244	2,845	1.5

(2) Overview of Financial Position

(Assets)

Total assets increased by 16.7% from the end of the previous fiscal year to ¥513,098 million, mainly due to an increase in “investment securities” associated with the rise in stock prices.

(Liabilities)

Total liabilities increased by 13.5% from the end of the previous fiscal year to ¥188,025 million, mainly due to an increase in “deferred tax liabilities” related to valuation differences on investment securities.

(Net assets)

Total net assets increased by 18.6% from the end of the previous fiscal year to ¥325,072 million, mainly due to an increase in “valuation difference on available-for-sale securities” associated with the rise in stock prices.

(3) Overview of Cash Flows

(Cash flows from operating activities)

Net cash provided by operating activities amounted to ¥28,162 million (¥31,733 million provided in the previous fiscal year), mainly due to the recording of profit before income taxes and the retention of funds from depreciation.

(Cash flows from investing activities)

Net cash used in investing activities amounted to ¥20,001 million (¥10,045 million used in the previous fiscal year), mainly due to the purchase of property, plant and equipment, such as co-ownership interests in office buildings for lease.

(Cash flows from financing activities)

Net cash used in financing activities amounted to ¥14,303 million (¥25,273 million used in the previous fiscal year), mainly due to the redemption of bonds, dividend payments, and the purchase of treasury shares.

The total consolidated net cash used in the fiscal year ended March 31, 2026, including the above results and the "Effect of exchange rate change on cash and cash equivalents" (¥262 million), was ¥5,880 million, resulting in a balance of 39,070 million in cash and cash equivalents at the end of the fiscal year.

(4) Future Outlook

Looking ahead, the economic environment is expected to see a continued gradual recovery in Japan amid an improving employment and income environment, but surging prices for fuel oil and other goods caused by the tense situation in the Middle East may weigh on the economy. Overseas, the United States is expected to continue to see moderate economic expansion against the backdrop of a robust employment environment and other factors, although there is uncertainty regarding policy trends. Meanwhile, in China, there are concerns about an economic slowdown due to the stagnation of the real estate market, and Southeast Asian countries with limited crude oil reserves may be more severely affected by the situation in the Middle East. In the logistics industry, while cargo movements for import and export cargo are generally expected to show a trend of recovery, there are concerns that logistics demand may also stagnate if various supply chains are disrupted due to rising geopolitical risks. Meanwhile, in the real estate industry, although there is a risk that investment yields may decline due to rising interest rates, rent levels are expected to continue rising and vacancy rates to continue improving against a backdrop of robust demand for office buildings.

Under these circumstances, within the Group, increases in costs such as personal expenses are expected in the logistics business, while steady cargo handling volumes are expected in warehousing and harbor transportation. In the real estate business, with respect to shared ownership interests, etc. in office buildings for lease that were additionally acquired during the current fiscal year, while depreciation and other expenses are expected to increase, these properties are expected to contribute to an increase in rental income, and the recognition of expenses such as real estate acquisition tax related to these acquisitions is expected to decrease.

As a result, we forecast that the Group's operating revenue for the next fiscal year will be ¥200,000 million, 1.9% higher than the current fiscal year, operating profit will be ¥12,200 million, 6.9% higher than the current fiscal year, and ordinary profit will be ¥16,100 million, 1.8% higher than the current fiscal year. Profit attributable to owners of parent is expected to be ¥17,200 million, a decrease of 2.6% from the current fiscal year, although we expect to record a gain on sale of investment securities resulting from the reduction of cross-shareholdings, because the amount of compensation income related to the Company's buildings associated with railway construction projects recorded in the current fiscal year was substantial.

Note that the outlook for the impact of the situation in the Middle East remains currently uncertain and has not been reflected in the business outlook. Going forward, we will promptly disclose any revision to the earnings forecast if it becomes necessary.

For the forecast for the next fiscal year by segment, please refer to “Forecasts related to operating revenue and operating profit for the fiscal year ending March 31, 2027” on page 29.

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

(Dividends for the Fiscal Year under Review)

For dividends of surplus in the Fifth Three-Year Medium-Term Business Plan, which ends in FY2025, the Company established a policy to implement a minimum dividend of ¥100 per share while making the business investments necessary to improve corporate value from a medium- to long- term perspective and considering improvements in profitability in each fiscal year, and to pay dividends with a target DOE (dividend on equity ratio) of 3.5-4.0%.

Based on this policy, the annual dividends per share for the current fiscal year will be ¥103 per share, and after deducting the interim dividend of ¥51.50, the year-end dividend will be ¥51.50 per share.

In addition, we will flexibly implement the purchase of treasury shares, taking into account economic conditions, market trends, and business investment and profit levels. In the current fiscal year, the Company purchased 1,133,000 treasury shares, amounting to approximately ¥3,500 million, and retired all of them in March 2026.

(Dividends for the Next Fiscal Year)

The Company has established a five-year medium-term business plan entitled “Medium-Term Business Plan 2026-2030”. Under this plan, the Company has adopted a dividend policy under which dividends from surplus will be paid with a minimum annual dividend of ¥103 per share, using a dividend on equity (DOE) of 3.5% to 4.5% as a guideline. In the previous medium-term business plan (FY2023–FY2025), the Company used DOE based on total equity as a guideline. However, in order to implement a more stable shareholder return policy, the Company has changed the basis to DOE based on shareholders’ equity under the Medium-Term Business Plan 2026–2030.

In accordance with this policy, dividends of surplus for the next fiscal year are planned to be ¥103 per share (¥51.50 per share for both interim and year-end dividends).

In the next fiscal year, the Company will also implement the purchase of treasury shares (up to 2,000,000 shares in total and amounting to up to ¥7,000 million in total). For details, please refer to the “Notice of Acquisition of Treasury Shares” released today.

2. Basic Concept Regarding Selection of Accounting Standards

The Group has decided to apply Japanese GAAP for the time being in consideration of period-to-period comparability of consolidated financial statements and comparability with other domestic companies in the same industry. The Company will consider the application of International Financial Reporting Standards (IFRS), taking into consideration various domestic and international circumstances.

3. Consolidated Financial Results and Significant Notes

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	47,850	42,376
Notes and accounts receivable-trade	21,515	20,831
Real estate for sale	2,666	2,618
Other	11,857	10,541
Allowance for doubtful accounts	(101)	(105)
Total current assets	83,787	76,262
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	*1 91,790	*1 92,348
Machinery, equipment and vehicles, net	*1 6,975	*1 6,935
Vessels, net	*1 362	*1 306
Tools, furniture and fixtures, net	*1 987	*1 1,090
Land	77,664	90,231
Construction in progress	2,081	4,100
Other, net	*1 3,353	*1 4,820
Total property, plant and equipment	183,214	199,833
Intangible assets		
Leasehold interests in land	5,138	5,165
Software	1,517	1,534
Other	474	1,286
Total intangible assets	7,130	7,986
Investments and other assets		
Investment securities	*4 155,645	*4 216,299
Long-term loans receivable	233	129
Retirement benefit asset	2,795	5,495
Deferred tax assets	790	787
Other	6,667	6,723
Allowance for doubtful accounts	(418)	(419)
Total investments and other assets	165,714	229,015
Total non-current assets	356,059	436,835
Total assets	439,847	513,098

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable-trade	11,731	12,504
Short-term borrowings	11,918	9,172
Current portion of bonds payable	12,000	—
Income taxes payable	3,767	3,379
Provision for bonuses	1,652	1,695
Other	9,965	9,700
Total current liabilities	51,036	36,452
Non-current liabilities		
Bonds payable	25,000	25,000
Long-term borrowings	30,492	44,322
Deferred tax liabilities	46,565	67,554
Provision for retirement benefits for directors (and other officers)	116	80
Retirement benefit liability	2,691	2,865
Long-term deposits received	7,809	8,741
Other	1,990	3,007
Total non-current liabilities	114,664	151,572
Total liabilities	165,701	188,025
Net assets		
Shareholders’ equity		
Share capital	14,922	14,922
Capital surplus	12,347	12,344
Retained earnings	142,590	148,899
Treasury shares	(1,117)	(1,167)
Total shareholders’ equity	168,743	174,999
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	83,352	124,731
Foreign currency translation adjustment	8,137	9,116
Remeasurements of defined benefit plans	3,525	4,994
Total accumulated other comprehensive income	95,014	138,841
Share acquisition rights	75	54
Non-controlling interests	10,311	11,176
Total net assets	274,145	325,072
Total liabilities and net assets	439,847	513,098

(2) Consolidated Statements of Income and Consolidated Statements of Comprehensive Income

(Consolidated Statements of Income)

(Millions of yen)

	Year ended March 31, 2025	Year ended March 31, 2026
Operating revenue		
Warehouse income	32,138	33,402
Harbor transportation income	32,534	33,610
International transportation income	54,875	54,596
Land transportation income	49,675	50,387
Rent income of warehouse and logistics facilities	6,255	6,423
Real estate lease revenue	10,176	10,203
Other	7,741	7,620
Total operating revenue	193,398	196,244
Operating costs		
Cost of sales	107,197	109,973
Personal expenses	29,668	30,862
Rent expenses	9,499	8,290
Taxes and dues	2,637	2,865
Depreciation	10,145	10,731
Other	11,053	11,536
Total operating costs	170,202	174,259
Operating gross profit	23,196	21,984
Selling, general and administrative expenses		
Salaries, allowances and welfare expenses	5,518	5,758
Provision for bonuses	309	315
Retirement benefit expenses	98	100
Other	3,994	4,396
Total selling, general and administrative expenses	9,920	10,570
Operating profit	13,275	11,413
Non-operating income		
Interest income	195	158
Dividend income	4,181	4,540
Share of profit of entities accounted for using equity method	262	115
Other	550	640
Total non-operating income	5,189	5,454
Non-operating expenses		
Interest expenses	459	603
Other	508	455
Total non-operating expenses	968	1,059
Ordinary profit	17,497	15,808

(Millions of yen)

	Year ended March 31, 2025	Year ended March 31, 2026
Extraordinary income		
Gain on sale of non-current assets	144	852
Gain on sale of investment securities	1,725	5,618
Compensation	*1 12,153	*1 5,132
Total extraordinary income	14,023	11,603
Extraordinary losses		
Loss on retirement of non-current assets	1,291	1,214
Impairment losses	*2 113	*2 32
Total extraordinary losses	1,404	1,247
Profit before income taxes	30,116	26,165
Income taxes-current	5,902	6,360
Income taxes-deferred	3,079	1,121
Total income taxes	8,982	7,481
Profit	21,134	18,683
Profit attributable to non-controlling interests	1,068	1,015
Profit attributable to owners of parent	20,065	17,668

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Year ended March 31, 2025	Year ended March 31, 2026
Profit	21,134	18,683
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,316)	41,682
Foreign currency translation adjustment	2,088	946
Remeasurements of defined benefit plans, net of tax	326	1,465
Share of other comprehensive income of entities accounted for using equity method	350	74
Total other comprehensive income	* 449	* 44,168
Comprehensive income	21,583	62,852
(Comprehensive income attributable to)		
Owners of parent	20,454	61,495
Non-controlling interests	1,128	1,357

(3) Consolidated Statements of Changes in Net Assets

Year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	14,922	12,347	134,329	(1,094)	160,505
Changes during period					
Dividends of surplus			(7,918)		(7,918)
Profit attributable to owners of parent			20,065		20,065
Purchase of treasury shares				(4,015)	(4,015)
Disposal of treasury shares			(34)	141	106
Cancellation of treasury shares			(3,850)	3,850	—
Change in ownership interest of parent due to transactions with non-controlling interests		0			0
Net changes in items other than shareholders' equity					
Total changes during period	—	0	8,261	(23)	8,238
Balance at end of period	14,922	12,347	142,590	(1,117)	168,743

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	85,594	5,831	3,199	94,624	113	9,560	264,804
Changes during period							
Dividends of surplus							(7,918)
Profit attributable to owners of parent							20,065
Purchase of treasury shares							(4,015)
Disposal of treasury shares							106
Cancellation of treasury shares							—
Change in ownership interest of parent due to transactions with non-controlling interests							0
Net changes in items other than shareholders' equity	(2,241)	2,306	325	389	(37)	750	1,102
Total changes during period	(2,241)	2,306	325	389	(37)	750	9,341
Balance at end of period	83,352	8,137	3,525	95,014	75	10,311	274,145

Year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	14,922	12,347	142,590	(1,117)	168,743
Changes during period					
Dividends of surplus			(7,993)		(7,993)
Profit attributable to owners of parent			17,668		17,668
Purchase of treasury shares				(3,502)	(3,502)
Disposal of treasury shares			(26)	113	86
Cancellation of treasury shares			(3,339)	3,339	—
Change in ownership interest of parent due to transactions with non-controlling interests		(2)			(2)
Net changes in items other than shareholders' equity					
Total changes during period	—	(2)	6,308	(50)	6,255
Balance at end of period	14,922	12,344	148,899	(1,167)	174,999

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	83,352	8,137	3,525	95,014	75	10,311	274,145
Changes during period							
Dividends of surplus							(7,993)
Profit attributable to owners of parent							17,668
Purchase of treasury shares							(3,502)
Disposal of treasury shares							86
Cancellation of treasury shares							—
Change in ownership interest of parent due to transactions with non-controlling interests							(2)
Net changes in items other than shareholders' equity	41,379	978	1,468	43,826	(20)	864	44,670
Total changes during period	41,379	978	1,468	43,826	(20)	864	50,926
Balance at end of period	124,731	9,116	4,994	138,841	54	11,176	325,072

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Year ended March 31, 2025	Year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	30,116	26,165
Depreciation	10,542	11,129
Impairment losses	113	32
Compensation	(12,153)	(5,132)
Increase (decrease) in allowance for doubtful accounts	129	1
Increase (decrease) in retirement benefit liability	(404)	(392)
Increase (decrease) in provision for retirement benefits for directors	18	(36)
Increase (decrease) in provision for bonuses	159	41
Interest and dividend income	(4,377)	(4,698)
Interest expenses	459	603
Share of loss (profit) of entities accounted for using equity method	(262)	(115)
Loss (gain) on sale of non-current assets	(144)	(852)
Loss on retirement of non-current assets	1,291	1,214
Loss (gain) on sale of investment securities	(1,725)	(5,618)
Commission expenses	—	78
Decrease (increase) in trade receivables	(523)	884
Increase (decrease) in trade payables	(537)	643
Increase (decrease) in deposits received	(35)	936
Other, net	1,305	(2,267)
Subtotal	23,973	22,616
Interest and dividends received	4,424	4,816
Interest paid	(460)	(548)
Proceeds from compensation	8,141	7,998
Income taxes paid	(4,344)	(6,721)
Net cash provided by (used in) operating activities	31,733	28,162
Cash flows from investing activities		
Payments into time deposits	(2,491)	(2,169)
Proceeds from withdrawal of time deposits	4,047	1,846
Purchase of property, plant and equipment	(13,249)	(25,637)
Proceeds from sale of property, plant and equipment	224	1,539
Purchase of intangible assets	(737)	(1,189)
Purchase of investment securities	(104)	(115)
Proceeds from sale of investment securities	2,125	6,059
Loan advances	(138)	(56)
Proceeds from collection of loans receivable	26	30
Other, net	252	(307)
Net cash provided by (used in) investing activities	(10,045)	(20,001)

(Millions of yen)

	Year ended March 31, 2025	Year ended March 31, 2026
Cash flows from financing activities		
Proceeds from short-term borrowings	836	2,934
Repayments of short-term borrowings	(1,791)	(3,021)
Proceeds from long-term borrowings	400	20,110
Repayments of long-term borrowings	(1,215)	(8,938)
Redemption of bonds	(10,000)	(12,000)
Proceeds from sale of treasury shares	2	2
Purchase of treasury shares	(4,017)	(3,504)
Dividends paid	(7,916)	(8,057)
Dividends paid to non-controlling interests	(367)	(322)
Other, net	(1,203)	(1,504)
Net cash provided by (used in) financing activities	(25,273)	(14,303)
Effect of exchange rate change on cash and cash equivalents	587	262
Net increase (decrease) in cash and cash equivalents	(2,996)	(5,880)
Cash and cash equivalents at beginning of period	47,947	44,950
Cash and cash equivalents at end of period	* 44,950	* 39,070

(5) Notes to Consolidated Financial Statements

(Notes on premise of going concern)

Not applicable.

(Notes on significant accounting policies for preparation of consolidated financial statements)

1. Disclosure of scope of consolidation

(1) Number of consolidated subsidiaries: 35

Names of major consolidated subsidiaries

Sumitomo Warehouse Kyushu Co., Ltd., Wakasu Co., Ltd., Senyo Koun Co., Ltd., Nickel & Lyons Ltd., ENSHU TRUCK CO., LTD., The Izumi Express Co., Ltd., Sumitomo Warehouse (U.S.A.), Inc., Sumitomo Warehouse (Europe) GmbH, Sumitomo Warehouse (Singapore) Pte Ltd, Union Services (S'pore) Pte Ltd, Rojana Distribution Center Co., Ltd., Sumitomo Warehouse (China) Ltd.

(2) Names of major non-consolidated subsidiaries

Sanei Cargo Agency Co., Ltd.

The non-consolidated subsidiaries are excluded from the scope of consolidation, because there are small in its business scale, and any amount in terms of its total assets, operating revenue and profit or loss (amount corresponding to the Company's ownership interest) as well as retained earnings (amount corresponding to the Company's ownership interest) and others does not significantly affect the consolidated financial statements.

2. Disclosure about application of equity method

(1) Number of associates accounted for using equity method: 5

Names of major associates accounted for using equity method

The Shosen Koun Co., Ltd., Sumiwa Koun Co., Ltd., Rabigh Petrochemical Logistics LLC, Shanghai Jinjiang-Sumiso International Logistics Co., Ltd.

(2) Non-consolidated subsidiary not accounted for using the equity method (Sanei Cargo Agency Co., Ltd. and others) and associates not accounted for using the equity method (American Terminal Service Co., Ltd. and others) are excluded from the scope of application of the equity method, because such exclusion has only an immaterial effect on the consolidated financial statements in terms of each company's profit or loss (amount corresponding to the Company's ownership interest) and retained earnings (amount corresponding to the Company's ownership interest), and they have no significance as a whole.

(3) Of entities accounted for using equity method whose fiscal year-end date differs from the consolidated fiscal year-end date, the financial statements for each company's fiscal year are used.

3. Disclosure about fiscal years, etc. of consolidated subsidiaries

The end of the fiscal year end of consolidated subsidiaries is same as the consolidated fiscal year-end date except for overseas consolidated subsidiaries. The fiscal year-end date of overseas consolidated subsidiaries is the end of December, and the financial statements are used same as the day when The Company prepare for consolidated financial statements. However, necessary adjustments are made for any significant transactions that occurred on the consolidated fiscal year end.

4. Disclosure of accounting policies

(1) Valuation basis and methods for significant assets

1) Securities

Other securities

Securities other than shares with no market value, etc.

Fair value method (with the entire amount of valuation differences posted directly to net assets, and the cost of sales calculated using the moving average method)

Shares with no market value, etc.

Mainly, stated at cost determined by the moving average method

2) Inventories (Real estate for sale)

Mainly, stated at cost determined by the individual method (method of lowering book value based on a decline in profitability)

(2) Accounting methods for depreciation of significant depreciable assets

1) Property, plant and equipment (excluding leased assets)

The Company and domestic consolidated subsidiaries applied the declining balance method. While the straight-line method is applied for buildings acquired on or after April 1, 1998 (excluding facilities attached to buildings), facilities attached to buildings and structures acquired on or after April 1, 2016. Consolidated foreign subsidiaries applied the straight-line method.

2) Intangible assets (excluding leased assets)

The straight-line method is applied, while software for internal use is amortized using the straight-line method over its useful life as internally determined (five years).

3) Leased assets

The straight-line method is applied assuming the lease period as the useful life without residual value in regard to leased assets related to finance lease transactions that do not transfer ownership.

(3) Accounting policy for significant provisions

1) Allowance for doubtful accounts

To prepare for credit losses on receivables, an estimated uncollectable amount is provided at the amount estimated by either using the historical rate of credit loss for general receivables, or based on individual consideration of collectability for specific receivables such as highly doubtful receivables.

2) Provision for bonuses

To provide for payment of bonuses to employees, of the estimated amount of bonuses to be paid in the future, the amount estimated to cover the bonus payment for services rendered by employees with respect to the relevant fiscal year is provided.

3) Provision for retirement benefits for directors (and other officers)

To provide for payments of retirement benefits for directors at certain consolidated subsidiaries, amounts to be paid at the end of the current fiscal year are recorded, based on entity’s rules.

(4) Accounting methods for retirement benefits

1) Method of attributing expected retirement benefits to periods

In the calculation of retirement benefit obligations, expected retirement benefits are attributed to the period up to the end of the fiscal year on a benefit formula basis.

2) Method of amortizing actuarial gains and losses

Actuarial gains and losses are amortized using the straight-line method over the average remaining service years (3 to 10 years) of employees when incurred in each fiscal year, from the fiscal year following the accrual of each gain or loss.

3) Adoption of simplified method for small companies, etc.

Certain consolidated subsidiaries apply the simplified method of calculating liabilities for retirement benefits and retirement benefit costs, using a method that treats the end of period discretionary payment amount related to retirement benefits as the retirement benefit obligation.

(5) Standards for Recording Important Revenues and Expenses

The main performance obligations in the main business of the Company and its consolidated subsidiaries related to revenue arising from contracts with customers as stipulated in the "Accounting Standard for Revenue Recognition" (hereinafter referred to as "revenue from contracts with customers") and the normal point at which the performance obligations are satisfied (the normal point at which revenue is recognized) are as follows.

1) Logistics business

In warehousing, we mainly store goods received on consignment in warehouses, and also handle the incoming and outgoing of consigned cargo and the associated distribution processing. We have determined that the obligation to perform storage services is satisfied over the period of the provision of services, and recognize revenue over the period of the provision of services. For other operations, we have determined that the performance obligation is satisfied at the time the work is complete, and recognize revenue when the work is complete.

In harbor transportation, we mainly perform the loading and unloading of cargo connected to marine transportation at harbors, along with the handling of that cargo. For these operations, we have determined that the performance obligation is satisfied at the time the work is complete, and recognize revenue when the work is complete.

In international transportation, we mainly handle international multimodal transportation of import and export cargo. In these operations, we have determined that performance obligations are satisfied as the international transportation progresses, and recognize revenue based on the progress of the international transportation.

In land transportation, we handle freight transportation operations using trucks, as well as transportation by trucks and railways. In these operations, we have determined that performance obligations are satisfied as the land transportation progresses, and recognize revenue based on the progress of the land transportation.

Note that for some transactions, we have determined that arranging the service is the performance obligation and that this falls under a transaction as an agent. For these transactions, revenue is recognized at the net amount obtained by deducting the amount paid to the supplier from the total amount received from the customer.

2) Real estate business

We mainly conduct operations selling, renting, and managing real estate. In real estate sales operations, we have determined that the performance obligation is satisfied at the point when the real estate for sale is delivered to the customer, and revenue is recognized at the time of delivery. Revenue from real estate rental operations is outside the scope of "revenue from contracts with customers" because it is a lease transaction. We have determined that the obligation to perform real estate management services is satisfied over the period of the provision of services, and recognize revenue over the period of the provision of services.

Consideration for transactions is received within one year of the performance obligation being satisfied, and no significant financial elements are included.

(6) Standard to record income from finance lease transactions

Operating revenue and operating costs are recorded when a lease fee is received.

(7) Accounting policy for translation of significant foreign currency assets or liabilities into Japanese yen

Monetary receivables and payables in foreign currencies are translated into Japanese yen at the spot exchange rate prevailing as of the consolidated subsidiary's balance sheet date, and translation differences are accounted for as profit or loss. Assets, liabilities, revenues and expense of foreign subsidiaries, etc. are translated into Japanese yen at the spot exchange rate prevailing as of the consolidated balance sheet date. Translation differences are included in foreign currency translation adjustment and non-controlling interests under net assets.

(8) Scope of cash and cash equivalents in consolidated statement of cash flows

Cash on hand, readily-available deposits and short-term highly liquid investments with negligible risk of changes in value and maturities not exceeding three months at the time of purchase are considered to be cash and cash equivalents.

(Notes on significant accounting estimates)

Items for which an amount was recorded in the consolidated financial statements for the fiscal year under review based on accounting estimates, and which may have a significant impact on the consolidated financial statements for the following fiscal year, are as follows.

Measurement of retirement benefit obligations in the defined benefit plan

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Amount of retirement benefit asset recorded on the consolidated balance sheet	2,795	5,495
Amount of retirement benefit liability recorded on the consolidated balance sheet	2,691	2,865

In calculating retirement benefit asset and retirement benefit liability, the discount rate used to measure retirement benefit obligations under the defined benefit plan is calculated by averaging the yields of government bonds and high-quality corporate bonds with maturities equal to the average remaining service period of employees. The discount rate used to measure retirement benefit obligations at the end of the fiscal year ended March 31, 2025 was 0.7% - 2.0%, and the amount of retirement benefit obligations was ¥13,534 million. The discount rate used to measure retirement benefit obligations at the end of the fiscal year ended March 31, 2026 was 0.7% - 2.9%, and the amount of retirement benefit obligations was ¥12,828 million. We will review the discount rate if it is determined that there is a significant impact on retirement benefit obligations due to fluctuations in the yields of government bonds and high-quality corporate bonds at the end of the fiscal year, and in this case, the amounts of retirement benefit asset and retirement benefit liability may be significantly affected in the consolidated balance sheet for the following fiscal year.

(Notes on changes in presentation method)

(Consolidated Statements of Income)

"Provision for allowance for doubtful accounts," which had been presented separately under "non-operating expenses" in the fiscal year ended March 31, 2025, is included in "other" in the fiscal year ended March 31, 2026 due to its decreased quantitative materiality. To reflect this change in the presentation method, a reclassification has been made to the consolidated financial statements for the fiscal year ended March 31, 2025.

As a result, "provision for allowance for doubtful accounts" of ¥130 million, and "other" of ¥377 million, which were presented under "non-operating expenses" in the consolidated statement of income for the fiscal year ended March 31, 2025, have been reclassified as "other" of ¥508 million.

(Notes on consolidated balance sheet)

*1. Accumulated depreciation of property, plant and equipment

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Accumulated depreciation	199,685	202,885

2. Contingent liabilities (Guarantee obligations)

Guarantees for borrowings of the following company are provided:

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Dream Island Container Terminal Co., Ltd.	382	301

The Company has guaranteed housing loans from banks to employees 7 million at the end of March 2025, 5 million at the end of March 2026.

3. Trade notes receivable transferred by endorsement

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Trade notes receivable transferred by endorsement	19	—

*4. Items concerning non-consolidated subsidiaries and associates not accounted for using the equity method are as follows:

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Investment securities	7,351	7,474

(Notes on consolidated statement of income)

*1 Compensation

Year ended March 31, 2025

The compensation for relocation of properties and the consideration for establishment of sectional surface rights, etc., arising from the passage of the railway under the Company's land and buildings due to the 'Naniwasuji Line Project' (Note).

(Note) A new railway construction project connecting the 'Umekita Area' of Osaka Station, which opened in March 2023, with JR Namba Station and Nankai Main Line Shin-Imamiya Station. Kansai High-Speed Railway Co., Ltd. has ownership of and is responsible for the development of the railway facilities, and West Japan Railway Company and Nankai Electric Railway Co., Ltd. are planned to operate passenger services.

Year ended March 31, 2026

The compensation for relocation of properties and the consideration for establishment of sectional surface rights, etc., arising from the passage of the railway under the Company's land and buildings due to the 'Naniwasuji Line Project' (Note).

(Note) A new railway construction project connecting the 'Umekita Area' of Osaka Station, which opened in March 2023, with JR Namba Station and Nankai Main Line Shin-Imamiya Station. Kansai High-Speed Railway Co., Ltd. has ownership of and is responsible for the development of the railway facilities, and West Japan Railway Company and Nankai Electric Railway Co., Ltd. are planned to operate passenger services.

*2 Impairment losses

Year ended March 31, 2025

The Group recorded impairment losses on the following asset group.

Use	Location	Type	Amount (Millions of yen)
Logistics business	China	Right-of-use assets	113

The Group performs grouping of logistics business assets based on management accounting categories, and real estate business assets and idle assets by individual property.

For subsidiaries where the profit or loss arising from operating activities has been negative on a continuous basis and it has been determined that there is a low probability of recovering the full book value of the non-current assets of the asset group, the book value of the asset group has been reduced to the recoverable amount, and the amount of the reduction has been recognized as an impairment loss of ¥113 million in extraordinary losses. The recoverable amount of the asset group is calculated based on its value in use, by discounting future cash flows at a rate of 4.5%.

Year ended March 31, 2026

The Group recorded impairment losses on the following asset group.

Use	Location	Type	Amount (Millions of yen)
Logistics business	Hong Kong	Right-of-use assets, etc.	32

The Group performs grouping of logistics business assets based on management accounting categories, and real estate business assets and idle assets by individual property.

For subsidiaries where the profit or loss arising from operating activities has been negative on a continuous basis and it has been determined that there is a low probability of recovering the full book value of the non-current assets of the asset group, the book value of the asset group has been reduced to the recoverable amount, and the amount of the reduction has been recognized as an impairment loss of ¥32 million in extraordinary losses. The recoverable amount of the asset group is calculated based on its value in use, and as the value in use based on future cash flows is negative, the recoverable amount has been assessed at zero.

(Notes on consolidated statement of comprehensive income)

* Notes regarding reclassification adjustments and tax effects relating to other comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Valuation difference on available-for-sale securities		
Amount arising during the year	(27)	66,485
Reclassification adjustments	(1,724)	(5,618)
Taxes and before income tax effects	(1,752)	60,867
Taxes and tax (expense) or benefit	(563)	(19,184)
Valuation difference on available-for-sale securities	(2,316)	41,682
Foreign currency translation adjustment		
Amount arising during the year	2,088	946
Reclassification adjustments	—	—
Taxes and before income tax effects	2,088	946
Taxes and tax (expense) or benefit	—	—
Foreign currency translation adjustment	2,088	946
Remeasurements of defined benefit plans, net of tax		
Amount arising during the year	1,025	2,726
Reclassification adjustments	(488)	(586)
Taxes and before income tax effects	537	2,139
Taxes and tax (expense) or benefit	(210)	(674)
Remeasurements of defined benefit plans, net of tax	326	1,465
Share of other comprehensive income of entities accounted for using equity method		
Amount arising during the year	350	74
Reclassification adjustments	—	—
Share of other comprehensive income of entities accounted for using equity method	350	74
Total other comprehensive income	449	44,168

(Notes on consolidated statement of changes in equity)

Year ended March 31, 2025

1. Matters concerning the class and total number of issued shares and the class and number of treasury shares

	Number of shares at beginning of period (thousand shares)	Increase in number of shares during period (thousand shares)	Decrease in number of shares during period (thousand shares)	Number of shares at end of period (thousand shares)
Outstanding shares				
Common shares (Note 1)	79,247	—	1,500	77,747
Treasury shares				
Common shares (Notes 2, 3)	495	1,500	1,557	438

Notes:1. The decrease of 1,500 thousand shares in the number of outstanding common shares is due to the retirement of treasury shares.

2. The increase of 1,500 thousand shares in the number of common treasury shares is due to an increase of 1,500 thousand shares from purchases made under stock repurchase agreements, an increase of 0 thousand shares from requests to purchase shares in amounts less than one unit, and an increase of 0 thousand shares due to change in equity holding percentage of entities accounted for using equity method.

3. The decrease of 1,557 thousand shares in the number of common treasury shares is due to a decrease of 1,500 thousand shares resulting from the retirement of treasury shares, a decrease of 30 thousand shares due to the exercise of share acquisition rights, and a decrease of 26 thousand shares due to the disposal of treasury shares in conjunction with the transfer of restricted shares as non-monetary compensation.

2. Share acquisition rights

Category	Details of share acquisition rights	Class of shares for Share acquisition rights	Number of shares for Share acquisition rights (Share)				Balance as of the period (Millions of yen)
			Number of shares at beginning of period	Increase during period	Decrease during period	Number of shares at end of period	
Company submitting (Parent company)	Share acquisition rights as a stock option	—	—	—	—	—	75

3. Dividends

(1) Dividends paid

Resolution	Classes of shares	Total amount of dividends (Millions of yen)	Dividend per share (Yen)	Record date	Effective date
Annual general meeting of shareholders held on June 27, 2024	Common shares	3,977	50.5	March 31, 2024	June 28, 2024
Board of Directors meeting held on November 7, 2024	Common shares	3,941	50.5	September 30, 2024	December 2, 2024

(2) Dividends whose effective date falls in the fiscal year following the fiscal year of the record date

Resolution	Classes of shares	Total amount of dividends (Millions of yen)	Source of dividend	Dividend per share (Yen)	Record date	Effective date
Annual general meeting of shareholders held on June 26, 2025	Common shares	4,058	Retained earnings	52.5	March 31, 2025	June 27, 2025

Year ended March 31, 2026

1. Matters concerning the class and total number of issued shares and the class and number of treasury shares

	Number of shares at beginning of period (thousand shares)	Increase in number of shares during period (thousand shares)	Decrease in number of shares during period (thousand shares)	Number of shares at end of period (thousand shares)
Outstanding shares				
Common shares (Note 1)	77,747	－	1,133	76,614
Treasury shares				
Common shares (Notes 2, 3)	438	1,134	1,172	400

Notes:1. The decrease of 1,133 thousand shares in the number of outstanding common shares is due to the retirement of treasury shares.

2. The increase of 1,134 thousand shares in the number of common treasury shares is due to an increase of 1,133 thousand shares from purchases made under stock repurchase agreements, an increase of 0 thousand shares from requests to purchase shares in amounts less than one unit, and an increase of 0 thousand shares due to change in equity holding percentage of entities accounted for using equity method.

3. The decrease of 1,172 thousand shares in the number of common treasury shares is due to a decrease of 1,133 thousand shares resulting from the retirement of treasury shares, a decrease of 22 thousand shares due to the disposal of treasury shares in conjunction with the transfer of restricted shares as non-monetary compensation, a decrease of 17 thousand shares due to the exercise of share acquisition rights, and a decrease of 0 thousand shares due to the sale of shares in response to requests to purchase additional shares to make a full unit.

2. Share acquisition rights

Category	Details of share acquisition rights	Class of shares for Share acquisition rights	Number of shares for Share acquisition rights (Share)				Balance as of the period (Millions of yen)
			Number of shares at beginning of period	Increase during period	Decrease during period	Number of shares at end of period	
Company submitting (Parent company)	Share acquisition rights as a stock option	－	－	－	－	－	54

3. Dividends

(1) Dividends paid

Resolution	Classes of shares	Total amount of dividends (Millions of yen)	Dividend per share (Yen)	Record date	Effective date
Annual general meeting of shareholders held on June 26, 2025	Common shares	4,058	52.5	March 31, 2025	June 27, 2025
Board of Directors meeting held on November 6, 2025	Common shares	3,934	51.5	September 30, 2025	December 1, 2025

(2) Dividends whose effective date falls in the fiscal year following the fiscal year of the record date

Scheduled for resolution	Classes of shares	Total amount of dividends (Millions of yen)	Source of dividend	Dividend per share (Yen)	Record date	Effective date
Annual general meeting of shareholders held on June 25, 2026	Common shares	3,925	Retained earnings	51.5	March 31, 2026	June 26, 2026

(Notes on consolidated statements of cash flows)

*1 Reconciliation of ending balance of cash and cash equivalents with account balances per consolidated balance sheet

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash and deposits	47,850	42,376
Time deposits with maturity over three months	(2,899)	(3,306)
Cash and cash equivalents	44,950	39,070

(Notes on securities)

1. Other securities

As of March 31, 2025

(Millions of yen)

	Categories	Carrying amount	Acquisition cost	Difference
Items whose carrying amount exceeds acquisition cost	Shares	146,323	24,004	122,319
Items whose carrying amount does not exceed acquisition cost	Shares	103	156	(53)
Total		146,426	24,160	122,265

As of March 31, 2026

(Millions of yen)

	Categories	Carrying amount	Acquisition cost	Difference
Items whose carrying amount exceeds acquisition cost	Shares	206,838	23,668	183,170
	Other	—	—	—
	Subtotal	206,838	23,668	183,170
Items whose carrying amount does not exceed acquisition cost	Shares	113	146	(33)
	Other	20	20	—
	Subtotal	133	166	(33)
Total		206,972	23,835	183,136

2. Other securities sold

As of March 31, 2025

(Millions of yen)

Category	Sale proceeds	Total gain on sale	Total loss on sale
Shares	2,125	1,725	0

As of March 31, 2026

(Millions of yen)

Category	Sale proceeds	Total gain on sale	Total loss on sale
Shares	6,059	5,618	—

(Notes on real estate for lease, etc.)

The Company and some of its consolidated subsidiaries own office buildings, logistics facilities, etc. (including land) for lease in Tokyo and other regions. The profit or loss related to the real estate for lease, etc. for the previous fiscal year was ¥6,653 million (recorded as operating profit), compensation ¥12,153 million (recorded as extraordinary income), and a loss on retirement of non-current assets of ¥1,189 million (recorded as extraordinary losses), and the profit or loss related to the real estate for lease, etc. for the current fiscal year was ¥6,395 million (recorded as operating profit), compensation ¥5,132 million (recorded as extraordinary income), and a loss on retirement of non-current assets of ¥1,093million (recorded as extraordinary losses).

In addition, the amounts recorded on the consolidated balance sheet, changes during the period, and market values of the real estate for lease, etc. are as follows.

(Millions of yen)

		Year ended March 31, 2025	Year ended March 31, 2026
Amount recorded on the consolidated balance sheets			
	Balance at beginning of period	68,444	69,936
	Change during the period	1,491	15,155
	Balance at end of period	69,936	85,091
Market value at end of period		136,800	173,139

Notes: 1. The amounts recorded on the consolidated balance sheet state the acquisition cost less accumulated depreciation.

2. Of the changes during the period, the main increase during the year ended March 31, 2025 was ¥5,726 million for acquisition of real estate (acquisition of medical facilities for lease, acquisition of land for construction of warehouses for lease, renovation of office buildings for lease, etc.), and the main decrease was ¥2,449 million for depreciation. The main increase during the year ended March 31, 2026 was ¥18,550 million for acquisition of real estate (acquisition of income-generating properties for lease, renovation of office buildings for lease, etc.), and the main decrease was ¥2,563 million for depreciation.

3. The market value at end of period is mainly based on real estate appraisals conducted by an external real estate appraiser (including adjustments made using indicators, etc.).

(Notes on segment information)

1. General information about reportable segments

The reportable segments are the components of our Group, for each of which discrete financial information is available, and whose operating results are regularly reviewed by the Company's board of directors to make decisions about resources to be allocated to each segment and assess its performance.

The Company, in cooperation with its domestic and overseas subsidiaries, operates "Logistics business" including warehousing, harbor transportation, international transportation and land transportation etc., which, constituting respective parts of total logistics business, have a mutual relationship to each other and are deemed to be inseparable in management of the Company, and promotes "Real estate business" including leasing and sales of real estate etc., with a dedicated department in its head office, mainly in such way as to put its real estate to more effective use.

2. Calculation methods for operating revenue, profit, assets and other items by reportable segment

The accounting methods used for reportable segments are almost consistent with those presented under "Significant accounting policies for preparation of consolidated financial statements."

Reportable segment profit figures are based on Operating profit.

Intersegment revenue and transfers are based on prevailing market prices.

3. Information related to operating revenue, income, assets, and other items by reportable segment

Year ended March 31, 2025

(Millions of yen)

	Reportable segment			Adjustment (Note 1)	Amount in consolidated statements of income (Note 2)
	Logistics	Real estate	Total		
Operating revenue					
External revenue	182,701	10,697	193,398	—	193,398
Inter-segment revenue	8	576	585	(585)	—
Total	182,710	11,274	193,984	(585)	193,398
Segment income	14,069	5,413	19,483	(6,207)	13,275
Segment assets	197,891	61,749	259,640	180,206	439,847
Other items					
Depreciation	7,704	2,297	10,001	541	10,542
Investment in entities accounted for using equity method	7,236	—	7,236	—	7,236
Additions to property, plant and equipment and intangible assets	6,354	7,241	13,595	210	13,805

Notes: 1. (1) The adjustment of ¥ (6,207) million in segment income includes company-wide expenses of ¥ (6,016) million which are not allocated to the respective reportable segments. Company-wide expenses consist mainly of the expenses assignable to neither of the reportable segments for administrative departments of the Company and some of its consolidated subsidiaries.

(2) The adjustment of ¥ 180,206 million in segment assets includes company-wide assets of ¥ 180,517 million which are not allocated to the respective reportable segments. Company-wide assets consist mainly of working funds (cash and deposits), long-term investments (investment securities) and assets of administrative departments, of the Company and some of its consolidated subsidiaries, which are assignable to neither of the reportable segments.

(3) The adjustment of ¥ 210 million in additions to property, plant and equipment and intangible assets consists of the capital investments assignable to neither of the reportable segments for administrative departments of the Company and some of its consolidated subsidiaries.

2. Segment income is adjusted to coincide with operating profit as recorded on the consolidated statements of income.

Year ended March 31, 2026

(Millions of yen)

	Reportable segment			Adjustment (Note 1)	Amount in consolidated statements of income (Note 2)
	Logistics	Real estate	Total		
Operating revenue					
External revenue	185,909	10,335	196,244	—	196,244
Inter-segment revenue	8	595	604	(604)	—
Total	185,918	10,930	196,848	(604)	196,244
Segment income	13,538	4,383	17,922	(6,509)	11,413
Segment assets	202,964	79,197	282,161	230,936	513,098
Other items					
Depreciation	8,200	2,409	10,609	519	11,129
Investment in entities accounted for using equity method	7,418	—	7,418	—	7,418
Additions to property, plant and equipment and intangible assets	6,013	20,670	26,683	344	27,028

Notes: 1. (1) The adjustment of ¥ (6,509) million in segment income includes company-wide expenses of ¥ (6,486) million which are not allocated to the respective reportable segments. Company-wide expenses consist mainly of the expenses assignable to neither of the reportable segments for administrative departments of the Company and some of its consolidated subsidiaries.

(2) The adjustment of ¥ 230,936 million in segment assets includes company-wide assets of ¥ 231,253 million which are not allocated to the respective reportable segments. Company-wide assets consist mainly of working funds (cash and deposits), long-term investments (investment securities) and assets of administrative departments, of the Company and some of its consolidated subsidiaries, which are assignable to neither of the reportable segments.

(3) The adjustment of ¥ 344 million in additions to property, plant and equipment and intangible assets consists of the capital investments assignable to neither of the reportable segments for administrative departments of the Company and some of its consolidated subsidiaries.

2. Segment income is adjusted to coincide with operating profit as recorded on the consolidated statements of income.

(Notes on per share information)

(Yen)

	As of March 31, 2025	As of March 31, 2026
Net assets per share	3,411.77	4,117.89
Basic earnings per share	257.32	230.86
Diluted earnings per share	257.12	230.72

Notes: 1 The bases for calculating basic earnings per share and diluted earnings per share are as follows:

	As of March 31, 2025	As of March 31, 2026
Basic earnings per share		
Profit attributable to owners of parent (Millions of yen)	20,065	17,668
Profit not attributable to common shareholders (Millions of yen)	–	–
Profit attributable to owners of parent pertaining to common shares (Millions of yen)	20,065	17,668
Average number of shares outstanding during the period (Shares)	77,976,647	76,532,824
Diluted earnings per share		
Adjustment attributable to owners of parent (Millions of yen)	–	–
Common shares increase (Shares)	61,480	43,990
[Share acquisition rights among the above (Shares)]	[61,480]	[43,990]
Details of potentially dilutive shares that were not included in the calculation of fully diluted income per share because they have no dilutive effect	–	–

2. The bases for calculating net assets per share are as follows:

	As of March 31, 2025	As of March 31, 2026
Total of net assets section (Millions of yen)	274,145	325,072
Deduction from total of net assets section (Millions of yen)	10,387	11,231
[Share acquisition rights among the above (Millions of yen)]	[75]	[54]
[Non-controlling interests among the above (Millions of yen)]	[10,311]	[11,176]
Net assets pertaining to common shares at end of period (Millions of yen)	263,758	313,841
The number of common shares using the bases for calculating net assets per share (Shares)	77,308,359	76,214,140

(Notes on significant subsequent events)

(Acquisition of treasury shares)

The Company announced that the Board of Directors resolved at the meeting held on May 12, 2026 to acquire Treasury Shares, pursuant to the provisions of Article 156 of the Companies Act, as applied pursuant to the provisions of Article 165, Paragraph 3 of the Act.

For more details, please refer to “Notice of Acquisition of Treasury Shares” announced today.

(Reference)

1. Financial results related to operating revenue and operating profit for the fiscal year ended March 31, 2026

(1) Operating revenue

(Millions of yen)

	Fiscal year ended March 31, 2025 (A)	Fiscal year ended March 31, 2026 (B)	Increases or Decreases (B)-(A)	
			Amount	Ratio
Logistics	182,710	185,918	3,207	1.8%
Real estate	11,274	10,930	(343)	(3.0)%
Total	193,984	196,848	2,863	1.5%
Inter-segment revenue	(585)	(604)	(18)	—
Net operating revenue	193,398	196,244	2,845	1.5%

(2) Operating profit

(Millions of yen)

	Fiscal year ended March 31, 2025 (A)	Fiscal year ended March 31, 2026 (B)	Increases or Decreases (B)-(A)	
			Amount	Ratio
Logistics	14,069	13,538	(530)	(3.8)%
Real estate	5,413	4,383	(1,029)	(19.0)%
Total	19,483	17,922	(1,560)	(8.0)%
Adjustment	(6,207)	(6,509)	(301)	—
Operating profit	13,275	11,413	(1,862)	(14.0)%

2. Forecasts related to operating revenue and operating profit for the fiscal year ending March 31, 2027

(1) Operating revenue

(Millions of yen)

	Fiscal year ended March 31, 2026 (A)	Fiscal year ending March 31, 2027 (B)	Increases or Decreases (B)-(A)	
			Amount	Ratio
Logistics	185,918	189,000	3,081	1.7%
Real estate	10,930	11,600	669	6.1%
Total	196,848	200,600	3,751	1.9%
Inter-segment revenue	(604)	(600)	4	—
Net operating revenue	196,244	200,000	3,755	1.9%

(2) Operating profit

(Millions of yen)

	Fiscal year ended March 31, 2026 (A)	Fiscal year ending March 31, 2027 (B)	Increases or Decreases (B)-(A)	
			Amount	Ratio
Logistics	13,538	14,000	461	3.4%
Real estate	4,383	5,000	616	14.1%
Total	17,922	19,000	1,077	6.0%
Adjustment	(6,509)	(6,800)	(290)	—
Operating profit	11,413	12,200	786	6.9%