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Consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under Japanese GAAP)

May 9, 2025

The Sumitomo Warehouse Co., Ltd.

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Securities code:	9303
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Scheduled date of annual general meeting of shareholders:	June 26, 2025
Scheduled date to commence dividend payments:	June 27, 2025
Scheduled date to file annual securities report:	June 25, 2025
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, 2025 (from April 1, 2024 to March 31, 2025)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2025	193,398	4.7	13,275	0.7	17,497	3.7	20,065	60.6
March 31, 2024	184,661	(17.5)	13,187	(49.5)	16,880	(42.0)	12,490	(44.4)

Note: Comprehensive income:

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

For the fiscal year ended March 31, 2024: ¥48,563 million [58.2%]

Fiscal year ended	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
	Yen	Yen	%	%	%
March 31, 2025	257.32	257.12	7.7	4.0	6.9
March 31, 2024	158.00	157.82	5.3	4.1	7.1

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

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

For the fiscal year ended March 31, 2024: ¥150 million

(2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2025	439,847	274,145	60.0	3,411.77
March 31, 2024	436,920	264,804	58.4	3,239.67

Reference: Equity

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

As of March 31, 2024: ¥255,130 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, 2025	31,733	(10,045)	(25,273)	44,950
March 31, 2024	22,034	(16,019)	(5,015)	47,947

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total) Millions of yen	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			
Fiscal year ended March 31, 2024	—	50.50	—	50.50	101.00	7,972	63.9	3.4
Fiscal year ended March 31, 2025	—	50.50	—	52.50	103.00	8,000	40.0	3.1
Fiscal year ending March 31, 2026 (Forecast)	—	51.50	—	51.50	103.00		45.4	

3. Consolidated forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(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, 2025	97,000	1.8	5,300	(16.8)	7,300	(11.8)	7,820	51.6	101.55
Fiscal year ending March 31, 2026	197,000	1.9	12,000	(9.6)	16,300	(6.8)	17,400	(13.3)	226.83

* 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, 2025 : 77,747,315 shares

As of March 31, 2024 : 79,247,315 shares

(ii) Number of treasury shares at the end of the period :

As of March 31, 2025 : 438,956 shares

As of March 31, 2024 : 495,352 shares

(iii) Average number of shares outstanding during the period:

Fiscal year ended March 31, 2025 : 77,976,647 shares

Fiscal year ended March 31, 2024 : 79,049,760 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.

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1. Overview of Operating Results under Review

(1) Overview of Operating Results

In the economic environment during the fiscal year ended March 31, 2025, a moderate economic recovery continued in Japan as capital investment picked up, although consumer spending lacked strength due to high prices. Overseas, in the United States, consumer spending and employment generally grew, and the economy was strong overall. In China, with no sign of a way out of the real estate recession, domestic demand remained sluggish for a prolonged period and the economy showed a decelerating trend.

In the logistics industry, there were concerns about a shortage of transportation capacity due to the 2024 problem, however as a result of advance preparations made not only by the industry but also by the entire supply chain, the impact on domestic cargo movements was limited. In the real estate industry, although construction of office buildings for leasing continued to be completed, the vacancy rate declined slightly and rent levels continued to rise moderately.

Under these circumstances, the Group has been implementing various measures based on its logistics and real estate business strategies in order to achieve the goals set forth in its Medium-Term Business Plan for FY2023 to FY2025.

In the logistics business, in Japan, we completed construction of a new warehouse in Fukuoka City in January 2025, and added fixed temperature facilities at some warehouse facilities to meet growing demand for fixed temperature storage for food, etc. As part of our DX promotion efforts, we completed the installation of automated equipment at our distribution center in Osaka City in January 2025, and we also promoted digitization and automation of operations in warehousing and international transportation businesses. Meanwhile, overseas, we engaged in consideration aimed at expansion of new locations centered on Southeast Asia and Europe.

In the real estate business, we participated in the joint development of a logistics facility in Misato City, Saitama Prefecture, and began construction work in January 2025. In February 2025, we expanded the scale of our revenue, such as acquiring a real estate property for lease in Sumida-ku, Tokyo.

In addition, we made efforts to collect appropriate fees in response to rising costs across all aspects of our business.

Based on these efforts, consolidated operating revenue for the fiscal year ended March 31, 2025 were ¥193,398 million, up 4.7% year on year, as revenues from warehousing, harbor transportation, international transportation, and land transportation all increased. Operating profit increased by only 0.7% year on year to ¥13,275 million, due to an increase in personnel expenses, etc., while ordinary profit rose 3.7% year on year to ¥17,497 million, due to factors such as an increase in dividend income. Profit attributable to owners of parent was ¥20,065 million, up 60.6% year on year, due to the recording of extraordinary income including compensation for relocation related to the Company's buildings.

Segment results are as follows.

(Logistics business)

In warehousing, warehouse income was ¥32,138 million (up 2.3% year on year) due to an increase in the handling of parts for transportation equipment and metal, etc.

In harbor transportation, harbor transportation income was ¥32,534 million (up 7.2% year on year) due to steady general cargo handling and container cargo handling.

In international transportation, international transportation income was ¥54,875 million (up 8.3% year on year) due to the effect of depreciation of the yen although the volume of transactions at overseas subsidiaries decreased, an increase in international multimodal transportation, project transportation, and airfreight handling at the company.

In land transportation and other operations, land transportation and other income was ¥63,161 million (up 2.8% year on year) due to an increase in handling of transportation related to e-commerce, etc.

As a result of the above, in the logistics business, operating revenue was ¥182,710 million (up 5.1% year on year), and operating profit was ¥14,069 million (up 5.4% year on year).

(Real estate business)

In the real estate business, although there was an increase in the occupancy rate of some real estate for leasing due to the contribution of office buildings for leasing acquired during the previous fiscal year and the increase in the number of overseas visitors to Japan, operating revenue was ¥11,274 million (down 0.8% year-on-year) due to a decrease in rental income caused by the departure of tenants from the Company's buildings eligible for compensation for relocation, and a decrease in real estate sales income. Operating profit was ¥5,413 million (up 1.7% year-on-year) due to a decrease in real estate acquisition tax.

- Notes: 1. The operating revenue for the segments above includes inter-segment revenue of ¥585 million (¥567 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 ¥6,207 million (¥5,481 million in the previous fiscal year).

Details of operating revenue by segment

Details	Year ended March 31, 2024	Year ended March 31, 2025	Increase / decrease	
			Amount	Ratio%
Logistics business	173,868 million	182,710 million	8,841 million	5.1
(Warehouse income)	[31,413]	[32,138]	[725]	[2.3]
(Harbor transportation income)	[30,349]	[32,534]	[2,185]	[7.2]
(International transportation income)	[50,661]	[54,875]	[4,213]	[8.3]
(Land transportation and other operations income)	[61,444]	[63,161]	[1,717]	[2.8]
Real estate business	11,360	11,274	(85)	(0.8)
(Real estate business income)	[11,360]	[11,274]	[(85)]	[(0.8)]
Total	185,228	193,984	8,755	4.7
Inter-segment revenue	(567)	(585)	(18)	—
Net operating revenue	184,661	193,398	8,737	4.7

(2) Overview of Financial Position

(Assets)

Total assets increased 0.7% from the end of the previous fiscal year to ¥439,847 million, mainly due to an increase in “other current assets (accounts receivable - other)” related to compensation income.

(Liabilities)

Total liabilities decreased 3.7% from the end of the previous fiscal year to ¥165,701 million, mainly due to redemption of bonds

(Net assets)

Total net assets increased 3.5% from the end of the previous fiscal year to ¥274,145 million, mainly due to an increase in “retained earnings” associated with the recording of profit attributable to owners of parent.

(3) Overview of Cash Flows

(Cash flows from operating activities)

Net cash provided by operating activities amounted to ¥31,733 million (¥22,034 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 ¥10,045 million (¥16,019 million used in the previous fiscal year), mainly due to the purchase of property, plant and equipment, such as medical facilities for lease.

(Cash flows from financing activities)

Net cash used in financing activities amounted to ¥25,273 million (¥5,015 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, 2025, including the above results and the “Effect of exchange rate change on cash and cash equivalents” (¥587 million), was ¥2,996 million, resulting in a balance of ¥44,950 million in cash and cash equivalents at the end of the fiscal year.

(4) Future Outlook

The Japanese economy is expected to continue its gradual recovery amid an improving employment and income environment, but there are concerns about an economic weakening brought about by the high tariff policy of the United States and a slowdown in the recovery of consumption due to high prices. Overseas, the future of the global economy has become increasingly uncertain, with the United States policy trends predicting a slowdown in consumer spending due to rising prices in the United States and a decline in exports to the United States in China.

In the logistics industry, although the cargo movement of imports and exports is expected to continue to recover, there is a risk of sluggish cargo movement due to trade friction and other factors due to heightened uncertainty surrounding the high tariff policy of the United States. In the real estate industry, rent levels are expected to continue to rise against a backdrop of steady demand for office buildings for leasing.

Under these circumstances, while the Group expects steady handling of warehouse, harbor transportation and land transportation in the logistics business, personnel expenses etc. are expected to rise. In the real estate business, while a decrease in rental income from real estate for leasing is anticipated due to hand over our buildings eligible for compensation for relocation, we plan to sell real estate for sale in order to expand our revenue scale.

As a result, for the next fiscal year, we forecast that the Group’s operating revenue will be ¥197,000 million, 1.9% higher than the current fiscal year, operating profit will be ¥12,000 million, 9.6% lower than the current fiscal year, and ordinary profit will be ¥16,300 million, 6.8% lower than the current fiscal year. Profit attributable to owners of parent is expected to be ¥17,400 million, a decrease of 13.3% from the previous year, due to recording a gain on sale of investment securities resulting from the reduction of cross-shareholdings in accordance.

Regarding the reduction of cross-shareholdings in the Fifth Medium-Term Business Plan, which begins in fiscal year ended 2023, we had planned to reduce our cross-shareholdings by approximately ¥10,000 million by March 2028, however we have decided to complete this reduction two years ahead of schedule, and we have planned to sell these approximately ¥6,000 million during the current fiscal year in fiscal year ending 2026.

Furthermore, the outlook regarding the impact of the recent U.S. tariff measures is currently uncertain and has not been reflected in the business outlook, etc..

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, 2026” on page 30.

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

(Dividends for the Fiscal Year under Review)

In the Fifth Medium-Term Business Plan, 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%.

The annual dividends per share of fiscal year will be ¥103 per share a ¥2 increase compared with the previous fiscal year, and after deducting the interim dividend of ¥50.50, the year-end dividend will be ¥52.50 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 1,500,000 treasury shares, amounting to approximately ¥4,000 million, and retired all of them in March 2025.

(Dividends for the Next Fiscal Year)

Dividends of surplus for the next fiscal year are planned to be ¥103.00 per share (¥51.50 per share for both interim and year-end dividends), the same amount as the current fiscal year.

In the next fiscal year, the Company will also implement the purchase of treasury shares (up to 1,200,000 shares in total and amounting to up to ¥3,500 million in total). For details, please refer to the “Notice of Acquisition of Treasury Shares and Retirement 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, 2024	As of March 31, 2025
Assets		
Current assets		
Cash and deposits	52,214	47,850
Notes and accounts receivable-trade	20,650	21,515
Real estate for sale	2,774	2,666
Other	7,532	11,857
Allowance for doubtful accounts	(102)	(101)
Total current assets	83,068	83,787
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	*1 92,713	*1 91,790
Machinery, equipment and vehicles, net	*1 5,744	*1 6,975
Vessels, net	*1 417	*1 362
Tools, furniture and fixtures, net	*1 1,027	*1 987
Land	74,276	77,664
Construction in progress	1,570	2,081
Other, net	*1 3,279	*1 3,353
Total property, plant and equipment	179,029	183,214
Intangible assets		
Leasehold interests in land	5,138	5,138
Software	1,431	1,517
Other	674	474
Total intangible assets	7,244	7,130
Investments and other assets		
Investment securities	*4 157,195	*4 155,645
Long-term loans receivable	256	233
Retirement benefit asset	2,956	2,795
Deferred tax assets	722	790
Other	6,730	6,667
Allowance for doubtful accounts	(281)	(418)
Total investments and other assets	167,578	165,714
Total non-current assets	353,852	356,059
Total assets	436,920	439,847

(Millions of yen)

	As of March 31, 2024	As of March 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable-trade	12,093	11,731
Short-term borrowings	5,174	11,918
Current portion of bonds payable	10,000	12,000
Income taxes payable	2,360	3,767
Provision for bonuses	1,488	1,652
Other	8,887	9,965
Total current liabilities	40,004	51,036
Non-current liabilities		
Bonds payable	37,000	25,000
Long-term borrowings	39,006	30,492
Deferred tax liabilities	42,633	46,565
Provision for retirement benefits for directors (and other officers)	98	116
Retirement benefit liability	3,783	2,691
Long-term deposits received	8,120	7,809
Other	1,468	1,990
Total non-current liabilities	132,111	114,664
Total liabilities	172,115	165,701
Net assets		
Shareholders' equity		
Share capital	14,922	14,922
Capital surplus	12,347	12,347
Retained earnings	134,329	142,590
Treasury shares	(1,094)	(1,117)
Total shareholders' equity	160,505	168,743
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	85,594	83,352
Foreign currency translation adjustment	5,831	8,137
Remeasurements of defined benefit plans	3,199	3,525
Total accumulated other comprehensive income	94,624	95,014
Share acquisition rights	113	75
Non-controlling interests	9,560	10,311
Total net assets	264,804	274,145
Total liabilities and net assets	436,920	439,847

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

(Millions of yen)

	Year ended March 31, 2024	Year ended March 31, 2025
Operating revenue		
Warehouse income	31,413	32,138
Harbor transportation income	30,349	32,534
International transportation income	50,661	54,875
Land transportation income	48,032	49,675
Rent income of warehouse and logistics facilities	5,955	6,255
Real estate lease revenue	10,160	10,176
Other	8,087	7,741
Total operating revenue	184,661	193,398
Operating costs		
Cost of sales	101,570	107,197
Personal expenses	28,345	29,668
Rent expenses	9,447	9,499
Taxes and dues	2,805	2,637
Depreciation	9,597	10,145
Other	10,604	11,053
Total operating costs	162,370	170,202
Operating gross profit	22,290	23,196
Selling, general and administrative expenses		
Salaries, allowances and welfare expenses	5,056	5,518
Provision for bonuses	267	309
Retirement benefit expenses	192	98
Other	3,586	3,994
Total selling, general and administrative expenses	9,102	9,920
Operating profit	13,187	13,275
Non-operating income		
Interest income	150	195
Dividend income	3,573	4,181
Share of profit of entities accounted for using equity method	150	262
Other	504	550
Total non-operating income	4,379	5,189
Non-operating expenses		
Interest expenses	390	459
Provision of allowance for doubtful accounts	—	130
Commission expenses	105	—
Other	190	377
Total non-operating expenses	686	968
Ordinary profit	16,880	17,497

(Millions of yen)

	Year ended March 31, 2024	Year ended March 31, 2025
Extraordinary income		
Gain on sale of non-current assets	34	144
Gain on sale of investment securities	1,761	1,725
Compensation	—	*1 12,153
Gain on surface rights	149	—
Total extraordinary income	1,944	14,023
Extraordinary losses		
Loss on retirement of non-current assets	690	1,291
Impairment losses	—	*2 113
Total extraordinary losses	690	1,404
Profit before income taxes	18,134	30,116
Income taxes-current	4,468	5,902
Income taxes-deferred	245	3,079
Total income taxes	4,713	8,982
Profit	13,421	21,134
Profit attributable to non-controlling interests	930	1,068
Profit attributable to owners of parent	12,490	20,065

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Year ended March 31, 2024	Year ended March 31, 2025
Profit	13,421	21,134
Other comprehensive income		
Valuation difference on available-for-sale securities	30,792	(2,316)
Foreign currency translation adjustment	1,571	2,088
Remeasurements of defined benefit plans, net of tax	2,593	326
Share of other comprehensive income of entities accounted for using equity method	185	350
Total other comprehensive income	* 35,142	* 449
Comprehensive income	48,563	21,583
(Comprehensive income attributable to)		
Owners of parent	47,430	20,454
Non-controlling interests	1,132	1,128

(3) Consolidated Statements of Changes in Net Assets
Year ended March 31, 2024

(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	131,554	(1,171)	157,653
Changes during period					
Dividends of surplus			(7,964)		(7,964)
Profit attributable to owners of parent			12,490		12,490
Purchase of treasury shares				(1,829)	(1,829)
Disposal of treasury shares			(76)	239	163
Cancellation of treasury shares			(1,668)	1,668	—
Change in scope of consolidation			(6)		(6)
Net changes in items other than shareholders' equity					
Total changes during period	—	—	2,774	77	2,852
Balance at end of period	14,922	12,347	134,329	(1,094)	160,505

	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	54,920	4,154	608	59,684	217	11,391	228,945
Changes during period							
Dividends of surplus							(7,964)
Profit attributable to owners of parent							12,490
Purchase of treasury shares							(1,829)
Disposal of treasury shares							163
Cancellation of treasury shares							—
Change in scope of consolidation							(6)
Net changes in items other than shareholders' equity	30,673	1,676	2,590	34,940	(103)	(1,830)	33,006
Total changes during period	30,673	1,676	2,590	34,940	(103)	(1,830)	35,858
Balance at end of period	85,594	5,831	3,199	94,624	113	9,560	264,804

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

(4) Consolidated Statements of Cash Flows

(Millions of yen)

	Year ended March 31, 2024	Year ended March 31, 2025
Cash flows from operating activities		
Profit before income taxes	18,134	30,116
Depreciation	9,991	10,542
Impairment losses	—	113
Compensation	—	(12,153)
Increase (decrease) in allowance for doubtful accounts	(6)	129
Increase (decrease) in retirement benefit liability	225	(404)
Increase (decrease) in provision for retirement benefits for directors	21	18
Increase (decrease) in provision for bonuses	33	159
Interest and dividend income	(3,723)	(4,377)
Interest expenses	390	459
Share of loss (profit) of entities accounted for using equity method	(150)	(262)
Loss (gain) on sale of non-current assets	(34)	(144)
Loss on retirement of non-current assets	690	1,291
Loss (gain) on sale of investment securities	(1,761)	(1,725)
Gain on surface rights	(149)	—
Commission expenses	105	—
Decrease (increase) in trade receivables	2,734	(523)
Increase (decrease) in trade payables	(347)	(537)
Increase (decrease) in deposits received	(865)	(35)
Other, net	1,363	1,305
Subtotal	26,651	23,973
Interest and dividends received	3,740	4,424
Interest paid	(385)	(460)
Proceeds from compensation	—	8,141
Gain on surface rights income received	149	—
Income taxes paid	(9,647)	(4,344)
Income taxes refund	1,526	—
Net cash provided by (used in) operating activities	22,034	31,733
Cash flows from investing activities		
Payments into time deposits	(3,470)	(2,491)
Proceeds from withdrawal of time deposits	1,800	4,047
Purchase of property, plant and equipment	(22,521)	(13,249)
Proceeds from sale of property, plant and equipment	32	224
Purchase of intangible assets	(634)	(737)
Purchase of investment securities	(88)	(104)
Proceeds from sale of investment securities	2,021	2,125
Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation	*2 7,163	—
Loan advances	(5)	(138)
Proceeds from collection of loans receivable	166	26
Other, net	(483)	252
Net cash provided by (used in) investing activities	(16,019)	(10,045)

(Millions of yen)

	Year ended March 31, 2024	Year ended March 31, 2025
Cash flows from financing activities		
Proceeds from short-term borrowings	1,826	836
Repayments of short-term borrowings	(1,551)	(1,791)
Proceeds from long-term borrowings	23,560	400
Repayments of long-term borrowings	(10,064)	(1,215)
Redemption of bonds	—	(10,000)
Proceeds from issuance of commercial papers	15,000	—
Redemption of commercial papers	(20,000)	—
Proceeds from sale of treasury shares	0	2
Purchase of treasury shares	(1,832)	(4,017)
Dividends paid	(7,961)	(7,916)
Dividends paid to non-controlling interests	(1,364)	(367)
Repayments to non-controlling shareholders	(1,497)	—
Other, net	(1,130)	(1,203)
Net cash provided by (used in) financing activities	(5,015)	(25,273)
Effect of exchange rate change on cash and cash equivalents	432	587
Net increase (decrease) in cash and cash equivalents	1,432	(2,996)
Cash and cash equivalents at beginning of period	46,521	47,947
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	(6)	—
Cash and cash equivalents at end of period	*1 47,947	*1 44,950

(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: 36

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., Sumitomo Warehouse (Hong Kong) 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, 2024	Fiscal year ended March 31, 2025
Amount of retirement benefit asset recorded on the consolidated balance sheet	2,956	2,795
Amount of retirement benefit liability recorded on the consolidated balance sheet	3,783	2,691

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, 2024 was 0.5% - 0.8%, and the amount of retirement benefit obligations was ¥14,980 million. 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. 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 consolidated balance sheet)

*1. Accumulated depreciation of property, plant and equipment

	(Millions of yen)	
	As of March 31, 2024	As of March 31, 2025
Accumulated depreciation	197,677	199,685

2. Contingent liabilities (Guarantee obligations)

Guarantees for borrowings of the following company are provided:

	(Millions of yen)	
	As of March 31, 2024	As of March 31, 2025
Dream Island Container Terminal Co., Ltd.	463	382

The Company have guaranteed for housing loans from banks to employees 11 million at the end of March 2024, 7 million at the end of March 2025.

3. Trade notes receivable transferred by endorsement

	(Millions of yen)	
	As of March 31, 2024	As of March 31, 2025
Trade notes receivable transferred by endorsement	30	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, 2024	As of March 31, 2025
Investment securities	6,836	7,351

(Notes on consolidated statement of income)

*1 Compensation

Year ended March 31, 2024

Not applicable.

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.

*2 Impairment losses

Year ended March 31, 2024

Not applicable.

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%.

(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, 2024	Fiscal year ended March 31, 2025
Valuation difference on available-for-sale securities		
Amount arising during the year	46,143	(27)
Reclassification adjustments	(1,761)	(1,724)
Taxes and before income tax effects	44,382	(1,752)
Taxes and tax (expense) or benefit	(13,589)	(563)
Valuation difference on available-for-sale securities	30,792	(2,316)
Foreign currency translation adjustment		
Amount arising during the year	1,571	2,088
Reclassification adjustments	—	—
Taxes and before income tax effects	1,571	2,088
Taxes and tax (expense) or benefit	—	—
Foreign currency translation adjustment	1,571	2,088
Remeasurements of defined benefit plans, net of tax		
Amount arising during the year	3,892	1,025
Reclassification adjustments	(154)	(488)
Taxes and before income tax effects	3,738	537
Taxes and tax (expense) or benefit	(1,144)	(210)
Remeasurements of defined benefit plans, net of tax	2,593	326
Share of other comprehensive income of entities accounted for using equity method		
Amount arising during the year	185	350
Reclassification adjustments	—	—
Share of other comprehensive income of entities accounted for using equity method	185	350
Total other comprehensive income	35,142	449

(Notes on consolidated statement of changes in equity)

Year ended March 31, 2024

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 the fiscal year ended March 31, 2024 (thousand shares)	Increase in number of shares during the fiscal year ended March 31, 2024 (thousand shares)	Decrease in number of shares during the fiscal year ended March 31, 2024 (thousand shares)	Number of shares at end of the fiscal year ended March 31, 2024 (thousand shares)
Outstanding shares				
Common shares (Note 1)	79,997	—	750	79,247
Treasury shares				
Common shares (Notes 2, 3)	606	751	863	495

Notes:1. The decrease of 750 thousand shares in the number of outstanding common shares is due to the retirement of treasury shares.

2. The increase of 751 thousand shares in the number of common treasury shares is due to an increase of 750 thousand shares from purchases made under stock repurchase agreements, an increase of 1 thousand shares from requests to purchase shares in amounts less than one unit and an increase of 0 thousand shares due to the acquisition of restricted shares without compensation as non-monetary compensation.

3. The decrease of 863 thousand shares in the number of common treasury shares is due to a decrease of 750 thousand shares resulting from the retirement of treasury shares, a decrease of 88 thousand shares due to the exercise of share acquisition rights, a decrease of 24 thousand shares due to the disposal of treasury shares in conjunction with the transfer of restricted shares as non-monetary compensation, 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	Balance as of March 31, 2024 (Millions of yen)
Company submitting (Parent company)	Share acquisition rights as a stock option	113

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 29, 2023	Common shares	3,969	50.0	March 31, 2023	June 30, 2023
Board of Directors meeting held on November 9, 2023	Common shares	3,994	50.5	September 30, 2023	December 1, 2023

(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 (Million of yen)	Source of dividend	Dividend per share (Yen)	Record date	Effective date
Annual general meeting of shareholders held on June 27, 2024	Common shares	3,977	Retained earnings	50.5	March 31, 2024	June 28, 2024

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 the fiscal year ended March 31, 2025 (thousand shares)	Increase in number of shares during the fiscal year ended March 31, 2025 (thousand shares)	Decrease in number of shares during the fiscal year ended March 31, 2025 (thousand shares)	Number of shares at end of the fiscal year ended March 31, 2025 (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	Balance as of March 31, 2025 (Millions of yen)
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 (Million 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

(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, 2024	Fiscal year ended March 31, 2025
Cash and deposits	52,214	47,850
Time deposits with maturity over three months	(4,266)	(2,899)
Cash and cash equivalents	47,947	44,950

*2 Proceeds from sale of shares of subsidiaries resulting in change in scope of consolidation

Year ended March 31, 2024

The ¥7,163 million is due to receiving receivable from the sale of shares of Westwood Shipping Lines, Inc. which was excluded from the scope of consolidation as of the end of March 2024.

Year ended March 31, 2025

Not applicable.

(Notes on securities)

1. Other securities

As of March 31, 2024

(Millions of yen)

	Categories	Carrying amount	Acquisition cost	Difference
Items whose carrying amount exceeds acquisition cost	Shares	148,396	24,343	124,052
Items whose carrying amount does not exceed acquisition cost	Shares	101	135	(34)
Total		148,498	24,479	124,018

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

2. Other securities sold

As of March 31, 2024

(Millions of yen)

Category	Sale proceeds	Total gain on sale	Total loss on sale
Shares	2,021	1,761	—

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

(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 ¥6,620 million (recorded as operating profit) and a loss on retirement of non-current assets of ¥353 million (recorded as extraordinary losses), and the profit or loss related to the real estate for lease, etc. for the current fiscal year was ¥6,653 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).

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, 2024	Year ended March 31, 2025
Amount recorded on the consolidated balance sheets		
Balance at beginning of period	57,526	68,444
Change during the period	10,917	1,491
Balance at end of period	68,444	69,936
Market value at end of period	132,247	136,800

- 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, 2024 was ¥14,060 million for acquisition of real estate (acquisition of office buildings for lease, renovation of office buildings for lease, etc.), and the main decrease was ¥2,425 million for depreciation. 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.
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, 2024

(Millions of yen)

	Reportable segment			Adjustment (Note 1)	Amount in consolidated statements of income (Note 2)
	Logistics	Real estate	Total		
Operating revenue					
External revenue	173,859	10,801	184,661	—	184,661
Inter-segment revenue	8	558	567	(567)	—
Total	173,868	11,360	185,228	(567)	184,661
Segment income	13,345	5,324	18,669	(5,481)	13,187
Segment assets	195,870	58,161	254,032	182,888	436,920
Other items					
Depreciation	7,221	2,242	9,463	527	9,991
Investment in entities accounted for using equity method	6,780	—	6,780	—	6,780
Additions to property, plant and equipment and intangible assets	8,665	12,922	21,587	149	21,737

Notes: 1. (1) The adjustment of ¥ (5,481) million in segment income includes company-wide expenses of ¥ (5,423) 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 ¥ 182,888 million in segment assets includes company-wide assets of ¥ 183,251 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 ¥ 149 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, 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.

(Notes on per share information)

(Yen)

	As of March 31, 2024	As of March 31, 2025
Net assets per share	3,239.67	3,411.77
Basic earnings per share	158.00	257.32
Diluted earnings per share	157.82	257.12

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

	As of March 31, 2024	As of March 31, 2025
Basic earnings per share		
Profit attributable to owners of parent (Millions of yen)	12,490	20,065
Profit not attributable to common shareholders (Millions of yen)	—	—
Profit attributable to owners of parent pertaining to common shares (Millions of yen)	12,490	20,065
Average number of shares outstanding during the period (Shares)	79,049,760	77,976,647
Diluted earnings per share		
Adjustment attributable to owners of parent (Millions of yen)	—	—
Common shares increase (Shares)	91,964	61,480
(Share acquisition rights among the above) (Shares)	(91,964)	(61,480)
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, 2024	As of March 31, 2025
Total of net assets section (Millions of yen)	264,804	274,145
Deduction from total of net assets section (Millions of yen)	9,674	10,387
(Share acquisition rights among the above) (Millions of yen)	(113)	(75)
(Non-controlling interests among the above) (Millions of yen)	(9,560)	(10,311)
Net assets pertaining to common shares at end of period (Millions of yen)	255,130	263,758
The number of common shares using the bases for calculating net assets per share (Shares)	78,751,963	77,308,359

(Notes on significant subsequent events)

(Acquisition and retirement of treasury shares)

The Company announced that the Board of Directors resolved at the meeting held on May 9, 2025 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 and also resolved to retire treasury shares in accordance with Article 178 of the Act.

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

(Reference)

1. Financial results related to operating revenue and operating profit for the fiscal year ended March 31, 2025

(1) Operating revenue

(Millions of yen)

	Fiscal year ended March 31, 2024 (A)	Fiscal year ended March 31, 2025 (B)	Increases or Decreases (B)-(A)	
			Amount	Ratio
Logistics	173,868	182,710	8,841	5.1%
Real estate	11,360	11,274	(85)	(0.8)%
Total	185,228	193,984	8,755	4.7%
Inter-segment revenue	(567)	(585)	(18)	—
Net operating revenue	184,661	193,398	8,737	4.7%

(2) Operating profit

(Millions of yen)

	Fiscal year ended March 31, 2024 (A)	Fiscal year ended March 31, 2025 (B)	Increases or Decreases (B)-(A)	
			Amount	Ratio
Logistics	13,345	14,069	724	5.4%
Real estate	5,324	5,413	89	1.7%
Total	18,669	19,483	814	4.4%
Adjustment	(5,481)	(6,207)	(726)	—
Operating profit	13,187	13,275	88	0.7%

2. Forecasts related to operating revenue and operating profit for the fiscal year ending March 31, 2026

(1) Operating revenue

(Millions of yen)

	Fiscal year ended March 31, 2025 (A)	Fiscal year ending March 31, 2026 (B)	Increases or Decreases (B)-(A)	
			Amount	Ratio
Logistics	182,710	184,100	1,389	0.8%
Real estate	11,274	13,500	2,225	19.7%
Total	193,984	197,600	3,615	1.9%
Inter-segment revenue	(585)	(600)	(14)	—
Net operating revenue	193,398	197,000	3,601	1.9%

(2) Operating profit

(Millions of yen)

	Fiscal year ended March 31, 2025 (A)	Fiscal year ending March 31, 2026 (B)	Increases or Decreases (B)-(A)	
			Amount	Ratio
Logistics	14,069	13,000	(1,069)	(7.6)%
Real estate	5,413	5,500	86	1.6%
Total	19,483	18,500	(983)	(5.0)%
Adjustment	(6,207)	(6,500)	(292)	—
Operating profit	13,275	12,000	(1,275)	(9.6)%