



Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 [Under Japanese GAAP]

May 14, 2026

Company name: SANKYU INC.
 Listing: Tokyo Stock Exchange / Fukuoka Stock Exchange
 Securities code: 9065
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 Scheduled date of general shareholders' meeting: June 25, 2026
 Scheduled date to commence dividend payments: June 26, 2026
 Scheduled date to file annual securities report: June 25, 2026
 Preparation of supplementary material on annual financial results: Yes
 Holding of annual financial results briefing: Yes (for institutional investors and analysts)

(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.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2026	631,573	4.1	43,240	(1.6)	43,385	(2.9)	31,505	2.5
March 31, 2025	606,791	7.7	43,945	24.8	44,679	22.0	30,747	26.1

(Note) Comprehensive income: For the fiscal year ended March 31, 2026: 42,789 million yen [14.9 %]

For the fiscal year ended March 31, 2025: 37,225 million yen [(1.2) %]

	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	614.05	–	10.6	7.9	6.8
March 31, 2025	570.99	–	10.7	8.5	7.2

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

For the fiscal year ended March 31, 2026: 129 million yen

For the fiscal year ended March 31, 2025: 108 million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
As of	Million yen	Million yen	%	Yen
March 31, 2026	560,169	306,988	54.1	6,047.98
March 31, 2025	545,189	297,063	53.8	5,580.58

(Reference) Equity: As of March 31, 2026: 303,169 million yen

As of March 31, 2025: 293,211 million yen

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at year-end
Fiscal year ended	Million yen	Million yen	Million yen	Million yen
March 31, 2026	51,993	(19,188)	(32,383)	42,529
March 31, 2025	43,532	(26,472)	(25,313)	41,384

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	Million yen	%	%
Fiscal year ended March 31, 2025	—	102.00	—	130.00	232.00	12,300	40.6	4.4
Fiscal year ended March 31, 2026	—	118.00	—	128.00	246.00	12,472	40.1	4.2
Fiscal year ending March 31, 2027 (Forecast)	—	129.00	—	27.00	—		40.1	

(*) The Company plans to conduct a 5-for-1 stock split effective October 1, 2026. The dividend for the first half of the fiscal year ending March 31, 2027 (record date: September 30, 2026) applies to common shares before the stock split; therefore, it is stated based on the pre-split share count. The year-end dividend for the same fiscal year (record date: March 31, 2027) applies to common shares after the stock split and is stated as such. Since these amounts cannot be simply aggregated due to the split, the total annual dividend is indicated as “—.” Without considering the stock split, the year-end dividend for the fiscal year ending March 31, 2027, would be 135 yen per share, resulting in a total annual dividend of 264 yen per share.

3. Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2027 (From April 1, 2026 to March 31, 2027)

(Percentages indicate changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	314,000	(0.5)	21,500	4.6	21,000	3.4	16,200	19.9	64.64
Full year	638,500	1.1	47,000	8.7	45,500	4.9	33,000	4.7	131.66

(*) The Company plans to conduct a 5-for-1 stock split effective October 1, 2026. Basic earnings per share in the consolidated financial forecasts for the first half and the full fiscal year ending March 31, 2027, were calculated as if the stock split had occurred at the beginning of that fiscal year.

* Notes:

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 2

SANKYU-SBI M&A 1 Investment Limited Partnership

SANKYU-SBI Innovation Fund 1 Investment Limited Partnership

Excluded: —

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

1) Changes in accounting policies due to the revision of accounting standards and other regulations: None

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: Yes

4) Restatement: None

(3) Number of issued shares (common shares)

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

As of March 31, 2026: 52,901,749 shares

As of March 31, 2025: 55,470,257 shares

2) Number of treasury shares at the end of the period

As of March 31, 2026: 2,774,320 shares

As of March 31, 2025: 2,928,798 shares

3) Average number of shares outstanding during the period

Year ended March 31, 2026: 51,307,849 shares

Year ended March 31, 2025: 53,850,082 shares

(Reference) Overview of non-consolidated financial results**1. Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (From April 1, 2025 to March 31, 2026)**

(1) Non-consolidated Operating Results (Percentages indicate year-on-year changes.)

Fiscal year ended	Net sales		Operating profit		Ordinary profit		Profit	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
March 31, 2026	440,504	2.3	32,759	4.3	36,456	7.6	29,403	18.5
March 31, 2025	430,568	9.2	31,398	17.7	33,870	10.1	24,814	8.7

Year ended	Basic earnings per share		Diluted earnings per share	
	Yen		Yen	
March 31, 2026	573.07		—	
March 31, 2025	460.80		—	

(2) Non-consolidated Financial Position

As of	Total assets		Net assets		Equity-to-asset ratio	Net assets per share
	Million yen		Million yen		%	Yen
March 31, 2026	421,288		178,320		42.3	3,557.31
March 31, 2025	416,031		175,840		42.3	3,346.70

(Reference) Equity: As of March 31, 2026: 178,320 million yen

As of March 31, 2025: 175,840 million yen

2. Non-consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2027 (From April 1, 2026 to March 31, 2027)

(Percentages indicate changes from the previous corresponding period.)

	Net sales		Ordinary profit		Profit		Basic earnings per share	
	Million yen	%	Million yen	%	Million yen	%	Yen	
First half	220,500	0.3	20,100	10.5	16,000	18.5	61.13	
Full year	446,500	1.4	37,500	2.9	28,500	(3.1)	108.89	

(*) The Company plans to conduct a 5-for-1 stock split effective October 1, 2026. Basic earnings per share in the non-consolidated financial forecasts for the first half and the full fiscal year ending March 31, 2027, were calculated as if the stock split had occurred at the beginning of that fiscal year.

* This document is exempt from audit conducted by certified public accountants or an audit corporation.

* Explanation of the proper use of financial forecast and other notes

The financial forecast disclosed above is based on information currently available to the Company and includes highly uncertain factors. Actual results therefore may differ significantly from the forecast due to various factors. For the assumptions used as the basis for the financial forecast and notes on the use of the forecast, please refer to “1. Overview of Operating Results, etc. (4) Outlook for the Fiscal Year Ending March 31, 2027” on page 4 of the Attachments.

* The Company resolved to conduct a stock split at the Board of Directors’ meeting held on May 14, 2026, the 5-for-1 stock split will take effect on October 1, 2026. Accordingly, basic earnings per share in the consolidated financial forecasts for the first half and the full fiscal year ending March 31, 2027, reflect the impact of the stock split.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Fiscal Year Ended March 31, 2026

The global economy during the consolidated fiscal year ended March 31, 2026 (hereinafter referred to as the “Period”) showed signs of recovery in production, investment, and consumption. However, adjustments to excess supply in China and heightened geopolitical risks in the Middle East weighed on the global economy. Against this backdrop, while steady facility expansion, upgrading, and environment-related investment continue in the domestic economy, in addition to ongoing tariff issues and the impact of the slowdown in the Chinese economy, issues such as labor shortages, wage hikes, and recently heightened geopolitical risks in the Middle East are impacting consumption and logistics. In China, although exports showed signs of an increase, domestic demand, including housing sales, personal consumption, and capital investment, continued to slow, resulting in persistently difficult circumstances for production and sales by Japanese companies operating in China. In Southeast Asia, the economy was bolstered by increasing demand for semiconductors and electronic components and improving domestic demand, while it was affected by the slowdown in the Chinese economy and inflation across the region.

Under such an economic environment, for the Period, the Company posted net sales of 631,573 million yen, up 4.1% year on year. On the profit front, it posted operating profit of 43,240 million yen, down 1.6% year on year, ordinary profit of 43,385 million yen, down 2.9% year on year, and profit attributable to owners of parent of 31,505 million yen, up 2.5% year on year, reflecting the reduction of cross-shareholdings.

The impact of heightened geopolitical risks in the Middle East is immaterial for the Period.

Business performance by segment is as follows.

1) Logistics Business

For port operation & global logistics, the Company has started domestic new operations and raised unit prices in Japan and overseas, but domestic project cargo transportation, the handling volume of ocean containers, and warehouse operations decreased.

For 3PL & general logistics, the Company is implementing unit price increases with main customers. In particular, in general logistics, the transportation and warehousing of automotive parts, consumer goods, etc. mainly within the China region remained weak because of sluggish domestic demand, but the Company has focused on restoring the profitability of local subsidiaries through cost-cutting measures. Furthermore, the business benefitted from unit price increases and increase in the handling of ad-hoc work and others in Japan.

For on-site logistics, the Company is pursuing profitability improvements through the start of new work with domestic and international customers, the withdrawal from unprofitable work overseas, etc.

As a result, the Logistics Business posted net sales of 295,256 million yen, down 0.1% year on year, and segment profit (operating profit) of 9,826 million yen, up 1.5% year on year.

Net sales of the Logistics Business accounted for 46.7% of the total net sales for the Period.

2) Plant Engineering Business

For facility works, against a backdrop of facility upgrading and decarbonization demand in Japan, etc., construction and dismantling works of steel- and chemical-related facilities, and environment-related projects increased in Japan. On the other hand, allowance for doubtful accounts was recorded on work fees overseas.

For maintenance, net sales increased year on year due to the impact of the new addition of a subsidiary subject to consolidation in December 2024, but the profit declined primarily due to decrease in the amount of work in domestic routine maintenance and overseas turnaround projects.

As a result, the Plant Engineering Business posted net sales of 307,458 million yen, up 8.5% year on year, and segment profit (operating profit) of 30,960 million yen, down 3.3% year on year.

Net sales of the Plant Engineering Business accounted for 48.7% of the total net sales for the Period.

3) Others

The amount of repair work for roads and related infrastructure increased, and costs for the new purchase of equipment, materials, etc. decreased.

As a result, Others posted net sales of 28,858 million yen, up 3.3% year on year, and segment profit (operating profit) of 2,472 million yen, up 11.4% year on year.

Net sales of Others accounted for 4.6% of the total net sales for the Period.

(2) Overview of Financial Position for the Fiscal Year Ended March 31, 2026

(Current assets)

Current assets at the end of the Period decreased by 10,577 million yen, or 3.8% from the end of the previous fiscal year, to 269,678 million yen. This was mainly due to a decrease in notes and accounts receivable - trade, and contract assets, etc.

(Non-current assets)

Non-current assets at the end of the Period increased by 25,557 million yen, or 9.6% from the end of the previous fiscal year, to 290,490 million yen. This was mainly due to increases in investment securities driven by rising market prices, and, retirement benefit asset, etc.

(Current liabilities)

Current liabilities at the end of the Period increased by 12,117 million yen, or 8.7% from the end of the previous fiscal year, to 151,187 million yen. This was mainly due to the issuance of commercial papers for the purpose of providing seasonal and other funds, partially offset by a decrease in current portion of bonds payable, etc.

(Non-current liabilities)

Non-current liabilities at the end of the Period decreased by 7,062 million yen, or 6.5% from the end of the previous fiscal year, to 101,993 million yen. This was mainly due to a decrease due to the transfer of long-term borrowings to current liabilities, etc.

(Net assets)

Net assets at the end of the Period increased by 9,925 million yen, or 3.3% from the end of the previous fiscal year, to 306,988 million yen. This was mainly due to the difference between the decrease due to dividends paid and the purchase of treasury shares and profit, etc.

The equity ratio at the end of the Period increased by 0.3% from the end of the previous fiscal year, to 54.1%.

(3) Overview of Cash Flows for the Fiscal Year Ended March 31, 2026

The balance of cash and cash equivalents (hereinafter referred to as "Cash") at the end of the Period was 42,529 million yen, an increase of 1,144 million yen compared with the end of the previous fiscal year.

1) Cash flows from operating activities

Net Cash provided by operating activities for the Period amounted to 51,993 million yen.

Compared to the previous fiscal year, net cash provided increased by 8,461 million yen mainly due to a decrease in accounts receivable and contract assets.

2) Cash flows from investing activities

Net Cash used in investing activities for the Period amounted to 19,188 million yen.

Compared to the previous fiscal year, net cash used decreased by 7,284 million yen mainly due to a decrease in purchase of property, plant and equipment.

3) Cash flows from financing activities

Net Cash used in financing activities for the Period amounted to 32,383 million yen.

Compared to the previous fiscal year, net cash used increased by 7,069 million yen mainly due to no proceeds from long-term borrowings.

(4) Outlook for the Fiscal Year Ending March 31, 2027

As for the environmental items to be aware for the fiscal year ending March 31, 2027, while price pass-throughs between businesses have gradually become established, and it is expected that corporate capital investment such as capacity maintenance and enhancement will steadily grow, order intake for decarbonization and environment-related projects is in a transitional phase. The Company believes that the current economic environment remains far from optimistic, given concerns about an economic slowdown stemming from factors such as persistently high prices, labor shortages, and geopolitical and tariff risks.

Under such changing business environments, we will work to strengthen our basis for management and growth as outlined in the “Medium-Term Management Plan 2026,” in order to enhance our ability to respond to provision of new added value and resolution of issues, surely assessing customer trends over diverse industries.

For the fiscal year ending March 31, 2027, net sales of 638,500 million yen, operating profit of 47,000 million yen, ordinary profit of 45,500 million yen and profit attributable to owners of parent of 33,000 million yen are expected.

In addition, the Company recently reviewed the “Vision 2030.” For details, please see the “Notice Regarding Revision of ‘Vision 2030’” announced today.

[Reference] The Impact of Geopolitical Instability in the Middle East on the Company’s Business and Financial Results

The Company continues to closely monitor how geopolitical instability in the Middle East will impact on the Group’s business and financial results, specifically regarding crude oil and naphtha price movements, effects on supply chains (including maritime logistics), and spillovers into the production activities of main customers.

The Company’s current assessment is as follows.

1. Direct Impact on Business Activities

At present, the Company has not identified any direct and material physical damage or operational loss to the Group’s business locations, facilities, employees, or others arising from geopolitical instability in the Middle East. Overall business activities continue to proceed as usual.

Furthermore, the Group’s domestic and overseas operational bases have experienced no operational shutdowns or other events that would disrupt business continuity as of now.

Additionally, in the transportation business, the Company anticipates an increased cost burden if diesel fuel prices rise due to crude oil volatility stemming from geopolitical instability in the Middle East.

2. Indirect Impact

While there are concerns regarding a potential tightening of naphtha supply due to geopolitical instability in the Middle East, which may partially affect the on-site chemical logistics business in Japan and overseas, the overall scope of such effects remains localized. Currently, the situation has not deteriorated significantly beyond the Company’s assumptions. In the Plant Engineering business, while some main customers might be forced to suspend operations at their production facilities, the Company has not identified any material setbacks, such as project cancellations or a significant decline in order intake, as of now.

3. Outlook

The Company will continue to closely monitor developments in the Middle East, energy price movements, and the operational trends of main customers and other factors.

At present, the Company believes that any impact on the Group's business and financial results as a whole will be limited and that no conditions currently exist that would significantly alter its performance. Therefore, the Company has not adjusted its financial forecasts due to these factors.

If any significant changes to the business environment occur and their impact on financial results can be reasonably estimated, the Company will promptly disclose and announce them.

(5) Basic Policy Regarding Distribution of Earnings and Dividends for the Fiscal Year Ended March 31, 2026, and the Fiscal Year Ending March 31, 2027

The Group recognizes the stable return of profits to shareholders as one of its highest management priorities, and adopts a policy of distributing profit based on business performance while strategically investing in capital and maintaining our financial soundness in preparation for future business development.

In addition, the capital policy of the "Medium-Term Management Plan 2026" is "While emphasizing capital efficiency, we will achieve sustainable growth and maximization of corporate value" and one of the indicators is a dividend payout ratio of around 40%, additionally we set the "annual dividend per share of the previous fiscal year" as the minimum dividend.

Under this policy, for the Period, we paid an ordinary dividend of 118.0 yen per share in the interim. As for the year-end dividend, comprehensively considering financial results for the Period and strategic investment plan for future business expansion, we are planning to pay 128.0 yen per share, increased by 10.0 yen from the initial dividend forecast. Therefore, the total dividend per share for the Period will be 246.0 yen.

In the Fiscal Year ending March 31, 2027, we plan to pay an interim dividend of 129.0 yen per share and a year-end dividend of 27.0 yen per share in conformity with the financial forecast for the fiscal year ending March 31, 2027 and the capital policy of the revised "Medium-Term Management Plan 2026."

In addition, at the meeting of the Board of Directors held on May 14, 2026, the Company resolved to conduct a stock split at a ratio of five (5) shares for every one common share effective October 1, 2026 (record date: September 30, 2026). The year-end dividend (Forecast) above considers common shares after the stock split and is stated as such. Since the dividend for the first half of the fiscal year ending March 31, 2027 and the year-end dividend for the same fiscal year cannot be simply aggregated due to the split, the total annual dividend for the fiscal year ending March 31, 2027 (Forecast) is not stated. (Without considering the stock split, the year-end dividend for the fiscal year ending March 31, 2027 (Forecast), would be 135.0 yen per share, resulting in a total annual dividend of 264.0 yen per share.)

2. Basic Policy on Selection of Accounting Standards

The Company is currently adopting Japanese GAAP in preparing its financial statements, and plans to continue adopting Japanese GAAP for the time being, at this point. However, the Company will consider the adoption of the International Financial Reporting Standards (IFRS) based on the status of the Group's business development and the trends in IFRS adoption by other companies in Japan.

3. Consolidated Financial Statements and Principal Notes
(1) Consolidated Balance Sheets

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	47,542	46,141
Notes and accounts receivable - trade, and contract assets	218,581	209,850
Securities	1,057	995
Costs on uncompleted construction contracts	1,869	795
Other inventories	2,572	2,926
Other	8,918	9,309
Allowance for doubtful accounts	(284)	(340)
Total current assets	280,256	269,678
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	70,579	74,022
Machinery, equipment and vehicles, net	14,301	14,046
Land	57,916	58,386
Leased assets, net	7,527	8,329
Construction in progress	11,831	14,771
Other, net	22,194	20,843
Total property, plant and equipment	184,350	190,400
Intangible assets		
Goodwill	1,592	7,635
Other	7,949	7,760
Total intangible assets	9,541	15,395
Investments and other assets		
Investment securities	32,541	43,676
Retirement benefit asset	21,417	26,498
Deferred tax assets	6,696	4,521
Other	10,779	11,423
Allowance for doubtful accounts	(395)	(1,425)
Total investments and other assets	71,040	84,695
Total non-current assets	264,933	290,490
Total assets	545,189	560,169

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	52,105	50,175
Short-term borrowings	18,827	23,591
Commercial papers	—	30,000
Current portion of bonds payable	10,000	—
Lease liabilities	3,097	3,455
Income taxes payable	10,387	6,471
Contract liabilities	3,170	2,798
Provision for bonuses	12,665	8,196
Provision for bonuses for directors (and other officers)	542	365
Provision for loss on construction contracts	468	260
Provision for warranties for completed construction	64	135
Other	27,741	25,736
Total current liabilities	139,070	151,187
Non-current liabilities		
Bonds payable	15,000	15,000
Long-term borrowings	37,402	23,424
Lease liabilities	5,169	5,697
Deferred tax liabilities	986	4,185
Deferred tax liabilities for land revaluation	4,343	4,298
Provision for retirement benefits for directors (and other officers)	237	185
Retirement benefit liability	31,204	32,641
Asset retirement obligations	3,524	6,041
Other	11,188	10,519
Total non-current liabilities	109,055	101,993
Total liabilities	248,126	253,181
Net assets		
Shareholders' equity		
Share capital	28,619	28,619
Capital surplus	12,715	12,715
Retained earnings	230,048	232,979
Treasury shares	(13,056)	(17,118)
Total shareholders' equity	258,327	257,196
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,313	18,772
Deferred gains or losses on hedges	(0)	0
Revaluation reserve for land	(69)	(168)
Foreign currency translation adjustment	13,812	16,733
Remeasurements of defined benefit plans	8,828	10,634
Total accumulated other comprehensive income	34,884	45,972
Non-controlling interests	3,851	3,818
Total net assets	297,063	306,988
Total liabilities and net assets	545,189	560,169

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

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	606,791	631,573
Cost of sales	533,136	555,204
Gross profit	73,654	76,368
Selling, general and administrative expenses	29,709	33,128
Operating profit	43,945	43,240
Non-operating income		
Interest income	942	643
Dividend income	1,053	1,379
Share of profit of entities accounted for using equity method	108	129
Other	1,515	1,111
Total non-operating income	3,620	3,263
Non-operating expenses		
Interest expenses	1,264	1,373
Other	1,622	1,744
Total non-operating expenses	2,886	3,118
Ordinary profit	44,679	43,385
Extraordinary profit		
Gain on sale of investment securities	953	2,404
Compensation income	—	339
Total extraordinary profit	953	2,744
Extraordinary losses		
Impairment losses	633	222
Total extraordinary losses ^f	633	222
Profit before income taxes	44,999	45,907
Income taxes - current	14,898	12,765
Income taxes - deferred	(1,053)	1,507
Total income taxes	13,845	14,272
Profit	31,154	31,634
Profit attributable to non-controlling interests	406	129
Profit attributable to owners of parent	30,747	31,505

Consolidated Statements of Comprehensive Income

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Profit	31,154	31,634
Other comprehensive income		
Valuation difference on available-for-sale securities	(2,831)	6,466
Deferred gains or losses on hedges	(11)	1
Revaluation reserve for land	(124)	–
Foreign currency translation adjustment	5,890	2,911
Remeasurements of defined benefit plans, net of tax	3,148	1,775
Total other comprehensive income	6,071	11,154
Comprehensive income	37,225	42,789
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	36,636	42,692
Comprehensive income attributable to non-controlling interests	588	96

(3) Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	28,619	12,715	235,797	(24,132)	253,000
Changes during period					
Dividends of surplus			(10,464)		(10,464)
Profit attributable to owners of parent			30,747		30,747
Purchase of treasury shares				(15,008)	(15,008)
Cancellation of treasury shares		(0)	(26,083)	26,083	—
Reversal of revaluation reserve for land			51		51
Net changes in items other than shareholders' equity					
Total changes during period	—	(0)	(5,748)	11,075	5,326
Balance at the end of period	28,619	12,715	230,048	(13,056)	258,327

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	15,145	10	105	8,104	5,679	29,046	3,385	285,433
Changes during period								
Dividends of surplus								(10,464)
Profit attributable to owners of parent								30,747
Purchase of treasury shares								(15,008)
Cancellation of treasury shares								—
Reversal of revaluation reserve for land								51
Net changes in items other than shareholders' equity	(2,831)	(11)	(175)	5,707	3,149	5,837	465	6,303
Total changes during period	(2,831)	(11)	(175)	5,707	3,149	5,837	465	11,629
Balance at the end of period	12,313	(0)	(69)	13,812	8,828	34,884	3,851	297,063

Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Million yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	28,619	12,715	230,048	(13,056)	258,327
Changes during period					
Dividends of surplus			(12,886)		(12,886)
Profit attributable to owners of parent			31,505		31,505
Purchase of treasury shares				(20,017)	(20,017)
Disposal of treasury shares		60		112	173
Cancellation of treasury shares		(60)	(15,786)	15,847	—
Stocks of the parent company owned by new consolidated subsidiaries				(4)	(4)
Reversal of revaluation reserve for land			98		98
Net changes in items other than shareholders' equity					
Total changes during period	—	—	2,930	(4,061)	(1,130)
Balance at the end of period	28,619	12,715	232,979	(17,118)	257,196

	Accumulated other comprehensive income						Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income		
Balance at beginning of period	12,313	(0)	(69)	13,812	8,828	34,884	3,851	297,063
Changes during period								
Dividends of surplus								(12,886)
Profit attributable to owners of parent								31,505
Purchase of treasury shares								(20,017)
Disposal of treasury shares								173
Cancellation of treasury shares								—
Stocks of the parent company owned by new consolidated subsidiaries								(4)
Reversal of revaluation reserve for land								98
Net changes in items other than shareholders' equity	6,458	1	(98)	2,921	1,806	11,088	(32)	11,056
Total changes during period	6,458	1	(98)	2,921	1,806	11,088	(32)	9,925
Balance at the end of period	18,772	0	(168)	16,733	10,634	45,972	3,818	306,988

(4) Consolidated Statements of Cash Flows

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	44,999	45,907
Depreciation	19,604	20,501
Amortization of goodwill	72	177
Increase (decrease) in allowance for doubtful accounts	1	993
Increase (decrease) in provision for bonuses	2,337	(4,469)
Increase (decrease) in provision for bonuses for directors (and other officers)	37	(177)
Increase (decrease) in retirement benefit liability	(1,010)	(875)
Interest and dividend income	(1,996)	(2,022)
Interest expenses	1,264	1,373
Share of loss (profit) of entities accounted for using equity method	(108)	(129)
Impairment losses	633	222
(Gain) loss on sale of investment securities	(953)	(2,404)
Decrease (increase) in notes and accounts receivable and contract assets	(15,235)	11,136
Decrease (increase) in costs on uncompleted construction contracts	(622)	1,025
Decrease (increase) in inventories	(86)	(318)
Increase (decrease) in trade payables	2,176	(2,759)
Increase (decrease) in contract liabilities	1,480	(505)
Other, net	(1,470)	1,190
Subtotal	51,122	68,866
Interest and dividends received	2,048	1,794
Interest paid	(1,237)	(1,493)
Income taxes paid	(8,401)	(17,174)
Net cash provided by (used in) operating activities	43,532	51,993
Cash flows from investing activities		
Payments into time deposits	(6,124)	(3,492)
Proceeds from withdrawal of time deposits	4,296	6,213
Purchase of short-term and long-term investment securities	(226)	(2,145)
Proceeds from sale of short-term and long-term investment securities	1,121	3,148
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(2,414)	(4,731)
Proceeds from liquidation of subsidiaries	-	163
Purchase of property, plant and equipment	(21,463)	(16,603)

SANKYU INC. (9065)
Consolidated Financial Results
For the Fiscal Year Ended March 31, 2026

Proceeds from sale of property, plant and equipment	1,360	697
Purchase of intangible assets	(2,969)	(2,435)
Loan advances	(740)	(259)
Proceeds from collection of loans receivable	859	127
Other, net	(171)	128
Net cash provided by (used in) investing activities	(26,472)	(19,188)
Cash flows from financing activities		
Proceeds from short-term borrowings	53,755	153,613
Repayments of short-term borrowings	(53,180)	(146,068)
Increase (decrease) in commercial papers	–	30,000
Proceeds from long-term borrowings	20,000	–
Repayments of long-term borrowings	(12,803)	(19,461)
Redemption of bonds	–	(10,000)
Repayments of lease liabilities	(3,204)	(3,671)
Purchase of treasury shares	(15,008)	(20,017)
Dividends paid	(10,452)	(12,875)
Dividends paid to non-controlling interests	(123)	(128)
Proceeds from share issuance to non-controlling shareholders	–	5
Other, net	(4,295)	(3,778)
Net cash provided by (used in) financing activities	(25,313)	(32,383)
Effect of exchange rate change on cash and cash equivalents	2,791	723
Net increase (decrease) in cash and cash equivalents	(5,463)	1,144
Cash and cash equivalents at beginning of period	46,847	41,384
Cash and cash equivalents at the end of period	41,384	42,529

(5) Notes to Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Changes in accounting policies)

Not applicable.

(Changes in accounting estimates)

Changes in estimates of asset retirement obligations

The Company has recorded asset retirement obligations for the restoration to original condition of leased premises, as required under real estate leasing contracts. Effective for the Period, the Company revised its estimate of the restoration costs by reflecting recent price surges and the latest relevant information available. As a result, the balance of asset retirement obligations increased by 2,309 million yen. This change has no impact on operating profit, ordinary profit, or profit before income taxes for the Period.

(Segment information, etc.)

[Segment information]

1. Summary of reportable segments

The Company's reportable segments are components within the Company for which discrete financial information is available and are regularly reviewed by the Company's Board of Directors for the purpose of determining the allocation of management resources and evaluating performance.

Our main businesses are the Logistics Business, which handles the transportation of raw materials and products for our customers, and the Plant Engineering Business, which handles the construction and maintenance of our customers' production equipment, and thus the Company designates two segments: the Logistics Business and the Plant Engineering Business as reporting segments.

The "Logistics Business" is engaged in port transportation, sea transportation, general freight trucking, import / export, transportation in factories, etc. "Plant Engineering Business" is engaged in factory equipment construction / maintenance, transportation and installation of heavy items, general industrial machine manufacturing, equipment construction, etc.

2. Method of calculating the amount of net sales, profit or loss, assets, liabilities and other items by reportable segment

The method of accounting for the business segments reported are generally the same as those described in "Important Matters that Form the Basis for Preparing Consolidated Financial Statements." Reportable segment profit consists of figures based on operating profit. Inter-segment net sales and transfers are based on market price, etc.

3. Information on the amount of net sales, profit or loss, assets, liabilities and other items by reportable segment
For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Million yen)

	Reportable segments			Others (Note 1)	Total	Adjustments (Note 2)	Amount recorded in consolidated statements of income (Note 3)
	Logistics Business	Plant Engineering Business	Total				
Net Sales							
Net sales to external customers	295,564	283,289	578,853	27,937	606,791	—	606,791
Inter-segment net sales or transfers	3,836	3,711	7,548	2,543	10,091	(10,091)	—
Total	299,400	287,001	586,402	30,480	616,882	(10,091)	606,791
Segment profit	9,681	32,001	41,682	2,218	43,901	43	43,945
Segment assets	274,173	191,718	465,892	7,438	473,330	71,858	545,189
Other items							
Depreciation	13,758	4,496	18,255	1,349	19,604	—	19,604
The amount of investment in associates account for by the equity method	1,088	—	1,088	—	1,088	—	1,088
Increase in property, plant and equipment and intangible assets (Note 4)	27,681	5,496	33,177	2,292	35,470	—	35,470

(Notes)1. "Others" refers to a business segment not included in the reportable segments, which includes the provision of services related with information system, personnel dispatch, leasing of machinery, civil engineering and construction works, etc.

2. Adjustments in segment profit of 43 million yen are adjustments of unrealized gain. Of the assets, the amount of corporate assets included in the adjustment items is 72,427 million yen.

The main items of the corporate assets included in the adjustment items are the parent company's surplus funds (cash and deposits) and long-term investment funds (investment securities), and assets related to the administrative department of the said company.

3. Segment profit is adjusted with operating profit in the consolidated statements of income.

4. Increase in property, plant and equipment and intangible assets doesn't include an increase associated with new consolidation.

For the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Million yen)

	Reportable segments			Others (Note 1)	Total	Adjustments (Note 2)	Amount recorded in consolidated statements of income (Note 3)
	Logistics Business	Plant Engineering Business	Total				
Net Sales							
Net sales to external customers	295,256	307,458	602,715	28,858	631,573	—	631,573
Inter-segment net sales or transfers	3,813	4,056	7,870	1,871	9,741	(9,741)	—
Total	299,070	311,515	610,585	30,729	641,315	(9,741)	631,573
Segment profit	9,826	30,960	40,787	2,472	43,259	(19)	43,240
Segment assets	280,493	197,728	478,221	2,955	481,177	78,992	560,169
Other items							
Depreciation	14,258	4,632	18,890	1,610	20,501	—	20,501
The amount of investment in associates account for by the equity method	1,148	—	1,148	—	1,148	—	1,148
Increase in property, plant and equipment and intangible assets (Note 4)	17,438	3,848	21,287	1,894	23,181	—	23,181

(Notes)1. “Others” refers to a business segment not included in the reportable segments, which includes the provision of services related with information system, personnel dispatch, leasing of machinery, civil engineering and construction works, etc.

2. Adjustments in segment profit of (19) million yen are adjustments of unrealized gain. Of the assets, the amount of corporate assets included in the adjustment items is 79,581 million yen. The main items of the corporate assets included in the adjustment items are the parent company’s surplus funds (cash and deposits) and long-term investment funds (investment securities), and assets related to the administrative department of the said company.
3. Segment profit is adjusted with operating profit in the consolidated statements of income.
4. Increase in property, plant and equipment and intangible assets doesn’t include an increase associated with new consolidation.

[Related information]

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

1. Information for each product and service

Since similar information is disclosed in the segment information section, this information is omitted.

2. Information by region

(1) Net Sales

(Million yen)

Japan	Asia	North and South America and other regions	Total
499,680	89,004	18,105	606,791

(Notes) 1. Net sales are classified by country or region based on the customer's location.

2. Countries or regions belonging to each segment

Asia:	East Asia (China, Hong Kong, Taiwan, etc.), Southeast Asia (Singapore, Indonesia, Malaysia, Thailand, etc.), South Asia (India), Middle East (Saudi Arabia, etc.)
North and South America and other regions:	United States, Brazil, Europe, and other regions

(2) Property, plant and equipment

(Million yen)

Japan	Asia	North and South America	Total
141,336	42,482	531	184,350

(Note) Countries or regions belonging to each segment

Asia:	East Asia (China, Hong Kong, Taiwan), Southeast Asia (Singapore, Indonesia, Malaysia, Thailand, Vietnam), South Asia (India), Middle East (Saudi Arabia, etc.)
North and South America:	United States, Brazil

3. Information for each major customer

(Million yen)

Customer's name	Net Sales	Related segments
NIPPON STEEL CORPORATION	86,856	Logistics and Plant Engineering Businesses

For the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

1. Information for each product and service

Since similar information is disclosed in the segment information section, the description is omitted.

2. Information by region

(1) Net Sales

(Million yen)

Japan	Asia	North and South America and other regions	Total
521,210	87,513	22,849	631,573

(Notes) 1. Net sales are classified by country or region based on the customer's location.

2. Countries or regions belonging to each segment

Asia:	East Asia (China, Hong Kong, Taiwan, etc.), Southeast Asia (Singapore, Indonesia, Malaysia, Thailand, etc.), South Asia (India), Middle East (Saudi Arabia, etc.)
North and South America and other regions:	United States, Brazil, Europe, and other regions

(2) Property, plant and equipment

(Million yen)

Japan	Asia	North and South America	Total
142,575	47,136	689	190,400

(Note) Countries or regions belonging to each segment

Asia:	East Asia (China, Hong Kong, Taiwan), Southeast Asia (Singapore, Indonesia, Malaysia, Thailand, Vietnam), South Asia (India), Middle East (Saudi Arabia, etc.)
North and South America:	United States, Brazil

3. Information for each major customer

(Million yen)

Customer's name	Net Sales	Related segments
NIPPON STEEL CORPORATION	96,452	Logistics and Plant Engineering Businesses

[Information for impairment loss by reportable segment]

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Million yen)

	Reportable segments			Others	Elimination/ Corporate	Total
	Logistics Business	Plant Engineering Business	Total			
Impairment loss	177	330	508	12	111	633

For the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Million yen)

	Reportable segments			Others	Elimination/ Corporate	Total
	Logistics Business	Plant Engineering Business	Total			
Impairment loss	104	111	215	7	—	222

[Information about net amortization and ending balances of good will by reportable segment]

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Million yen)

	Reportable segments			Others	Elimination/ Corporate	Total
	Logistics Business	Plant Engineering Business	Total			
Amortization	32	40	72	—	—	72
Ending balance	16	1,576	1,592	—	—	1,592

For the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Million yen)

	Reportable segments			Others	Elimination/ Corporate	Total
	Logistics Business	Plant Engineering Business	Total			
Amortization	16	161	177	—	—	177
Ending balance	—	7,635	7,635	—	—	7,635

[Information about gains on negative good will by reportable segment]

For the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

Not applicable.

For the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

Not applicable.

(Per share information)

	Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)	Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)
Net assets per share	5,580.58 yen	6,047.98 yen
Basic earnings per share	570.99 yen	614.05 yen

(Notes) 1. Diluted earnings per share are not provided, as there are no dilutive shares.

2. The basis for calculating net assets per share is as follows.

Items	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Total net assets (Million yen)	297,063	306,988
Amount deducted from total net assets (Million yen)	3,851	3,818
(Non-controlling interests included in above)	(3,851)	(3,818)
Amount of net assets related to ordinary shares at the end of year (Million yen)	293,211	303,169
Number of common shares at the end of year used to calculate net assets per share (Thousand shares)	52,541	50,127

3. The basis for calculation of basic earnings per share is as follows.

Items	Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)	Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)
Profit attributable to owners of parent (Million yen)	30,747	31,505
Amount not attributed to common shareholders (Million yen)	—	—
Profit attributable to owners of parent related to common shares (Million Yen)	30,747	31,505
Average number of ordinary shares during the Period (Thousand shares)	53,850	51,307

(Significant subsequent events)

(Acquisition and Cancellation of Treasury Stock)

At the Board of Directors meeting held on May 14, 2026, SANKYU INC. resolved to acquire treasury stock in accordance with Article 156 of the Companies Act as applied mutatis mutandis pursuant to Article 165(3), and to cancel treasury stock pursuant to Article 178 of the same Act. The details are as follows:

1. Reason for Acquisition and Cancellation of Treasury Stock

The capital policy of our Medium-Term Management Plan 2026 is to “achieve sustainable growth and maximize corporate value while emphasizing capital efficiency.”

In line with this policy, after considering our current financial position, share price levels, and future business growth in light of market conditions, we have decided to acquire and cancel treasury stock for the purpose of maintaining shareholder returns and enhancing corporate value.

2. Details of Treasury Stock Acquisition

(1) Type of stock to be acquired: Common stock of the Company

(2) Total number of shares to be acquired: Up to 5 million shares (Note 1)

(Ratio to total number of outstanding shares excluding treasury stock: 9.97%)

(3) Total acquisition cost: Up to JPY 20 billion

(4) Acquisition period: From May 15, 2026 to February 26, 2027

(5) Acquisition method: Market purchase through the Tokyo Stock Exchange

(Note 1) As stated in the “Significant subsequent events”, “Stock Split and Partial Amendment to the Articles of Incorporation Accompanying the Stock Split”, the Company plans to conduct a stock split at a ratio of five shares for each common share of the Company, with an effective date of October 1, 2026. On and after the effective date of the stock split, the total number of shares to be acquired shall be read as “up to 25 million shares”.

3. Details of Treasury Stock Cancellation

(1) Type of stock to be cancelled: Common stock of the Company

(2) Total number of shares to be cancelled: All treasury shares exceeding 5% of the total number of issued shares as of the completion of the treasury stock acquisition resolved at the Board of Directors meeting on May 14, 2026.

(3) Scheduled cancellation date: March 15, 2027

*The exact number of shares to be cancelled will be announced after the completion of the treasury stock acquisition described in section 2 above.

(Stock Split and Partial Amendment to the Articles of Incorporation Accompanying the Stock Split)

At the meeting of the Board of Directors held on May 14, 2026, the Company resolved to conduct a stock split and partial amendment to the Articles of Incorporation accompanying the stock split.

1. Purpose of stock split

The purpose is to reduce the investment unit price of the Company’s shares, thereby creating an environment in which investors can invest more easily, and to improve share liquidity and broaden the investor base.

2. Overview of stock split

(1) Method of stock split

Each share of common stock held by shareholders recorded in the final shareholder registry as of Wednesday, September 30, 2026, will be split into five (5) shares.

(2) Number of shares to be increased by the split

Total number of issued shares before the stock split	52,901,749 shares
Number of shares to be increased by this stock split	211,606,996 shares
Total number of issued shares after the stock split	264,508,745 shares
Total number of shares authorized to be issued after the stock split	1,000,000,000 shares

(3) Impact on per-share information

If the stock split had been conducted at the beginning of the previous fiscal year, the per-share information for each period would have been as follows.

Items	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net assets per share	1,116.12	1,209.60
Basic earnings per share	114.20	122.81

* Since there are no Dilutive Shares, Diluted earnings per share is not stated.

(4) Timetable

Date of public notice of the record date (scheduled)	Wednesday, September 16, 2026
Record date	Wednesday, September 30, 2026
Effective date	Thursday, October 1, 2026

(5) Change in the amount of stated capital

There will be no change in the amount of the stated capital as a result of the stock split.

3. Partial amendments to the Articles of Incorporation

(1) Reason for the amendments to the Articles of Incorporation

In connection with the stock split, pursuant to the provisions of Article 184(2) of the Companies Act, the Company will partially amend its Articles of Incorporation by resolution of the Board of Directors, with an effective date of October 1, 2026 (Thursday).

(2) Details of amendments to the Articles of Incorporation

The details of the amendments are as follows. (Underlined parts are to be amended.)

Current Articles of Incorporation	After the Amendment
(Total Number of Authorized Shares) Article 6. The total number of shares authorized to be issued by the Company shall be <u>two hundred million (200,000,000)</u> .	(Total Number of Authorized Shares) Article 6. The total number of shares authorized to be issued by the Company shall be <u>one billion (1,000,000,000)</u> .

(3) Timetable of amendments to the Articles of Incorporation

Date of resolution by the Board of Directors	Thursday, May 14, 2026
Effective date	Thursday, October 1, 2026

(Regarding Making a Company an Equity-method Affiliate through Investment)

The company has reached an agreement with ITOCHU Corporation (hereinafter "ITOCHU") to jointly acquire all outstanding shares of SWTS Asia Pte. Ltd. (hereinafter "SWTS") from its management and employees on March 27, 2026.

1. Purpose of acquiring an equity stake.

Led by our guiding principle of “valuing people,” the Company conducts business both domestically and internationally by leveraging the technologies, skills, and expertise cultivated over time. However, we also face challenges such as a shortage of on-site managers, supervisors, and skilled workers. Under these circumstances, acquiring shares of SWTS whose core business focused on the maintenance of key component equipment for refineries, petrochemical plants, power plants, vessels, and which is based in Singapore and operates workshops in Thailand, Vietnam, Indonesia, Malaysia, and other countries, the company will combine its strengths in frontline capabilities—including technical skills and mobilization capacity—with its long-accumulated maintenance expertise, together with ITOCHU’s management knowhow and extensive domestic and international networks, to further strengthen SWTS’s management foundation and competitiveness. Through these efforts, we will enhance the value we provide to customers and drive business expansion and sustainable growth.

2. Overview of the equity stake acquisition

(1) Method of investment

Investment in SWTS through SANKYU SOUTHEAST ASIA HOLDINGS PTE. LTD., our consolidated subsidiary

(2) Investment amount.

SGD 88,500,000

(3) Ownership percentage

50.00%

(4) Date of commencement of equity method accounting

May 11, 2026

(5) Legal form of the investment

Acquisition of equity interests in exchange for cash

3. Overview of the investee company

Name	SWTS Asia Pte. Ltd.
Head office	10 Gul Avenue, Singapore 629654
Established	2022
Business activities	Maintenance, repair, and supply of plant-related equipment
URL	https://swts.com/

4. Acquisition cost of the acquired company and breakdown by type of consideration

(1) Acquisition cost

Consideration for the acquisition: cash SGD 88,500,000

(2) Details of contingent consideration

The consideration for the acquisition does not include contingent consideration. An earn-out provision has been established under which additional consideration may be paid depending on the extent to which the acquired company achieves its profit targets and other performance goals. Although the agreement provides that contingent consideration (earn-out consideration) will arise if the relevant conditions are met, no such amount has been determined at this time.

(3) Accounting treatment policy

If any change in the acquisition consideration arises, the acquisition cost will be revised as if such change had occurred at the acquisition date, and the amount of goodwill equivalent and the amortization of goodwill equivalent will be adjusted accordingly.

5. Details and amount of major acquisition-related costs

Not determined at this time.

4. Non-Consolidated Financial Statements and Principal Notes

(1) Non-Consolidated Balance Sheets

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	6,649	7,554
Notes receivable - trade	3,534	3,160
Accounts receivable - trade	126,856	99,897
Contract assets	33,693	50,274
Costs on uncompleted construction contracts	513	373
Other inventories	2,318	2,595
Prepaid expenses	1,413	1,666
Short-term loans receivable	10	129
Short-term loans receivable from subsidiaries and associates	87	94
Accounts receivable - other	668	1,992
Other	3,264	3,416
Allowance for doubtful accounts	(10)	(3)
Total current assets	179,001	171,150
Non-current assets		
Property, plant and equipment		
Buildings, net	57,042	57,804
Structures, net	3,450	3,406
Machinery and equipment, net	5,916	5,452
Vessels, net	0	0
Vehicles, net	1,415	1,600
Tools, furniture and fixtures, net	2,244	2,234
Land	49,521	49,478
Leased assets, net	6,023	6,815
Construction in progress	1,269	254
Total property, plant and equipment	126,884	127,045
Intangible assets		
Leasehold interests in land	1,199	1,199
Software	3,486	4,289
Telephone subscription right	169	167
Other	1,779	726
Total intangible assets	6,635	6,382

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Investments and other assets		
Investment securities	25,397	33,874
Shares of subsidiaries and associates	51,973	59,152
Investments in other securities of subsidiaries and associates	—	932
Investments in capital	12	11
Investments in capital of subsidiaries and associates	3,773	3,773
Long-term loans receivable	129	—
Long-term loans receivable from subsidiaries and associates	793	754
Distressed receivables	171	144
Long-term prepaid expenses	491	457
Prepaid pension costs	9,485	11,443
Guarantee deposits	4,070	3,897
Deferred tax assets	6,013	1,296
Other	1,544	1,282
Allowance for doubtful accounts	(346)	(311)
Total investments and other assets	103,510	116,709
Total non-current assets	237,030	250,137
Total assets	416,031	421,288
Liabilities		
Current liabilities		
Accounts payable - trade	37,678	39,143
Short-term borrowings	50,000	56,200
Commercial papers	—	30,000
Current portion of long-term borrowings	16,245	13,477
Current portion of bonds payable	10,000	—
Lease liabilities	2,533	2,875
Accounts payable - other	4,638	1,858
Income taxes payable	7,649	3,073
Accrued consumption taxes	1,419	1,725
Accrued expenses	4,438	3,944
Contract liabilities	1,893	1,359
Deposits received	2,118	2,321
Unearned revenue	3	3
Provision for bonuses	11,893	7,355
Provision for bonuses for directors (and other officers)	444	291
Provision for loss on construction contracts	—	9

Provision for warranties for completed construction	31	93
Other	100	—
Total current liabilities	151,089	163,733
Non-current liabilities		
Bonds payable	15,000	15,000
Long-term borrowings	36,407	22,929
Lease liabilities	4,092	4,621
Provision for retirement benefits	25,238	25,990
Deferred tax liabilities for land revaluation	4,343	4,298
Asset retirement obligations	3,464	5,806
Other	555	587
Total non-current liabilities	89,101	79,234
Total liabilities	240,190	242,967

(Million yen)

	As of March 31, 2025	As of March 31, 2026
Net assets		
Shareholders' equity		
Share capital	28,619	28,619
Capital surplus		
Legal capital surplus	11,936	11,936
Total capital surplus	11,936	11,936
Retained earnings		
Legal retained earnings	310	310
Other retained earnings	136,242	137,071
Reserve for tax purpose reduction entry of non-current assets	903	1,358
General reserve	98,900	98,900
Retained earnings brought forward	36,439	36,812
Total retained earnings	136,552	137,381
Treasury shares	(13,056)	(17,114)
Total shareholders' equity	164,052	160,823
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	11,858	17,664
Deferred gains or losses on hedges	(0)	0
Revaluation reserve for land	(69)	(168)
Total valuation and translation adjustments	11,788	17,497
Total net assets	175,840	178,320
Total liabilities and net assets	416,031	421,288

(2) Non-Consolidated Statements of Income

(Million yen)

	For the fiscal year ended March 31, 2025	For the fiscal year ended March 31, 2026
Net sales	430,568	440,504
Cost of sales	380,611	388,750
Gross profit	49,956	51,754
Selling, general and administrative expenses	18,558	18,994
Operating profit	31,398	32,759
Non-operating income		
Interest income	63	52
Dividend income	3,860	5,182
Other	590	734
Total non-operating income	4,514	5,969
Non-operating expenses		
Interest expenses	834	1,162
Interest on bonds	126	121
Other	1,081	987
Total non-operating expenses	2,042	2,272
Ordinary profit	33,870	36,456
Extraordinary income		
Gain on sale of investment securities	594	2,396
Compensation income	—	339
Total extraordinary income	594	2,736
Extraordinary losses		
Impairment losses	634	223
Total extraordinary losses	634	223
Profit before income taxes	33,829	38,969
Income taxes - current	10,050	7,575
Income taxes - deferred	(1,034)	1,991
Total income taxes	9,015	9,566
Profit	24,814	29,403

(3) Non-Consolidated Statements of Changes in Equity

Fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Million yen)

	Shareholders' equity										
	Share capital	Capital surplus			Retained earnings					Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings			Total retained earnings		
						Reserve for tax purpose reduction entry of non-current assets	General reserve	Retained earnings brought forward			
Balance at beginning of period	28,619	11,936	0	11,936	310	910	98,900	48,114	148,235	(24,132)	164,659
Changes during period											
Dividends of surplus								(10,464)	(10,464)		(10,464)
Profit								24,814	24,814		24,814
Purchase of treasury shares										(15,008)	(15,008)
Cancellation of treasury shares			(0)	(0)				(26,083)	(26,083)	26,083	—
Reversal of reserve for tax purpose reduction entry of non-current assets						(6)		6	—		—
Reversal of revaluation reserve for land								51	51		51
Net changes in items other than shareholders' equity											
Total changes during period	—	—	(0)	(0)	—	(6)	—	(11,675)	(11,682)	11,075	(607)
Balance at the end of period	28,619	11,936	—	11,936	310	903	98,900	36,439	136,552	(13,056)	164,052

	Valuation and translation adjustments				Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of period	13,997	10	105	14,114	178,773
Changes during period					
Dividends of surplus					(10,464)
Profit					24,814
Purchase of treasury shares					(15,008)
Cancellation of treasury shares					—
Reversal of reserve for tax purpose reduction entry of non-current assets					—
Reversal of revaluation reserve for land					51
Net changes in items other than shareholders' equity	(2,138)	(11)	(175)	(2,325)	(2,325)
Total changes during period	(2,138)	(11)	(175)	(2,325)	(2,933)
Balance at the end of period	11,858	(0)	(69)	11,788	175,840

Fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Million yen)

	Shareholders' equity										
	Share capital	Capital surplus			Legal retained earnings	Other retained earnings			Total retained earnings	Treasury shares	Total shareholders' equity
		Legal capital surplus	Other capital surplus	Total capital surplus		Reserve for tax purpose reduction entry of non-current assets	General reserve	Retained earnings brought forward			
Balance at beginning of period	28,619	11,936	—	11,936	310	903	98,900	36,439	136,552	(13,056)	164,052
Changes during period											
Dividends of surplus								(12,886)	(12,886)		(12,886)
Profit								29,403	29,403		29,403
Purchase of treasury shares										(20,017)	(20,017)
Disposal of treasury shares			60	60						112	173
Cancellation of treasury shares			(60)	(60)				(15,786)	(15,786)	15,847	—
Provision of reserve for tax purpose reduction entry of non-current assets						495		(495)	—		—
Reversal of reserve for tax purpose reduction entry of non-current assets						(40)		40	—		—
Reversal of revaluation reserve for land								98	98		98
Net changes in items other than shareholders' equity											
Total changes during period	—	—	—	—	—	455	—	373	828	(4,057)	(3,228)
Balance at the end of period	28,619	11,936	—	11,936	310	1,358	98,900	36,812	137,381	(17,114)	160,823

	Valuation and translation adjustments				Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Revaluation reserve for land	Total valuation and translation adjustments	
Balance at beginning of period	11,858	(0)	(69)	11,788	175,840
Changes during period					
Dividends of surplus					(12,886)
Profit					29,403
Purchase of treasury shares					(20,017)
Disposal of treasury shares					173
Cancellation of treasury shares					—
Provision of reserve for tax purpose reduction entry of non-current assets					—
Reversal of reserve for tax purpose reduction entry of non-current assets					—
Reversal of revaluation reserve for land					98
Net changes in items other than shareholders' equity	5,805	1	(98)	5,708	5,708
Total changes during period	5,805	1	(98)	5,708	2,480
Balance at the end of period	17,664	0	(168)	17,497	178,320

(4) Notes to Non-Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable

Note: This document has been translated from the Japanese original for reference purposes only.

In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.