

[Translation]



Consolidated Financial Results for the Six Months Ended September 30, 2025 [Japanese GAAP]

October 31, 2025

Company name: SANKYU INC.
 Listing: Tokyo Stock Exchange / Fukuoka Stock Exchange
 Securities code: 9065
 URL: <https://www.sankyu.co.jp/en/>
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 Scheduled date to file semi-annual securities report: November 14, 2025
 Scheduled date to commence dividend payments: December 8, 2025
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: Yes (for institutional investors and analyst)

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

1. Consolidated Financial Results for the Six Months Ended September 30, 2025 (From April 1, 2025 to September 30, 2025)

(1) Consolidated Operating Results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2025	315,539	5.5	20,559	2.6	20,317	0.3	13,507	2.1
September 30, 2024	299,098	7.9	20,038	18.5	20,259	11.9	13,231	15.5

(Note) Comprehensive income: For the Six months ended September 30, 2025: 12,542million yen [(31.5)%]
 For the Six months ended September 30, 2024: 18,317million yen [(7.6)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2025	259.75	—
September 30, 2024	241.67	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of September 30, 2025	533,284	293,062	54.3
As of March 31, 2025	545,189	297,063	53.8

(Reference) Equity: As of September 30, 2025: 289,482million yen
 As of March 31, 2025: 293,211million yen

2. Dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	102.00	—	130.00	232.00
Fiscal year ending March 31, 2026	—	118.00			
Fiscal year ending March 31, 2026 (Forecast)			—	118.00	236.00

(Note) Revisions to the forecast of cash dividends most recently announced: Yes

3. Consolidated Financial Forecast for the Fiscal Year Ending March 31, 2026 (April 1, 2025 – March 31, 2026)

(Percentages indicate changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	Basic earnings per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	Yen
	624,500	2.9	42,000	(4.4)	41,000	(8.2)	30,000	584.56

(Note) Revisions to the financial forecast most recently announced: Yes

*** Notes:****(1) Changes in significant subsidiaries during the period**

(Changes in specified subsidiaries resulting in the changes in scope of consolidation): Yes

Newly included: 2

SANKYU-SBI M&A 1 Investment Limited Partnership

SANKYU-SBI Innovation Fund 1 Investment Limited Partnership

Excluded: —

*** For details, please refer to page 9 of Attachments “2. Semi-annual Consolidated Financial Statements and Principal Notes****(4) Notes to Semi-annual Consolidated Financial Statements (Changes in the scope of consolidation or scope of equity method to be applied)”****(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: Yes****(3) Changes in accounting policies, changes in accounting estimates and restatement**

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

2) Changes in accounting policies other reasons: None

3) Changes in accounting estimates: None

4) Restatement: None

(4) Number of issued shares (common shares)**1) Total number of issued shares at the end of the period (including treasury shares)**

As of September 30, 2025: 55,470,257shares

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

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

As of September 30, 2025: 4,150,280shares

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

3) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2025: 52,002,794shares

Six months ended September 30, 2024: 54,749,869shares

*** This document is exempt from review conducted by certified public accountants or an audit corporation.***** Explanation of the proper use of financial forecast and other notes**

The financial forecast disclosed above is based on information currently available to the Company and includes highly uncertain factors. Actual results therefore may differ significantly from the forecast due to various factors. For details, please refer to page 3 of Attachments “1. Qualitative Information on Semi-annual Consolidated Financial Results (3) Explanation of Consolidated Financial Forecast and Other Forward-Looking Information” and “Notice Regarding Revision of Performance Forecast” announced on October 31, 2025.

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1. Qualitative Information on Semi-annual Consolidated Financial Results

(1) Explanation of Operating Results

In the global economy during the six months ended September 30, 2025 (hereinafter referred to as the “Period”), amidst slowing growth, trade issues in various countries caused an increase in cost pressure in the manufacturing industry. As a result, there was an increase in uncertainty, such as price increases impacting consumer sentiment. In the United States, the tariff issue pressured corporate earnings, and consumer spending showed signs of a decrease. In China, although exports to countries other than the United States showed signs of an increase, sluggish housing sales, personal consumption, and capital investment centered on domestic demand continued, resulting in difficult circumstances for production and sales by Japanese companies operating in China. In Southeast Asia, surges in last-minute demand, etc. were spotty due to the impact of the slowdown in the Chinese economy and the tariff issue. In the domestic economy, while steady facility upgrading and environment-related investment continue, the tariff issue has become a weight on earnings in the manufacturing industry, and issues such as labor shortages and wage hikes are impacting consumption and logistics matters.

Under such an economic environment, for the Period, the Company posted net sales of 315,539 million yen, up 5.5% year on year. On the profit front, it posted operating profit of 20,559 million yen, up 2.6% year on year, ordinary profit of 20,317 million yen, up 0.3% year on year, and profit attributable to owners of parent of 13,507 million yen, up 2.1% year on year.

Business performance by segment is as follows.

1) Logistics Business

For port operation & global logistics, domestic project cargo transportation and the handling volume of ocean containers decreased, but the Company increased overseas project cargo transportation, etc. and raised unit prices in the Middle Eastern region.

The Company partially increased unit prices with main customers in 3PL operations. In general logistics, the transportation of automotive parts, consumer goods, etc. mainly within the China region remained weak because of sluggish domestic demand, but profits improved because of cost-cutting at some local subsidiaries. Furthermore, the handling of ad-hoc work and others increased in Japan.

For on-site logistics, income and expenses improved because of the start of new work with domestic and international customers, the withdrawal from unprofitable work overseas, etc.

As a result, the Logistics Business posted net sales of 146,635 million yen, up 0.1% year on year, and segment profit (operating profit) of 4,653 million yen, up 15.4% year on year.

Net sales of the Logistics Business accounted for 46.5% of the total net sales for the Period.

2) Plant Engineering Business

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

Maintenance increased year on year due to the impact of the new addition of a subsidiary subject to consolidation in December 2024, but on the profit front, the amount of work in SDM (Turnaround Maintenance) in Japan decreased as it was a minor year.

As a result, the Plant Engineering Business posted net sales of 154,530 million yen, up 11.3% year on year, and segment profit (operating profit) of 14,674 million yen, down 2.6% year on year.

Net sales of the Plant Engineering Business accounted for 49.0% of the total net sales for the Period.

3) Others

Leasing of machinery increased with the demand for works related to facility construction and scheduled maintenance-related construction, etc., and costs for the purchase of equipment, materials, etc. decreased.

As a result, Others posted net sales of 14,372 million yen, up 4.0% year on year, and segment profit (operating profit) of 1,123 million yen, up 26.5% year on year.

Net sales of Others accounted for 4.5% of the total net sales for the Period.

(2) Explanation of Financial Position

(Current assets)

Current assets at the end of the Period decreased by 16,794 million yen, or 6.0% from the end of the previous fiscal year, to 263,461 million yen. This was mainly due to a decrease in notes and accounts receivable - trade, and contract assets, etc.

(Non-current assets)

Non-current assets at the end of the Period increased by 4,889 million yen, or 1.8% from the end of the previous fiscal year, to 269,822 million yen. This was mainly due to an increase in investment securities, etc.

(Current liabilities)

Current liabilities at the end of the Period decreased by 584 million yen, or 0.4% from the end of the previous fiscal year, to 138,485 million yen. This was mainly due to a decrease due to payment of seasonal and other funds, partially offset by an increase of short-term borrowings, etc.

(Non-current liabilities)

Non-current liabilities at the end of the Period decreased by 7,319 million yen, or 6.7% from the end of the previous fiscal year, to 101,736 million yen. This was mainly due to a decrease due to the transfer of long-term borrowings to current liabilities, etc.

(Net assets)

Net assets at the end of the Period decreased by 4,000 million yen, or 1.3% from the end of the previous fiscal year, to 293,062 million yen. This was mainly due to an increase of treasury shares, etc.

The equity ratio at the end of the Period increased by 0.5% from the end of the previous fiscal year, to 54.3%.

(3) Explanation of Consolidated Financial Forecast and Other Forward-looking Information

Based on the careful examination of financial results for the Period and the latest economic environment surrounding the Group and other factors, we have made revisions to the full-year consolidated financial forecast for the fiscal year ending March 31, 2026 (announced in the Consolidated Financial Results dated May 12, 2025) as follows: net sales of 624,500 million yen, operating profit of 42,000 million yen, ordinary profit of 41,000 million yen, and profit attributable to owners of parent of 30,000 million yen.

(Full-year consolidated financial forecast for the fiscal year ending March 31, 2026)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent
	Million yen	Million yen	Million yen	Million yen
Previously announced forecast (A)	618,000	41,000	41,000	29,500
Revised forecast (B)	624,500	42,000	41,000	30,000
Change (B – A)	6,500	1,000	—	500
Change (%)	1.1	2.4	—	1.7

(Reference: Full-year non-consolidated financial forecast for the fiscal year ending March 31, 2026)

	Net sales	Ordinary profit	Profit attributable to owners of parent
	Million yen	Million yen	Million yen
Previously announced forecast (A)	435,000	32,000	25,000
Revised forecast (B)	441,000	34,000	27,500
Change (B – A)	6,000	2,000	2,500
Change (%)	1.4	6.3	10.0

2. Semi-annual Consolidated Financial Statements and Principal Notes

(1) Semi-annual Consolidated Balance Sheets

(Million yen)

	As of March 31, 2025	As of September 30, 2025
Assets		
Current assets		
Cash and deposits	47,542	41,007
Notes and accounts receivable - trade, and contract assets	218,581	209,492
Securities	1,057	711
Costs on uncompleted construction contracts	1,869	793
Other inventories	2,572	2,717
Other	8,918	9,789
Allowance for doubtful accounts	(284)	(1,049)
Total current assets	280,256	263,461
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	70,579	72,320
Land	57,916	57,864
Other, net	55,854	54,929
Total property, plant and equipment	184,350	185,114
Intangible assets		
Goodwill	1,592	1,495
Other	7,949	7,863
Total intangible assets	9,541	9,359
Investments and other assets		
Investment securities	32,541	38,282
Other	38,894	37,452
Allowance for doubtful accounts	(395)	(385)
Total investments and other assets	71,040	75,349
Total non-current assets	264,933	269,822
Total assets	545,189	533,284

	As of March 31, 2025	As of September 30, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	52,105	48,920
Short-term borrowings	18,827	38,414
Current portion of bonds payable	10,000	10,000
Income taxes payable	10,387	7,805
Contract liabilities	3,170	2,776
Provision for bonuses	12,665	3,680
Other	31,914	26,888
Total current liabilities	139,070	138,485
Non-current liabilities		
Bonds payable	15,000	15,000
Long-term borrowings	37,402	29,969
Retirement benefit liability	31,204	31,402
Other	25,448	25,364
Total non-current liabilities	109,055	101,736
Total liabilities	248,126	240,222
Net assets		
Shareholders' equity		
Share capital	28,619	28,619
Capital surplus	12,715	12,775
Retained earnings	230,048	236,808
Treasury shares	(13,056)	(22,689)
Total shareholders' equity	258,327	255,515
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,313	15,356
Deferred gains or losses on hedges	(0)	5
Revaluation reserve for land	(69)	(152)
Foreign currency translation adjustment	13,812	10,431
Remeasurements of defined benefit plans	8,828	8,326
Total accumulated other comprehensive income	34,884	33,967
Non-controlling interests	3,851	3,579
Total net assets	297,063	293,062
Total liabilities and net assets	545,189	533,284

(2) Semi-annual Consolidated Statements of Income and Comprehensive Income

Semi-annual Consolidated Statements of Income

For the Six Months Ended September 30

(Million yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Net sales	299,098	315,539
Cost of sales	264,739	278,830
Gross profit	34,359	36,708
Selling, general and administrative expenses	14,320	16,148
Operating profit	20,038	20,559
Non-operating income		
Interest income	482	308
Dividend income	656	566
Other	535	605
Total non-operating income	1,674	1,480
Non-operating expenses		
Interest expenses	563	665
Foreign exchange losses	407	347
Other	482	709
Total non-operating expenses	1,453	1,722
Ordinary profit	20,259	20,317
Extraordinary income		
Compensation income	—	339
Gain on sale of investment securities	556	—
Total extraordinary income	556	339
Extraordinary losses		
Impairment losses	169	145
Total extraordinary losses	169	145
Profit before income taxes	20,646	20,512
Income taxes	7,319	6,976
Profit	13,326	13,536
Profit attributable to non-controlling interests	95	28
Profit attributable to owners of parent	13,231	13,507

Semi-annual Consolidated Statements of Comprehensive Income

For the Six Months Ended September 30

(Million yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Profit	13,326	13,536
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,830)	3,045
Deferred gains or losses on hedges	10	6
Foreign currency translation adjustment	7,028	(3,533)
Remeasurements of defined benefit plans, net of tax	(216)	(511)
Total other comprehensive income	4,991	(994)
Comprehensive income	18,317	12,542
Comprehensive income attributable to:		
Owners of parent	18,006	12,673
Non-controlling interests	311	(131)

(3) Semi-annual Consolidated Statements of Cash Flows

(Million yen)

	For the six months ended September 30, 2024	For the six months ended September 30, 2025
Cash flows from operating activities		
Profit before income taxes	20,646	20,512
Depreciation	9,592	9,977
Amortization of goodwill	16	96
Increase (decrease) in provision for bonuses	(4,386)	(8,984)
Increase (decrease) in retirement benefit liability	(626)	(599)
Interest and dividend income	(1,138)	(874)
Interest expenses	563	665
(Gain) loss on sale of investment securities	(556)	—
Impairment losses	169	145
Decrease (increase) in notes and accounts receivable and contract assets	(12,616)	7,311
Decrease (increase) in costs on uncompleted construction contracts	(1,246)	983
Increase (decrease) in trade payables	1,260	(2,275)
Increase (decrease) in contract liabilities	1,631	(342)
Other, net	(4,551)	(1,702)
Subtotal	8,757	24,912
Interest and dividends received	1,194	1,018
Interest paid	(579)	(628)
Income taxes paid	(3,449)	(9,899)
Net cash provided by (used in) operating activities	5,923	15,403
Cash flows from investing activities		
Payments into time deposits	(3,772)	(1,954)
Proceeds from withdrawal of time deposits	3,974	5,756
Purchase of property, plant and equipment	(8,610)	(10,732)
Proceeds from sale of property, plant and equipment	1,017	653
Purchase of intangible assets	(1,406)	(1,280)
Other, net	484	(634)
Net cash provided by (used in) investing activities	(8,314)	(8,191)
Cash flows from financing activities		
Proceeds from short-term borrowings	17,747	48,357
Repayments of short-term borrowings	(14,303)	(26,560)
Proceeds from long-term borrowings	20,000	—
Repayment of long-term borrowings	(5,285)	(9,376)
Purchase of treasury shares	(9,347)	(9,745)
Dividends paid	(4,987)	(6,823)
Other, net	(4,288)	(4,085)
Net cash provided by (used in) financing activities	(466)	(8,233)
Effect of exchange rate change on cash and cash equivalents	3,259	(1,494)
Net increase (decrease) in cash and cash equivalents	403	(2,516)
Cash and cash equivalents at beginning of period	46,847	41,384
Cash and cash equivalents at the end of period	47,250	38,867

(4) Notes to Semi-annual Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Changes in the scope of consolidation or scope of equity method to be applied)

(Material changes in the scope of consolidation)

The Company established SANKYU-SBI M&A 1 Investment Limited Partnership and SANKYU-SBI Innovation Fund 1 Investment Limited Partnership, and they are included in the scope of consolidation from the Period.

(Notes in cases of significant changes in shareholders' equity)

For the six months ended September 30, 2024 (From April 1, 2024 to September 30, 2024)

(Acquisition of treasury shares)

The Board of Directors held on May 13, 2024, resolved to acquire treasury shares in accordance with Article 156 of the Companies Act, which is applied by replacing terms pursuant to Article 165, Paragraph 3 of the same Act. The Company acquired 1,851,000 shares of common stock for 9,343 million yen. As a result, the balance of treasury shares during the Period increased by 9,343 million yen.

(Retirement of treasury shares)

The Board of Directors held on May 10, 2023 and March 27, 2024, resolved to retire treasury shares in accordance with Article 178 of the Companies Act. The Company retired 3,185,209 treasury shares as of April 15, 2024. As a result, capital surplus decreased by 0 million yen, retained earnings decreased by 12,252 million yen, and treasury shares decreased by 12,252 million yen during the Period.

For the six months ended September 30, 2025 (From April 1, 2025 to September 30, 2025)

(Acquisition of treasury shares)

The Board of Directors held on May 12, 2025, resolved to acquire treasury shares in accordance with Article 156 of the Companies Act, which is applied by replacing terms pursuant to Article 165, Paragraph 3 of the same Act. The Company acquired 1,242,600 shares of common stock for 9,736 million yen. As a result, the balance of treasury shares during the Period increased by 9,736 million yen.

(Disposal of treasury shares)

Based on a Board resolution of June 26, 2025, the Company disposed of 22,318 treasury shares as restricted stock compensation. As a result, capital surplus increased by 60 million yen, and treasury shares decreased by 112 million yen during the Period.

(Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements)

(Calculation of tax expenses)

Tax expenses have been calculated by multiplying profit before income taxes by an effective tax rate, which is reasonably estimated by applying the tax effect accounting to profit before income taxes for the fiscal year including the six months ended September 30, 2025 of the fiscal year ending March 31, 2026.

(Segment information, etc.)

[Segment information]

I. For the six months ended September 30, 2024 (from April 1, 2024 to September 30, 2024)

1. Information on net sales and profit (loss) by reportable segment

(Million yen)

	Reportable segments			Others (Note 1)	Total	Adjustments (Note 2)	Amount recorded in semi-annual consolidated statements of income (Note 3)
	Logistics Business	Plant Engineering Business	Total				
Net sales							
Net sales to external customers	146,485	138,791	285,277	13,821	299,098	—	299,098
Inter-segment sales or transfers	1,573	1,783	3,357	1,042	4,399	(4,399)	—
Total	148,059	140,575	288,634	14,863	303,498	(4,399)	299,098
Segment profit	4,031	15,059	19,091	888	19,979	59	20,038

- (Notes) 1. “Others” refers to a business segment not included in the reportable segments, which includes the provision of services related with information system, personnel dispatch, leasing of machinery, civil engineering and construction works, etc.
2. Adjustments in segment profit of 59 million yen are adjustments of unrealized gain.
3. Segment profit is adjusted with operating profit in the semi-annual consolidated statements of income.

II. For the six months ended September 30, 2025 (from April 1, 2025 to September 30, 2025)

1. Information on net sales and profit (loss) by reportable segment

(Million yen)

	Reportable segments			Others (Note 1)	Total	Adjustments (Note 2)	Amount recorded in semi-annual consolidated statements of income (Note 3)
	Logistics Business	Plant Engineering Business	Total				
Net sales							
Net sales to external customers	146,635	154,530	301,166	14,372	315,539	—	315,539
Inter-segment sales or transfers	1,845	1,930	3,776	869	4,646	(4,646)	—
Total	148,481	156,461	304,943	15,242	320,185	(4,646)	315,539
Segment profit	4,653	14,674	19,328	1,123	20,452	107	20,559

- (Notes) 1. “Others” refers to a business segment not included in the reportable segments, which includes the provision of services related with information system, personnel dispatch, leasing of machinery, civil engineering and construction works, etc.
2. Adjustments in segment profit of 107 million yen are adjustments of unrealized gain.
3. Segment profit is adjusted with operating profit in the semi-annual consolidated statements of income.

[Related information]

Information by region

Net sales

For the six months ended September 30, 2024 (From April 1, 2024 to September 30, 2024)

(Million yen)

Japan	Asia	North and South Americas and other regions	Total
248,943	43,080	7,074	299,098

- (Notes) 1. Net sales are classified by country and region based on the location of customers.
2. The main countries and regions in each geographic segment are as follows:
Asia: East Asia (China, Hong Kong, Taiwan, etc.); South East Asia (Singapore, Indonesia, Malaysia, Thailand, etc.); South Asia (India); Middle East (Saudi Arabia, etc.)
North and South Americas and other regions: U.S., Brazil, Europe and other regions

For the six months ended September 30, 2025 (From April 1, 2025 to September 30, 2025)

(Million yen)

Japan	Asia	North and South Americas and other regions	Total
260,178	41,625	13,734	315,539

- (Notes) 1. Net sales are classified by country and region based on the location of customers.
2. The main countries and regions in each geographic segment are as follows:
Asia: East Asia (China, Hong Kong, Taiwan, etc.); South East Asia (Singapore, Indonesia, Malaysia, Thailand, etc.); South Asia (India); Middle East (Saudi Arabia, etc.)
North and South Americas and other regions: U.S., Brazil, Europe and other regions

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

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