

[Translation]



Consolidated Financial Results for the Three Months Ended June 30, 2026 [Japanese GAAP]

July 31, 2026

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 commence dividend payments: —

Preparation of supplementary material on financial results: Yes

Holding of financial results briefing: Yes

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

1. Consolidated Financial Results for the Three Months Ended June 30, 2026 (From April 1, 2026 to June 30, 2026)

(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	%
Three months ended June 30, 2026	154,564	0.4	10,218	6.2	10,832	11.0	8,873	40.9
June 30, 2025	153,954	7.6	9,623	9.9	9,758	2.8	6,296	11.4

(Note)Comprehensive income: For the three months ended June 30, 2026: 9,268million yen [234.7%]

For the three months ended June 30, 2025: 2,769million yen [(68.1)%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2026	177.02	—
June 30, 2025	120.28	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2026	571,105	309,832	53.6
As of March 31, 2026	559,746	306,988	54.2

(Reference) Equity: As of June 30, 2026: 305,971million yen

As of March 31, 2026: 303,169million 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, 2026	—	118.00	—	128.00	246.00
Fiscal year ending March 31, 2027	—				
Fiscal year ending March 31, 2027 (Forecast)		129.00	—	27.00	—

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

(*) The Company plans to conduct a 5-for-1 stock split effective October 1, 2026. The dividend for the first half of the fiscal year ending March 31, 2027 (record date: September 30, 2026) applies to common shares before the stock split; therefore, it is stated based on the pre-split share count. The year-end dividend for the same fiscal year (record date: March 31, 2027)

applies to common shares after the stock split and is stated as such. Since these amounts cannot be simply aggregated due to the split, the total annual dividend is indicated as “—.” Without considering the stock split, the year-end dividend for the fiscal year ending March 31, 2027, would be 135 yen per share, resulting in a total annual dividend of 264 yen per share.

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

(Percentages indicate changes from the previous corresponding period.)

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

(Note) Revisions to the financial forecast most recently announced: None

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

* Notes:

(1) Significant changes in the scope of consolidation during the period: None

Newly included: —

Excluded: —

(2) Adoption of accounting treatment specific to the preparation of quarterly 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: Yes

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 June 30, 2026: 52,901,749shares

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

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

As of June 30, 2026: 2,774,563shares

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

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

Three months ended June 30, 2026: 50,127,339shares

Three months ended June 30, 2025: 52,350,654shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

* 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.

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

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1. Qualitative Information on Quarterly Consolidated Financial Results

(1) Explanation of Operating Results

During the three months ended June 30, 2026 (hereinafter referred to as the “Period”), the global economy was weighed down by factors such as sluggish domestic demand in China and escalating tensions in the Middle East. However, it has remained resilient due to expanding semiconductor and AI-related investment. Against this backdrop, while steady facility maintenance and upgrading continued to support the domestic economy, issues such as wage hikes and turmoil in the Middle East, as well as the ongoing impact of the slowdown in the Chinese economy, have affected consumption and logistics-related sectors. In China, domestic demand, including housing sales, personal consumption, and capital investment, continued to slow, resulting in persistently difficult circumstances for production and sales by Japanese companies operating in China. In Southeast Asia, the economy was bolstered by increasing demand for electronic devices and related components, despite inflationary pressure and other factors.

Under such an economic environment, for the Period, the Company posted net sales of 154,564 million yen, up 0.4% year on year. On the profit front, it posted operating profit of 10,218 million yen, up 6.2% year on year, ordinary profit of 10,832 million yen, up 11.0% year on year, and profit attributable to owners of parent of 8,873 million yen, up 40.9% year on year, reflecting the reduction of cross-shareholdings.

Business performance by segment is as follows.

1) Logistics Business

For port operation & global logistics, while domestic export operations increased, the handling volume of ocean containers and warehouse operations decreased.

For 3PL & general logistics, the Company continued to implement unit price increases with main customers. In general logistics, profitability of local subsidiaries improved due to the commencement of domestic new operations and cost-cutting measures within the China region. On the other hand, the Company experienced a decrease in ad-hoc projects in Japan and rising startup expenses for new overseas warehouses.

For on-site logistics, profitability improved due to contract extensions overseas, despite partial withdrawal from operations and a decline in handling volume in Japan.

As a result, the Logistics Business posted net sales of 74,999 million yen, up 1.2% year on year, and segment profit (operating profit) of 2,108 million yen, down 14.7% year on year.

Net sales of the Logistics Business accounted for 48.5% of the total net sales for the Period.

2) Plant Engineering Business

For facility works, against a backdrop of the transitional phase of demand mainly for domestic facility upgrading and decarbonization, construction and dismantling works of steel- and chemical-related facilities, and environment-related projects decreased in Japan. Additionally, EV-related construction works in the previous fiscal year decreased.

Maintenance increased year on year, driven by the impact of the new addition of a subsidiary subject to consolidation in March 2026. In addition, the amount of work in SDM (Turnaround Maintenance) in Japan increased due to a major year.

As a result, the Plant Engineering Business posted net sales of 72,657 million yen, on par with the same quarter of the previous fiscal year, and segment profit (operating profit) of 7,555 million yen, up 14.0% year on year.

Net sales of the Plant Engineering Business accounted for 47.0% of the total net sales for the Period.

3) Others

Leasing of machinery for steel and on-site chemical decreased. On the profit front, the acquisition of new projects, a decrease in costs for the new purchase of equipment and materials, and other factors contributed to an increase in profit.

As a result, Others posted net sales of 6,907 million yen, down 3.5% year on year, and segment profit (operating profit) of 530 million yen, up 5.0% 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 increased by 12,607 million yen, or 4.7% from the end of the previous fiscal year, to 281,863 million yen. This was mainly due to an increase in prepaid expenses, etc.

(Non-current assets)

Non-current assets at the end of the Period decreased by 1,248 million yen, or 0.4% from the end of the previous fiscal year, to 289,242 million yen. This was mainly due to a decrease resulting from the sale of investment securities, etc.

(Current liabilities)

Current liabilities at the end of the Period increased by 2,942 million yen, or 2.0% from the end of the previous fiscal year, to 153,707 million yen. This was mainly due to the issuance of commercial papers for the purpose of providing seasonal and other funds, etc.

(Non-current liabilities)

Non-current liabilities at the end of the Period increased by 5,572 million yen, or 5.5% from the end of the previous fiscal year, to 107,565 million yen. This was mainly due to an increase in long-term borrowings, etc.

(Net assets)

Net assets at the end of the Period increased by 2,844 million yen, or 0.9% from the end of the previous fiscal year, to 309,832 million yen. This was mainly due to the difference between an increase in retained earnings associated with profit in the Period and an increase in foreign currency translation adjustment, and a decrease in retained earnings associated with payment of dividends.

The equity ratio at the end of the Period decreased by 0.6% from the end of the previous fiscal year, to 53.6%.

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

No revisions have been made to the financial forecasts for the six months ending September 30, 2026 or for the full-year for the fiscal year ending March 31, 2027, which were announced on May 14, 2026.

2. Quarterly Consolidated Financial Statements and Principal Notes

(1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	46,141	53,263
Notes and accounts receivable - trade, and contract assets	209,427	208,470
Securities	995	634
Costs on uncompleted construction contracts	795	837
Other inventories	2,926	3,006
Other	9,309	16,019
Allowance for doubtful accounts	(340)	(368)
Total current assets	269,255	281,863
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	74,022	86,704
Land	58,386	58,239
Other, net	57,991	45,759
Total property, plant and equipment	190,400	190,703
Intangible assets		
Goodwill	7,635	7,421
Other	7,760	7,664
Total intangible assets	15,395	15,086
Investments and other assets		
Investment securities	43,676	42,399
Other	42,444	42,439
Allowance for doubtful accounts	(1,425)	(1,387)
Total investments and other assets	84,695	83,451
Total non-current assets	290,490	289,242
Total assets	559,746	571,105

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	49,752	43,569
Short-term borrowings	23,591	21,838
Commercial papers	30,000	40,000
Income taxes payable	6,471	7,018
Contract liabilities	2,798	2,838
Provision for bonuses	8,196	1,880
Other	29,953	36,559
Total current liabilities	150,764	153,707
Non-current liabilities		
Bonds payable	15,000	15,000
Long-term borrowings	23,424	29,411
Retirement benefit liability	32,641	32,908
Asset retirement obligations	6,041	6,064
Other	24,885	24,181
Total non-current liabilities	101,993	107,565
Total liabilities	252,758	261,272
Net assets		
Shareholders' equity		
Share capital	28,619	28,619
Capital surplus	12,715	12,716
Retained earnings	232,979	235,436
Treasury shares	(17,118)	(17,120)
Total shareholders' equity	257,196	259,651
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	18,772	17,777
Deferred gains or losses on hedges	0	—
Revaluation reserve for land	(168)	(168)
Foreign currency translation adjustment	16,733	18,365
Remeasurements of defined benefit plans	10,634	10,345
Total accumulated other comprehensive income	45,972	46,319
Non-controlling interests	3,818	3,861
Total net assets	306,988	309,832
Total liabilities and net assets	559,746	571,105

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income

For the Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Net sales	153,954	154,564
Cost of sales	136,807	136,019
Gross profit	17,147	18,544
Selling, general and administrative expenses	7,523	8,325
Operating profit	9,623	10,218
Non-operating income		
Interest income	171	190
Dividend income	519	569
Other	320	426
Total non-operating income	1,011	1,186
Non-operating expenses		
Interest expenses	318	377
Other	558	195
Total non-operating expenses	876	572
Ordinary profit	9,758	10,832
Extraordinary profit		
Gain on sales of investment securities	—	3,218
Subsidy income	—	371
Compensation income	339	—
Total extraordinary profit	339	3,589
Profit before income taxes	10,098	14,422
Income taxes	3,781	5,519
Profit	6,316	8,902
Profit attributable to non-controlling interests	19	29
Profit attributable to owners of parent	6,296	8,873

Quarterly Consolidated Statements of Comprehensive Income
For the Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Profit	6,316	8,902
Other comprehensive income		
Valuation difference on available-for-sale securities	421	(996)
Deferred gains or losses on hedges	5	(0)
Foreign currency translation adjustment	(3,712)	1,652
Remeasurements of defined benefit plans, net of tax	(262)	(289)
Total other comprehensive income	(3,547)	365
Comprehensive income	2,769	9,268
Comprehensive income attributable to:		
Owners of parent	2,937	9,220
Non-controlling interests	(167)	48

(3) Notes to Quarterly Consolidated Financial Statements
(Notes on Going Concern Assumption)
Not applicable.

(Notes in Cases of Significant Changes in Shareholders' Equity)
For the three months ended June 30, 2025 (From April 1, 2025 to June 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 501,300 shares of common stock for 3,564 million yen. As a result, the balance of treasury shares during the Period increased by 3,564 million yen.

For the three months ended June 30, 2026 (From April 1, 2026 to June 30, 2026)
Not applicable.

(Adoption of Accounting Treatment Specific to the Preparation of Quarterly 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 three months ended June 30, 2026.

(Changes in accounting policies)

The Company has adopted the "Accounting Standard for Interim Financial Reporting" (ASBJ Statement No. 37, October 16, 2025) and other standards from the beginning of the first quarter ended June 30, 2026. Consequently, the Company has changed the method for recognizing impairment losses on securities and for writing down the book value of inventories from the "non-reversal method" to the "interim reversal method." This change in accounting policy has no impact on the quarterly consolidated financial statements.

(Segment Information, etc.)

[Segment information]

I. For the three months ended June 30, 2025 (from April 1, 2025 to June 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 quarterly consolidated statements of income (Note 3)
	Logistics Business	Plant Engineering Business	Total				
Net sales							
Net sales to external customers	74,141	72,655	146,796	7,158	153,954	—	153,954
Inter-segment sales or transfers	758	977	1,736	486	2,222	(2,222)	—
Total	74,900	73,632	148,532	7,644	156,177	(2,222)	153,954
Segment profit	2,471	6,625	9,096	504	9,601	21	9,623

- (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 21 million yen are adjustments of unrealized gain.
3. Segment profit is adjusted with operating profit in the quarterly consolidated statements of income.

II. For the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

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 quarterly consolidated statements of income (Note 3)
	Logistics Business	Plant Engineering Business	Total				
Net sales							
Net sales to external customers	74,999	72,657	147,657	6,907	154,564	—	154,564
Inter-segment sales or transfers	872	908	1,781	478	2,260	(2,260)	—
Total	75,872	73,566	149,438	7,386	156,824	(2,260)	154,564
Segment profit	2,108	7,555	9,664	530	10,194	23	10,218

- (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 23 million yen are adjustments of unrealized gain.
3. Segment profit is adjusted with operating profit in the quarterly consolidated statements of income.

(Notes to Statements of Cash Flows)

Quarterly Consolidated Statements of Cash Flows has not been prepared for the Period. The amounts of depreciation (including amortization of intangible assets except goodwill) and amortization of goodwill for the Period are as follows.

(Million yen)

	For the three months ended June 30, 2025	For the three months ended June 30, 2026
Depreciation	4,961	5,058
Amortization of goodwill	48	213

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.