



Consolidated Financial Results
for the Six Months Ended September 30, 2025
(Under Japanese GAAP)

November 7, 2025

Company name: SG Holdings Co., Ltd.

Securities code: 9143

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Scheduled date to file semi-annual securities report:

November 10, 2025

Scheduled date to commence dividend payments:

December 3, 2025

Preparation of supplemental explanatory material for financial results: Yes

Holding of briefing for financial results:

Yes

(for analysts and institutional investors)

(Note: Amounts less than one million yen are rounded down)

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)

(Percentage represent year-on-year changes)

	Operating revenues		Operating income		Ordinary income		Net income attributable to owners of the parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2025	782,582	10.5	38,546	(1.5)	38,120	(1.6)	23,242	(8.8)
September 30, 2024	708,029	10.0	39,127	0.7	38,740	(1.8)	25,491	0.0

(Note) Comprehensive income:

For the six months ended September 30, 2025

26,809 million yen (up 23.6%)

For the six months ended September 30, 2024

21,684 million yen (down 34.9%)

	Basic net income per share	Diluted net income per share
Six months ended	Yen	Yen
September 30, 2025	38.44	—
September 30, 2024	40.76	—

(2) Consolidated financial position

	Total assets	Total equity	Equity ratio
As of	Millions of yen	Millions of yen	%
September 30, 2025	1,173,429	531,968	45.0
March 31, 2025	1,040,615	584,589	55.8

(Reference) Equity (Total equity – non-controlling interests):

As of September 30, 2025 527,622 million yen

As of March 31, 2025 580,146 million yen

2. Cash dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	4Q-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	26.00	—	26.00	52.00
Fiscal year ending March 31, 2026	—	26.00			
Fiscal year ending March 31, 2026 (Forecast)			—	27.00	53.00

(Note) Revisions to the forecast of cash dividends most recently announced: None

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

(Percentage represent year-on-year changes)

	Operating revenues		Operating income		Ordinary income		Net income attributable to owners of the parent		Basic net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	1,635,000	10.5	92,000	4.7	90,000	1.3	59,000	(1.5)	97.54

(Notes) 1. Revisions to the earnings forecasts most recently announced: Yes

2. The number of shares issued as of September 30, 2025 (excluding treasury stock) has been used as the average number of shares during the period, which serves as the basis for calculating basic net income per share.
3. Please refer to the “Notice of Revisions to Earnings Forecast” released on November 7, 2025 regarding the revision to the consolidated earnings forecasts.

* Notes

- (1) Significant changes in the scope of consolidation during the period: Yes
- | | |
|------------------|---|
| Newly added: | 34 companies |
| (Company names): | Morrison Express Worldwide Corporation, Maxyork Investments Ltd.,
MEC Labuan Holding Co., Ltd and 31 other companies |
| Excluded: | 1 company |
| (Company name): | Chilled & Frozen Logistics Holdings Co., Ltd. |
- (2) Application of accounting treatment specific to the preparation of interim consolidated financial statements: Yes
- (Note) Please refer to the section “2. Interim Consolidated Financial Statements and Notes (4) Notes to the Interim Consolidated Financial Statements (Notes to Accounting Treatment Specific to the Preparation of Interim Consolidated Financial Statements)” in the Appendix for further information.
- (3) Changes in accounting policies, changes in accounting estimates, and restatements
- | | |
|--|------|
| (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) Restatements: | None |
- (4) Number of shares issued (common stock)
- | | |
|---|--------------------|
| (i) Number of shares issued at the end of the period (including treasury stock) | |
| As of September 30, 2025 | 640,394,400 shares |
| As of March 31, 2025 | 640,394,400 shares |
| (ii) Number of treasury stock at the end of the period | |
| As of September 30, 2025 | 35,517,190 shares |
| As of March 31, 2025 | 14,924,790 shares |
| (iii) Average number of shares during the period (cumulative from the beginning of the fiscal year) | |
| Six months ended September 30, 2025 | 604,713,621 shares |
| Six months ended September 30, 2024 | 625,468,272 shares |
- The number of treasury stock includes the number of the Company’s shares owned by the ESOP trust account (3,879,000 shares at the end of the interim period).

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Description concerning the appropriate use of earnings forecasts and other remarks

The descriptions concerning earnings forecasts included in this document are based on information currently available to the Company and certain assumptions reasonably judged to be valid. Actual results may differ substantially from these forecasts due to a variety of factors. For the assumptions on which the earnings forecasts were based and the notes for use of the forecasts, please refer to “1. Overview of Operating Results, etc. (3) Explanation of Consolidated Earnings Forecasts and Other Forward-Looking Statements” in the Appendix.

- The Company plans to promptly publish supplemental explanatory material for consolidated financial results on its website following the financial results announcement.
- The Company plans to hold a results presentation briefing for analysts and institutional investors on November 11, 2025.

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1. Overview of Operating Results, etc.

(1) Overview of Interim Operating Results

During the six months ended September 30, 2025, while the Japanese economy showed signs of improvement in employment and income conditions along with a recovery in corporate capital investment, the outlook remains uncertain due to factors such as concerns about a slowdown of the Japanese economy due to the impact of U.S. financial and trade policies, in addition to the protraction of geopolitical risks.

In Japan's logistics industry, the competitive environment remains intense due to factors such as a delay in the improvement of consumer sentiment while a positive trend in real wages has not become established, and some major e-commerce business operators being seen to make moves to expand their in-house delivery networks. In addition, the business environment continues to be unstable due to factors such as the need for ongoing responses to the limits on the number of overtime hours for delivery drivers that were applied from April 2024 (hereinafter "the 2024 problem"), as well as rising costs in prices, labor etc., and other areas.

In the global logistics market, uncertainties remain high concerning trends in marine and air cargo demand and freight charges, such as the need to continue focusing on the impact of supply chain disruption brought about by U.S. trade policy and geopolitical risks.

Under such business conditions, operating revenues for the interim period of the current fiscal year increased by 10.5% year on year to 782,582 million yen, operating income decreased by 1.5% to 38,546 million yen, ordinary income decreased by 1.6% to 38,120 million yen, and net income attributable to owners of the parent decreased by 8.8% to 23,242 million yen.

Results by segment are explained below.

- Delivery Business

The number of packages handled through the Group's major services was as follows.

Service name	Six months ended September 30, 2024 (April 1, 2024 to September 30, 2024)	Six months ended September 30, 2025 (April 1, 2025 to September 30, 2025)	Change	Change (%)
Total number of packages handled (million)	648	659	11	1.8
Hikyaku Express (million)	630	641	11	1.8
Others (million)	18	18	(0)	(1.0)

(Notes) 1 Due to changes in reportable segments, we have changed the scope of calculation of the number of packages handled in the Delivery Business for the fiscal year ending March 31, 2026. The figures in the table above also reflect the change in the scope of calculation of the number of packages handled for the six months ended September 30, 2024, and the change has been calculated accordingly.

2 The number of packages handled through Hikyaku Express is the number of packages Sagawa Express Co., Ltd. reports to Japan's Ministry of Land, Infrastructure, Transport and Tourism.

3 The number of packages handled through Others is the number of packages handled through Hikyaku Large Size Express provided by Sagawa Express Co., Ltd.

In the Delivery Business, the competitive environment is becoming challenging due to factors such as a delay in the improvement of consumer sentiment while a positive trend in real wages has not become established, and some major e-commerce business operators moving to expand their in-house delivery networks. Under such business conditions, the number of packages handled has reached a level exceeding the same month of the previous year since June due to factors such as progress in the Group's efforts aimed at expanding revenue of express package delivery services in cross-border e-commerce and low-temperature logistics, which are seen as growth markets. In the six months ended September 30, 2025, both BtoB and BtoC packages increased year on year. In particular, of BtoC packages, an increase in the number of cross-border e-commerce packages handled contributed to the increase in the overall number of packages handled. Although efforts to receive appropriate freight charges continued, the average unit price ended at the same level year on year due to the impact of factors including an increase in the number of small packages handled as a result of an increase in

cross-border e-commerce. Regarding the solution “TMS (Transportation Management System)” that provides added value for other than express package delivery services, sales increased year on year due to proposal-based sales activities by the cross-functional advanced logistics project team “GOAL (GO Advanced Logistics).” In terms of expenses, we control expenses according to the number of packages handled, but there is a continual trend of rising costs related to securing resources for sustained and stable provision of services, such as raising the unit price of outsourcing to partner companies from the beginning of the fiscal year. In addition, since June 2025, we have been gradually expanding the service locations of SAGAWA Hands-Free Travel, a logistics service for tourists, to meet domestic and overseas customers needs. We will continue to strengthen our operational systems to enhance convenience for customers by introducing multilingual support and various payment methods.

As a result, operating revenues for the interim period increased by 3.5% year on year to 508,682 million yen while operating income increased by 4.1% to 30,391 million yen.

- Logistics Business

In the Logistics Business, revenues increased due to the impact of Chilled & Frozen Logistics Holdings, Co., Ltd. (currently Meito Transportation Co., Ltd.; referred to as “Meito/Hutech”), which was included in the scope of consolidation from the third quarter of the fiscal year ended March 31, 2025. Furthermore, even excluding the effect of the consolidation of Meito/Hutech, revenues and income increased due to receiving appropriate fees and improved productivity in existing 3PL in Japan.

As a result, operating revenues for the interim period increased by 149.2% year on year to 103,405 million yen, and operating income increased by 102.5% to 3,611 million yen.

- Global Logistics Business

In the Global Logistics Business, Morrison Express Worldwide Corporation (hereinafter referred to as “Morrison”) has been included in the Group’s consolidated financial results from the second quarter of the current fiscal year.

In the existing Expolanka Holdings Limited Group (hereinafter referred to as “Expolanka”), marine cargo volume was at the same level as the previous year due to factors such as the retention of new customers, but air cargo volume was below the level of the same period of the previous year. Air and ocean freight charges showed a downward trend during the second quarter of the current fiscal year, reflecting a decline in overall transportation demand due to factors such as the impact of U.S. trade policy. In such a business environment, operating revenues increased due to the contribution of the effect of consolidation of Morrison. Operating income decreased due to rising costs such as implementing a review of wage levels according to rising prices in overseas locations from the start of the period and the impact of reduced revenue of Expolanka, although receiving appropriate freight charges through price negotiation and making efficiency improvements through the reorganization of business locations in the previous fiscal year made positive contributions. Furthermore, compared to the six months ended September 30, 2024, the yen appreciated during the six months ended September 30, 2025, which was a factor reducing the amount in Japanese yen terms.

As a result, operating revenues for the interim period increased by 4.8% year on year to 139,794 million yen, and operating income decreased by 62.8% to 729 million yen.

- Real Estate Business

In the Real Estate Business, revenue and income decreased due to the impact of selling real estate holdings during the second quarter of the previous fiscal year, but progress was made as planned.

As a result, operating revenues for the interim period decreased by 78.6% year on year to 3,458 million yen and operating income decreased by 55.9% to 2,367 million yen.

- Other Businesses

In Other Businesses, revenue and income increased mainly due to an increase in the sale of new vehicles such as heavy-duty trucks, an increase in system-related projects undertaken and a decrease in expenses.

As a result, operating revenues for the interim period increased by 7.6% year on year to 27,241 million yen while operating income increased by 51.4% to 1,708 million yen.

(2) Overview of Interim Financial Position

(i) Status of assets, liabilities and equity

Assets and liabilities have increased significantly due to the impact of making Morrison a new consolidated subsidiary during the interim period ended September 30, 2025.

(Assets)

Current assets as of the end of the interim period amounted to 377,396 million yen, an increase of 6,831 million yen from the balance at the end of the previous fiscal year. The main factors was an increase of 26,219 million yen in trade notes, accounts receivable and contract assets, which was partially offset by a decrease of 20,701 million yen in cash and deposits. Non-current assets amounted to 796,032 million yen, an increase of 125,982 million yen from the balance at the end of the previous fiscal year. The main factors were increases of 107,784 million yen in goodwill, 7,155 million yen in construction in progress, and 4,832 million yen in investment securities.

As a result, total assets amounted to 1,173,429 million yen, an increase of 132,814 million yen from the balance at the end of the previous fiscal year.

(Liabilities)

Current liabilities as of the end of the interim period amounted to 417,078 million yen, an increase of 194,481 million yen from the balance at the end of the previous fiscal year. The main factor was an increase of 177,973 million yen in short-term bank loans. Long-term liabilities amounted to 224,382 million yen, a decrease of 9,047 million yen from the end of the previous fiscal year. The main factor was a decrease of 9,669 million yen in interest-bearing debt.

As a result, total liabilities amounted to 641,460 million yen, an increase of 185,434 million yen from the balance at the end of the previous fiscal year.

(Equity)

Total equity at the end of the interim period amounted to 531,968 million yen, a decrease of 52,620 million yen from the balance at the end of the previous fiscal year. The main factors were an increase of 32,929 million yen in treasury stock (corresponding decrease in equity) in addition to a decrease of 30,020 million yen in retained earnings due to the disposal of treasury stock and cash dividends of 16,262 million yen, while 23,242 million yen in net income attributable to owners of the parent was recorded.

As a result, equity ratio decreased by 10.8 percentage points from the end of the previous fiscal year to 45.0%.

(ii) Status of cash flows

The balance of cash and cash equivalents (hereinafter “net cash”) as of the end of the interim period ended September 30, 2025 decreased by 25,610 million yen from the end of the previous fiscal year to 91,251 million yen.

The status of cash flows for the interim period ended September 30, 2025 and factors behind them are provided below.

(Cash flows from operating activities)

Net cash provided by operating activities was 46,035 million yen, a decrease of 11.5%, as compared to the same period of the previous fiscal year.

The main factors affecting cash flows were cash inflows of 37,867 million yen in income before income taxes and 22,673 million yen in depreciation and amortization, which were partially offset by cash outflows of 17,167 million yen in income taxes paid.

(Cash flows from investing activities)

Net cash used in investing activities was 149,062 million yen (net cash used in investing activities was 109,206 million yen in the same period of the previous fiscal year).

The main factors affecting cash flows were cash outflows of 119,988 million yen in purchases of investments in subsidiaries with changes in scope of consolidation related to the acquisition of shares of Morrison and 23,223 million yen in purchases of property, plant and equipment.

(Cash flows from financing activities)

Net cash provided by financing activities was 78,204 million yen, an increase of 83.7%, as compared

to the same period of the previous fiscal year.

The main factors affecting cash flows were cash inflows of a net increase of 175,249 million yen in short-term bank loans and cash outflows of 62,906 million yen in purchases of treasury stock, 16,264 million yen in cash dividends paid and 12,627 million yen in repayments of long-term bank loans.

(3) Explanation of Consolidated Earnings Forecasts and Other Forward-Looking Statements

With regard to the outlook for the Japanese economy, the outlook remains uncertain due to factors such as the impact of U.S. financial and trade policies on the Japanese economy, and the protraction of geopolitical risks.

In the logistics industry, passing on rising costs such as prices of goods and personnel expenses to sales prices is progressing. There is also an increase in cooperation between companies in the same and different industries, triggered by the full-scale response to the 2024 problem, and an increase in business closures and business transfers due to difficulties in finding successors against a backdrop of the continuing harshness of the business environment. In addition, there are signs of change in the industry structure, such as moves by some major e-commerce business operators to expand their in-house delivery networks. In such a business environment, from a medium- to long-term perspective, although express package delivery that is a domestic demand-oriented industry is expected to be affected by declining population of Japan, we expect the proportion of e-commerce transactions to the total amount of commercial transactions to increase, and demand for logistics related to e-commerce, such as delivery to end users, to also increase gradually. In the global logistics market, the situation remains highly uncertain due to the possibility of demand contraction associated with the deceleration of the global economy as well as factors such as the impact of U.S. trade policy and the prolonged impact of the avoidance of passage through the Red Sea.

In such a business environment, the Group established “Grow the new Story: New logistics, nurturing a new society together.” as its long-term vision “SGH Vision 2030” through the fiscal year ending March 31, 2031, and formulated the new Medium-term Management Plan “SGH Story 2027” in March 2025 to realize the vision. We have established the basic policies of “more advanced total logistics and the expansion of global logistics infrastructure” in “SGH Story 2027,” and will promote (1) expansion of domestic service areas and global logistics infrastructure, (2) expansion of management resources to support growth, and (3) initiatives aimed at sustainable management.

Regarding the forecast for the fiscal year ending March 31, 2026, based on the interim results and future market trends, the Group has revised its consolidated earnings forecast for the fiscal year, which was previously announced on August 8, 2025. Please refer to the “Notice of Revisions to Earnings Forecast” released on November 7, 2025 regarding the revision to the consolidated earnings forecasts. There are no revisions to the dividend forecast associated with the revision of the consolidated earnings forecast.

(Full Year Segment Forecasts for the Fiscal Year Ending March 31, 2026)

		Previous Forecast	Revised Forecast	Change	Change
	Total operating revenues	Millions of yen 1,653,000	Millions of yen 1,635,000	Millions of yen (18,000)	(%) (1.1)
	Delivery Business	1,040,000	1,040,000	—	—
	Logistics Business	208,000	208,000	—	—
	Global Logistics Business	340,000	317,000	(23,000)	(6.8)
	Real Estate Business	14,000	14,000	—	—
	Other	51,000	56,000	5,000	9.8
	Total operating income	92,000	92,000	—	—
	Delivery Business	70,000	70,500	500	0.7
	Logistics Business	5,500	6,000	500	9.1
	Global Logistics Business	4,500	3,500	(1,000)	(22.2)
	Real Estate Business	8,500	8,500	—	—
	Other	2,000	2,000	—	—
	Reconciliations	1,500	1,500	—	—

2. Interim Consolidated Financial Statements and Notes

(1) Interim Consolidated Balance Sheet

	(Millions of yen)	
	Fiscal Year 2024 (As of March 31, 2025)	Fiscal Year 2025 (As of September 30, 2025)
Assets		
Current assets		
Cash and deposits	116,861	96,160
Trade notes, accounts receivable and contract assets	199,449	225,668
Real estate for sale	24,374	24,144
Merchandise and finished goods	629	661
Work in process	254	355
Raw materials and supplies	2,397	2,666
Other	28,655	30,794
Allowance for doubtful accounts	(2,057)	(3,056)
Total current assets	370,565	377,396
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	125,762	125,741
Machinery and equipment, net	40,161	38,631
Vehicles, net	63,174	66,447
Land	182,887	183,538
Lease assets, net	16,729	16,265
Construction in progress	34,437	41,592
Other, net	25,375	28,086
Total property, plant and equipment	488,528	500,302
Intangible assets		
Goodwill	64,691	172,475
Software	15,390	14,596
Lease assets	73	97
Other	24,704	23,159
Total intangible assets	104,861	210,328
Investments and other assets		
Investment securities	28,009	32,842
Deferred tax assets	16,997	18,567
Other	33,436	35,782
Allowance for doubtful accounts	(1,784)	(1,789)
Total investments and other assets	76,660	85,402
Total non-current assets	670,050	796,032
Total	1,040,615	1,173,429

	(Millions of yen)	
	Fiscal Year 2024 (As of March 31, 2025)	Fiscal Year 2025 (As of September 30, 2025)
Liabilities		
Current liabilities		
Trade notes and accounts payable	87,607	95,940
Short-term bank loans	4,905	182,879
Current portion of long-term bank loans	24,200	22,207
Lease obligations	7,786	9,094
Income taxes payable	18,231	18,011
Deposits received	26,173	22,831
Accrued bonuses	17,407	20,758
Accrued bonuses to directors	156	14
Other	36,127	45,339
Total current liabilities	222,596	417,078
Long-term liabilities		
Long-term bank loans	139,119	128,165
Lease obligations	29,363	30,647
Provision for share awards	—	323
Other provisions	639	425
Liabilities for employees' retirement benefits	42,878	43,083
Asset retirement obligations	10,163	10,251
Other	11,265	11,484
Total long-term liabilities	233,429	224,382
Total liabilities	456,026	641,460
Equity		
Shareholders' equity		
Capital stock	11,882	11,882
Retained earnings	570,268	547,369
Treasury stock - at cost	(21,131)	(54,061)
Total shareholders' equity	561,019	505,190
Accumulated other comprehensive income		
Unrealized gain on available-for-sale securities	8,124	10,938
Deferred gains or losses on hedges	617	—
Foreign currency translation adjustments	10,783	11,891
Defined retirement benefit plans	(398)	(398)
Total accumulated other comprehensive income	19,126	22,431
Non-controlling interests	4,442	4,346
Total equity	584,589	531,968
Total	1,040,615	1,173,429

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

(Millions of yen)

	Six months ended September 30, 2024 (April 1, 2024 to September 30, 2024)	Six months ended September 30, 2025 (April 1, 2025 to September 30, 2025)
Operating revenues	708,029	782,582
Operating costs	635,455	698,387
Operating gross profit	72,574	84,195
Selling, general and administrative expenses	33,446	45,648
Operating income	39,127	38,546
Non-operating income		
Interest income	559	542
Dividend income	174	331
Equity in earnings of associated companies	85	257
Foreign exchange gains	—	336
Other	577	823
Total non-operating income	1,396	2,291
Non-operating expenses		
Interest expense	1,167	2,432
Foreign exchange losses	535	—
Other	81	285
Total non-operating expenses	1,783	2,717
Ordinary income	38,740	38,120
Extraordinary income		
Gain on sales of long-lived assets	419	68
Total extraordinary income	419	68
Extraordinary losses		
Loss on sales of long-lived assets	75	272
Loss on disposal of long-lived assets	29	49
Total extraordinary losses	104	321
Income before income taxes	39,055	37,867
Income taxes	13,591	14,385
Net income	25,463	23,481
Net income (loss) attributable to non-controlling interests	(27)	239
Net income attributable to owners of the parent	25,491	23,242

(Interim Consolidated Statement of Comprehensive Income)

(Millions of yen)

	Six months ended September 30, 2024 (April 1, 2024 to September 30, 2024)	Six months ended September 30, 2025 (April 1, 2025 to September 30, 2025)
Net income	25,463	23,481
Other comprehensive income (loss)		
Unrealized gain (loss) on available-for-sale securities	331	2,814
Deferred gains or losses on hedges	—	(617)
Foreign currency translation adjustments	(4,108)	1,018
Defined retirement benefit plans	16	(0)
Share of other comprehensive income (loss) in associates	(20)	112
Total other comprehensive income (loss)	(3,779)	3,328
Comprehensive income	21,684	26,809
Total comprehensive income attributable to:		
Owners of the parent	21,791	26,547
Non-controlling interests	(107)	262

(3) Interim Consolidated Statement of Cash Flows

(Millions of yen)

	Six months ended September 30, 2024 (April 1, 2024 to September 30, 2024)	Six months ended September 30, 2025 (April 1, 2025 to September 30, 2025)
Cash flows from operating activities		
Income before income taxes	39,055	37,867
Depreciation and amortization	17,855	22,673
Amortization of goodwill	982	3,822
Net changes in accrued bonuses	284	2,205
Net changes in allowance for doubtful accounts	210	177
Net changes in other provisions	(6)	(356)
Net changes in liabilities for employees' retirement benefits	176	301
Increase (decrease) in provisions for employee share awards	—	323
Interest and dividend income	(734)	(874)
Interest expense	1,167	2,432
Foreign exchange losses (gains)	1,432	(9)
Equity in losses (earnings) of associated companies	(85)	(257)
Loss (gain) on sales of long-lived assets	(344)	203
Loss on disposal of long-lived assets	29	49
Net changes in trade notes and accounts receivable	(8,567)	(1,714)
Net changes in inventories	9,369	(436)
Net changes in trade notes and accounts payable	3,851	(772)
Net changes in deposits received	(8,006)	(3,340)
Other, net	(4,818)	2,157
Subtotal	51,853	64,451
Interest and dividend received	754	878
Interest paid	(877)	(2,126)
Income taxes refund (paid)	260	(17,167)
Net cash provided by (used in) operating activities	51,991	46,035
Cash flows from investing activities		
Purchases of property, plant and equipment	(14,140)	(23,223)
Proceeds from sales of property, plant and equipment	1,461	624
Purchases of intangible assets	(2,856)	(1,951)
Purchases of investment securities	(5)	(523)
Purchases of investments in subsidiaries with changes in scope of consolidation	(92,592)	(119,988)
Payments for guarantee deposits	(1,158)	(605)
Collections of guarantee deposits	244	246
Other, net	(159)	(3,640)
Net cash provided by (used in) investing activities	(109,206)	(149,062)

	(Millions of yen)	
	Six months ended September 30, 2024 (April 1, 2024 to September 30, 2024)	Six months ended September 30, 2025 (April 1, 2025 to September 30, 2025)
Cash flows from financing activities		
Net changes in short-term bank loans	111,351	175,249
Repayments of long-term bank loans	(15,489)	(12,627)
Repayments of lease obligations	(3,896)	(4,965)
Purchase of treasury stock	—	(62,906)
Cash dividends paid	(15,636)	(16,264)
Dividends paid to non-controlling interests	(289)	(308)
Purchases of investments in subsidiaries without changes in scope of consolidation	(33,458)	(14)
Other, net	(0)	41
Net cash provided by (used in) financing activities	42,582	78,204
Effect of foreign currency translation adjustments on cash and cash equivalents	(1,035)	(787)
Net increase (decrease) in cash and cash equivalents	(15,668)	(25,610)
Cash and cash equivalents at the beginning of the period	147,266	116,861
Cash and cash equivalents at the end of the period	131,598	91,251

- (4) Notes to Interim Consolidated Financial Statements
(Notes to Going Concern Assumptions)
Not applicable.

(Notes to Significant Changes in the Amount of Shareholders' Equity)
(Acquisition of treasury stock)

Based on a resolution of the extraordinary meeting of the Board of Directors held on May 9, 2025, the Company purchased 40,605,800 shares of treasury stock during the six months ended September 30, 2025. As a result of the acquisition, treasury stock increased by 62,906 million yen.

(Disposal of treasury stock)

At the extraordinary meeting of the Board of Directors held on May 9, 2025, the Company resolved to dispose of treasury stock by third-party allotment to support the activities of the SGH Disaster Prevention Support Foundation, and 20,000,000 shares of treasury stock were disposed of on August 1, 2025 following a resolution of the 19th Ordinary General Meeting of Shareholders held on June 27, 2025. As a result of the disposal, retained earnings decreased by 30,020 million yen and treasury stock decreased by 30,040 million yen.

Due to the above and other factors, retained earnings amounted to 547,369 million yen and treasury stock amounted to 54,061 million yen as of September 30, 2025.

(Notes to Accounting Treatment Specific to the Preparation of Interim Consolidated Financial Statements)

(Calculation of tax expenses)

Income tax expenses are calculated by multiplying income before income taxes by an effective tax rate that is reasonably estimated after application of tax effect accounting to the income before income taxes for the fiscal year including the six months ended September 30, 2025. However, if the use of the estimated tax rate produces significantly unreasonable results, income tax expenses are calculated by using the statutory effective tax rate.

(Notes to Segment Information, etc.)

[Segment Information]

I Six months ended September 30, 2024 (April 1, 2024 to September 30, 2024)

1. Information about Operating Revenues and Profit (Loss) for Each Reportable Segment, and Breakdown of Revenues

	(Millions of yen)							
	Delivery Business	Logistics Business	Global Logistics Business	Real Estate Business	Other (Note 1)	Total	Reconciliations (Note 2)	Consolidated (Note 3)
Operating revenues								
Revenue from contracts with customers	488,434	34,056	133,416	14,408	25,170	695,487	—	695,487
Other revenue	3,252	7,436	—	1,714	138	12,541	—	12,541
Operating revenues from external customers	491,686	41,492	133,416	16,123	25,309	708,029	—	708,029
Intersegment operating revenues and transfers	21,327	7,933	2,106	1,294	26,302	58,964	(58,964)	—
Total	513,014	49,426	135,523	17,417	51,612	766,993	(58,964)	708,029
Segment profit	29,190	1,783	1,959	5,373	1,128	39,436	(308)	39,127

- (Notes) 1. “Other” includes product sales, insurance agents, fuel sales, automobile services and sales, system sales and maintenance, e-collect services, and temporary staffing services and providing staffing services under contract.
2. The reconciliations of segment profit of (308) million yen included the elimination of intersegment transactions of 4,580 million yen and corporate general expenses of (4,889) million yen which were not allocated to the reportable segments. Corporate general expenses primarily consisted of operating costs of the Company.
3. Certain reconciliations were made between segment profit and operating income in the interim consolidated statement of income.

2. Information Regarding Assets for Each Reportable Segment

(Significant increase in assets due to acquisition of subsidiary)

As a result of acquiring shares in Chilled & Frozen Logistics Holdings Co., Ltd. (currently Meito Transportation Co., Ltd.) and including it within the scope of consolidation, segment assets for the Logistics Business at the end of the interim period ended September 30, 2024 increased by 177,585 million yen compared to the end of the previous fiscal year.

3. Information Regarding Impairment Losses on Non-Current Assets, Goodwill, etc. for Each Reportable Segment

(Significant changes in the amounts of goodwill)

In the Logistics Business segment, due to the above-mentioned share acquisition, Chilled & Frozen Logistics Holdings Co., Ltd. (currently Meito Transportation Co., Ltd.) and 15 other companies have been newly included in the scope of consolidation. Goodwill increased by 49,069 million yen in the interim period ended September 30, 2024 as a result of this acquisition.

II Six months ended September 30, 2025 (April 1, 2025 to September 30, 2025)

1. Information about Operating Revenues and Profit (Loss) for Each Reportable Segment, and Breakdown of Revenues

(Millions of yen)

	Delivery Business	Logistics Business	Global Logistics Business	Real Estate Business	Other (Note 1)	Total	Reconciliations (Note 2)	Consolidated (Note 3)
Operating revenues								
Revenue from contracts with customers	504,664	95,036	139,794	1,708	27,103	768,307	—	768,307
Other revenue	4,017	8,369	—	1,749	138	14,274	—	14,274
Operating revenues from external customers	508,682	103,405	139,794	3,458	27,241	782,582	—	782,582
Intersegment operating revenues and transfers	22,056	9,558	3,140	1,317	24,796	60,869	(60,869)	—
Total	530,738	112,964	142,935	4,775	52,038	843,452	(60,869)	782,582
Segment profit	30,391	3,611	729	2,367	1,708	38,808	(261)	38,546

(Notes) 1. “Other” includes product sales, insurance agents, fuel sales, automobile services and sales, system sales and maintenance, e-collect services, and temporary staffing services and providing staffing services under contract.

2. The reconciliations of segment profit of (261) million yen included the elimination of intersegment transactions of 5,079 million yen and corporate general expenses of (5,341) million yen which were not allocated to the reportable segments. Corporate general expenses primarily consisted of operating costs of the Company.

3. Certain reconciliations were made between segment profit and operating income in the interim consolidated statement of income.

2. Information Regarding Assets for Each Reportable Segment

(Significant increase in assets due to acquisition of subsidiary)

As a result of acquiring the shares of Morrison Express Worldwide Corporation and including the company in the scope of consolidation, segment assets in the Global Logistics Business as of September 30, 2025 increased by 168,214 million yen compared to the end of the previous fiscal year.

3. Information Regarding Impairment Losses on Non-Current Assets, Goodwill, etc. for Each Reportable Segment

(Significant changes in the amounts of goodwill)

In the Global Logistics Business segment, we have included Morrison Express Worldwide Corporation and 33 other companies newly acquired through the purchase of shares in the scope of consolidation. Goodwill increased by 110,278 million yen in the interim period ended September 30, 2025 as a result of this acquisition. Note that the amount of goodwill is provisionally calculated because the allocation of acquisition costs has not been completed as of September 30, 2025.

4. Matters Concerning Changes in Reportable Segments

From the six months ended September 30, 2025, we have established a new reportable segment and made the following changes, taking into account the direction of business strategies for realizing our long-term vision and differences in profitability between businesses.

The domestic logistics business and low-temperature logistics business, which were previously included in the Logistics Business, have been split into the Logistics Business, and the forwarding business and overseas 3PL business have been split into the Global Logistics Business. In addition, World Supply Co., Ltd., which operates delivery services and facility deliveries included in the

Delivery Business, has been changed to the Logistics Business.

The segment information for the six months ended September 30, 2024 has been reclassified according to the new segment classification.

(Notes to Business Combinations, etc.)

(Absorption-type Merger between Consolidated Subsidiaries)

At the extraordinary meeting of the Board of Directors held on February 21, 2025, the Company resolved to conduct an absorption-type merger, with the Company's consolidated subsidiary Meito Transportation Co., Ltd. (hereinafter "Meito Transportation") as the surviving company and the Company's consolidated subsidiary Chilled & Frozen Logistics Holdings Co., Ltd. (hereinafter "Chilled & Frozen") as the dissolving company, effective as of April 1, 2025.

1. Overview of Transaction

(1) Name and business description of the parties involved in the business combination

(i) Combining company (surviving company)

Name of company	Meito Transportation Co., Ltd.
Business description	Freight transportation business, warehousing business, etc.

(ii) Combined company (dissolving company)

Name of company	Chilled & Frozen Logistics Holdings, Co., Ltd.
Business description	Business management of the subsidiaries and entire group engaging in cargo transportation, warehousing business, and related services, other incidental businesses

(2) Business combination date

April 1, 2025

(3) Legal form of business combination

Absorption-type merger with Meito Transportation as the surviving company and Chilled & Frozen as the dissolving company

(4) Name of company after business combination

Meito Transportation Co., Ltd.

(5) Allotment of shares in relation to the merger

All shares of Meito Transportation were delivered to the Company, a 100% shareholder of Chilled & Frozen, as consideration for the merger resulting from the dissolution of Chilled & Frozen.

(6) Other matters related to the transaction overview

The purpose is to respond to the reduction in functions required of a holding company as a result of the de-listing of Chilled & Frozen due to its inclusion in the Group, and to establish a structure that will enable faster decision-making in order to quickly generate and maximize synergies.

2. Overview of Accounting Treatment Applied

The Company treated this as a transaction under common control in accordance with "Accounting Standard for Business Combinations" (ASBJ Statement No. 21, issued on January 16, 2019) and "Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures" (ASBJ Guidance No. 10, issued on January 16, 2019).

(Business Combination through Acquisition)

The Company agreed with Morrison Express Holdings Corporation (hereinafter, the “Seller”) to acquire all shares (hereinafter, the “Transaction”) of Global freight forwarder Morrison Express Worldwide Corporation (hereinafter, the “Morrison”), which is headquartered in Taiwan, through our subsidiary, SG HOLDINGS GLOBAL PTE. LTD. (“SGG”), resolved to enter into a share purchase agreement at the Board of Directors meeting of the Company held on February 7, 2025, and subsequently executed the Transaction on May 20, 2025.

1. Overview of Business Combination

(1) Name and business description of the acquired company

Name of acquired company	Morrison Express Worldwide Corporation
Description of main businesses	A pure holding company that owns shares of the group’s logistics subsidiaries that conduct global freight forwarding business (freight forwarding, transportation, customs clearance services, etc.)

(2) Reason for business combination

The Morrison Group is a comprehensive global freight forwarder with world-class handling results in the air freight forwarding business, and is expected to have a complementary relationship with marine freight forwarding business operated by Expolanka Holdings Limited Group.

With Morrison joining the Group, we believe that it will be possible to expand our business in the air freight industry and strengthen our global logistics network centered on Asia, which will contribute to enhancing the corporate value of the Group.

(3) Business combination date

May 20, 2025 (deemed acquisition date: June 30, 2025)

(4) Legal form of business combination

Acquisition of shares in exchange for cash

(5) Name of company after business combination

No change

(6) Percentage of voting rights acquired

100%

(7) Main grounds for determining the acquirer

Due to acquisition of shares in exchange for cash

2. Period of the Acquired Company’s Results to Be Included in the Quarterly Consolidated Statement of Income for the Interim Period

From July 1, 2025 to September 30, 2025

3. Acquisition Cost of Acquired Company and Breakdown by Type of Consideration

Consideration for acquisition	Cash and deposits (including other payables)	USD 1,003 million
Acquisition cost		USD 1,003 million

4. Amount of Goodwill Recognized, Reason for Recognition, Amortization Method and Amortization Period

(1) Amount of goodwill recognized

108,834 million yen

Note that the amount of goodwill is provisionally calculated because the price adjustment and the allocation of acquisition costs have not been completed as of September 30, 2025.

(2) Reason for recognition

This is mainly the excess profitability expected in the future due to future business development.

- (3) Amortization method and amortization period
Goodwill will be amortized by the straight-line method over the period in which the investment effect is expected to be realized (20 years or less).

(Per Share Information)

The amount of basic net income per share and the basis for calculation thereof are as follows:

	Six months ended September 30, 2024 (April 1, 2024 to September 30, 2024)	Six months ended September 30, 2025 (April 1, 2025 to September 30, 2025)
Basic net income per share	40.76 yen	38.44 yen
(Basis for calculation)		
Net income attributable to owners of the parent (millions of yen)	25,491	23,242
Amount not attributable to common shareholders (millions of yen)	—	—
Net income attributable to owners of the parent pertaining to common stock (millions of yen)	25,491	23,242
Average number of common stock during the fiscal period (thousand shares)	625,468	604,713

- (Notes) 1. Information on diluted net income per share is omitted since there were no potentially dilutive shares outstanding.
2. In calculating the average number of shares during the period on which the calculation of basic net income per share is based, the number of the Company's shares owned by the ESOP trust account are included in the treasury stock deducted from the calculation (3,879,000 shares at the end of the interim period).