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May 8, 2025

## Non-consolidated Financial Results for the Fiscal Year Ended March 31, 2025 (Under Japanese GAAP)

Company name: Nippon Pallet Pool Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Securities code: 4690  
 URL: <https://www.npp-web.co.jp>  
 Representative: Kazutoshi Hamashima, President and CEO  
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 Telephone: +81-6-6373-3231  
 Scheduled date of annual general meeting of shareholders: June 25, 2025  
 Scheduled date to commence dividend payments: June 26, 2025  
 Scheduled date to file annual securities report: June 24, 2025  
 Preparation of supplementary material on financial results: None  
 Holding of financial results briefing: Yes (for analysts)

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

### 1. Non-consolidated financial results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

#### (1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

|                   | Net sales       |      | Operating profit |       | Ordinary profit |       | Profit          |       |
|-------------------|-----------------|------|------------------|-------|-----------------|-------|-----------------|-------|
| Fiscal year ended | Millions of yen | %    | Millions of yen  | %     | Millions of yen | %     | Millions of yen | %     |
| March 31, 2025    | 6,935           | -8.5 | 368              | -52.6 | 471             | -46.1 | 310             | -41.2 |
| March 31, 2024    | 7,582           | 2.5  | 778              | -20.9 | 874             | -21.7 | 527             | -36.7 |

|                   | 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, 2025    | 185.26                   | —                          | 4.8              | 4.4                                      | 5.3                                    |
| March 31, 2024    | 313.46                   | —                          | 8.7              | 7.5                                      | 10.3                                   |

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

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

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

#### (2) Non-consolidated financial position

|                | Total assets    | Net assets      | Equity ratio | Net assets per share |
|----------------|-----------------|-----------------|--------------|----------------------|
| As of          | Millions of yen | Millions of yen | %            | Yen                  |
| March 31, 2025 | 10,156          | 6,459           | 63.6         | 4,081.00             |
| March 31, 2024 | 11,204          | 6,341           | 56.6         | 3,768.67             |

Reference: Equity

As of March 31, 2025: ¥6,459 million

As of March 31, 2024: ¥6,341 million

**(3) Non-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    | 2,268                                | -1,383                               | -1,201                               | 1,146                                      |
| March 31, 2024    | 3,212                                | -1,419                               | -1,079                               | 1,462                                      |

**2. Cash dividends**

|  | Annual dividends per share |                    |                   |                 |       | Total cash dividends (Total) | Payout ratio | Ratio of dividends to net assets |
|--|----------------------------|--------------------|-------------------|-----------------|-------|------------------------------|--------------|----------------------------------|
|  | First quarter-end          | Second quarter-end | Third quarter-end | Fiscal year-end | Total |                              |              |                                  |
|  | Yen                        | Yen                | Yen               | Yen             | Yen   | Millions of yen              | %            | %                                |
| Fiscal year ended March 31, 2024             | —                          | 0.00               | —                 | 40.00           | 40.00 | 67                           | 12.8         | 1.1                              |
| Fiscal year ended March 31, 2025             | —                          | 0.00               | —                 | 59.0            | 59.0  | 93                           | 30.1         | 1.5                              |
| Fiscal year ending March 31, 2026 (Forecast) | —                          | 0.00               | —                 | 93.00           | 93.00 |                              | 30.2         |                                  |

**3. Forecast of non-consolidated financial results for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)**

(Percentages indicate year-on-year changes.)

|           | Net sales       |     | Operating profit |      | Ordinary profit |      | Profit          |      | Basic earnings per share |
|-----------|-----------------|-----|------------------|------|-----------------|------|-----------------|------|--------------------------|
|           | Millions of yen | %   | Millions of yen  | %    | Millions of yen | %    | Millions of yen | %    | Yen                      |
| Full year | 7,400           | 6.7 | 620              | 68.1 | 730             | 54.7 | 488             | 57.4 | 291.6                    |

## Notes

(1) 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

(2) 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 | 1,620,000 shares |
| As of March 31, 2024 | 1,700,000 shares |

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

|                      |               |
|----------------------|---------------|
| As of March 31, 2025 | 37,289 shares |
| As of March 31, 2024 | 17,289 shares |

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

|                                  |                  |
|----------------------------------|------------------|
| Fiscal year ended March 31, 2025 | 1,673,396 shares |
| Fiscal year ended March 31, 2024 | 1,682,792 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 forward-looking statements, including financial results forecasts, contained in this material are based on information currently available to the Company and certain assumptions deemed reasonable. Actual results may differ significantly due to a variety of factors. For the conditions underlying the financial results forecasts and important points to note regarding their use, please refer to “1. Overview of Operating Results, etc., (4) Future Outlook” on page 3 of the attached materials.

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## 1. Overview of Operating Results, etc.

### (1) Overview of Operating Results for the Fiscal Year under Review

During the fiscal year under review, the domestic economy showed signs of a moderate recovery overall, supported by improved employment and earning conditions as well as demand from inbound tourism, although personal consumption stalled in some areas. On the other hand, the economic outlook remains uncertain due to such factors as rising prices amid the continued depreciation of the yen, policy trends of the new U.S. administration, and a volatile international situation.

In this business environment, rentals to petrochemical resin-related companies, our main customers, declined from the previous year due to continued production adjustments and inventory reductions in response to declining demand for petrochemical products. Rentals to other general customers were also sluggish due to such factors as restrained personal consumption caused by high prices. As total sales revenue and other figures also fell short of the results of the previous fiscal year, total net sales for the fiscal year under review remained at ¥6,935 million, down ¥647 million (8.5%) year on year.

Regarding expenses, transportation costs and depot storage fees for the collection and return of pallets increased due to higher unit prices paid caused by rising labor and fuel prices, etc. However, since depreciation decreased as a result of curbing investment in new pallet production and effectively utilizing existing assets, operating expenses were down ¥237 million (3.5%) year on year, to ¥6,566 million.

As a result, operating profit was ¥368 million (down 52.6% year on year), ordinary profit was ¥471 million (down 46.1% year on year), and profit was ¥310 million (down 41.2% year on year).

#### Breakdown of net sales

| By type                        |                         |                           | Fiscal year ended<br>March 31, 2024 |                | Fiscal year ended<br>March 31, 2025 |                | Year-on-year                    |               |
|--------------------------------|-------------------------|---------------------------|-------------------------------------|----------------|-------------------------------------|----------------|---------------------------------|---------------|
|                                |                         |                           | Amount<br>(thousands of<br>yen)     | Proportion (%) | Amount<br>(thousands of<br>yen)     | Proportion (%) | Amount<br>(thousands of<br>yen) | Change<br>(%) |
| Leases                         | Rentals                 | Pallets                   | 6,090,814                           | 80.3           | 5,720,003                           | 82.5           | -370,811                        | -6.1          |
|                                |                         | Other logistics equipment | 797,558                             | 10.5           | 725,467                             | 10.5           | -72,091                         | -9.0          |
|                                | Total                   |                           | 6,888,373                           | 90.8           | 6,445,470                           | 92.9           | -442,902                        | -6.4          |
| Sales                          | Payment in installments |                           | 92,215                              | 1.2            | 8,784                               | 0.1            | -83,430                         | -90.5         |
|                                | Merchandise             |                           | 304,839                             | 4.0            | 163,253                             | 2.4            | -141,585                        | -46.4         |
|                                | Remanufactured goods    |                           | 99,480                              | 1.3            | 126,632                             | 1.8            | 27,151                          | 27.3          |
|                                | Total                   |                           | 496,535                             | 6.5            | 298,670                             | 4.3            | -197,865                        | -39.8         |
| Income from freight forwarding |                         |                           | 169,850                             | 2.2            | 163,495                             | 2.4            | -6,354                          | -3.7          |
| Ancillary business income      |                         |                           | 27,854                              | 0.4            | 27,568                              | 0.4            | -286                            | -1.0          |
| Total                          |                         |                           | 7,582,613                           | 100.0          | 6,935,205                           | 100.0          | -647,407                        | -8.5          |

### (2) Overview of Financial Position for the Fiscal Year under Review

#### (i) Analysis of Financial Position

##### (Current assets)

The balance of current assets at the end of the fiscal year under review came to ¥2,243 million (down ¥396 million year on year).

This was mainly due to a decrease in cash and deposits (down ¥316 million year on year) and accounts receivable - rental (down ¥67 million year on year).

##### (Non-current assets)

The balance of non-current assets at the end of the fiscal year under review came to ¥7,912 million (down ¥652 million year on year).

This was mainly due to a decrease in assets for rent (down ¥648 million year on year).

(Current liabilities)

The balance of current liabilities at the end of the fiscal year under review came to ¥2,681 million (down ¥414 million year on year).

This was mainly due to decreases in accrued consumption taxes (down ¥266 million year on year), current portion of long-term borrowings (down ¥139 million year on year) and income taxes payable (down ¥113 million year on year), despite an increase in accounts payable - trade (up ¥192 million year on year).

(Non-current liabilities)

The balance of non-current liabilities at the end of the fiscal year under review came to ¥1,015 million (down ¥751 million year on year).

This was mainly due to decreases in long-term borrowings (down ¥523 million year on year) and long-term accounts payable - other (down ¥226 million year on year).

(Net assets)

The balance of net assets at the end of the fiscal year under review came to ¥6,459 million (up ¥117 million year on year).

This was mainly due to an increase in retained earnings (up ¥127 million year on year).

### (3) Overview of Cash Flows for the Fiscal Year under Review

Cash and cash equivalents for the fiscal year under review decreased ¥316 million from the end of the previous fiscal year, to ¥1,146 million.

Net cash provided by operating activities came to ¥2,268 million (down 29.4% year on year), mainly due to profit before income taxes of ¥471 million and depreciation of ¥2,153 million.

Net cash used in investing activities came to ¥1,383 million (down 2.5% year on year), mainly due to purchase of property, plant and equipment.

Net cash used in financing activities came to ¥1,201 million (up 11.3% year on year), mainly due to repayments of long-term borrowings of ¥663 million and repayments of installment payables of ¥319 million.

Trends in cash flow indicators are shown below.

|   | 49th fiscal year<br>(Fiscal year<br>ended March 31,<br>2021) | 50th fiscal year<br>(Fiscal year<br>ended March 31,<br>2022) | 51st fiscal year<br>(Fiscal year<br>ended March 31,<br>2023) | 52nd fiscal year<br>(Fiscal year<br>ended March 31,<br>2024) | 53rd fiscal year<br>(Fiscal year<br>ended March 31,<br>2025) |
|---|--|--|--|--|--|
| Equity ratio* <sup>1</sup> (%)                          | 48.0   | 48.9   | 48.2   | 56.6   | 63.6   |
| Equity ratio based on market<br>value* <sup>2</sup> (%) | 28.6   | 17.2   | 32.7   | 39.6   | 26.2   |
| Debt repayment period* <sup>3</sup><br>(years)          | 1.4  | 1.5  | 1.5  | 1.1  | 1.2  |
| Interest coverage ratio* <sup>4</sup>                   | 101.7  | 110.7  | 112.4  | 91.9   | 69.7   |

\*1 Equity ratio: Equity/Total assets

\*2 Equity ratio based on market value: Market capitalization/Total assets

\*3 Debt repayment period: Interest-bearing liabilities/Operating cash flow

\*4 Interest coverage ratio: Operating cash flow/Interest payments

(Notes) 1. All indicators are calculated based on financial figures.

2. Market capitalization is calculated by multiplying the closing stock price at the end of the fiscal year by the total number of issued shares (less treasury shares) at the end of the fiscal year.

3. Operating cash flow uses the operating cash flow in the Statement of Cash Flows, and interest-bearing liabilities cover all liabilities on the Balance Sheet for which interest is paid.

### (4) Future Outlook

With regard to future economic trends, global inflation appears to be cooling down. However, it is difficult to forecast a full-fledged economic recovery in Japan, since, although business confidence is gradually recovering, with rising costs increasingly being passed on to consumers, etc., concerns such as sluggish personal consumption and a worsening labor shortage remain.

In this business environment, the Company formulated the Three-Year Management Plan 2027, with FY2027 as the final year of implementation, in order to achieve our long-term management vision of "¥10 billion in net sales and ¥1 billion in ordinary profit" in FY2031, seven years from now, and has resolved to work toward the achievement of the Plan.

#### Core Strategies of the Three-Year Management Plan 2027

- (i) Strengthen business foundation
  - Review and implement M&As, capital policy, etc.
  - Promote capital investment
- (ii) Expand sales
  - Strengthen ties with major business partners to expand sales
  - Expand sales by winning clients from unexplored industries
- (iii) Enhance human capital management
  - Develop talent and strengthen organizational capabilities
  - Review and expand systems
- (iv) Reinforce operational systems
  - Rebuild networks (scrap and build)
  - Improve operational efficiency through expansion of full-spec depots, etc.
- (v) Expand business through new businesses, etc.
  - Create new businesses
  - Deploy high-precision location information management systems

With regard to the Company's future outlook, we expect that rentals to petrochemical resin-related companies, our main customers, will become more difficult, affected by the decline in domestic and overseas demand for chemical products. Therefore, the Company will aim to expand rental sales by proposing to customers who are using their own pallets to switch to rentals, as well as actively working to strengthen partnerships with logistics companies (such as businesses using freight forwarding services) and to expand the scope of existing customers (by proposing new services and merchandise based on customer needs and issues), among others.

We will also aim to expand sales by expanding the station pallet business, in which pallets are rented and returned at depots located inside JR freight stations, and by expanding sales of merchandise such as nestainers, fold decks, and power assist suits.

On the other hand, regarding expenditures, we will improve profitability by reviewing and reinforcing our operational systems, including reducing storage costs for pallets and other materials by consolidating and relocating existing depots and speeding up pallet supply by increasing the number of full-spec depots equipped with washing and repairing capabilities.

Based on the above, for the fiscal year ending March 31, 2026, we forecast net sales of ¥7,400 million (up 6.7% year on year), operating profit of ¥620 million (up 68.1% year on year), ordinary profit of ¥730 million (up 54.7% year on year), and profit of ¥488 million (up 57.4% year on year).

#### (5) Significant Matters Related to the Going Concern Assumption

Not applicable.

#### 2. Basic Approach Regarding the Selection of Accounting Standards

Since the Company's operations are currently limited to Japan, we have decided to adopt Japanese GAAP for the time being, but we intend to consider the adoption of the International Financial Reporting Standards (IFRS), closely monitoring future trends in the adoption of IFRS by other companies in Japan.

3. Financial Statements and Principal Notes  
(1) Balance Sheet

(Thousands of yen)

|                                     | As of March 31, 2024 | As of March 31, 2025 |
|-------------------------------------|----------------------|----------------------|
| <b>Assets</b>                       |                      |                      |
| Current assets                      |                      |                      |
| Cash and deposits                   | 1,611,678            | 1,295,569            |
| Notes receivable - trade            | 34,960               | 16,859               |
| Accounts receivable - rental        | 765,457              | 697,730              |
| Accounts receivable - trade         | 161,406              | 138,069              |
| Supplies                            | 10,174               | 10,882               |
| Prepaid expenses                    | 23,362               | 31,178               |
| Accounts receivable - other         | 30,915               | 714                  |
| Income taxes refund receivable      | —                    | 16,297               |
| Other                               | 2,139                | 36,399               |
| Allowance for doubtful accounts     | -284                 | -101                 |
| Total current assets                | 2,639,810            | 2,243,600            |
| Non-current assets                  |                      |                      |
| Property, plant and equipment       |                      |                      |
| Assets for rent                     |                      |                      |
| Equipment for rent                  | 19,531,621           | 19,360,907           |
| Accumulated depreciation            | -12,262,445          | -12,739,889          |
| Equipment for rent, net             | 7,269,176            | 6,621,017            |
| Total assets for rent               | 7,269,176            | 6,621,017            |
| Own-used assets                     |                      |                      |
| Buildings                           | 458,252              | 461,479              |
| Accumulated depreciation            | -162,893             | -181,926             |
| Buildings, net                      | 295,358              | 279,553              |
| Structures                          | 117,992              | 117,992              |
| Accumulated depreciation            | -96,337              | -98,050              |
| Structures, net                     | 21,654               | 19,941               |
| Machinery and equipment             | 231,811              | 319,828              |
| Accumulated depreciation            | -118,443             | -152,947             |
| Machinery and equipment, net        | 113,368              | 166,881              |
| Vehicles                            | 10,915               | 15,665               |
| Accumulated depreciation            | -10,637              | -11,112              |
| Vehicles, net                       | 277                  | 4,552                |
| Tools, furniture and fixtures       | 253,794              | 244,810              |
| Accumulated depreciation            | -236,247             | -231,400             |
| Tools, furniture and fixtures, net  | 17,546               | 13,410               |
| Land                                | 263,439              | 263,439              |
| Total own-used assets               | 711,644              | 747,777              |
| Total property, plant and equipment | 7,980,820            | 7,368,795            |



(Thousands of yen)

|                                    | As of March 31, 2024 | As of March 31, 2025 |
|------------------------------------|----------------------|----------------------|
| Intangible assets                  |                      |                      |
| Software                           | 117,077              | 62,742               |
| Software in progress               | –                    | 21,227               |
| Other                              | 3,729                | 3,729                |
| Total intangible assets            | 120,807              | 87,700               |
| Investments and other assets       |                      |                      |
| Investment securities              | 285,000              | 322,318              |
| Long-term prepaid expenses         | 456                  | 472                  |
| Deferred tax assets                | 101,380              | 56,711               |
| Guarantee deposits                 | 76,092               | 76,415               |
| Total investments and other assets | 462,930              | 455,917              |
| Total non-current assets           | 8,564,558            | 7,912,413            |
| Total assets                       | 11,204,369           | 10,156,013           |

(Thousands of yen)

|   | As of March 31, 2024 | As of March 31, 2025 |
|---|----------------------|----------------------|
| <b>Liabilities</b>                                    |                      |                      |
| Current liabilities                                   |                      |                      |
| Accounts payable - trade                              | 453,257              | 646,059              |
| Short-term borrowings                                 | 1,030,000            | 1,030,000            |
| Current portion of long-term borrowings               | 663,364              | 523,372              |
| Accounts payable - other                              | 395,883              | 303,239              |
| Income taxes payable                                  | 129,270              | 16,161               |
| Accrued consumption taxes                             | 266,683              | —                    |
| Contract liabilities                                  | 113,973              | 121,103              |
| Deposits received                                     | 1,970                | 4,187                |
| Provision for bonuses                                 | 41,566               | 37,781               |
| Total current liabilities                             | 3,095,968            | 2,681,903            |
| Non-current liabilities                               |                      |                      |
| Long-term borrowings                                  | 1,228,370            | 704,998              |
| Provision for retirement benefits                     | 22,102               | 22,985               |
| Long-term accounts payable - other                    | 463,112              | 236,654              |
| Asset retirement obligations                          | 53,231               | 50,422               |
| Total non-current liabilities                         | 1,766,816            | 1,015,060            |
| Total liabilities                                     | 4,862,784            | 3,696,964            |
| <b>Net assets</b>                                     |                      |                      |
| Shareholders' equity                                  |                      |                      |
| Share capital   | 767,955              | 767,955              |
| Capital surplus                                       |                      |                      |
| Legal capital surplus                                 | 486,455              | 486,455              |
| Total capital surplus                                 | 486,455              | 486,455              |
| Retained earnings                                     |                      |                      |
| Legal retained earnings                               | 96,342               | 96,342               |
| Other retained earnings                               |                      |                      |
| General reserve                                       | 1,499,500            | 1,499,500            |
| Retained earnings brought forward                     | 3,401,969            | 3,529,318            |
| Total retained earnings                               | 4,997,812            | 5,125,161            |
| Treasury shares                                       | -18,327              | -53,769              |
| Total shareholders' equity                            | 6,233,895            | 6,325,801            |
| Valuation and translation adjustments                 |                      |                      |
| Valuation difference on available-for-sale securities | 107,689              | 133,247              |
| Total valuation and translation adjustments           | 107,689              | 133,247              |
| Total net assets                                      | 6,341,584            | 6,459,049            |
| Total liabilities and net assets                      | 11,204,369           | 10,156,013           |

## (2) Statement of Income

(Thousands of yen)

|  | For the fiscal year ended<br>March 31, 2024 | For the fiscal year ended<br>March 31, 2025 |
|--|---|---|
| Net sales  |   |   |
| Lease revenue                                      | 6,888,373                                   | 6,445,470                                   |
| Sales revenue                                      | 496,535                                     | 298,670                                     |
| Other  | 197,704                                     | 191,064                                     |
| Total net sales                                    | 7,582,613                                   | 6,935,205                                   |
| Cost of sales                                      |   |   |
| Cost of lease revenue                              | 5,212,236                                   | 5,060,532                                   |
| Cost of goods sold                                 | 362,870                                     | 188,921                                     |
| Other  | 150,488                                     | 146,722                                     |
| Total cost of sales                                | 5,725,595                                   | 5,396,177                                   |
| Gross profit                                       | 1,857,017                                   | 1,539,028                                   |
| Selling, general and administrative expenses       |   |   |
| Advertising expenses                               | 9,564                                       | 18,287                                      |
| Remuneration for directors (and other officers)    | 74,808                                      | 58,623                                      |
| Employees' salaries and bonuses                    | 479,753                                     | 545,817                                     |
| Provision for bonuses                              | 41,566                                      | 37,781                                      |
| Provision for retirement benefits                  | 6,454                                       | 7,371                                       |
| Welfare expenses                                   | 56,384                                      | 76,274                                      |
| Travel and transportation expenses                 | 26,066                                      | 33,379                                      |
| Rent expenses                                      | 81,326                                      | 87,264                                      |
| Depreciation                                       | 71,515                                      | 62,153                                      |
| Taxes and dues                                     | 33,839                                      | 36,919                                      |
| Provision of allowance for doubtful accounts       | -2,438                                      | 53  |
| Other  | 199,361                                     | 206,238                                     |
| Total selling, general and administrative expenses | 1,078,200                                   | 1,170,163                                   |
| Operating profit                                   | 778,816                                     | 368,864                                     |
| Non-operating income                               |   |   |
| Interest income                                    | 3   | 54  |
| Dividend income                                    | 7,397                                       | 8,461                                       |
| Compensation for loss                              | 73,130                                      | 74,957                                      |
| Waste disposal income                              | 37,012                                      | 40,655                                      |
| Other  | 13,775                                      | 11,003                                      |
| Total non-operating income                         | 131,319                                     | 135,132                                     |
| Non-operating expenses                             |   |   |
| Interest expenses                                  | 35,596                                      | 32,248                                      |
| Total non-operating expenses                       | 35,596                                      | 32,248                                      |
| Ordinary profit                                    | 874,540                                     | 471,747                                     |
| Extraordinary income                               |   |   |
| Gain on sale of non-current assets                 | 147,225                                     | —   |
| Total extraordinary income                         | 147,225                                     | —   |
| Extraordinary losses                               |   |   |
| Impairment losses                                  | 232,049                                     | —   |
| Total extraordinary losses                         | 232,049                                     | —   |
| Profit before income taxes                         | 789,715                                     | 471,747                                     |

(Thousands of yen)

|                         | For the fiscal year ended<br>March 31, 2024 | For the fiscal year ended<br>March 31, 2025 |
|-------------------------|---|---|
| Income taxes - current  | 274,305                                     | 127,397                                     |
| Income taxes - deferred | -12,077                                     | 34,334                                      |
| Total income taxes      | 262,228                                     | 161,732                                     |
| Profit                  | 527,487                                     | 310,015                                     |

### (3) Statement of Changes in Equity

Fiscal year ended March 31, 2024 (from April 1, 2023 to March 31, 2024)

(Thousands of yen)

|  | Shareholders' equity |                       |                       |                         |                         |                                   |                         |
|--|----------------------|-----------------------|-----------------------|-------------------------|-------------------------|-----------------------------------|-------------------------|
|  | Share capital        | Capital surplus       |                       | Retained earnings       |                         |                                   |                         |
|  |                      | Legal capital surplus | Total capital surplus | Legal retained earnings | Other retained earnings |                                   | Total retained earnings |
|  |                      |                       |                       |                         | General reserve         | Retained earnings brought forward |                         |
| Balance at beginning of period                       | 767,955              | 486,455               | 486,455               | 96,342                  | 1,499,500               | 2,941,798                         | 4,537,640               |
| Changes during period                                |                      |                       |                       |                         |                         |                                   |                         |
| Dividends of surplus                                 |                      |                       |                       |                         |                         | -67,315                           | -67,315                 |
| Profit   |                      |                       |                       |                         |                         | 527,487                           | 527,487                 |
| Purchase of treasury shares                          |                      |                       |                       |                         |                         |                                   |                         |
| Net changes in items other than shareholders' equity |                      |                       |                       |                         |                         |                                   |                         |
| Total changes during period                          | —                    | —                     | —                     | —                       | —                       | 460,171                           | 460,171                 |
| Balance at end of period                             | 767,955              | 486,455               | 486,455               | 96,342                  | 1,499,500               | 3,401,969                         | 4,997,812               |

|  | Shareholders' equity |                            | Valuation and translation adjustments                 |   | Total net assets |
|--|----------------------|----------------------------|---|---|------------------|
|  | Treasury shares      | Total shareholders' equity | Valuation difference on available-for-sale securities | Total valuation and translation adjustments |                  |
| Balance at beginning of period                       | -17,915              | 5,774,135                  | 62,735  | 62,735                                      | 5,836,871        |
| Changes during period                                |                      |                            |   |   |                  |
| Dividends of surplus                                 |                      | -67,315                    |   |   | -67,315          |
| Profit   |                      | 527,487                    |   |   | 527,487          |
| Purchase of treasury shares                          | -412                 | -412                       |   |   | -412             |
| Net changes in items other than shareholders' equity |                      |                            | 44,953  | 44,953                                      | 44,953           |
| Total changes during period                          | -412                 | 459,759                    | 44,953  | 44,953                                      | 504,713          |
| Balance at end of period                             | -18,327              | 6,233,895                  | 107,689   | 107,689                                     | 6,341,584        |

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

(Thousands of yen)

|  | Shareholders' equity |                       |                       |                       |                         |                         |                                   |                         |
|--|----------------------|-----------------------|-----------------------|-----------------------|-------------------------|-------------------------|-----------------------------------|-------------------------|
|  | Share capital        | Capital surplus       |                       |                       | Retained earnings       |                         |                                   |                         |
|  |                      | Legal capital surplus | Other capital surplus | Total capital surplus | Legal retained earnings | Other retained earnings |                                   | Total retained earnings |
|  |                      |                       |                       |                       |                         | General reserve         | Retained earnings brought forward |                         |
| Balance at beginning of period                       | 767,955              | 486,455               | —                     | 486,455               | 96,342                  | 1,499,500               | 3,401,969                         | 4,997,812               |
| Changes during period                                |                      |                       |                       |                       |                         |                         |                                   |                         |
| Dividends of surplus                                 |                      |                       |                       |                       |                         |                         | -67,308                           | -67,308                 |
| Profit   |                      |                       |                       |                       |                         |                         | 310,015                           | 310,015                 |
| Purchase of treasury shares                          |                      |                       |                       |                       |                         |                         |                                   |                         |
| Cancellation of treasury shares                      |                      |                       | -115,357              | -115,357              |                         |                         |                                   |                         |
| Transfer from retained earnings to capital surplus   |                      |                       | 115,357               | 115,357               |                         |                         | -115,357                          | -115,357                |
| Net changes in items other than shareholders' equity |                      |                       |                       |                       |                         |                         |                                   |                         |
| Total changes during period                          | —                    | —                     | —                     | —                     | —                       | —                       | 127,349                           | 127,349                 |
| Balance at end of period                             | 767,955              | 486,455               | —                     | 486,455               | 96,342                  | 1,499,500               | 3,529,318                         | 5,125,161               |

|  | Shareholders' equity |                            | Valuation and translation adjustments                 |   | Total net assets |
|--|----------------------|----------------------------|---|---|------------------|
|  | Treasury shares      | Total shareholders' equity | Valuation difference on available-for-sale securities | Total valuation and translation adjustments |                  |
| Balance at beginning of period                       | -18,327              | 6,233,895                  | 107,689   | 107,689                                     | 6,341,584        |
| Changes during period                                |                      |                            |   |   |                  |
| Dividends of surplus                                 |                      | -67,308                    |   |   | -67,308          |
| Profit   |                      | 310,015                    |   |   | 310,015          |
| Purchase of treasury shares                          | -150,800             | -150,800                   |   |   | -150,800         |
| Cancellation of treasury shares                      | 115,357              | —                          |   |   | —                |
| Transfer from retained earnings to capital surplus   |                      | —                          |   |   | —                |
| Net changes in items other than shareholders' equity |                      |                            | 25,557  | 25,557                                      | 25,557           |
| Total changes during period                          | -35,442              | 91,906                     | 25,557  | 25,557                                      | 117,464          |
| Balance at end of period                             | -53,769              | 6,325,801                  | 133,247   | 133,247                                     | 6,459,049        |

## (4) Statement of Cash Flows

(Thousands of yen)

|  | For the fiscal year ended<br>March 31, 2024 | For the fiscal year ended<br>March 31, 2025 |
|--|---|---|
| Cash flows from operating activities   |   |   |
| Profit before income taxes   | 789,715                                     | 471,747                                     |
| Depreciation   | 2,403,521                                   | 2,153,751                                   |
| Impairment losses  | 232,049                                     | —   |
| Increase (decrease) in provision for bonuses   | -41   | -3,785                                      |
| Increase (decrease) in provision for retirement benefits                             | 3,760                                       | 883   |
| Increase (decrease) in allowance for doubtful accounts                               | -2,438                                      | 53  |
| Interest and dividend income   | -7,400                                      | -8,515                                      |
| Interest expenses  | 35,596                                      | 32,248                                      |
| Loss on retirement of non-current assets   | 35,817                                      | 90,709                                      |
| Loss (gain) on sale of non-current assets  | -147,225                                    | —   |
| Decrease (increase) in trade receivables   | -109,296                                    | 116,295                                     |
| Decrease (increase) in inventories   | -2,399                                      | -708  |
| Increase (decrease) in trade payables  | -24,339                                     | -11,060                                     |
| Increase (decrease) in consumption taxes payable/consumption taxes refund receivable | 371,189                                     | -300,840                                    |
| Other, net   | 46,856                                      | 4,667                                       |
| Subtotal   | 3,625,365                                   | 2,545,446                                   |
| Interest and dividends received  | 7,400                                       | 8,467                                       |
| Interest paid  | -34,976                                     | -32,551                                     |
| Income taxes paid  | -385,203                                    | -252,691                                    |
| Net cash provided by (used in) operating activities                                  | 3,212,586                                   | 2,268,670                                   |
| Cash flows from investing activities   |   |   |
| Payments into time deposits  | -148,913                                    | -148,914                                    |
| Proceeds from withdrawal of time deposits  | 148,912                                     | 148,913                                     |
| Purchase of investment securities  | -31,327                                     | -1,425                                      |
| Purchase of property, plant and equipment  | -1,583,145                                  | -1,364,771                                  |
| Proceeds from sale of property, plant and equipment                                  | 210,470                                     | —   |
| Purchase of intangible assets  | -5,554                                      | -8,272                                      |
| Other, net   | -9,527                                      | -11,295                                     |
| Net cash provided by (used in) investing activities                                  | -1,419,085                                  | -1,383,374                                  |
| Cash flows from financing activities   |   |   |
| Proceeds from long-term borrowings   | 300,000                                     | —   |
| Repayments of long-term borrowings   | -933,396                                    | -663,364                                    |
| Repayments of installment payables   | -378,184                                    | -319,933                                    |
| Dividends paid   | -67,315                                     | -67,308                                     |
| Purchase of treasury shares  | -412  | -150,800                                    |
| Net cash provided by (used in) financing activities                                  | -1,079,308                                  | -1,201,406                                  |
| Effect of exchange rate change on cash and cash equivalents                          | —   | —   |
| Net increase (decrease) in cash and cash equivalents                                 | 714,191                                     | -316,110                                    |
| Cash and cash equivalents at beginning of period                                     | 748,573                                     | 1,462,765                                   |
| Cash and cash equivalents at end of period   | 1,462,765                                   | 1,146,654                                   |

(5) Notes to the Financial Statements

(Notes on going concern assumption)

Not applicable.

(Changes in accounting policies)

Not applicable.

(Changes in accounting estimates)

Not applicable.

(Restatement)

Not applicable.

(Segment information, etc.)

(Segment information)

Our principal business is pallet rental. Sales and other income (income from freight forwarding services and ancillary businesses) are only incidental to the rental business and constitute a single, inseparable sales segment. Therefore, separate segment disclosure is omitted.

(Equity in earnings (losses) of affiliates if equity method is applied)

Not applicable.

(Per share information)

| Item                     | Fiscal year ended<br>March 31, 2024 | Fiscal year ended<br>March 31, 2025 |
|--------------------------|-------------------------------------|-------------------------------------|
| Net assets per share     | ¥3,768.67                           | ¥4,081.00                           |
| Basic earnings per share | ¥313.46                             | ¥185.26                             |

(Notes) 1. Diluted earnings per share is not shown, as no potential shares exist.

2. The basis for calculating basic earnings per share is as follows.

| Item   | Fiscal year ended<br>March 31, 2024 | Fiscal year ended<br>March 31, 2025 |
|--|-------------------------------------|-------------------------------------|
| Profit (thousands of yen)  | 527,487                             | 310,015                             |
| Amount not attributable to common shareholders<br>(thousands of yen) | —                                   | —                                   |
| Profit on common shares (thousands of yen)                           | 527,487                             | 310,015                             |
| Average number of shares during period<br>(thousands of shares)      | 1,682                               | 1,673                               |

(Significant events after reporting period)

Not applicable.