

Cover page

[Document title]	Annual Securities Report
[Clause of stipulation]	Article 24, paragraph (1) of the Financial Instruments and Exchange Act
[Place of filing]	Director-General, Kanto Local Finance Bureau
[Filing date]	June 26, 2026
[Fiscal year]	The 85th Fiscal Year (from April 1, 2025 to March 31, 2026)
[Company name]	NIKKON Holdings Kabushiki Kaisha
[Company name in English]	NIKKON Holdings Co., Ltd.
[Title and name of representative]	President and Representative Director, Masakatsu Kuroiwa
[Address of registered headquarter]	6-17 Akashi-cho Chuo-ku, Tokyo
[Telephone number]	03-3541-5330 (main phone number)
[Name of contact person]	Representative Director and Managing Executive Officer, Yasunori Matsuda
[Nearest place of contact]	6-17 Akashi-cho Chuo-ku, Tokyo
[Telephone number]	03-3541-5330 (main phone number)
[Name of contact person]	Representative Director and Managing Executive Officer, Yasunori Matsuda
[Place for public inspection]	Tokyo Stock Exchange, Inc. (2-1 Nihombashi Kabutocho, Chuo-ku, Tokyo)

Part I. Company Information

I. Overview of Company

1. Key financial data

(1) Key financial data of group

Fiscal term	81st fiscal year	82nd fiscal year	83rd fiscal year	84th fiscal year	85th fiscal year
Period of account	March 2022	March 2023	March 2024	March 2025	March 2026
Net sales (millions of yen)	198,159	212,071	222,324	247,890	269,862
Ordinary profit (millions of yen)	21,584	22,108	23,875	23,969	24,853
Profit attributable to owners of parent (millions of yen)	14,741	15,913	16,608	16,550	17,493
Comprehensive income (millions of yen)	15,710	18,753	27,315	12,732	20,183
Net assets (millions of yen)	219,035	229,399	246,445	250,635	242,805
Total assets (millions of yen)	339,475	360,748	388,446	431,273	436,395
Net assets per share (yen)	1,667.35	1,783.16	1,949.93	1,998.82	2,037.86
Earnings per share (yen)	112.20	123.31	130.49	133.99	146.62
Diluted earnings per share (yen)	111.91	123.01	130.27	123.25	134.17
Equity ratio (%)	64.4	63.4	63.3	56.0	54.5
Return on equity (%)	6.9	7.1	7.0	6.8	7.3
Price-earnings ratio (times)	9.1	10.0	11.3	20.1	29.0
Net cash provided by (used in) operating activities (millions of yen)	28,985	32,547	31,107	27,642	38,157
Net cash provided by (used in) investing activities (millions of yen)	(31,567)	(22,548)	(24,340)	(53,978)	(25,564)
Net cash provided by (used in) financing activities (millions of yen)	759	(208)	(4,408)	19,076	(11,119)
Cash and cash equivalents at end of period (millions of yen)	29,157	39,460	42,796	35,937	36,705
Number of employees (Average number of part-time employees not included in the above numbers) (persons)	12,669 (3,760)	12,855 (3,301)	12,802 (3,419)	13,762 (3,606)	13,746 (2,851)

- (Notes) 1. The Company has conducted a share split with an effective date of October 1, 2024 in the ratio of one share to two shares. Net assets per share, earnings per share, and diluted earnings per share are calculated on the assumption that the said share split was conducted at the beginning of the 81st fiscal year.
2. The number of employees shows the number of full-time employees.
3. In the 85th fiscal year, the provisional accounting treatment for business combinations was finalized. Accordingly, the relevant key financial data for the 84th fiscal year reflect the content of the finalized provisional accounting treatment.

(2) Key financial data of reporting company

Fiscal term	81st fiscal year	82nd fiscal year	83rd fiscal year	84th fiscal year	85th fiscal year
Period of account	March 2022	March 2023	March 2024	March 2025	March 2026
Operating revenue (millions of yen)	9,767	10,053	10,863	9,610	12,553
Ordinary profit (millions of yen)	8,843	8,852	9,696	6,605	9,498
Profit (millions of yen)	8,425	8,378	9,159	6,403	9,219
Capital stock (millions of yen)	11,316	11,316	11,316	11,316	11,316
Total number of issued shares (shares)	68,239,892	65,739,892	63,239,892	126,479,784	126,479,784
Net assets (millions of yen)	123,712	124,413	130,254	114,797	101,894
Total assets (millions of yen)	214,252	231,160	247,467	266,548	272,209
Net assets per share (yen)	942.39	967.67	1,031.44	948.38	872.13
Dividends per share (yen)	34.50	49.50	52.50	81.00	75.00
(Of the above, interim dividends per share)	(17.00)	(24.00)	(25.00)	(54.00)	(37.00)
Earnings per share (yen)	64.13	64.92	71.97	51.84	77.27
Diluted earnings per share (yen)	63.96	64.77	71.84	47.67	70.67
Equity ratio (%)	57.6	53.7	52.6	43.0	37.4
Return on equity (%)	6.9	6.8	7.2	5.2	8.5
Price-earnings ratio (times)	15.9	19.1	20.5	51.9	55.0
Dividend payout ratio (%)	53.8	76.2	73.0	104.2	97.1
Number of employees (persons)	32	33	39	42	43
(Average number of part-time employees not included in the above numbers)	(7)	(6)	(6)	(5)	(6)
Total shareholder return (%)	95.1	118.9	145.2	259.3	406.5
(Comparison index: TOPIX total return index) (%)	(102.0)	(107.9)	(152.5)	(150.2)	(202.2)
Share-price highs (yen)	2,516	2,647	3,417	2,750 (3,850)	5,432
Share-price lows (yen)	1,959	1,841	2,407	1,850.5 (2,725.5)	2,571.5

- (Notes) 1. The Company has conducted a share split with an effective date of October 1, 2024 in the ratio of one share to two shares. Net assets per share, earnings per share, and diluted earnings per share are calculated on the assumption that the said share split was conducted at the beginning of the 81st fiscal year.
2. The Company has conducted a share split with an effective date of October 1, 2024 in the ratio of one share to two shares. For the dividends per share for the 84th fiscal year, the annual dividend of 81 yen represents the simple sum of 54 yen as the interim dividend before the share split and 27 yen as the year-end dividend after the share split. For the dividends per share for the 84th fiscal year without taking the share split into account, the year-end dividend is 54 yen and the annual dividend is 108 yen.
3. The number of employees shows the number of full-time employees.
4. Share-price highs and lows are those recorded on the Prime Market of the Tokyo Stock Exchange on and after April 4, 2022 and on the First Section of the Tokyo Stock Exchange before then.
5. The Company has conducted a share split with an effective date of October 1, 2024 in the ratio of one share to two shares. For share prices for the 84th fiscal year, share-price highs and lows after the share split are stated, while those before the share split are stated in parenthesis.

2. History

The Company was founded as NIPPON KONPO UNPAN CO., LTD. on August 27, 1953. On May 25, 1965, the Company was absorbed by TOYO KASEI KOGYO CO., LTD. established on December 7, 1950 (its business operations were suspended in February 1962 and its trade name was changed to NIPPON KONPO UNPAN CO., LTD. in April 1963) through a merger for the purpose of changing its stock face value. On October 1, 1968, the Company changed its trade name to NIPPON KONPO UNYU SOKO CO., LTD. As a result of transitioning to a holdings company structure on October 1, 2015, the Company changed its trade name to NIKKON Holdings Co., Ltd., which has been used until now.

Establishment	On August 27, 1953, the Company established its head office at 1-3 Tsukiji, Chuo-ku, Tokyo and was founded for the purpose of operating small land transportation and freight forwarding business, motor trucking business, railway freight forwarding business, consigned freight packaging and packing, sales of packing materials and non-life insurance agency business.
1953	The head office was moved to 2-4, Irifunecho, Chuo-ku, Tokyo. Upon obtaining a general compact motor transportation business license, the transportation business was commenced.
1955	The head office was moved to 8 Akashi-cho, Chuo-ku, Tokyo (present 6-17 Akashi-cho Chuo-ku, Tokyo due to the new addressing system).
1956	Developed a two-floor vehicle and established the company flag and company emblem.
1959	Acquired ATSUTA KYUHAI CO., LTD. (consolidated subsidiary) in Nagoya-shi, Aichi, and TOYOTA KAMOTSU JIDOSHA UNSO CO., LTD. (consolidated subsidiary) in Yokkaichi-shi, Mie.
1960	ATSUTA KYUHAI CO., LTD. in Nagoya-shi, Aichi changed its trade name to NAGOYA KONPO UNPAN CO., LTD., and TOYOTA KAMOTSU JIDOSHA UNSO CO., LTD. in Yokkaichi-shi, Mie to NIPPON RIKUSO Co., Ltd.
1961	The stock was registered over-the-counter in Tokyo.
1964	Received a warehousing business license (present NIPPON KONPO UNYU SOKO CO., LTD., Miyoshi Business Office, consolidated subsidiary).
1965	Absorbed into NIPPON KONPO UNPAN CO., LTD., a company with a same name, through a merger.
1966	Established NIPPON UNYU CO., LTD. (consolidated subsidiary) in Oizumi-machi, Ora-gun, Gunma.
1968	The trade name was changed to NIPPON KONPO UNYU SOKO CO., LTD. (present NIKKON Holdings Co., Ltd.).
1970	Listed on the Second Section of the Tokyo Stock Exchange.
1971	Established AUTO TECHNIC CO., LTD. (consolidated subsidiary) in Asaka-shi, Saitama.
1973	After obtaining a permission for customs clearance services, commenced operations at the Yokohama Business Office.
1974	Established NICHYU SHOJI CO., LTD. (consolidated subsidiary) in Itabashi-ku, Tokyo.
1977	Acquired AZUMA SOKO CO., LTD. (consolidated subsidiary) in Urawa-shi, Saitama (present Saitama-shi).
1978	Established TECHNIC SERVICE Co., Ltd. (consolidated subsidiary) in Suzuka-shi, Mie.
1981	Acquired NIPPON KONPO UNYU CO., LTD. (present NIKKON LOGISTICS CO., LTD., a consolidated subsidiary) in Tawaramoto-cho, Shiki-gun, Nara.
1982	Established Auto Technic Japan Co., Ltd. (consolidated subsidiary) in Haga-machi, Haga-gun, Tochigi. Developed a full trailer with three-stage loading.
1988	Established COSMO GIKEN CO., LTD. (present Nikkon Kyusyu Co., Ltd., a consolidated subsidiary) in Kikuyo-machi, Kikuchi-gun, Kumamoto.
1989	Established NK PARTS INDUSTRIES, INC. (consolidated subsidiary) in Sydney, Ohio, U.S.A. Developed Japan's first vehicle telescopic trailer. Developed a two-stage floor lift-up container for JR specifications.
1990	NAGOYA KONPO UNPAN CO., LTD. changed its trade name to MEIKON CO., LTD. Obtained an IATA agency qualification and commenced international air freight agency services.
1993	Established NK Engineering Co., Ltd. (consolidated subsidiary) in Sayama-shi, Saitama.
1994	Established A.N.I. LOGISTICS, LTD. (consolidated subsidiary) in Uthai District, Ayutthaya, Thailand. Established NANJING NIKKON LOGISTICS CO., LTD. (present NIKKON LOGISTICS CHINA CO., LTD., a consolidated subsidiary) in Nanjing, Jiangsu Province, China.
1997	Changed the listing to the First Section of the Tokyo Stock Exchange.

- 2000 Established NK AMERICA, INC. (consolidated subsidiary) in Sydney, Ohio, U.S.A. Yokohama Business Office was established in Daikoku Pier (Tsurumi-ku, Yokohama-shi) as a base in the port area (present NIPPON KONPO UNYU SOKO CO., LTD., Daikoku Business Office, consolidated subsidiary). Obtained a permission for special group cargo motor trucking.
- 2004 Obtained ISO14001 Certification in Tochigi Business Office (present NIPPON KONPO UNYU SOKO CO., LTD., consolidated subsidiary). Established NKA TRANSPORTATION, INC. (consolidated subsidiary) and NKA LOGISTICS, INC. (consolidated subsidiary) in Sydney, Ohio, U.S.A.
- 2006 Established NIPPON KONPO VIETNAM CO., LTD. (consolidated subsidiary) in Hanoi, Vietnam. Completed the new headquarters building at 6-17 Akashi-cho Chuo-ku, Tokyo (within the premises of the former headquarters). Acquired Ryoji Unyu Co., Ltd. (consolidated subsidiary) in Itabashi-ku, Tokyo.
- 2008 Established NKA CUSTOMS SERVICE, INC. (consolidated subsidiary) in Sydney, Ohio, U.S.A.
- 2010 Acquired CHUETSUTEC Co., Ltd. (consolidated subsidiary) in Koto-ku, Tokyo. As a result of the acquisition of CHUETSUTEC Co., Ltd., Sapporo Shinbun Yuso Co., Ltd., its subsidiary, became a consolidated subsidiary of the Company.
- 2011 Established A.N.I. TRANSPORT, LTD. (consolidated subsidiary) in Uthai District, Ayutthaya, Thailand. Established NKP MEXICO, S.A. de C.V. (consolidated subsidiary) in El Salto, State of Jalisco, Mexico.
- 2013 Acquired SHINEI SOKO CO., LTD. in Kaisei-machi, Ashigarakami-gun, Kanagawa (a consolidated subsidiary, merged into present NIPPON KONPO UNYU SOKO CO., LTD. in the same year). Established AUTO TECHNIC AMERICAS, INC. (consolidated subsidiary) in Sydney, Ohio, U.S.A.
- 2014 Acquired ITO-EXPRESS CO., LTD. (consolidated subsidiary) in Seto-shi, Aichi. Launched the next-generation environmental full-trailer (21 m) truck operations. Established SAYAMA NIKKON CO., LTD. in Hidaka-shi, Saitama, OGAWA NIKKON CO., LTD. in Ogawa-machi, Hiki-gun, Saitama, FUJISAWA NIKKON CO., LTD. in Fujisawa-shi, Kanagawa, NIIGATA NIKKON CO., LTD. in Niigata-shi, Niigata, MATSUMOTO NIKKON CO., LTD. in Matsumoto-shi, Nagano, SUZUKA NIKKON CO., LTD. in Suzuka-shi, Mie, and GUNMA NIKKON CO., LTD. in Ota-shi, Gunma (all of the above are consolidated subsidiaries).
- 2015 With the transition to a holding company structure, the Company changed its trade name to NIKKON Holdings Co., Ltd., and transferred most of its business to the newly established NIPPON KONPO UNYU SOKO CO., LTD. (consolidated subsidiary), a spin-off from the Company.
Established SENDAI NIKKON CO., LTD. in Sendai-shi, Miyagi, CHIBA NIKKON CO., LTD. in Funabashi-shi, Chiba, SIAM AUTO TECHNIC CO., LTD. in Uthai District, Ayutthaya, Thailand, and NIKKON Moving Co., Ltd. and NIKKON Information Systems Co., Ltd. in Chuo-ku, Tokyo (all of the above are consolidated subsidiaries).
- 2016 Established GINZA Consulting Co., Ltd. and NK International Co., Ltd. in Chuo-ku, Tokyo, NIKKON CHONGQING LOGISTICS CO., LTD. in Chongqing, China, KANAZAWA NIKKON CO., LTD. in Hakusan-shi, Ishikawa, and NAGOYA NIKKON CO., LTD. in Nagoya-shi, Aichi (all of the above are consolidated subsidiaries).
Higashi Soko Co. Ltd., was merged into NIPPON KONPO UNYU SOKO CO., LTD., which is a consolidated subsidiary.
- 2017 Acquired BANDO SANGYO CO., LTD. in Koto-ku, Tokyo. Thereafter, it was merged into NIPPON KONPO UNYU SOKO CO., LTD., which is a consolidated subsidiary.
PT NIPPON KONPO INDONESIA in Jakarta, Indonesia, and NIPPON KONPO INDIA PRIVATE LTD. in Gurugram, Haryana, India were converted to consolidated subsidiaries.
- 2018 Acquired MATSUHISA UNYU CO., LTD. in Sakahogi-cho, Kamo-gun, Gifu and MATSUHISA SOUGOU CO., LTD. in Minokamo-shi, Gifu (both of the above are consolidated subsidiaries).
- 2019 Established NK LOGISTICA MEXICO, S. A. de C. V. (consolidated subsidiary) in Apaseo el Grande, Guanajuato, Mexico.
MATSUHISA Unyu Co., Ltd. was merged into MATSUHISA SOUGOU CO., LTD., which is a consolidated subsidiary.
CHUGOKU BUTSURYU SERVICE CO., LTD. in Setouchi-shi, Okayama and CHUETSU YUSOU Co, Ltd. in Satumasendai-shi, Kagoshima, which is a subsidiary of CHUETSUTEC Co, Ltd. (consolidated subsidiary), were converted to consolidated subsidiaries.
- 2021 NICHIIYU SHOJI CO., LTD. was merged into AUTO TECHNIC CO., LTD., which is a consolidated subsidiary.

- 2022 Acquired Yaskawa Transport Co., Ltd. (consolidated subsidiary) in Kitakyushu-shi, Fukuoka. The trade name was changed to NIKKON KITAKYU CO., LTD.
Due to the revision of the market segment of the Tokyo Stock Exchange, the Company transitioned from the First Section of the Tokyo Stock Exchange to the Prime Market of the same Exchange.
- 2024 Acquired MITSUBA Logistics Co., Ltd. (consolidated subsidiary) in Ota-shi, Gunma. The trade name was changed to NIKKON Ryomo CO., LTD.
Established NK NORTH AMERICA, INC. (consolidated subsidiary) in Wilmington, Delaware, U.S.A. Acquired equity interests in SUPREME AUTO TRANSPORT, LLC. (consolidated subsidiary) in Longmont, Colorado, U.S.A. Accordingly, SUPREME EQUIPMENT COMPANY, LLC., its subsidiary, became a consolidated subsidiary of the Company.
- 2025 Acquired CHUOH PACK INDUSTRY CO., LTD. (consolidated subsidiary) in Kiyosu-shi, Aichi. Accordingly, CHUOH KOSAN CO., LTD., CHUOH CONTAINER Co., Ltd., and CHUOH PACK (MALAYSIA) SDN. BHD. became consolidated subsidiaries of the Company

3. Description of business

The NIKKON Group consists of the Company and its 85 subsidiaries and affiliated companies, and mainly engages in transportation, warehousing, packaging, and testing businesses, and businesses incidental to them.

The Company is a specified listed company stipulated in Article 49, paragraph (2) of the Cabinet Office Order on Restrictions on Securities Transactions. Accordingly, criteria for considering a material fact to be of minor importance with respect to insider trading regulations are decided based on consolidated figures.

The following is a description of the businesses of the NIKKON Group, which is consistent with business segments.

Transportation business: engages in the transportation of finished four-wheeled vehicles and motorcycles, automotive parts, housing equipment, agricultural machinery and others. NIPPON KONPO UNYU SOKO CO., LTD. and other 57 subsidiaries and affiliated companies engage in the warehousing business.

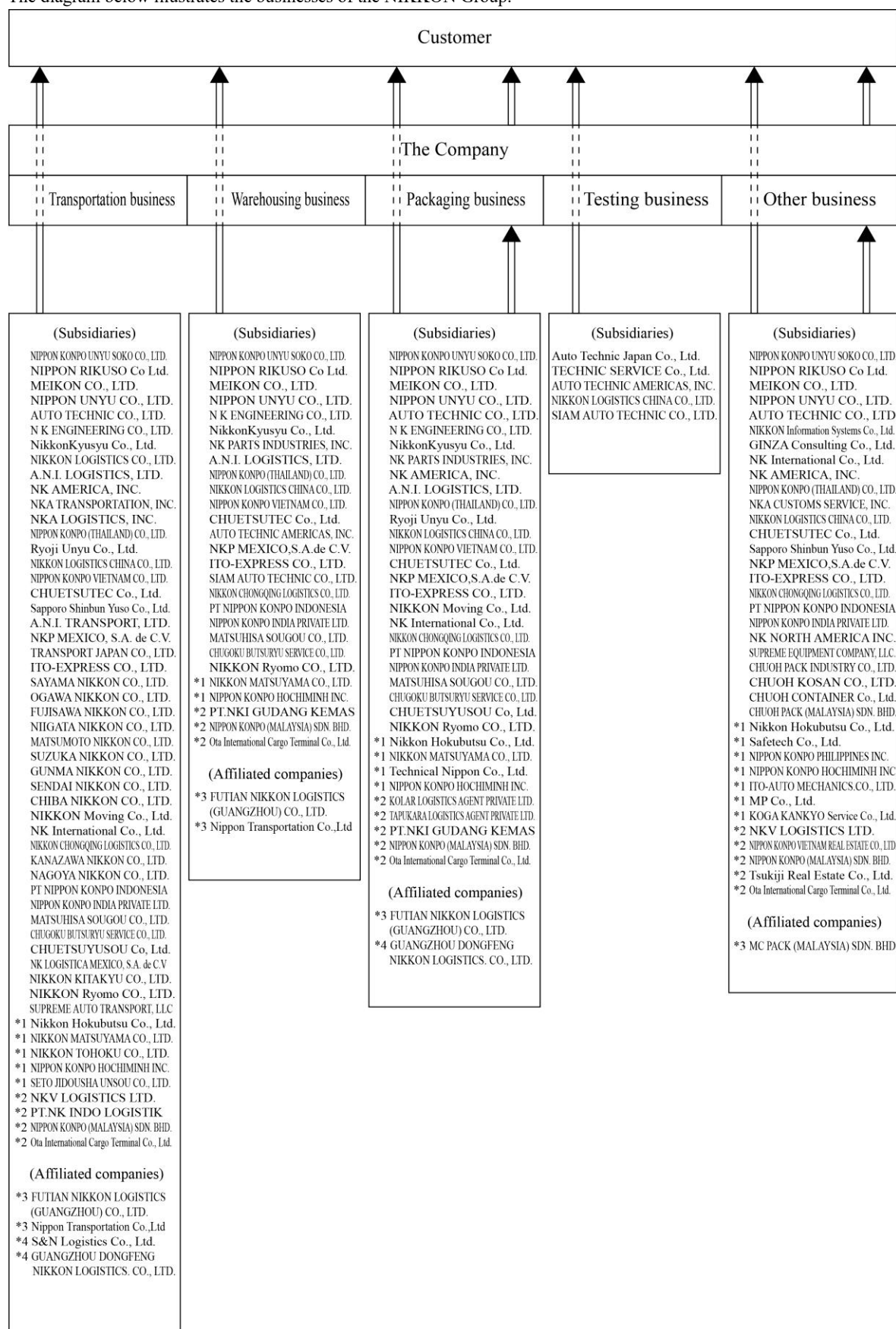
Warehousing business: engages in the storage of finished four-wheeled vehicles and motorcycles, automotive parts, housing equipment, agricultural machinery and others. NIPPON KONPO UNYU SOKO CO., LTD. and other 28 subsidiaries and affiliated companies engage in the warehousing business.

Packaging business: engages in processing for distribution, delivery agency of automotive parts and others, export packing and other operations. The Company and NIPPON KONPO UNYU SOKO CO., LTD. as well as other 36 subsidiaries and affiliated companies engage in other businesses.

Testing business: engages in testing finished four-wheeled vehicles and motorcycles, automotive parts, agricultural machinery and others. Auto Technic Japan Co., Ltd. and four subsidiaries and affiliated companies engage in the testing business.

Other businesses: engage in customs clearance services, repairs and maintenance of vehicles, etc., sales of petroleum products, non-life insurance agency business, sales, leasing and intermediary management of real property, disposal and collection of waste, electric power generation and sales of electricity, and manufacturing and sales of packaging materials. The Company and NIPPON KONPO UNYU SOKO CO., LTD. as well as other 37 subsidiaries and affiliated companies engage in other businesses.

The diagram below illustrates the businesses of the NIKKON Group.



(Note) Companies with no mark: Consolidated subsidiaries

- *1. Unconsolidated subsidiaries which are entities accounted for using equity method.
- *2. Unconsolidated subsidiaries which are entities not accounted for using equity method.
- *3. Affiliated companies accounted for using equity method.

*4. Affiliated companies not accounted for using equity method.

4. Subsidiaries and other affiliated entities

Name	Address	Paid-in capital or capital contribution (millions of yen)	Principal business	Ratio of voting rights holding (held) (%)	Relationship
(Consolidated subsidiaries)					
* 4, 5, 6, 7 NIPPON KONPO UNYU SOKO CO., LTD.	Chuo-ku, Tokyo	500	Transportation business and others	100	Partial entrustment or acceptance of entrustment of business Partial lease of land and buildings Two concurrently serving officers Financing and lending of funds
* 5 NIPPON RIKUSO Co., Ltd.	Suzuka-shi, Mie	90	Transportation business and others	100	Financing and lending of funds
* 5 MEIKON CO., LTD.	Komaki-shi, Aichi	48	Transportation business and others	100	Financing and lending of funds
* 5 NIPPON UNYU CO., LTD.	Oizumi-machi, Ora-gun, Gunma	360	Transportation business and others	100	Financing and lending of funds One concurrently serving officer
* 5 AUTO TECHNIC CO., LTD.	Sayama-shi, Saitama	32	Packaging business and others	100	Financing
* 5 Auto Technic Japan Co., Ltd.	Haga-machi, Haga-gun, Tochigi	40	Testing business	100	Partial lease of land and buildings One concurrently serving officer Financing
* 5 NK Engineering Co., Ltd.	Haga-machi, Haga-gun, Tochigi	50	Packaging business and others	100	Partial lease of land and buildings One concurrently serving officer Financing
* 5 Nikkon Kyusyu Co., Ltd.	Otsu-cho, Kikuchi-gun, Kumamoto	10	Transportation business and others	100	Financing One concurrently serving officer
* 5 NIKKON LOGISTICS CO., LTD.	Osaka-shi, Osaka	10	Transportation business	100 (100)	Financing
* 4 NK PARTS INDUSTRIES, INC.	Sydney, Ohio, U.S.A.	Thousand U.S. dollars 17,500	Packaging business and others	100	One concurrently serving officer
* 5 TECHNIC SERVICE Co., LTD.	Suzuka-shi, Mie	20	Testing business	100	Financing
* 4 A.N.I. LOGISTICS, LTD.	Uthai District, Ayutthaya, Thailand	Million THB 373	Packaging business and others	99 (50)	One concurrently serving officer
NK AMERICA, INC.	Sydney, Ohio, U.S.A.	Thousand U.S. dollars 1,000	Other businesses, etc.	100 (80)	One concurrently serving officer
NKA TRANSPORTATION, INC.	Sydney, Ohio, U.S.A.	Thousand U.S. dollars 200	Transportation business	100 (100)	One concurrently serving officer
NKA LOGISTICS, INC.	Sydney, Ohio, U.S.A.	Thousand U.S. dollars 5	Transportation business	100 (100)	One concurrently serving officer
NIPPON KONPO (THAILAND) CO., LTD.	Uthai District, Ayutthaya, Thailand	Million THB 344	Packaging business and others	99 (51)	One concurrently serving officer

Name	Address	Paid-in capital or capital contribution (millions of yen)	Principal business	Ratio of voting rights holding (held) (%)	Relationship
* 5 Ryoji Unyu Co., Ltd.	Kawasaki-shi, Kanagawa	48	Transportation business and others	100	Financing
NKA CUSTOMS SERVICE, INC.	Sydney, Ohio, U.S.A.	Thousand U.S. dollars 80	Other businesses	100 (100)	One concurrently serving officer
NIKKON LOGISTICS CHINA CO., LTD.	Nanjing, Jiangsu Province, China	Million CNY 58	Other businesses, etc.	100	One concurrently serving officer
NIPPON KONPO VIETNAM CO., LTD.	Hanoi, Vietnam	Million VND 64,338	Transportation business and others	100	—
* 5 CHUETSUTEC Co., Ltd.	Koto-ku, Tokyo	96	Transportation business and others	100	One concurrently serving officer Financing
Sapporo Shinbun Yuso Co., Ltd.	Sapporo-shi, Hokkaido	15	Transportation business	94 (94)	One concurrently serving officer
A.N.I. TRANSPORT, LTD.	Uthai District, Ayutthaya, Thailand	Million THB 1	Transportation business	99 (99)	One concurrently serving officer
* 4 NKP MEXICO, S.A. DE C.V.	Apaseo el Grande, Guanajuato, Mexico	Thousand MXN 249,169	Transportation business and others	100 (67)	Lending of funds
AUTO TECHNIC AMERICAS, INC.	Sydney, Ohio, U.S.A.	Thousand U.S. dollars 650	Testing business and others	100 (100)	—
* 5 TRANSPORT JAPAN CO., LTD.	Koto-ku, Tokyo	10	Transportation business	100	One concurrently serving officer Financing
* 5 ITO-EXPRESS CO., LTD.	Seto-shi, Aichi	80	Transportation business and others	100	Financing and lending of funds
* 5 SAYAMA NIKKON CO., LTD.	Hidaka-shi, Saitama	10	Transportation business	100 (100)	Financing
* 5 OGAWA NIKKON CO., LTD.	Ogawa-machi, Hiki-gun, Saitama	10	Transportation business	100 (100)	Financing
* 5 FUJISAWA NIKKON CO., LTD.	Fujisawa-shi, Kanagawa	10	Transportation business	100 (100)	Financing
* 5 NIIGATA NIKKON CO., LTD.	Niigata-shi, Niigata	10	Transportation business	100 (100)	Financing
* 5 MATSUMOTO NIKKON CO., LTD.	Matsumoto-shi, Nagano	10	Transportation business	100 (100)	Financing

Name	Address	Paid-in capital or capital contribution (millions of yen)	Principal business	Ratio of voting rights holding (held) (%)	Relationship
* 5 SUZUKA NIKKON CO., LTD.	Suzuka-shi, Mie	10	Transportation business	100 (100)	Financing
* 5 GUNMA NIKKON CO., LTD.	Ota-shi, Gunma	10	Transportation business	100 (100)	Financing
* 5 SENDAI NIKKON CO., LTD.	Sendai-shi, Miyagi	10	Transportation business	100 (100)	Financing
* 5 CHIBA NIKKON CO., LTD.	Funabashi-shi, Chiba	10	Transportation business	100 (100)	Financing
SIAM AUTO TECHNIC CO., LTD.	Uthai District, Ayutthaya, Thailand	Million THB 30	Testing business and others	99 (99)	One concurrently serving officer
* 5 NIKKON Moving Co., Ltd.	Chuo-ku, Tokyo	85	Packaging business and others	100	Partial lease of buildings Financing and lending of funds
* 5 NIKKON Information Systems Co., Ltd.	Chuo-ku, Tokyo	50	Other businesses	100	Partial lease of buildings Financing
* 5 GINZA Consulting Co., Ltd.	Chuo-ku, Tokyo	30	Other businesses	100	Partial lease of buildings One concurrently serving officer Financing
* 5 NK International Co., Ltd.	Chuo-ku, Tokyo	40	Other businesses, etc.	100	Partial lease of buildings One concurrently serving officer Financing and lending of funds
NIKKON CHONGQING LOGISTICS CO., LTD.	Chongqing, China	Million CNY 53	Transportation business and others	100 (49)	One concurrently serving officer
* 5 KANAZAWA NIKKON CO., LTD.	Hakusan-shi, Ishikawa	10	Transportation business	100 (100)	Financing
* 5 NAGOYA NIKKON CO., LTD.	Nagoya-shi, Aichi	10	Transportation business	100 (100)	Financing
* 4 PT NIPPON KONPO INDONESIA	Jakarta, Indonesia	Thousand U.S. dollars 22,900	Transportation business and others	95 [5]	One concurrently serving officer Lending of funds
NIPPON KONPO INDIA PRIVATE LIMITED	Gurugram, Haryana, India	Thousand INR 440,000	Transportation business and others	99 (2)	Lending of funds
* 5 MATSUHISA SOUGOU CO., LTD.	Minokamo-shi, Gifu	10	Transportation business and others	100	Financing

Name	Address	Paid-in capital or capital contribution (millions of yen)	Principal business	Ratio of voting rights holding (held) (%)	Relationship
NK LOGISTICA MEXICO, S.A. DE C.V.	Apaseo el Grande, Guanajuato, Mexico	Thousand MXN 50	Transportation business	— [100]	—
* 5, 7 CHUGOKU BUTSURYU SERVICE CO., LTD.	Setouchi-shi, Okayama	20	Transportation business and others	100	One concurrently serving officer Partial lease of land and buildings Financing
CHUETSU YUSOU Co, Ltd.	Satsumasendai-shi, Kagoshima	16	Transportation business and others	99 (99)	—
* 5 NIKKON KITAKYU CO., LTD.	Kitakyushu-shi, Fukuoka	30	Transportation business and others	86	One concurrently serving officer Financing and lending of funds
NIKKON Ryomo CO., LTD.	Ota-shi, Gunma	70	Transportation business and others	100	—
NK NORTH AMERICA, INC.	Wilmington, Delaware, U.S.A.	Thousand U.S. dollars 1	Other businesses	100	Lending of funds
SUPREME AUTO TRANSPORT, LLC.	Longmont, Colorado, U.S.A.	Thousand U.S. dollars 0	Transportation business	75 (75)	—
SUPREME EQUIPMENT COMPANY, LLC.	Longmont, Colorado, U.S.A.	Thousand U.S. dollars —	Other businesses	75 (75)	—
CHUOH PACK INDUSTRY CO., LTD.	Kiyosu-shi, Aichi	1,077	Other businesses	95	Financing
CHUOH KOSAN CO, LTD.	Kiyosu-shi, Aichi	30	Other businesses	95 (95)	—
CHUOH CONTAINER Co, Ltd.	Kiyosu-shi, Aichi	20	Other businesses	95 (95)	—
CHUOH PACK (MALAYSIA) SDN. BHD.	Selangor, Malaysia	Thousand MYR 2,500	Other businesses	95 (95)	—

(Affiliated companies accounted for using equity method)					
FUTIAN NIKKON LOGISTICS (GUANGZHOU) CO., LTD.	Guangzhou, Guangdong Province, China	Million CNY 228	Transportation business and others	30	One concurrently serving officer
Nippon Transportation Co., Ltd.	Ota-shi, Gunma	50	Transportation business	34	—
MC PACK (MALAYSIA) SDN. BHD.	Selangor, Malaysia	Thousand MYR 2,400	Other businesses	33 (33)	—

(Notes) 1. Names of business described under “Principal business” are the same as those stated in the segment information.

2. None of the above companies file Securities Registration Statements or Securities Reports.

3. Figures in parentheses () in the percentage of voting rights column indicate shares attributable to indirect ownership, which are included in our voting rights holding, and figures in square brackets [] indicate the percentage of ownership of

persons who have a close relationship or persons who have given their consent, which are not included in our voting rights holding.

*4. It means a specified subsidiary.

*5. In order to provide financing, a cash management system (CMS) has been introduced with the Company.

*6. Net sales of NIPPON KONPO UNYU SOKO CO., LTD. (excluding intercompany net sales among consolidated subsidiaries) accounted for more than 10% of the total consolidated net sales.

Key profit/loss information:	(1) Net sales	113,099 million yen
	(2) Ordinary profit	9,810 million yen
	(3) Profit	6,890 million yen
	(4) Net assets	126,437 million yen
	(5) Total assets	184,253 million yen

*7 As of April 1, 2026, NIPPON KONPO UNYU SOKO CO., LTD. and CHUGOKU BUTSURYU SERVICE CO., LTD. changed their trade name to NIKKON Logistics CO., LTD. and NIKKON WEST CO., LTD., respectively.

II. Overview of Business

1. Management policy, business environment, issues to address, etc.

The NIKKON Group's basic philosophy is "to contribute to the prosperity of our customers, shareholders, employees, and society by leading the way in creating joy, value, and an environment that can be shared through business logistics based on a global perspective." Based on this philosophy, and through sound business activities, we will fulfill our corporate responsibility to our customers, shareholders and local communities and contribute to the development of the nation and local communities.

During the fiscal year ended March 31, 2026, the Japanese economy showed signs of a moderate recovery trend against the backdrop of strong corporate earnings and favorable household income environment. Meanwhile, tensions in the Middle East continue to persist, including the threat of a U.S.-Israeli attack on Iran or a blockade of the Strait of Hormuz, and the outlook remains uncertain. In the logistics industry, although there was a mitigating effect on the burden of energy costs such as gasoline and diesel, the turmoil in the Middle East has led to a surge in crude oil prices. Additionally, the impact of chronic labor shortages and increasing costs such as personnel expenses continues, resulting in a persistently severe business situation.

The NIKKON Group has promoted its three-year management plan, the 13th Medium-term Business Plan, since April 2023, and the fiscal year ended March 31, 2026 was the final year of the plan. In addition to strengthening our existing businesses, we have completed the construction of warehouses in Suzuka-shi, Mie, Kanda-machi, Fukuoka, Thailand and Indonesia, and have been promoting capital investments such as the expansion of our logistics hubs. Furthermore, by advancing the automation of warehouse facilities, we are addressing the challenges facing Japan, such as its declining population, as well as structural issues specific to our industry, such as the high labor cost ratio. We position net sales, operating profit, ratio of operating profit to net sales and return on equity (ROE) as objective indicators of the progress in achieving management goals of the Group.

Amid ongoing uncertainties in the external environment and structural challenges unique to the logistics industry, our Group has worked to strengthen existing businesses and expand into growth areas during the final year of our Medium-term Management Plan.

However, due to rapid changes in the business environment, a slowdown in production activities, and the impact of one-time costs associated with M&A, we fell short of our initial targets for both net sales and operating profit. Moving forward, we will prioritize improving the execution of our growth strategy and strengthening our earnings base, and will implement the following measures.

1. Execution of our growth strategy and strengthening of our earnings base

We will speed up efforts to deepen relationships with existing customers, secure logistics hubs to support overseas expansion, and invest in labor-saving and automated equipment and systems. In Japan, we will pursue new customer acquisition in growth industries such as semiconductors, aerospace and defense, medical devices, information and communications and electric power, while expanding the scope of proposals to existing customers. In our overseas operations, we aim to drive profit growth by capturing the overseas logistics needs of our domestic clients and providing high-value-added, integrated logistics services, including customs clearance and freight forwarding. Furthermore, we will leverage logistics data to evolve into a strategic partner that supports our customers' entire supply chains.

2. Improving capital efficiency and strengthening our financial foundation and governance

To achieve sustainable growth, we will drive improvements in capital efficiency and our financial foundation. In making investment decisions, we will prioritize the cost of capital and strictly adhere to a management approach based on the criterion that ROIC (return on invested capital) exceeds WACC (weighted average cost of capital). In addition, we will optimize our balance sheet by reducing cross-shareholdings and liquidating low-yield real estate, while simultaneously enhancing management control and governance through the establishment of post-investment review rules and the utilization of a unified group-wide system.

3. Improving productivity across the entire supply chain

Taking compliance with logistics-related regulations as an opportunity, we will promote the reduction of waiting and cargo-handling times, improve load factors, and optimize delivery routes to strengthen transportation efficiency and ensure a stable supply system. At the same time, in collaboration with consignor companies, we will advance on-site improvements, such as reviewing delivery conditions and cargo packaging, adopting palletization, and optimizing receiving operations, to achieve productivity gains across the entire supply chain.

4. Strengthening our management foundation (human capital, safety and quality, and environmental initiatives)

To achieve sustainable growth in corporate value, we will work to strengthen our management foundation in the following areas.

Promoting human capital management: In addition to developing the next generation of management talent and global talent, we will increase investment in reskilling (education and training) to adapt to the changing business environment.

Advancing safety and quality management: We will promote automation and data utilization to build a predictive and preventive safety and quality management system.

Reducing environmental impact: To achieve our goal of reducing CO₂ emissions by 30% by the fiscal year ending March 31, 2031 compared to the fiscal year ended March 31, 2023, we will steadily advance the introduction of low-carbon vehicles and renewable energy.

The forward-looking statements contained in this document are based on judgments of the NIKKON Group that were made as of the end of the fiscal year ended March 31, 2026.

2. Perspectives and efforts toward sustainability

The Group's perspectives and efforts toward sustainability are as follows.

The forward-looking statements contained in this document are based on judgments of the NIKKON Group that were made as of the end of the fiscal year ended March 31, 2026.

(1) Basic perspectives toward sustainability

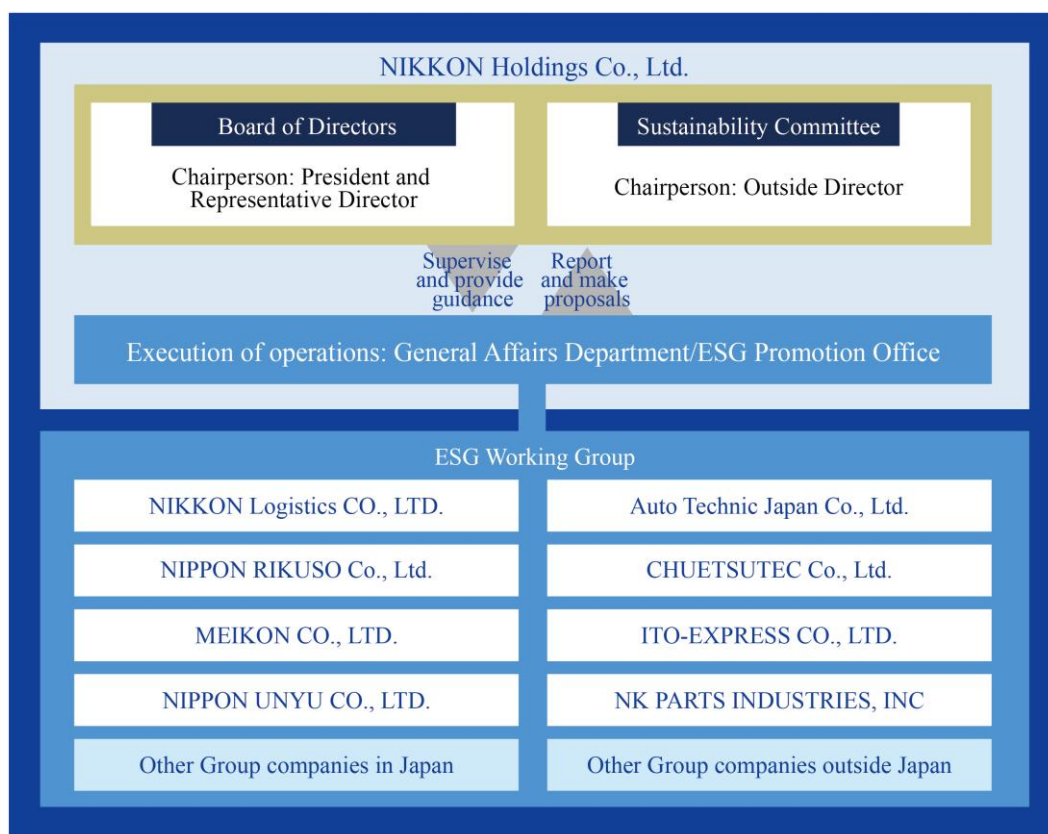
The NIKKON Group strives to help establish a sustainable society and improve our corporate value through the creation of new services through its logistics business based on its Group Basic Philosophy and Group Conduct Guidelines.

(2) Governance

Believing that the creation of a sustainable society is our number-one priority, the Group has constructed a governance system where Directors directly supervise ESG activities to address a range of social issues including global environmental problems caused by climate change, with a view to promoting and strengthening initiatives toward sustainability management.

Specifically, the Group has established the Sustainability Committee, chaired by an Outside Director, as an advisory body to the Board of Directors, and the Committee functions as an organization under the direct control of the Board of Directors to supervise and provide guidance on the implementation status of overall ESG-related matters. The Committee meets once every quarter and reports on matters related to sustainability including climate-related issues to the Board of Directors, conducts multifaceted discussions in meetings attended by Directors about highly important topics, and works on speedy policy establishment and even more highly effective activities under the directions of the Board of Directors.

Separately, the ESG Promotion Office serving to promote practical ESG activities seeks to collaborate with each department and Group company. It discusses and drafts sustainability strategies including measures against climate change, and proposes such strategies to the Sustainability Committee. It also identifies themes that should be practiced through corporate activities as well as important issues, and promotes specific efforts to address climate change and promote diversity.



(3) Strategies

We will continue to conduct sustainability management through various initiatives based on our Sustainability Policy, which was decided by the Board of Directors following discussions at the Sustainability Committee, in order to resolve the material issues that we have set as our priority issues to be addressed.

The Group have identified risks and opportunities brought about by climate change and is promoting efforts that can be made to reduce risks or seize opportunities.

Category	Subcategory	Risks/ opportunities identified	Degree of impact	Time horizon	Impacts	Response measures
Transition risks	Policy and legal	Shift to low- carbon vehicles	Large	Medium- term	Increased purchase costs due to replacement of low-carbon vehicles such as EVs and FCVs	Promoting highly efficient transportation methods, such as joint transportation and full trailer transport • Implementing a modal shift
	Policy and legal	Introduction of a carbon tax	Large	Medium- term	Increased payment costs resulting from the introduction of a carbon tax on GHG emissions	• Replacing with low- emission vehicles • Switching to renewable energy
	Technology	Delays in automakers' development of low-carbon heavy-duty vehicles	Large	Medium- term	A delay in our emissions reduction plan due to the slow adoption of low- carbon heavy-duty vehicles	Collecting information about automakers' development progress
	Market	Changes in customer needs	Large	Medium- term	Loss of business and reduced sales due to increased awareness of environmental conservation among customers	• Visualizing GHG emissions • Reducing GHG emissions as planned
	Reputation	Impact on funding and share price	Medium	Medium- term	Difficulty in procuring funds from financial institutions and a decline of the share price due to the loss of investors resulting from the evaluation that our initiatives to reduce GHG emissions are insufficient	• Improving information disclosure • Reducing GHG emissions as planned
Physical risks	Acute	Occurrence of a natural disaster	Medium	Long- term	Increased repair and compensation costs due to damage to warehouses, other facilities, and consigned cargo from more frequent wind and flood damage caused by rising temperatures. Suspension of logistics services	• Decentralizing bases • Promoting BCP measures
	Chronic	Temperature rise	Medium	Long- term	Lower productivity due to a deteriorating work environment caused by rising temperatures. Increased air conditioning costs	Improving efficiency and saving labor through DX promotion

Category	Subcategory	Risks/ opportunities identified	Degree of impact	Time horizon	Impacts	Response measures
Opportunities	Resources and efficiency	Reduced fuel costs through improved vehicle fuel efficiency	Large	Medium-term	Reduced fuel costs through the introduction of fuel-efficient vehicles such as EVs and FCVs	• Replacing with low-emission vehicles
	Market	Introduction of new environment-friendly services	Medium	Medium-term	Creation of new business opportunities by developing and providing environment-friendly services	Shifting to transportation modes with lower environmental impact
	Market	Expansion of transactions through new business development opportunities in EV and FCV	Medium	Medium-term	Increased sales by developing new markets for EV and FCV-related businesses	• Handling EV-related parts on consignment • Storing and transporting other environment-conscious products on consignment
	Market	Increased demand for temperature control	Medium	Medium-term	Creation of new business opportunities by developing and providing constant temperature management services	• Identifying market needs • Installing facilities such as temperature-controlled warehouses

In the 13th Medium-term Business Plan, which started from April 1, 2023 and reached its final year during the fiscal year ended March 31, 2026, the NIKKON Group has set forth its management policy: “to conduct business activities that can contribute to creation and sustainable development of an affluent society where people truly feel happy.” Under this policy, the Group strived to increase its corporate value through ESG-based management.

Under the 14th Medium-term Management Plan, which will commence in the next fiscal year (ending March 31, 2027), we will build on the achievements and challenges of the previous Medium-term Management Plan to continue addressing various social issues, including global environmental challenges. We will work to mitigate risks and seize opportunities, with the aim of further enhancing our corporate value over the medium to long term.

Furthermore, our Group recognizes that our people are the driving force behind forging a path through this era of change, and that it is essential to continuously hone our on-site capabilities and ability to drive transformation. Based on this understanding, we are actively promoting employee training and investment in human capital.

Our Group’s human resources strategy is led by the HR (Human Resources) Supervisory Department of Nikkon Holdings Co., Ltd., with Group companies collaborating to promote human capital management across the entire Group.

The Group’s human capital management

Developing an environment where employees of the Group can flourish and grow autonomously, respecting each member’s individuality and diversity, and maximizing their abilities and uniting them as an organization— by doing so, we will position and implement it as our human capital management to generate innovation and competitiveness, simultaneously achieving the growth of our employees of the Group and the medium-to long-term, sustainable enhancement of corporate value.

Key initiatives for human capital management

1) Active engagement of diverse talent

—Embracing diverse talent, respecting one another, and creating opportunities for equitable success—

Initiative details

Implementation of systematic training for female staff before managerial positions

Support for the promotion of employment opportunities for persons with disabilities

Establishing effective utilization and collaboration of multinational employees

Strengthening the recruitment of highly specialized personnel

Initiating deliberations on plans for the establishment of the Future Logistics Research Institute

Promoting the employment and education of foreign drivers

2) Unleashing individual strength and unity

—By honing and uniting the individuality of each member, we maximize the overall strength of the Group—

Initiative details

Visualizing talent and promoting optimal placement within the Group

Expanding the trainee program between Japan and overseas and enhancing development programs to develop future executive candidates with an international perspective

Strengthening the Nikkon Business School to develop next-generation managers

Encouraging certification acquisition and promoting individual reskilling and expertise enhancement

3) Promoting the development of an organization based on safety and growth that offers a sense of fulfillment at work

—Prioritizing safety and security, supporting autonomous growth, and realizing a proud and vibrant corporate group—

Initiative details

Continuing to hold the “ANS (All Nikkon Safety) Conference” and “AHK Conference (A: Anzen (Safety), H: Hinshitsu (Quality), K: Koritsu & Kankyo (Efficiency & Environment))” on a global scale

Group-wide engagement survey and its improvement

Continuing social contribution activities and donation lectures at domestic and international universities

(4) Risk management

1) Process for identifying and assessing climate-related risks

The Sustainability Committee as a supervisory body requests the ESG Promotion Office, an organization to actually carry out ESG activities, to identify and assess climate-related risks and opportunities and receives reports from the ESG Promotion Office. The ESG Promotion Office identifies and assesses climate-related risks and opportunities by holding a series of discussions with ESG Working Group, which has been formed jointly with eight core subsidiaries. The discussions are made to enumerate social challenges, identify how they relate to the Group’s business activities, as well as what stakeholders anticipate, and determine the priority.

2) Process for managing climate-related risks

The ESG Promotion Office is responsible for planning strategies for the entire Group related to ESG including climate change risks. It disseminates the strategies to the entire Group companies, promote them and reports the progresses of such actions to the Sustainability Committee. The Sustainability Committee convenes regularly once a quarter in principle, and on an ad hoc basis as necessary. It submits reports and proposals to the Board of Directors and provides guidance to individual divisions.

(5) Metrics and targets

The NIKKON Group has set reduction targets for greenhouse gas (Scope 1 and Scope 2) emissions and mercury lamps, which are indicators drafted by the ESG Promotion Office under the guidance of the Sustainability Committee and resolved by the Board of Directors. The performance for the fiscal year ended March 31, 2026 are as follows.

In response to the increasing business volume, the Group is expanding transportation via full trailer trucks and modal shift, introducing environmentally-friendly vehicles such as hybrid cars and small EVs and installing solar panels. The Group will continue to promote reductions in energy consumption through more efficient transportation and switch to clean energy sources. Toward our 30% reduction target for fiscal year 2030, it will make concrete efforts, in consideration of the government’s goal of making electric vehicles account for 20-30% of new small commercial vehicle sales, trends of technological development for large vehicles, which are the Group’s mainstay vehicles, and progress in the development of supply infrastructure, among others, with the aim of achieving the subsequent goal of carbon neutrality in 2050.

In regard to active female engagement, in addition to the ratio of female employees to the workforce, the Group has established targets for the ratio of female executives and managers, and will continue to build a workplace where women can work comfortably and play an active role, thereby promoting the employment of women.

[CO₂ emissions (Scopes 1 and 2 combined)]

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026	Fiscal year ending March 31, 2031	Fiscal year ending March 31, 2051
	Actual (base year)	Actual	Actual	Actual	Target	Target	Target
CO ₂ emission reduction target	—	(1.3)%	(6.0)%	(6.5)%	(3.7)%	(30)%	(100)%
CO ₂ emissions (t-CO ₂)	180,048	177,732	169,313	168,334	173,340	126,034	0

*Net zero emissions

*If companies that joined the Group in April 2023 onward are included:

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026	Fiscal year ending March 31, 2030	Fiscal year ending March 31, 2031	Fiscal year ending March 31, 2051
	Actual (base year)	Actual	Actual	Actual	Target	Target	Target	Target
CO ₂ emission reduction target	—	—	—	(6.6)%	—	(12.7)%	(30)%	(100)%
CO ₂ emissions (t-CO ₂)	185,056*1	177,732	170,773	172,816	—	161,591	129,539	0

*Net zero emissions

*1 The baseline emissions for the base year have been recalculated in accordance with the boundary changes.

*2 The calculation method has been revised to improve the accuracy of the data, and data from previous years has been retroactively adjusted.

[Mercury lamp reduction] (Units)

	Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026
	Actual	Actual	Actual	Actual	Plan
Number of mercury lamps	5,250	3,131	1,058	236	0
Number of reductions	—	(2,119)	(2,073)	(822)	(1,058)

Metrics and targets regarding the human capital are as follows.

[Proportion of female employees]

		Fiscal year ended March 31, 2023	Fiscal year ended March 31, 2024	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2026	Fiscal year ending March 31, 2029
		Actual	Actual	Actual	Actual	Plan	Plan
Percentage of female employees to all employees	Dome stic	18.4%	18.6%	19.0%	19.8%	22.2%	23.1%
	Overs eas	38.4%	36.2%	35.9%	36.6%	39.4%	32.6%
	Total	23.9%	23.3%	23.4%	24.1%	26.5%	25.8%
Percentage of females to all those in executive posts	Dome stic	9.9%	11.7%	13.1%	12.0%	17.2%	15.8%
	Overs eas	35.1%	40.8%	33.6%	33.4%	41.3%	32.7%
	Total	17.9%	20.9%	19.9%	17.6%	25.5%	20.2%
Percentage of female employees to all employees in managerial posts	Dome stic	1.4%	2.0%	2.9%	4.6%	7.7%	10.7%
	Overs eas	20.1%	21.2%	24.7%	24.9%	25.0%	26.8%
	Total	7.6%	8.4%	9.9%	10.8%	13.2%	15.6%

3. Business and other risks

Risks that could affect the NIKKON Group's operating results and financial position are as follows.

The forward-looking statements contained in this document are based on judgments of the NIKKON Group that were made as of the end of the fiscal year ended March 31, 2026.

(1) Fluctuations in fuel costs

The fuel costs of transport vehicles used by the NIKKON Group are affected by fluctuations in crude oil prices and exchange rates. If these costs increase, the NIKKON Group will seek to receive reasonable charges through consultation with customer companies. However, in the event of a rapid increase in fuel prices or a failure to receive reasonable charges, it could affect the NIKKON Group's operating results and financial position.

(2) Legal regulations, etc.

Regarding the businesses that the NIKKON Group operates, part of the transportation business (including the motor track transportation business and consigned freight forwarding business) is regulated by the Act Concerning Special Measures for Total Emission Reduction of Nitrogen Oxides from Automobiles in Specified Areas (Automobile NOx and PM Act) and the Ordinance to Ensure Living Environment, etc.

In response to these legal regulations, etc., the cost impact is minimized by effectively and efficiently replacing vehicles and installing emission reduction devices. However, if there are any changes, etc. in the content of regulations in the future, additional costs are likely to be incurred.

(3) Possibility of serious accidents

In compliance with laws and regulations, the NIKKON Group conducts its business activities with social responsibility as its top priority. However, in the event of a serious traffic accident, etc., the trust of society and customers may deteriorate, and we may be subject to administrative disposition such as the suspension of operation at business offices, and the rescission of business license.

(4) Impairment of non-current assets

The NIKKON Group owns a large amount of non-current assets, mainly in its warehousing, packaging and testing businesses. If the return of the investment cannot be expected due to changes in the management environment or a decrease in profitability, impairment loss needs to be recorded, thereby possibly affecting the operating results and financial position of the NIKKON Group.

(5) Natural disasters, etc.

If transportation routes are blocked due to earthquakes, storms and floods, etc., if damage to the facilities of the business sites or system disruption occur due to power outages in the areas where the NIKKON Group operates, the NIKKON Group's operating results and financial position may be affected.

(6) Trends in customer companies

The automotive industry accounts for more than 50% of the consolidated net sales of the NIKKON Group. If production adjustments or decrease in demand for logistics, etc. occur at major customer companies, the NIKKON Group's operating results and financial position may be affected.

(7) M&A

The Group considers M&A as one of its options to expand its business domains or to acquire or expand necessary functions in the future. In carrying out M&A, the Group conducts due diligence on the financial condition and contractual relationships of the target company and fully considers the appropriateness of the acquisition price, risks and other factors before making decisions. However, if the business plan does not proceed as initially envisioned due to changes in the business environment or competition after the acquisition, the impairment losses may occur on the acquisition price of the target company's shares or goodwill, and the NIKKON Group's operating results and financial position may be affected.

(8) Securing and developing human resources

In Japan, the workforce is shrinking due to the declining population and the aging population with fewer children, and there is a growing sense of labor shortage. In addition, the logistics industry faces the challenge of coping with the so-called "2024 problem," or the impact of the application of a cap on overtime hours for automobile driving operations. The Group is striving to secure human resources by promoting the employment of diverse human resources and improving the working environment, while fostering human resources by enhancing training programs, among other measures. However, if it fails to secure the human resources necessary to maintain and expand its business, the NIKKON Group's operating results and financial position may be affected.

(9) Information security

Our Group utilizes a variety of information systems in the course of its business operations. Consequently, there is a risk of unauthorized access by third parties, computer virus infections, and cyberattacks such as ransomware. In the event that these risks materialize and result in the leakage or tampering of critical data, system outages or similar incidents, this could

lead to delays in business operations, disruption of the supply chain, costs associated with recovery and a loss of public trust, all of which could have a material adverse effect on the Group's financial condition and operating results.

4. Management analysis of financial position, operating results and cash flows

(1) Overview of operating results, etc.

An overview of the financial position, operating results, and cash flows (hereinafter referred to as “operating results, etc.”) of the NIKKON Group (the Company and its consolidated subsidiaries and entities accounted for using equity method) during the fiscal year ended March 31, 2026 is as follows.

The forward-looking statements contained in this document are based on judgments of the NIKKON Group that were made as of the end of the fiscal year ended March 31, 2026.

1) Financial position and operating results

For the fiscal year ended March 31, 2026, the Group made active capital investments and operating activities such as the completion of warehouses in Suzuka-shi, Mie, Kanda-machi, Fukuoka, Thailand and Indonesia.

As a result, consolidated net sales for the fiscal year ended March 31, 2026 were 269,862 million yen, up 8.9% year-on-year. Operating profit was 23,818 million yen, up 2.9% year-on-year. Ordinary profit was 24,853 million yen, up 3.7% year-on-year. Profit attributable to owners of parent was 17,493 million yen, up 5.7% year-on-year.

Operating results by segment are as follows.

Transportation business

Sales were 124,339 million yen, up 5.4% from the previous fiscal year, due to an increase in business volume. Operating profit was 7,523 million yen, up 19.1% from the previous fiscal year, mainly due to the effect of higher sales, despite an increase in outsourcing expenses.

Warehousing business

Sales were 42,976 million yen, up 5.1% from the previous fiscal year, due to an increase in the volume of cargo stored, which is the result of our ongoing efforts to establish or expand warehouses. Operating profit was 8,826 million yen, up 3.1% from the previous fiscal year, mainly due to an increase in depreciation.

Packaging business

Sales were 57,648 million yen, up 0.5% from the previous fiscal year. Operating profit was 4,429 million yen, up 4.3% from the previous fiscal year, due to the effect of efficiency improvement of operations and a decrease in outsourcing expenses.

Testing business

Sales were 24,569 million yen, up 1.7% from the previous fiscal year, due to an increase in business volume. Operating profit was 4,016 million yen, up 0.7% from the previous fiscal year, due to increases in personnel expenses and depreciation of new testing facilities.

2) Cash flows

Cash and cash equivalents (hereafter referred to as “cash”) at the end of the fiscal year under review were 36,705 million yen, an increase of 767 million yen from the end of the previous fiscal year.

The following is the status and factors of each of the cash flow categories during the fiscal year under review.

(Cash flows from operating activities)

Net cash provided by operating activities was 38,157 million yen, an increase of 10,514 million yen from the previous fiscal year. Major factors having a positive impact on cash flow from operating activities included increases of 2,150 million yen in profit before income taxes, 2,497 million yen in cash flows from the increase in depreciation, 3,548 million yen in cash flows from decrease (increase) in trade receivables and 2,609 million yen in cash flows from increase (decrease) in trade payables. Major factor having a negative impact on cash flow from operating activities was an increase of 1,019 million yen in income taxes paid.

(Cash flows from investing activities)

Net cash used in investing activities was 25,564 million yen, a decrease of 28,413 million yen in cash outflow from the previous fiscal year. This decrease mainly came from a decrease of 26,729 million yen in cash flows from the purchase of shares of subsidiaries through M&A.

(Cash flows from financing activities)

Net cash used in financing activities was 11,119 million yen, an increase of 30,195 million yen in cash outflow from the previous fiscal year. Major factors contributing to the increase of outflow were decreases of 43,800 million yen in proceeds from short-term borrowings and 22,110 million yen in proceeds from issuance of bonds with share acquisition rights, and increases of 4,998 million yen in purchase of treasury shares and 4,205 million yen in purchase of treasury shares of subsidiaries. These outflows were partially offset by an increase of 34,000 million yen in proceeds from long-term borrowings and a decrease of 12,200 million yen in repayments of short-term borrowings.

3) Sales results

Sales results by segment during the fiscal year ended March 31, 2026 are as follows.

Name of business segment	Current fiscal year (April 1, 2025 to March 31, 2026)		
	Amount (millions of yen)	Composition ratio (%)	Increase (decrease) from previous fiscal year (%)
Transportation business	124,339	46.1	105.4
Warehousing business	42,976	15.9	105.1
Packaging business	57,648	21.4	100.5
Testing business	24,569	9.1	101.7
Other businesses	20,327	7.5	270.0
Total	269,862	100.0	108.9

(Notes) 1. Intersegment transactions have been eliminated.

2. Transactions with major business partners in the recent two consolidated fiscal years and the ratio of the sales results to total sales results are as shown below.

Business partner	Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025)		Fiscal year ended March 31, 2026 (April 1, 2025 to March 31, 2026)	
	Amount (millions of yen)	Proportion (%)	Amount (millions of yen)	Proportion (%)
Honda Motor Co., Ltd.	40,995	16.5	41,781	15.5

(2) Details of analysis and discussion of operating results, etc. from management's perspective

Details of the recognition, analysis and discussion of the operating results, etc. of the NIKKON Group from management's perspective are as follows.

1) Details of the recognition, analysis and discussion of the operating results, etc. for the fiscal year ended March 31, 2026

The NIKKON Group's operating results, etc. for the fiscal year ended March 31, 2026 are as follows.

a) Financial position

(Assets)

Current assets at the end of the fiscal year under review totaled 85,834 million yen, a decrease of 1,181 million yen from the end of the previous fiscal year. The decrease mainly came from decreases of 1,306 million yen in notes and accounts receivable - trade and 978 million yen in electronically recorded monetary claims - operating, offset by an increase of 727 million yen in cash and deposits. Non-current assets totaled 350,560 million yen, an increase of 6,302 million yen from the end of the previous fiscal year. The increase mainly came from an increase of 8,258 million yen in property, plant and equipment due to the acquisition of warehouses in Suzuka-shi, Mie, Kanda-machi, Fukuoka, Thailand, and Indonesia, while intangible assets decreased 2,261 million yen due to amortization of goodwill and customer-related intangible assets, etc.

As a result, total assets were 436,395 million yen, an increase of 5,121 million yen from the end of the previous fiscal year.

(Liabilities)

Current liabilities at the end of the fiscal year under review totaled 59,755 million yen, a decrease of 16,885 million yen from the end of the previous fiscal year. The decrease mainly came from decreases of 13,108 million yen in short-term borrowings, 3,591 million yen in electronically recorded obligations - non-operating and 2,536 million yen in electronically recorded obligations - operating, partially offset by an increase of 1,721 million yen in notes and accounts payable - trade. Non-current liabilities totaled 133,834 million yen, an increase of 29,837 million yen from the end of the previous fiscal year. The increase mainly came from an increase of 30,396 million yen in long-term borrowings.

(Net assets)

Net assets at the end of the fiscal year under review totaled 242,805 million yen, a decrease of 7,830 million yen from the end of the previous fiscal year. The decrease mainly came from the acquisition of treasury shares amounting to 14,999 million yen and a decrease of 3,936 million yen in non-controlling interests, partially offset by an increase of 9,771 million yen in retained earnings.

As a result, the equity-to-asset ratio at the end of the period under review was 54.5% (56.0% at the end of the previous fiscal year).

b) Operating results

(Net sales)

Consolidated net sales for the fiscal year ended March 31, 2026 were 269,862 million yen, up 8.9% year-on-year. This was driven by an increase in cargo volume resulting from the start of operations at new and expanded warehouses, an increase in the number of consolidated subsidiaries due to M&A, and the full-year contribution of revenue from a company acquired during the previous fiscal year. Net sales by segment are stated in (1) Overview of operating results, etc., 1) Financial position and operating results.

(Operating profit)

Operating profit for the fiscal year ended March 31, 2026 was 23,818 million yen, up 2.9% year-on-year. This resulted from the amortization of goodwill and intangible assets arising from M&A transactions, along with the increase in depreciation resulting from capital expenditures. Operating profit by segment are stated in (1) Overview of operating results, etc., 1) Financial position and operating results.

(Ordinary profit)

Non-operating income for the fiscal year ended March 31, 2026 was 2,910 million yen, an increase of 51 million yen from the previous fiscal year. This was primarily due to an increase of 200 million yen in subsidy income, offset by a decrease of 120 million yen in miscellaneous income. Non-operating expenses totaled 1,875 million yen, a decrease of 169 million yen from the previous fiscal year. The decrease mainly came from an increase of 343 million yen in interest expenses due to an increase in borrowings, offset by a decrease of 645 million yen in foreign exchange losses.

As a result, ordinary profit was 24,853 million yen, up 3.7% year-on-year.

(Profit attributable to owners of parent)

Extraordinary income for the fiscal year ended March 31, 2026 was 1,592 million yen, an increase of 1,403 million yen from the previous fiscal year. This was primarily due to increases of 338 million yen in gain on sale of investment securities and 584 million yen in gain on sale of non-current assets. Extraordinary losses totaled 154 million yen, an increase of 136 million yen from the previous fiscal year.

As a result, profit attributable to owners of parent was 17,493 million yen, up 5.7% year-on-year.

c) Analysis of cash flows

Analysis of cash flows for the fiscal year ended March 31, 2026 are stated in (1) Overview of operating results, etc., 2) Cash flows.

d) Analysis of capital financing and liquidity

The demand for funds for the NIKKON Group's business activities includes working capital as operating expenses, such as expenses for running business, and general and administrative expenses, and capital funds for the purchase of non-current assets, such as warehouses, workplaces, and business vehicles, and funds for M&A.

The NIKKON Group's working capital is basically financed by internal funds, commercial papers and borrowings from financial institutions as needed, and its capital funds are financed by internal funds, as well as straight bonds with fixed interest rates and borrowings from financial institutions as needed. We finance funds for M&A with short-term borrowings from financial institutions as bridge funds and later replace them with long-term funds such as bonds payable. As of the end of the fiscal year ended March 31, 2026, the balance of bonds payable was 50 billion yen, the balance of convertible-bond-type bonds with share acquisition rights was 22,089 million yen, and the balance of borrowings was 63,497 million yen.

e) Management policies, management strategies, and objective financial data, etc. to determine the achievement status of the management targets

The NIKKON Group launched the 13th Medium-term Business Plan (Challenge 13) for three years from April 1, 2023.

In the fiscal year ended March 31, 2026, which marks the final year of the plan, net sales totaled 269.8 billion yen, with an operating profit of 23.8 billion yen, a ratio of operating profit to net sales of 8.8% and a return on equity (ROE) of 7.3%. We therefore fell short of all the targets set at the outset of the Medium-term Management Plan, namely, net sales of 280.0 billion yen, operating profit of 28.0 billion yen, a ratio of operating profit to net sales of 10.0% and a return on equity (ROE) of 8.0%.

The NIKKON Group launched the 14th Medium-term Business Plan for three years from April 1, 2026 and set targets for the fiscal year ending March 31, 2029, the final fiscal year of the plan, as follows: 350 billion yen for net sales, 33 billion yen for operating profit, 9.4% for ratio of operating profit to net sales, and 10.0% for return on equity.

2) Significant accounting estimates and assumptions used for the estimates

The consolidated financial statements of the NIKKON Group are prepared on the basis of accounting principles generally accepted in Japan. In preparing these consolidated financial statements, the NIKKON Group used estimates and assumptions that have an impact on the reported amounts of assets, liabilities, revenue and expenses. However, the figures based on these estimates and assumptions may differ from the actual results.

Significant accounting estimates and assumptions used when preparing the consolidated financial statements are as follows.

a) Future cash flows in impairment accounting

Details are as stated in V. Financial Information, 1. Consolidated Financial Statements, etc., (1) Consolidated Financial Statements, [Notes], (Significant accounting estimates).

b) Calculation of retirement benefit liability

Some companies in the NIKKON Group have adopted defined benefit plans. The retirement benefit liability under defined benefit plans and related service costs are calculated by estimating the projected retirement benefit amount based on assumptions used in actuarial calculations and discounting them. Assumptions used in actuarial calculations include various computational foundations, such as discount rates, and expected rate of return on plan assets.

If the above estimates and assumptions need to be revised due to changes in uncertain economic conditions in the future, etc., it may have a material impact on the amount of retirement benefit liability and retirement benefit expenses to be recognized in the consolidated financial statements for the next fiscal year and thereafter.

In the calculation of retirement benefit liability and retirement benefit expenses, the following are the sensitivity to changes in the major assumptions given to retirement benefit liability and retirement benefit expenses as of the end of the fiscal year ended March 31, 2026. Negative figures (in parenthesis) represent a decrease in retirement benefit liability and positive figures represent an increase in retirement benefit liability. Sensitivity analysis assumes that all assumptions used in actuarial calculations are constant except for the assumptions used in actuarial calculations subject to the analysis.

As of the end of the fiscal year ended March 31, 2026:

	Changes in assumptions used in actuarial calculations	Impact on retirement benefit liability (millions of yen)
Discount rates	0.5% increase	(794)
	0.5% decrease	636
	Changes in assumptions used in actuarial calculations	Impact on retirement benefit expenses (millions of yen)
Expected rate of return on plan assets	0.5% increase	(60)
	0.5% decrease	60

The main assumptions used in actuarial calculations used to calculate retirement benefit liability as of the end of the fiscal year ended March 31, 2026 are as stated in V. Financial Information, 1. Consolidated Financial Statements, etc., (1) Consolidated financial statements, [Notes], (Retirement benefits), (8) Matters related to the assumptions of actuarial calculations.

5. Critical contracts, etc.

There are no applicable matters to be reported.

On May 16, 2025, the Company concluded a contract, which includes an agreement to specify limitations on the exercise of shareholders' voting rights and an agreement to specify limitations on shareholders holding shares of the Company in excess of the ownership ratio agreed upon between shareholders and the Company, with Farallon Capital Asia (HK) Limited. Such contract expired on December 31, 2025.

6. Research and development activities

There are no applicable matters to be reported.

III. Information about Facilities

1. Overview of capital expenditures

Capital expenditures for the fiscal year ended March 31, 2026 was 24,597 million yen, mainly due to the acquisition of commercial vehicles and the expansion of our own warehouses. Capital expenditures by segment are as follows.

(1) Transportation business

We have made capital investments of 6,343 million yen for new acquisition, or remodeling, of land for the transportation business use and 295 commercial vehicles.

(2) Warehousing business

We have made capital investments of 10,249 million yen for the acquisition of land for the warehousing business use and warehouses in Suzuka-shi, Mie, Kanda-machi, Fukuoka, Thailand and Indonesia.

(3) Packaging business

We have made capital investments of 2,876 million yen for newly acquiring land for the packaging business use, forklifts for on-premises work, etc.

(4) Testing business

Capital expenditures for the testing business were 853 million yen, mainly due to the acquisition of test equipment in Hagamachi, Tochigi.

(5) Other businesses

Capital expenditures in other businesses was 4,274 million yen, mainly due to the construction of real estate for lease in Utsunomiya-shi, Tochigi.

There was no major equipment disposal or sale in any segment.

2. Major Facilities

(1) Reporting company

As of March 31, 2026

Business place (Location)	Name of business segment	Details of facilities and equipment	Book value (millions of yen)							Number of employees (persons)
			Buildings and structures	Machinery, equipment and vehicles	Tools, furniture and fixtures	Land		Leased assets	Total	
						Area (thousand m ²)	Amount			
Headquarters and others (Chuo-ku, Tokyo)	Other businesses Company- wide	Office and others	308	0	13	1	1,468	—	1,791	34
Real Estate Business Department (Haga- machi, Tochigi and other locations)	Other businesses	Leased land and buildings, and others	12,621	301	9	239	22,238	—	35,171	9

(2) Domestic subsidiaries

As of March 31, 2026

Company name	Business place (Location)	Name of business segment	Details of facilities and equipment	Book value (millions of yen)							Number of employees (persons)
				Buildings and structures	Machinery, equipment and vehicles	Tools, furniture and fixtures	Land		Leased assets	Total	
							Area (thousand m ²)	Amount			
NIPPON KONPO UNYU SOKO CO., LTD.	Headquarters (Chuo-ku, Tokyo) 74 other business places	Transportation business Warehousing business Packaging business Other businesses Company-wide	Commercial vehicle Warehouse Workshop Refueling facility Office and others	79,324	5,045	759	2,901 (264)	67,243	8	152,382	3,839
NIPPON RIKUSO Co., Ltd.	Headquarters (Suzuka-shi, Mie) 15 other business places	Transportation business Warehousing business Packaging business Other businesses Company-wide	Commercial vehicle Warehouse Workshop Refueling facility Office and others	8,870	865	81	361 (100)	6,777	86	16,681	480
MEIKON CO., LTD.	Headquarters (Komaki-shi, Aichi) 10 other business places	Transportation business Warehousing business Packaging business Other businesses Company-wide	Commercial vehicle Warehouse Workshop Refueling facility Office and others	4,899	344	35	273 (43)	6,110	—	11,389	185
NIPPON UNYU CO., LTD.	Headquarters (Oizumi-machi, Gunma) 14 other business places	Transportation business Warehousing business Packaging business Other businesses Company-wide	Commercial vehicle Warehouse Workshop Refueling facility Office and others	6,384	681	104	336 (177)	6,122	4	13,296	452
Auto Technic Japan Co., Ltd.	Headquarters (Haga-machi, Tochigi) 4 other business places	Testing business	Testing facility Office and others	3,083	2,659	355	18 (68)	508	26	6,632	1,951

Company name	Business place (Location)	Name of business segment	Details of facilities and equipment	Book value (millions of yen)							Number of employees (persons)
				Buildings and structures	Machinery, equipment and vehicles	Tools, furniture and fixtures	Land		Leased assets	Total	
							Area (thousand m²)	Amount			
CHUETSU TEC Co., Ltd.	Headquarters (Koto-ku, Tokyo) 15 other business places	Transportation business Warehousing business Packaging business Other businesses Company-wide	Commercial vehicle Warehouse Workshop Office and others	1,219	207	28	66 (19)	2,142	—	3,598	404
ITO-EXPRESS CO., LTD.	Headquarters (Seto-shi, Aichi) 10 other business places	Transportation business Warehousing business Packaging business Other businesses Company-wide	Commercial vehicle Warehouse Workshop Office and others	1,616	261	31	148 (21)	2,780	28	4,718	561

(3) Overseas subsidiaries

As of March 31, 2026

Company name	Business place (Location)	Name of business segment	Details of facilities and equipment	Book value (millions of yen)							Number of employees (persons)
				Buildings and structures	Machinery, equipment and vehicles	Tools, furniture and fixtures	Land		Leased assets	Total	
							Area (thousand m²)	Amount			
NK PARTS INDUSTRIES , INC.	Headquarters (Sydney, Ohio, U.S.A.) 1 other business place	Transportati on business Warehousin g business Packaging business Other businesses Company- wide	Commerci al vehicle Warehous e Workshop Office and others	2,825	295	421	983 (—)	515	—	4,057	823
NIPPON KONPO (THAILAND) CO., LTD.	Headquarters (Ayutthaya, Thailand) 1 other business place	Transportati on business Warehousin g business Packaging business Other businesses Company- wide	Commerci al vehicle Warehous e Workshop Office and others	3,327	223	96	212 (0)	2,492	—	6,149	678
PT NIPPON KONPO INDONESIA	Headquarters (Jakarta, Indonesia) 3 other business places	Transportati on business Warehousin g business Packaging business Other businesses Company- wide	Commerci al vehicle Warehous e Workshop Office and others	2,373	123	63	128 (—)	2,390	0	4,951	91

(Notes) 1. The amount of capital invested is the book value of property, plant and equipment and does not include the amount of construction in progress.

2. Figures in parenthesis are on lease.

3. Details of major facilities, which are on lease from companies other than consolidated companies are as follows.

1) Reporting company

There are no major facilities on lease.

2) Domestic subsidiaries

Company name	Business place (Location)	Name of business segment	Details of facilities and equipment	Annual leasing fee (millions of yen)
NIPPON KONPO UNYU SOKO CO., LTD.	Hidaka Business Office (Hidaka-shi, Saitama) 15 other business places	Transportation business Warehousing business Packaging business	Land and buildings	1,709
NIPPON RIKUSO Co., Ltd.	Kanto Business Office (Kawagoe-shi, Saitama) 1 other business place	Warehousing business Packaging business	Land and buildings	130

Company name	Business place (Location)	Name of business segment	Details of facilities and equipment	Annual leasing fee (millions of yen)
MEIKON CO., LTD.	Head Business Office (Komaki-shi, Aichi) 6 other business places	Warehousing business	Land and buildings	1,717
NIPPON UNYU CO., LTD.	Ota Parts Business Office (Ota-shi, Gunma) 4 other business places	Warehousing business Packaging business	Land and buildings	833

3) Overseas subsidiaries

Company name	Business place (Location)	Name of business segment	Details of facilities and equipment	Annual leasing fee (millions of yen)
NIPPON KONPO VIETNAM CO., LTD.	Binh Duong Warehouse (Binh Duong Province, Vietnam) 1 other business place	Transportation business Warehousing business Packaging business	Land and buildings	168

3. Planned addition, retirement, and other changes of facilities

(1) Construction of major facilities, etc.

1) Reporting company

Company name	Business place (Location)	Name of business segment	Details of facilities and equipment	Planned investment amount (millions of yen)		Funds procurement method	Date of commencement	Date of scheduled completion	Increased capacity after completion
				Total amount	Amount already paid				
NIKKON Holdings Co., Ltd.	TBD (Utsunomiya- shi, Tochigi)	Other businesses	Construction of rental building	1,988	1,390	Internal cash flow and borrowing	May 2025	July 2026	Area 4,000 m ²
NIKKON Holdings Co., Ltd.	TBD (Haga-machi, Tochigi)	Other businesses	Construction of rental building of a subsidiary	8,696	212	Internal cash flow and borrowing	February 2025	September 2027	Area 14,000 m ²

2) Domestic subsidiaries

Company name	Business place (Location)	Name of business segment	Details of facilities and equipment	Planned investment amount (millions of yen)		Funds procurement method	Date of commencement	Date of scheduled completion	Increased capacity after completion
				Total amount	Amount already paid				
NIPPON KONPO UNYU SOKO CO., LTD.	Utsunomiya Business Office (Sakura-shi, Tochigi)	Transportation business Warehousing business Packaging business	Construction of warehouse	1,987	1,404	Internal cash flow and borrowing from the parent company	April 2024	August 2026	Area 6,000 m ²
NIPPON KONPO UNYU SOKO CO., LTD.	Toyohashi Business Office (Toyokawa-shi, Aichi)	Transportation business Warehousing business Packaging business	New construction of parking lots	2,450	13	Internal cash flow and borrowing from the parent company	November 2025	December 2027	Area 43,000 m ²
NIPPON KONPO UNYU SOKO CO., LTD.	Narashino Business Office (Chiba-shi, Chiba)	Transportation business Warehousing business Packaging business	New construction of parking lots	3,895	—	Internal cash flow and borrowing from the parent company	April 2026	April 2030	Area 76,000 m ²
MEIKON CO., LTD.	Komaki Kita Business Office (Komaki-shi, Aichi)	Warehousing business	Construction of warehouse	4,000	18	Internal cash flow and borrowing from the parent company	September 2025	November 2027	Area 13,000 m ²

Company name	Business place (Location)	Name of business segment	Details of facilities and equipment	Planned investment amount (millions of yen)		Funds procurement method	Date of commencement	Date of scheduled completion	Increased capacity after completion
				Total amount	Amount already paid				
ITO- EXPRESS CO., LTD.	Koga Business Office (Koga-shi, Ibaraki)	Transportation business Warehousing business	Construction of warehouse	527	418	Internal cash flow and borrowing from the parent company	September 2024	July 2026	Area 2,000 m ²
ITO- EXPRESS CO., LTD.	TBD (Seto-shi, Aichi)	Transportation business Warehousing business Packaging business	Land for business office	320	—	Internal cash flow	March 2026	May 2026	Area 8,000 m ²
ITO- EXPRESS CO., LTD.	TBD (Seto-shi, Aichi)	Transportation business Warehousing business Packaging business	Construction of warehouse	875	—	Internal cash flow and borrowing from the parent company	October 2026	September 2027	Area 4,000 m ²
CHUOH PACK INDUSTRY CO., LTD.	Headquarters plant (Kiyosu-shi, Aichi)	Other businesses	Production equipment upgrade	178	20	Internal cash flow	October 2025	January 2027	—

(Note) The above amounts do not include consumption taxes, etc.

3) Overseas subsidiaries

Company name	Business place (Location)	Name of business segment	Details of facilities and equipment	Planned investment amount (millions of yen)		Funds procurement method	Date of commencement	Date of scheduled completion	Increased capacity after completion
				Total amount	Amount already paid				
NK PARTS INDUSTRIES, INC.	East Liberty Branch (Ohio, U.S.A.)	Transportation business Warehousing business Packaging business	Construction of warehouse	3,350	—	Internal cash flow and borrowing from the parent company	April 2026	March 2027	Area 18,000 m ²

(2) Disposal of major facilities, etc.

No disposal of major facilities, etc. is planned.

IV. Information about Reporting Company

1. Company's shares, etc.

(1) Total number of shares, etc.

1) Total number of shares, etc.

Class	Total number of shares authorized to be issued (shares)
Common shares	304,000,000
Total	304,000,000

2) Issued shares

Class	Shares issued as of the end of the fiscal year (shares) (March 31, 2026)	Shares issued as of the filing date (shares) (June 26, 2026)	Exchanges on which stock is listed/Certified associations of financial instruments dealers to which the Company is affiliated	Description
Common shares	126,479,784	126,479,784	Prime Market of the Tokyo Stock Exchange	Share unit 100 shares
Total	126,479,784	126,479,784	—	—

(2) Share acquisition rights

1) Employee share option plans

Share acquisition rights issued in accordance with the Companies Act are as follows.

Date of resolution	June 29, 2011
Category and number of grantees (persons)	7 Directors of the Company 10 Executive Officers of the Company
Number of share acquisition rights*	238
Class, description and number of shares subject to share acquisition rights (shares)*	Common shares: 47,600
Amount payable on the exercise of share acquisition rights (yen)*	1 per share (Note) 1
Period of exercise of share acquisition rights*	July 20, 2011 - July 19, 2046
Issuance price and amount to be incorporated into the stated capital per share on the exercise of share acquisition rights (yen)*	Issuance price: 386 Amount to be incorporated into the stated capital: 193
Conditions on the exercise of share acquisition rights*	1) Holders of share acquisition rights may, in principle, exercise share acquisition rights only within 10 days from the day following the date of loss of their positions both as a Director and executive officer of the Company (or the following business day if the 10th day falls on a holiday). 2) Other conditions shall be governed by the “Share Acquisition Right Allotment Agreement” to be concluded between the Company and the holders of share acquisition rights.
Matters concerning the transfer of share acquisition rights*	Approval of the Company’s Board of Directors is required for the acquisition of any share acquisition rights by means of transfer.
Matters concerning the issuance of share acquisition rights as a result of reorganization*	(Note) 2

*Description denotes information as of the end of the fiscal year under review (March 31, 2026). As of the last day of the month preceding the filing date (May 31, 2026), matters to be described have remained unchanged since the end of the fiscal year under review. As such, the description as of the last day of the month preceding the filing date is omitted.

(Notes) 1. The class of shares underlying share acquisition rights shall be the Company’s common shares, and the number of shares underlying each of the share acquisition rights shall be 100 shares.

In the case of performing a share split (including the allotment of shares of the Company’s common shares without contribution; the same applies hereinafter to the description of the share split) or share consolidation of the Company’s common shares, the number of shares to be granted shall be adjusted according to the following formula. Provided, however, that such adjustment shall be made with respect to the number of shares underlying share acquisition rights that have not been exercised at the time of such adjustment, and any fractional figure less than one share generated as a result of such adjustment shall be rounded off.

Number of shares to be granted after adjustment = Number of shares to be granted before adjustment x Ratio of share split or consolidation

Moreover, in the case where the Company carries out a merger, company split or share exchange, and in any other equivalent case where an adjustment of the number of shares granted is required, the Company may adjust the number of shares granted as deemed necessary by the Board of Directors of the Company.

2. In the case where the Company carries out a merger (limited to cases where the Company ceases to exist as a result of the merger), absorption-type company split or incorporation-type company split (limited to cases where the Company becomes a split company, respectively), or share exchange or share transfer (limited to cases where the Company becomes a wholly-owned subsidiary, respectively) (hereinafter collectively referred to as the “Reorganization”), the Company shall issue to the holders of share acquisition rights holding the remaining share acquisition rights immediately prior to the effective date of the Reorganization (meaning the day on which the absorption-type merger takes effect with respect to the absorption-type merger, the day on which the stock company established by the consolidation-type merger is formed with respect to the consolidation-type merger, the day on which the absorption-type company split takes effect with respect to the absorption-type company split, the day on which the stock company incorporated in the incorporation-type company split is formed with respect to the incorporation-type company split, the day on which the share exchange takes effect with respect to the share exchange, and the day on which the wholly-owning parent company formed by share transfer is formed with respect to the share transfer; the same applies hereinafter) (such remaining share acquisition

rights hereinafter referred to as the “Residual Share Acquisition Rights”) the share acquisition rights of the stock companies listed in Article 236, paragraph 1, item (viii), (a) through (e) of the Companies Act (hereinafter referred to as the “Company Subject to Reorganization”) in the respective cases.

Provided, however, that the issuance of share acquisition rights of the Company Subject to Reorganization in accordance with the following items shall be provided for in the absorption-type merger agreement, incorporation-type merger agreement, absorption-type company split agreement, and the incorporation-type company split plan, share exchange agreement or share transfer plan.

- 1) The number of share acquisition rights of the Company Subject to Reorganization to be issued
The share acquisition rights of the Company Subject to Reorganization shall be issued in the same number as the number of Residual Share Acquisition Rights held by the holders of share acquisition rights.
- 2) Class of shares of the Company Subject to Reorganization underlying share acquisition rights
It shall be common shares of the Company Subject to Reorganization.
- 3) The total number of shares of the Company Subject to Reorganization underlying share acquisition rights
It shall be the number of shares underlying share acquisition rights, for which reasonable adjustments have been made, taking into consideration the conditions of the Reorganization, etc. Provided, however, that any fractional figure less than one share generated as a result of such adjustment shall be rounded off.
- 4) The value of the property to be contributed at the time of exercise of share acquisition rights
The value of the property to be contributed at the time of exercise of each share acquisition right to be issued shall be the amount obtained by multiplying the post-reorganization exercise price set below by the number of shares of the Company Subject to Reorganization underlying the relevant each share acquisition right to be determined pursuant to the above item. The post-reorganization exercise price shall be one yen per share of the Company Subject to Reorganization that can be received by exercising each share acquisition right to be issued.
- 5) Period during which share acquisition rights can be exercised
It shall be from the start date of the period during which the share acquisition rights can be exercised as specified in the above period of exercise of share acquisition rights or the effective date of the Reorganization, whichever comes later, to the expiration date of the period during which the share acquisition rights can be exercised as specified in the above period of exercise of share acquisition rights.
- 6) Matters concerning the capital and capital reserves that will be increased in cases where shares are issued as a result of the exercise of share acquisition rights
To be determined in accordance with the issuance price and amount to be incorporated into the stated capital per share in cases where shares are issued as a result of the above exercise of share acquisition rights.
- 7) Restriction on purchase of share acquisition rights by transfer
Approval of the Board of Directors of the Company Subject to Reorganization shall be required for the acquisition of any share acquisition rights by means of transfer.
- 8) Conditions on the exercise of share acquisition rights
To be determined in accordance with the above conditions on the exercise of share acquisition rights.
- 9) Provisions for acquisition of share acquisition rights
If any of the following proposals (a), (b), (c), (d) or (e) is approved at the general meeting of shareholders of the Company (in case a resolution of the general meeting of shareholders is not required, if a resolution of the Board of Directors of the Company or a decision of executive officers delegated pursuant to the provisions of Article 416, paragraph 4 of the Companies Act is made), the Company may acquire the share acquisition rights without contribution on a date separately specified by the Board of Directors of the Company:
 - (a) a proposal for approval of a merger agreement in which the Company ceases to exist;
 - (b) a proposal for approval of a company split agreement or a company split plan in which the Company becomes a split company;
 - (c) a proposal for approval of a share exchange agreement or a share transfer plan in which the Company becomes a wholly-owned subsidiary;
 - (d) a proposal for approval of amendments to the articles of incorporation which establishes a provision to the effect that, as the features of all shares issued by the Company, the approval of the Company is required for the acquisition of such shares by transfer; and
 - (e) a proposal for approval of amendments to the articles of incorporation which establishes a provision to the effect that, as the features of the class shares underlying share acquisition rights, the approval of the Company is required

for the acquisition of such class shares by transfer, or that the Company acquires all of such class shares by a resolution of the general meeting of shareholders.

3. By a resolution of the Board of Directors meeting held on June 7, 2024, the Company has conducted a share split with an effective date of October 1, 2024 in the ratio of one share to two shares. Accordingly, “The number of shares subject to share acquisition rights” and “Issuance price and amount to be incorporated into the stated capital per share on the exercise of share acquisition rights” have been adjusted.

Date of resolution	July 13, 2012
Category and number of grantees (persons)	7 Directors of the Company 13 Executive Officers of the Company
Number of share acquisition rights*	201
Class, description and number of shares subject to share acquisition rights (shares)*	Common shares: 40,200
Amount payable on the exercise of share acquisition rights (yen)*	1 per share (Note) 1
Period of exercise of share acquisition rights*	July 31, 2012 - July 30, 2047
Issuance price and amount to be incorporated into the stated capital per share on the exercise of share acquisition rights (yen)*	Issuance price: 414 Amount to be incorporated into the stated capital: 207
Conditions on the exercise of share acquisition rights*	1) Holders of share acquisition rights may, in principle, exercise share acquisition rights only within 10 days from the day following the date of loss of their positions both as a Director and executive officer of the Company (or the following business day if the 10th day falls on a holiday). 2) Other conditions shall be governed by the “Share Acquisition Right Allotment Agreement” to be concluded between the Company and the holders of share acquisition rights.
Matters concerning the transfer of share acquisition rights*	Approval of the Company’s Board of Directors is required for the acquisition of any share acquisition rights by means of transfer.
Matters concerning the issuance of share acquisition rights as a result of reorganization*	(Note) 2

*Description denotes information as of the end of the fiscal year under review (March 31, 2026). As of the last day of the month preceding the filing date (May 31, 2026), matters to be described have remained unchanged since the end of the fiscal year under review. As such, the description as of the last day of the month preceding the filing date is omitted.

(Notes) 1. The class of shares underlying share acquisition rights shall be the Company’s common shares, and the number of shares underlying each of the share acquisition rights shall be 100 shares.

In the case of performing a share split (including the allotment of shares of the Company’s common shares without contribution; the same applies hereinafter to the description of the share split) or share consolidation of the Company’s common shares, the number of shares to be granted shall be adjusted according to the following formula. Provided, however, that such adjustment shall be made with respect to the number of shares underlying share acquisition rights that have not been exercised at the time of such adjustment, and any fractional figure less than one share generated as a result of such adjustment shall be rounded off.

Number of shares to be granted after adjustment = Number of shares to be granted before adjustment x Ratio of share split or consolidation

Moreover, in the case where the Company carries out a merger, company split or share exchange, and in any other equivalent case where an adjustment of the number of shares granted is required, the Company may adjust the number of shares granted as deemed necessary by the Board of Directors of the Company.

2. In the case where the Company carries out a merger (limited to cases where the Company ceases to exist as a result of the merger), absorption-type company split or incorporation-type company split (limited to cases where the Company becomes a split company, respectively), or share exchange or share transfer (limited to cases where the Company becomes a wholly-owned subsidiary, respectively) (hereinafter collectively referred to as the “Reorganization”), the Company shall issue to the holders of share acquisition rights holding the remaining share acquisition rights immediately prior to the effective date of the Reorganization (meaning the day on which the absorption-type merger takes effect with respect to the absorption-type merger, the day on which the stock company established by the consolidation-type merger is formed with respect to the consolidation-type merger, the day on which the absorption-type company split takes effect with respect to the absorption-type company split, the day on which the stock company incorporated in the incorporation-type company split is formed with respect to the incorporation-type company split, the day on which the share exchange takes effect with respect to the share exchange, and the day on which the wholly-owning parent company formed by share transfer is formed with respect to the share transfer; the same applies hereinafter) (such remaining share acquisition rights hereinafter referred to as the “Residual Share Acquisition Rights”) the share acquisition rights of the stock companies listed in Article 236, paragraph 1, item (viii), (a) through (e) of the Companies Act (hereinafter referred to as the “Company Subject to Reorganization”) in the respective cases.

Provided, however, that the issuance of share acquisition rights of the Company Subject to Reorganization in accordance with the following items shall be provided for in the absorption-type merger agreement, incorporation-type merger agreement, absorption-type company split agreement, and the incorporation-type company split plan, share exchange agreement or share transfer plan.

- 1) The number of share acquisition rights of the Company Subject to Reorganization to be issued
The share acquisition rights of the Company Subject to Reorganization shall be issued in the same number as the number of Residual Share Acquisition Rights held by the holders of share acquisition rights.
- 2) Class of shares of the Company Subject to Reorganization underlying share acquisition rights
It shall be common shares of the Company Subject to Reorganization.
- 3) The total number of shares of the Company Subject to Reorganization underlying share acquisition rights
It shall be the number of shares underlying share acquisition rights, for which reasonable adjustments have been made, taking into consideration the conditions of the Reorganization, etc. Provided, however, that any fractional figure less than one share generated as a result of such adjustment shall be rounded off.
- 4) The value of the property to be contributed at the time of exercise of share acquisition rights
The value of the property to be contributed at the time of exercise of each share acquisition right to be issued shall be the amount obtained by multiplying the post-reorganization exercise price set below by the number of shares of the Company Subject to Reorganization underlying the relevant each share acquisition right to be determined pursuant to the above item. The post-reorganization exercise price shall be one yen per share of the Company Subject to Reorganization that can be received by exercising each share acquisition right to be issued.
- 5) Period during which share acquisition rights can be exercised
It shall be from the start date of the period during which the share acquisition rights can be exercised as specified in the above period of exercise of share acquisition rights or the effective date of the Reorganization, whichever comes later, to the expiration date of the period during which the share acquisition rights can be exercised as specified in the above period of exercise of share acquisition rights.
- 6) Matters concerning the capital and capital reserves that will be increased in cases where shares are issued as a result of the exercise of share acquisition rights
To be determined in accordance with the issuance price and amount to be incorporated into the stated capita per share in cases where shares are issued as a result of the above exercise of share acquisition rights.
- 7) Restriction on purchase of share acquisition rights by transfer
Approval of the Board of Directors of the Company Subject to Reorganization shall be required for the acquisition of any share acquisition rights by means of transfer.
- 8) Conditions on the exercise of share acquisition rights
To be determined in accordance with the above conditions on the exercise of share acquisition rights.
- 9) Provisions for acquisition of share acquisition rights
If any of the following proposals (a), (b), (c), (d) or (e) is approved at the general meeting of shareholders of the Company (in case a resolution of the general meeting of shareholders is not required, if a resolution of the Board of Directors of the Company or a decision of executive officers delegated pursuant to the provisions of Article 416, paragraph 4 of the Companies Act is made), the Company may acquire the share acquisition rights without contribution on a date separately specified by the Board of Directors of the Company:
 - (a) a proposal for approval of a merger agreement in which the Company ceases to exist;
 - (b) a proposal for approval of a company split agreement or a company split plan in which the Company becomes a split company;
 - (c) a proposal for approval of a share exchange agreement or a share transfer plan in which the Company becomes a wholly-owned subsidiary;
 - (d) a proposal for approval of amendments to the articles of incorporation which establishes a provision to the effect that, as the features of all shares issued by the Company, the approval of the Company is required for the acquisition of such shares by transfer; and
 - (e) a proposal for approval of amendments to the articles of incorporation which establishes a provision to the effect that, as the features of the class shares underlying share acquisition rights, the approval of the Company is required for the acquisition of such class shares by transfer, or that the Company acquires all of such class shares by a resolution of the general meeting of shareholders.
3. By a resolution of the Board of Directors meeting held on June 7, 2024, the Company has conducted a share split with an

effective date of October 1, 2024 in the ratio of one share to two shares. Accordingly, “The number of shares subject to share acquisition rights” and “Issuance price and amount to be incorporated into the stated capital per share on the exercise of share acquisition rights” have been adjusted.

Date of resolution	June 27, 2013
Category and number of grantees (persons)	7 Directors of the Company 14 Executive Officers of the Company
Number of share acquisition rights*	138
Class, description and number of shares subject to share acquisition rights (shares)*	Common shares: 27,600
Amount payable on the exercise of share acquisition rights (yen)*	1 per share (Note) 1
Period of exercise of share acquisition rights*	July 23, 2013 - July 22, 2048
Issuance price and amount to be incorporated into the stated capital per share on the exercise of share acquisition rights (yen)*	Issuance price: 740 Amount to be incorporated into the stated capital: 370
Conditions on the exercise of share acquisition rights*	1) Holders of share acquisition rights may, in principle, exercise share acquisition rights only within 10 days from the day following the date of loss of their positions both as a Director and executive officer of the Company (or the following business day if the 10th day falls on a holiday). 2) Other conditions shall be governed by the “Share Acquisition Right Allotment Agreement” to be concluded between the Company and the holders of share acquisition rights.
Matters concerning the transfer of share acquisition rights*	Approval of the Company’s Board of Directors is required for the acquisition of any share acquisition rights by means of transfer.
Matters concerning the issuance of share acquisition rights as a result of reorganization*	(Note) 2

* Description denotes information as of the end of the fiscal year under review (March 31, 2026). As of the last day of the month preceding the filing date (May 31, 2026), matters to be described have remained unchanged since the end of the fiscal year under review. As such, the description as of the last day of the month preceding the filing date is omitted.

(Notes) 1. The class of shares underlying share acquisition rights shall be the Company’s common shares, and the number of shares underlying each of the share acquisition rights shall be 100 shares.

In the case of performing a share split (including the allotment of shares of the Company’s common shares without contribution; the same applies hereinafter to the description of the share split) or share consolidation of the Company’s common shares, the number of shares to be granted shall be adjusted according to the following formula. Provided, however, that such adjustment shall be made with respect to the number of shares underlying share acquisition rights that have not been exercised at the time of such adjustment, and any fractional figure less than one share generated as a result of such adjustment shall be rounded off.

Number of shares to be granted after adjustment = Number of shares to be granted before adjustment x Ratio of share split or consolidation

Moreover, in the case where the Company carries out a merger, company split or share exchange, and in any other equivalent case where an adjustment of the number of shares granted is required, the Company may adjust the number of shares granted as deemed necessary by the Board of Directors of the Company.

2. In the case where the Company carries out a merger (limited to cases where the Company ceases to exist as a result of the merger), absorption-type company split or incorporation-type company split (limited to cases where the Company becomes a split company, respectively), or share exchange or share transfer (limited to cases where the Company becomes a wholly-owned subsidiary, respectively) (hereinafter collectively referred to as the “Reorganization”), the Company shall issue to the holders of share acquisition rights holding the remaining share acquisition rights immediately prior to the effective date of the Reorganization (meaning the day on which the absorption-type merger takes effect with respect to the absorption-type merger, the day on which the stock company established by the consolidation-type merger is formed with respect to the consolidation-type merger, the day on which the absorption-type company split takes effect with respect to the absorption-type company split, the day on which the stock company incorporated in the incorporation-type company split is formed with respect to the incorporation-type company split, the day on which the share exchange takes effect with respect to the share exchange, and the day on which the wholly-owning parent company formed by share transfer is formed with respect to the share transfer; the same applies hereinafter) (such remaining share acquisition rights hereinafter referred to as the “Residual Share Acquisition Rights”) the share acquisition rights of the stock companies listed in Article 236, paragraph 1, item (viii), (a) through (e) of the Companies Act (hereinafter referred to as the “Company Subject to Reorganization”) in the respective cases.

Provided, however, that the issuance of share acquisition rights of the Company Subject to Reorganization in accordance with the following items shall be provided for in the absorption-type merger agreement, incorporation-type merger agreement, absorption-type company split agreement, and the incorporation-type company split plan, share exchange agreement or share transfer plan.

- 1) The number of share acquisition rights of the Company Subject to Reorganization to be issued
The share acquisition rights of the Company Subject to Reorganization shall be issued in the same number as the number of Residual Share Acquisition Rights held by the holders of share acquisition rights.
- 2) Class of shares of the Company Subject to Reorganization underlying share acquisition rights
It shall be common shares of the Company Subject to Reorganization.
- 3) The total number of shares of the Company Subject to Reorganization underlying share acquisition rights
It shall be the number of shares underlying share acquisition rights, for which reasonable adjustments have been made, taking into consideration the conditions of the Reorganization, etc. Provided, however, that any fractional figure less than one share generated as a result of such adjustment shall be rounded off.
- 4) The value of the property to be contributed at the time of exercise of share acquisition rights
The value of the property to be contributed at the time of exercise of each share acquisition right to be issued shall be the amount obtained by multiplying the post-reorganization exercise price set below by the number of shares of the Company Subject to Reorganization underlying the relevant each share acquisition right to be determined pursuant to the above item. The post-reorganization exercise price shall be one yen per share of the Company Subject to Reorganization that can be received by exercising each share acquisition right to be issued.
- 5) Period during which share acquisition rights can be exercised
It shall be from the start date of the period during which the share acquisition rights can be exercised as specified in the above period of exercise of share acquisition rights or the effective date of the Reorganization, whichever comes later, to the expiration date of the period during which the share acquisition rights can be exercised as specified in the above period of exercise of share acquisition rights.
- 6) Matters concerning the capital and capital reserves that will be increased in cases where shares are issued as a result of the exercise of share acquisition rights
To be determined in accordance with the issuance price and amount to be incorporated into the stated capita per share in cases where shares are issued as a result of the above exercise of share acquisition rights.
- 7) Restriction on purchase of share acquisition rights by transfer
Approval of the Board of Directors of the Company Subject to Reorganization shall be required for the acquisition of any share acquisition rights by means of transfer.
- 8) Conditions on the exercise of share acquisition rights
To be determined in accordance with the above conditions on the exercise of share acquisition rights.
- 9) Provisions for acquisition of share acquisition rights
If any of the following proposals (a), (b), (c), (d) or (e) is approved at the general meeting of shareholders of the Company (in case a resolution of the general meeting of shareholders is not required, if a resolution of the Board of Directors of the Company or a decision of executive officers delegated pursuant to the provisions of Article 416, paragraph 4 of the Companies Act is made), the Company may acquire the share acquisition rights without contribution on a date separately specified by the Board of Directors of the Company:
 - (a) a proposal for approval of a merger agreement in which the Company ceases to exist;
 - (b) a proposal for approval of a company split agreement or a company split plan in which the Company becomes a split company;
 - (c) a proposal for approval of a share exchange agreement or a share transfer plan in which the Company becomes a wholly-owned subsidiary;
 - (d) a proposal for approval of amendments to the articles of incorporation which establishes a provision to the effect that, as the features of all shares issued by the Company, the approval of the Company is required for the acquisition of such shares by transfer; and
 - (e) a proposal for approval of amendments to the articles of incorporation which establishes a provision to the effect that, as the features of the class shares underlying share acquisition rights, the approval of the Company is required for the acquisition of such class shares by transfer, or that the Company acquires all of such class shares by a resolution of the general meeting of shareholders.
3. By a resolution of the Board of Directors meeting held on June 7, 2024, the Company has conducted a share split with an

effective date of October 1, 2024 in the ratio of one share to two shares. Accordingly, “The number of shares subject to share acquisition rights” and “Issuance price and amount to be incorporated into the stated capital per share on the exercise of share acquisition rights” have been adjusted.

Date of resolution	June 27, 2014
Category and number of grantees (persons)	7 Directors of the Company 13 Executive Officers of the Company
Number of share acquisition rights*	120
Class, description and number of shares subject to share acquisition rights (shares)*	Common shares: 24,000
Amount payable on the exercise of share acquisition rights (yen)*	1 per share (Note) 1
Period of exercise of share acquisition rights*	July 23, 2014 - July 22, 2049
Issuance price and amount to be incorporated into the stated capital per share on the exercise of share acquisition rights (yen)*	Issuance price: 791 Amount to be incorporated into the stated capital: 396
Conditions on the exercise of share acquisition rights*	1) Holders of share acquisition rights may, in principle, exercise share acquisition rights only within 10 days from the day following the date of loss of their positions both as a Director and executive officer of the Company (or the following business day if the 10th day falls on a holiday). 2) Other conditions shall be governed by the “Share Acquisition Right Allotment Agreement” to be concluded between the Company and the holders of share acquisition rights.
Matters concerning the transfer of share acquisition rights*	Approval of the Company’s Board of Directors is required for the acquisition of any share acquisition rights by means of transfer.
Matters concerning the issuance of share acquisition rights as a result of reorganization*	(Note) 2

* Description denotes information as of the end of the fiscal year under review (March 31, 2026). As of the last day of the month preceding the filing date (May 31, 2026), matters to be described have remained unchanged since the end of the fiscal year under review. As such, the description as of the last day of the month preceding the filing date is omitted.

(Notes) 1. The class of shares underlying share acquisition rights shall be the Company’s common shares, and the number of shares underlying each of the share acquisition rights shall be 100 shares.

In the case of performing a share split (including the allotment of shares of the Company’s common shares without contribution; the same applies hereinafter to the description of the share split) or share consolidation of the Company’s common shares, the number of shares to be granted shall be adjusted according to the following formula. Provided, however, that such adjustment shall be made with respect to the number of shares underlying share acquisition rights that have not been exercised at the time of such adjustment, and any fractional figure less than one share generated as a result of such adjustment shall be rounded off.

Number of shares to be granted after adjustment = Number of shares to be granted before adjustment x Ratio of share split or consolidation

Moreover, in the case where the Company carries out a merger, company split or share exchange, and in any other equivalent case where an adjustment of the number of shares granted is required, the Company may adjust the number of shares granted as deemed necessary by the Board of Directors of the Company.

2. In the case where the Company carries out a merger (limited to cases where the Company ceases to exist as a result of the merger), absorption-type company split or incorporation-type company split (limited to cases where the Company becomes a split company, respectively), or share exchange or share transfer (limited to cases where the Company becomes a wholly-owned subsidiary, respectively) (hereinafter collectively referred to as the “Reorganization”), the Company shall issue to the holders of share acquisition rights holding the remaining share acquisition rights immediately prior to the effective date of the Reorganization (meaning the day on which the absorption-type merger takes effect with respect to the absorption-type merger, the day on which the stock company established by the consolidation-type merger is formed with respect to the consolidation-type merger, the day on which the absorption-type company split takes effect with respect to the absorption-type company split, the day on which the stock company incorporated in the incorporation-type company split is formed with respect to the incorporation-type company split, the day on which the share exchange takes effect with respect to the share exchange, and the day on which the wholly-owning parent company formed by share transfer is formed with respect to the share transfer; the same applies hereinafter) (such remaining share acquisition rights hereinafter referred to as the “Residual Share Acquisition Rights”) the share acquisition rights of the stock companies listed in Article 236, paragraph 1, item (viii), (a) through (e) of the Companies Act (hereinafter referred to as the “Company Subject to Reorganization”) in the respective cases.

Provided, however, that the issuance of share acquisition rights of the Company Subject to Reorganization in accordance with the following items shall be provided for in the absorption-type merger agreement, incorporation-type merger agreement, absorption-type company split agreement, and the incorporation-type company split plan, share exchange agreement or share transfer plan.

- 1) The number of share acquisition rights of the Company Subject to Reorganization to be issued
The share acquisition rights of the Company Subject to Reorganization shall be issued in the same number as the number of Residual Share Acquisition Rights held by the holders of share acquisition rights.
- 2) Class of shares of the Company Subject to Reorganization underlying share acquisition rights
It shall be common shares of the Company Subject to Reorganization.
- 3) The total number of shares of the Company Subject to Reorganization underlying share acquisition rights
It shall be the number of shares underlying share acquisition rights, for which reasonable adjustments have been made, taking into consideration the conditions of the Reorganization, etc. Provided, however, that any fractional figure less than one share generated as a result of such adjustment shall be rounded off.
- 4) The value of the property to be contributed at the time of exercise of share acquisition rights
The value of the property to be contributed at the time of exercise of each share acquisition right to be issued shall be the amount obtained by multiplying the post-reorganization exercise price set below by the number of shares of the Company Subject to Reorganization underlying the relevant each share acquisition right to be determined pursuant to the above item. The post-reorganization exercise price shall be one yen per share of the Company Subject to Reorganization that can be received by exercising each share acquisition right to be issued.
- 5) Period during which share acquisition rights can be exercised
It shall be from the start date of the period during which the share acquisition rights can be exercised as specified in the above period of exercise of share acquisition rights or the effective date of the Reorganization, whichever comes later, to the expiration date of the period during which the share acquisition rights can be exercised as specified in the above period of exercise of share acquisition rights.
- 6) Matters concerning the capital and capital reserves that will be increased in cases where shares are issued as a result of the exercise of share acquisition rights
To be determined in accordance with the issuance price and amount to be incorporated into the stated capita per share in cases where shares are issued as a result of the above exercise of share acquisition rights.
- 7) Restriction on purchase of share acquisition rights by transfer
Approval of the Board of Directors of the Company Subject to Reorganization shall be required for the acquisition of any share acquisition rights by means of transfer.
- 8) Conditions on the exercise of share acquisition rights
To be determined in accordance with the above conditions on the exercise of share acquisition rights.
- 9) Provisions for acquisition of share acquisition rights
If any of the following proposals (a), (b), (c), (d) or (e) is approved at the general meeting of shareholders of the Company (in case a resolution of the general meeting of shareholders is not required, if a resolution of the Board of Directors of the Company or a decision of executive officers delegated pursuant to the provisions of Article 416, paragraph 4 of the Companies Act is made), the Company may acquire the share acquisition rights without contribution on a date separately specified by the Board of Directors of the Company:
 - (a) a proposal for approval of a merger agreement in which the Company ceases to exist;
 - (b) a proposal for approval of a company split agreement or a company split plan in which the Company becomes a split company;
 - (c) a proposal for approval of a share exchange agreement or a share transfer plan in which the Company becomes a wholly-owned subsidiary;
 - (d) a proposal for approval of amendments to the articles of incorporation which establishes a provision to the effect that, as the features of all shares issued by the Company, the approval of the Company is required for the acquisition of such shares by transfer; and
 - (e) a proposal for approval of amendments to the articles of incorporation which establishes a provision to the effect that, as the features of the class shares underlying share acquisition rights, the approval of the Company is required for the acquisition of such class shares by transfer, or that the Company acquires all of such class shares by a resolution of the general meeting of shareholders.
3. By a resolution of the Board of Directors meeting held on June 7, 2024, the Company has conducted a share split with an

effective date of October 1, 2024 in the ratio of one share to two shares. Accordingly, “The number of shares subject to share acquisition rights” and “Issuance price and amount to be incorporated into the stated capital per share on the exercise of share acquisition rights” have been adjusted.

Date of resolution	June 29, 2015
Category and number of grantees (persons)	7 Directors of the Company 14 Executive Officers of the Company
Number of share acquisition rights*	92
Class, description and number of shares subject to share acquisition rights (shares)*	Common shares: 18,400
Amount payable on the exercise of share acquisition rights (yen)*	1 per share (Note) 1
Period of exercise of share acquisition rights*	July 28, 2015 - July 27, 2050
Issuance price and amount to be incorporated into the stated capital per share on the exercise of share acquisition rights (yen)*	Issuance price: 928 Amount to be incorporated into the stated capital: 464
Conditions on the exercise of share acquisition rights*	1) Holders of share acquisition rights may, in principle, exercise share acquisition rights only within 10 days from the day following the date of loss of their positions both as a Director and executive officer of the Company (or the following business day if the 10th day falls on a holiday). 2) Other conditions shall be governed by the “Share Acquisition Right Allotment Agreement” to be concluded between the Company and the holders of share acquisition rights.
Matters concerning the transfer of share acquisition rights*	Approval of the Company’s Board of Directors is required for the acquisition of any share acquisition rights by means of transfer.
Matters concerning the issuance of share acquisition rights as a result of reorganization*	(Note) 2

* Description denotes information as of the end of the fiscal year under review (March 31, 2026). As of the last day of the month preceding the filing date (May 31, 2026), matters to be described have remained unchanged since the end of the fiscal year under review. As such, the description as of the last day of the month preceding the filing date is omitted.

(Notes) 1. The class of shares underlying share acquisition rights shall be the Company’s common shares, and the number of shares underlying each of the share acquisition rights shall be 100 shares.

In the case of performing a share split (including the allotment of shares of the Company’s common shares without contribution; the same applies hereinafter to the description of the share split) or share consolidation of the Company’s common shares, the number of shares to be granted shall be adjusted according to the following formula. Provided, however, that such adjustment shall be made with respect to the number of shares underlying share acquisition rights that have not been exercised at the time of such adjustment, and any fractional figure less than one share generated as a result of such adjustment shall be rounded off.

Number of shares to be granted after adjustment = Number of shares to be granted before adjustment x Ratio of share split or consolidation

Moreover, in the case where the Company carries out a merger, company split or share exchange, and in any other equivalent case where an adjustment of the number of shares granted is required, the Company may adjust the number of shares granted as deemed necessary by the Board of Directors of the Company.

2. In the case where the Company carries out a merger (limited to cases where the Company ceases to exist as a result of the merger), absorption-type company split or incorporation-type company split (limited to cases where the Company becomes a split company, respectively), or share exchange or share transfer (limited to cases where the Company becomes a wholly-owned subsidiary, respectively) (hereinafter collectively referred to as the “Reorganization”), the Company shall issue to the holders of share acquisition rights holding the remaining share acquisition rights immediately prior to the effective date of the Reorganization (meaning the day on which the absorption-type merger takes effect with respect to the absorption-type merger, the day on which the stock company established by the consolidation-type merger is formed with respect to the consolidation-type merger, the day on which the absorption-type company split takes effect with respect to the absorption-type company split, the day on which the stock company incorporated in the incorporation-type company split is formed with respect to the incorporation-type company split, the day on which the share exchange takes effect with respect to the share exchange, and the day on which the wholly-owning parent company formed by share transfer is formed with respect to the share transfer; the same applies hereinafter) (such remaining share acquisition rights hereinafter referred to as the “Residual Share Acquisition Rights”) the share acquisition rights of the stock companies listed in Article 236, paragraph 1, item (viii), (a) through (e) of the Companies Act (hereinafter referred to as the “Company Subject to Reorganization”) in the respective cases.

Provided, however, that the issuance of share acquisition rights of the Company Subject to Reorganization in accordance with the following items shall be provided for in the absorption-type merger agreement, incorporation-type merger agreement, absorption-type company split agreement, and the incorporation-type company split plan, share exchange agreement or share transfer plan.

- 1) The number of share acquisition rights of the Company Subject to Reorganization to be issued
The share acquisition rights of the Company Subject to Reorganization shall be issued in the same number as the number of Residual Share Acquisition Rights held by the holders of share acquisition rights.
- 2) Class of shares of the Company Subject to Reorganization underlying share acquisition rights
It shall be common shares of the Company Subject to Reorganization.
- 3) The total number of shares of the Company Subject to Reorganization underlying share acquisition rights
It shall be the number of shares underlying share acquisition rights, for which reasonable adjustments have been made, taking into consideration the conditions of the Reorganization, etc. Provided, however, that any fractional figure less than one share generated as a result of such adjustment shall be rounded off.
- 4) The value of the property to be contributed at the time of exercise of share acquisition rights
The value of the property to be contributed at the time of exercise of each share acquisition right to be issued shall be the amount obtained by multiplying the post-reorganization exercise price set below by the number of shares of the Company Subject to Reorganization underlying the relevant each share acquisition right to be determined pursuant to the above item. The post-reorganization exercise price shall be one yen per share of the Company Subject to Reorganization that can be received by exercising each share acquisition right to be issued.
- 5) Period during which share acquisition rights can be exercised
It shall be from the start date of the period during which the share acquisition rights can be exercised as specified in the above period of exercise of share acquisition rights or the effective date of the Reorganization, whichever comes later, to the expiration date of the period during which the share acquisition rights can be exercised as specified in the above period of exercise of share acquisition rights.
- 6) Matters concerning the capital and capital reserves that will be increased in cases where shares are issued as a result of the exercise of share acquisition rights
To be determined in accordance with the issuance price and amount to be incorporated into the stated capita per share in cases where shares are issued as a result of the above exercise of share acquisition rights.
- 7) Restriction on purchase of share acquisition rights by transfer
Approval of the Board of Directors of the Company Subject to Reorganization shall be required for the acquisition of any share acquisition rights by means of transfer.
- 8) Conditions on the exercise of share acquisition rights
To be determined in accordance with the above conditions on the exercise of share acquisition rights.
- 9) Provisions for acquisition of share acquisition rights
If any of the following proposals (a), (b), (c), (d) or (e) is approved at the general meeting of shareholders of the Company (in case a resolution of the general meeting of shareholders is not required, if a resolution of the Board of Directors of the Company or a decision of executive officers delegated pursuant to the provisions of Article 416, paragraph 4 of the Companies Act is made), the Company may acquire the share acquisition rights without contribution on a date separately specified by the Board of Directors of the Company:
 - (a) a proposal for approval of a merger agreement in which the Company ceases to exist;
 - (b) a proposal for approval of a company split agreement or a company split plan in which the Company becomes a split company;
 - (c) a proposal for approval of a share exchange agreement or a share transfer plan in which the Company becomes a wholly-owned subsidiary;
 - (d) a proposal for approval of amendments to the articles of incorporation which establishes a provision to the effect that, as the features of all shares issued by the Company, the approval of the Company is required for the acquisition of such shares by transfer; and
 - (e) a proposal for approval of amendments to the articles of incorporation which establishes a provision to the effect that, as the features of the class shares underlying share acquisition rights, the approval of the Company is required for the acquisition of such class shares by transfer, or that the Company acquires all of such class shares by a resolution of the general meeting of shareholders.
3. By a resolution of the Board of Directors meeting held on June 7, 2024, the Company has conducted a share split with an

effective date of October 1, 2024 in the ratio of one share to two shares. Accordingly, “The number of shares subject to share acquisition rights” and “Issuance price and amount to be incorporated into the stated capital per share on the exercise of share acquisition rights” have been adjusted.

Date of resolution	June 29, 2016
Category and number of grantees (persons)	7 Directors of the Company 6 Executive Officers of the Company
Number of share acquisition rights*	117
Class, description and number of shares subject to share acquisition rights (shares)*	Common shares: 23,400
Amount payable on the exercise of share acquisition rights (yen)*	1 per share (Note) 1
Period of exercise of share acquisition rights*	July 22, 2016 - July 21, 2051
Issuance price and amount to be incorporated into the stated capital per share on the exercise of share acquisition rights (yen)*	Issuance price: 915 Amount to be incorporated into the stated capital: 458
Conditions on the exercise of share acquisition rights*	1) Holders of share acquisition rights may, in principle, exercise share acquisition rights only within 10 days from the day following the date of loss of their positions both as a Director and executive officer of the Company (or the following business day if the 10th day falls on a holiday). 2) Other conditions shall be governed by the “Share Acquisition Right Allotment Agreement” to be concluded between the Company and the holders of share acquisition rights.
Matters concerning the transfer of share acquisition rights*	Approval of the Company’s Board of Directors is required for the acquisition of any share acquisition rights by means of transfer.
Matters concerning the issuance of share acquisition rights as a result of reorganization*	(Note) 2

* Description denotes information as of the end of the fiscal year under review (March 31, 2026). As of the last day of the month preceding the filing date (May 31, 2026), matters to be described have remained unchanged since the end of the fiscal year under review. As such, the description as of the last day of the month preceding the filing date is omitted.

(Notes) 1. The class of shares underlying share acquisition rights shall be the Company’s common shares, and the number of shares underlying each of the share acquisition rights shall be 100 shares.

In the case of performing a share split (including the allotment of shares of the Company’s common shares without contribution; the same applies hereinafter to the description of the share split) or share consolidation of the Company’s common shares, the number of shares to be granted shall be adjusted according to the following formula. Provided, however, that such adjustment shall be made with respect to the number of shares underlying share acquisition rights that have not been exercised at the time of such adjustment, and any fractional figure less than one share generated as a result of such adjustment shall be rounded off.

Number of shares to be granted after adjustment = Number of shares to be granted before adjustment x Ratio of share split or consolidation

Moreover, in the case where the Company carries out a merger, company split or share exchange, and in any other equivalent case where an adjustment of the number of shares granted is required, the Company may adjust the number of shares granted as deemed necessary by the Board of Directors of the Company.

2. In the case where the Company carries out a merger (limited to cases where the Company ceases to exist as a result of the merger), absorption-type company split or incorporation-type company split (limited to cases where the Company becomes a split company, respectively), or share exchange or share transfer (limited to cases where the Company becomes a wholly-owned subsidiary, respectively) (hereinafter collectively referred to as the “Reorganization”), the Company shall issue to the holders of share acquisition rights holding the remaining share acquisition rights immediately prior to the effective date of the Reorganization (meaning the day on which the absorption-type merger takes effect with respect to the absorption-type merger, the day on which the stock company established by the consolidation-type merger is formed with respect to the consolidation-type merger, the day on which the absorption-type company split takes effect with respect to the absorption-type company split, the day on which the stock company incorporated in the incorporation-type company split is formed with respect to the incorporation-type company split, the day on which the share exchange takes effect with respect to the share exchange, and the day on which the wholly-owning parent company formed by share transfer is formed with respect to the share transfer; the same applies hereinafter) (such remaining share acquisition rights hereinafter referred to as the “Residual Share Acquisition Rights”) the share acquisition rights of the stock companies listed in Article 236, paragraph 1, item (viii), (a) through (e) of the Companies Act (hereinafter referred to as the “Company Subject to Reorganization”) in the respective cases.

Provided, however, that the issuance of share acquisition rights of the Company Subject to Reorganization in accordance with the following items shall be provided for in the absorption-type merger agreement, incorporation-type merger agreement, absorption-type company split agreement, and the incorporation-type company split plan, share exchange agreement or share transfer plan.

- 1) The number of share acquisition rights of the Company Subject to Reorganization to be issued
The share acquisition rights of the Company Subject to Reorganization shall be issued in the same number as the number of Residual Share Acquisition Rights held by the holders of share acquisition rights.
- 2) Class of shares of the Company Subject to Reorganization underlying share acquisition rights
It shall be common shares of the Company Subject to Reorganization.
- 3) The total number of shares of the Company Subject to Reorganization underlying share acquisition rights
It shall be the number of shares underlying share acquisition rights, for which reasonable adjustments have been made, taking into consideration the conditions of the Reorganization, etc. Provided, however, that any fractional figure less than one share generated as a result of such adjustment shall be rounded off.
- 4) The value of the property to be contributed at the time of exercise of share acquisition rights
The value of the property to be contributed at the time of exercise of each share acquisition right to be issued shall be the amount obtained by multiplying the post-reorganization exercise price set below by the number of shares of the Company Subject to Reorganization underlying the relevant each share acquisition right to be determined pursuant to the above item. The post-reorganization exercise price shall be one yen per share of the Company Subject to Reorganization that can be received by exercising each share acquisition right to be issued.
- 5) Period during which share acquisition rights can be exercised
It shall be from the start date of the period during which the share acquisition rights can be exercised as specified in the above period of exercise of share acquisition rights or the effective date of the Reorganization, whichever comes later, to the expiration date of the period during which the share acquisition rights can be exercised as specified in the above period of exercise of share acquisition rights.
- 6) Matters concerning the capital and capital reserves that will be increased in cases where shares are issued as a result of the exercise of share acquisition rights
To be determined in accordance with the issuance price and amount to be incorporated into the stated capita per share in cases where shares are issued as a result of the above exercise of share acquisition rights.
- 7) Restriction on purchase of share acquisition rights by transfer
Approval of the Board of Directors of the Company Subject to Reorganization shall be required for the acquisition of any share acquisition rights by means of transfer.
- 8) Conditions on the exercise of share acquisition rights
To be determined in accordance with the above conditions on the exercise of share acquisition rights.
- 9) Provisions for acquisition of share acquisition rights
If any of the following proposals (a), (b), (c), (d) or (e) is approved at the general meeting of shareholders of the Company (in case a resolution of the general meeting of shareholders is not required, if a resolution of the Board of Directors of the Company or a decision of executive officers delegated pursuant to the provisions of Article 416, paragraph 4 of the Companies Act is made), the Company may acquire the share acquisition rights without contribution on a date separately specified by the Board of Directors of the Company:
 - (a) a proposal for approval of a merger agreement in which the Company ceases to exist;
 - (b) a proposal for approval of a company split agreement or a company split plan in which the Company becomes a split company;
 - (c) a proposal for approval of a share exchange agreement or a share transfer plan in which the Company becomes a wholly-owned subsidiary;
 - (d) a proposal for approval of amendments to the articles of incorporation which establishes a provision to the effect that, as the features of all shares issued by the Company, the approval of the Company is required for the acquisition of such shares by transfer; and
 - (e) a proposal for approval of amendments to the articles of incorporation which establishes a provision to the effect that, as the features of the class shares underlying share acquisition rights, the approval of the Company is required for the acquisition of such class shares by transfer, or that the Company acquires all of such class shares by a resolution of the general meeting of shareholders.
3. By a resolution of the Board of Directors meeting held on June 7, 2024, the Company has conducted a share split with an

effective date of October 1, 2024 in the ratio of one share to two shares. Accordingly, “The number of shares subject to share acquisition rights” and “Issuance price and amount to be incorporated into the stated capital per share on the exercise of share acquisition rights” have been adjusted.

Date of resolution	June 29, 2017
Category and number of grantees (persons)	7 Directors of the Company 6 Executive Officers of the Company
Number of share acquisition rights*	92
Class, description and number of shares subject to share acquisition rights (shares)*	Common shares: 18,400
Amount payable on the exercise of share acquisition rights (yen)*	1 per share (Note) 1
Period of exercise of share acquisition rights*	July 22, 2017 - July 21, 2052
Issuance price and amount to be incorporated into the stated capital per share on the exercise of share acquisition rights (yen)*	Issuance price: 1,115 Amount to be incorporated into the stated capital: 558
Conditions on the exercise of share acquisition rights*	1) Holders of share acquisition rights may, in principle, exercise share acquisition rights only within 10 days from the day following the date of loss of their positions both as a Director and executive officer of the Company (or the following business day if the 10th day falls on a holiday). 2) Other conditions shall be governed by the “Share Acquisition Right Allotment Agreement” to be concluded between the Company and the holders of share acquisition rights.
Matters concerning the transfer of share acquisition rights*	Approval of the Company’s Board of Directors is required for the acquisition of any share acquisition rights by means of transfer.
Matters concerning the issuance of share acquisition rights as a result of reorganization*	(Note) 2

* Description denotes information as of the end of the fiscal year under review (March 31, 2026). As of the last day of the month preceding the filing date (May 31, 2026), matters to be described have remained unchanged since the end of the fiscal year under review. As such, the description as of the last day of the month preceding the filing date is omitted.

(Notes) 1. The class of shares underlying share acquisition rights shall be the Company’s common shares, and the number of shares underlying each of the share acquisition rights shall be 100 shares.

In the case of performing a share split (including the allotment of shares of the Company’s common shares without contribution; the same applies hereinafter to the description of the share split) or share consolidation of the Company’s common shares, the number of shares to be granted shall be adjusted according to the following formula. Provided, however, that such adjustment shall be made with respect to the number of shares underlying share acquisition rights that have not been exercised at the time of such adjustment, and any fractional figure less than one share generated as a result of such adjustment shall be rounded off.

Number of shares to be granted after adjustment = Number of shares to be granted before adjustment x Ratio of share split or consolidation

Moreover, in the case where the Company carries out a merger, company split or share exchange, and in any other equivalent case where an adjustment of the number of shares granted is required, the Company may adjust the number of shares granted as deemed necessary by the Board of Directors of the Company.

2. In the case where the Company carries out a merger (limited to cases where the Company ceases to exist as a result of the merger), absorption-type company split or incorporation-type company split (limited to cases where the Company becomes a split company, respectively), or share exchange or share transfer (limited to cases where the Company becomes a wholly-owned subsidiary, respectively) (hereinafter collectively referred to as the “Reorganization”), the Company shall issue to the holders of share acquisition rights holding the remaining share acquisition rights immediately prior to the effective date of the Reorganization (meaning the day on which the absorption-type merger takes effect with respect to the absorption-type merger, the day on which the stock company established by the consolidation-type merger is formed with respect to the consolidation-type merger, the day on which the absorption-type company split takes effect with respect to the absorption-type company split, the day on which the stock company incorporated in the incorporation-type company split is formed with respect to the incorporation-type company split, the day on which the share exchange takes effect with respect to the share exchange, and the day on which the wholly-owning parent company formed by share transfer is formed with respect to the share transfer; the same applies hereinafter) (such remaining share acquisition rights hereinafter referred to as the “Residual Share Acquisition Rights”) the share acquisition rights of the stock companies listed in Article 236, paragraph 1, item (viii), (a) through (e) of the Companies Act (hereinafter referred to as the “Company Subject to Reorganization”) in the respective cases.

Provided, however, that the issuance of share acquisition rights of the Company Subject to Reorganization in accordance with the following items shall be provided for in the absorption-type merger agreement, incorporation-type merger agreement, absorption-type company split agreement, and the incorporation-type company split plan, share exchange agreement or share transfer plan.

- 1) The number of share acquisition rights of the Company Subject to Reorganization to be issued
The share acquisition rights of the Company Subject to Reorganization shall be issued in the same number as the number of Residual Share Acquisition Rights held by the holders of share acquisition rights.
- 2) Class of shares of the Company Subject to Reorganization underlying share acquisition rights
It shall be common shares of the Company Subject to Reorganization.
- 3) The total number of shares of the Company Subject to Reorganization underlying share acquisition rights
It shall be the number of shares underlying share acquisition rights, for which reasonable adjustments have been made, taking into consideration the conditions of the Reorganization, etc. Provided, however, that any fractional figure less than one share generated as a result of such adjustment shall be rounded off.
- 4) The value of the property to be contributed at the time of exercise of share acquisition rights
The value of the property to be contributed at the time of exercise of each share acquisition right to be issued shall be the amount obtained by multiplying the post-reorganization exercise price set below by the number of shares of the Company Subject to Reorganization underlying the relevant each share acquisition right to be determined pursuant to the above item. The post-reorganization exercise price shall be one yen per share of the Company Subject to Reorganization that can be received by exercising each share acquisition right to be issued.
- 5) Period during which share acquisition rights can be exercised
It shall be from the start date of the period during which the share acquisition rights can be exercised as specified in the above period of exercise of share acquisition rights or the effective date of the Reorganization, whichever comes later, to the expiration date of the period during which the share acquisition rights can be exercised as specified in the above period of exercise of share acquisition rights.
- 6) Matters concerning the capital and capital reserves that will be increased in cases where shares are issued as a result of the exercise of share acquisition rights
To be determined in accordance with the issuance price and amount to be incorporated into the stated capita per share in cases where shares are issued as a result of the above exercise of share acquisition rights.
- 7) Restriction on purchase of share acquisition rights by transfer
Approval of the Board of Directors of the Company Subject to Reorganization shall be required for the acquisition of any share acquisition rights by means of transfer.
- 8) Conditions on the exercise of share acquisition rights
To be determined in accordance with the above conditions on the exercise of share acquisition rights.
- 9) Provisions for acquisition of share acquisition rights
If any of the following proposals (a), (b), (c), (d) or (e) is approved at the general meeting of shareholders of the Company (in case a resolution of the general meeting of shareholders is not required, if a resolution of the Board of Directors of the Company or a decision of executive officers delegated pursuant to the provisions of Article 416, paragraph 4 of the Companies Act is made), the Company may acquire the share acquisition rights without contribution on a date separately specified by the Board of Directors of the Company:
 - (a) a proposal for approval of a merger agreement in which the Company ceases to exist;
 - (b) a proposal for approval of a company split agreement or a company split plan in which the Company becomes a split company;
 - (c) a proposal for approval of a share exchange agreement or a share transfer plan in which the Company becomes a wholly-owned subsidiary;
 - (d) a proposal for approval of amendments to the articles of incorporation which establishes a provision to the effect that, as the features of all shares issued by the Company, the approval of the Company is required for the acquisition of such shares by transfer; and
 - (e) a proposal for approval of amendments to the articles of incorporation which establishes a provision to the effect that, as the features of the class shares underlying share acquisition rights, the approval of the Company is required for the acquisition of such class shares by transfer, or that the Company acquires all of such class shares by a resolution of the general meeting of shareholders.
3. By a resolution of the Board of Directors meeting held on June 7, 2024, the Company has conducted a share split with an

effective date of October 1, 2024 in the ratio of one share to two shares. Accordingly, “The number of shares subject to share acquisition rights” and “Issuance price and amount to be incorporated into the stated capital per share on the exercise of share acquisition rights” have been adjusted.

Date of resolution	June 28, 2018
Category and number of grantees (persons)	7 Directors of the Company 5 Executive Officers of the Company
Number of share acquisition rights*	77
Class, description and number of shares subject to share acquisition rights (shares)*	Common shares: 15,400
Amount payable on the exercise of share acquisition rights (yen)*	1 per share (Note) 1
Period of exercise of share acquisition rights*	July 21, 2018 - July 20, 2053
Issuance price and amount to be incorporated into the stated capital per share on the exercise of share acquisition rights (yen)*	Issuance price: 1,271 Amount to be incorporated into the stated capital: 636
Conditions on the exercise of share acquisition rights*	1) Holders of share acquisition rights may, in principle, exercise share acquisition rights only within 10 days from the day following the date of loss of their positions both as a Director and executive officer of the Company (or the following business day if the 10th day falls on a holiday). 2) Other conditions shall be governed by the “Share Acquisition Right Allotment Agreement” to be concluded between the Company and the holders of share acquisition rights.
Matters concerning the transfer of share acquisition rights*	Approval of the Company’s Board of Directors is required for the acquisition of any share acquisition rights by means of transfer.
Matters concerning the issuance of share acquisition rights as a result of reorganization*	(Note) 2

* Description denotes information as of the end of the fiscal year under review (March 31, 2026). As of the last day of the month preceding the filing date (May 31, 2026), matters to be described have remained unchanged since the end of the fiscal year under review. As such, the description as of the last day of the month preceding the filing date is omitted.

(Notes) 1. The class of shares underlying share acquisition rights shall be the Company’s common shares, and the number of shares underlying each of the share acquisition rights shall be 100 shares.

In the case of performing a share split (including the allotment of shares of the Company’s common shares without contribution; the same applies hereinafter to the description of the share split) or share consolidation of the Company’s common shares, the number of shares to be granted shall be adjusted according to the following formula. Provided, however, that such adjustment shall be made with respect to the number of shares underlying share acquisition rights that have not been exercised at the time of such adjustment, and any fractional figure less than one share generated as a result of such adjustment shall be rounded off.

Number of shares to be granted after adjustment = Number of shares to be granted before adjustment x Ratio of share split or consolidation

Moreover, in the case where the Company carries out a merger, company split or share exchange, and in any other equivalent case where an adjustment of the number of shares granted is required, the Company may adjust the number of shares granted as deemed necessary by the Board of Directors of the Company.

2. In the case where the Company carries out a merger (limited to cases where the Company ceases to exist as a result of the merger), absorption-type company split or incorporation-type company split (limited to cases where the Company becomes a split company, respectively), or share exchange or share transfer (limited to cases where the Company becomes a wholly-owned subsidiary, respectively) (hereinafter collectively referred to as the “Reorganization”), the Company shall issue to the holders of share acquisition rights holding the remaining share acquisition rights immediately prior to the effective date of the Reorganization (meaning the day on which the absorption-type merger takes effect with respect to the absorption-type merger, the day on which the stock company established by the consolidation-type merger is formed with respect to the consolidation-type merger, the day on which the absorption-type company split takes effect with respect to the absorption-type company split, the day on which the stock company incorporated in the incorporation-type company split is formed with respect to the incorporation-type company split, the day on which the share exchange takes effect with respect to the share exchange, and the day on which the wholly-owning parent company formed by share transfer is formed with respect to the share transfer; the same applies hereinafter) (such remaining share acquisition rights hereinafter referred to as the “Residual Share Acquisition Rights”) the share acquisition rights of the stock companies listed in Article 236, paragraph 1, item (viii), (a) through (e) of the Companies Act (hereinafter referred to as the “Company Subject to Reorganization”) in the respective cases.

Provided, however, that the issuance of share acquisition rights of the Company Subject to Reorganization in accordance with the following items shall be provided for in the absorption-type merger agreement, incorporation-type merger agreement, absorption-type company split agreement, and the incorporation-type company split plan, share exchange agreement or share transfer plan.

- 1) The number of share acquisition rights of the Company Subject to Reorganization to be issued
The share acquisition rights of the Company Subject to Reorganization shall be issued in the same number as the number of Residual Share Acquisition Rights held by the holders of share acquisition rights.
- 2) Class of shares of the Company Subject to Reorganization underlying share acquisition rights
It shall be common shares of the Company Subject to Reorganization.
- 3) The total number of shares of the Company Subject to Reorganization underlying share acquisition rights
It shall be the number of shares underlying share acquisition rights, for which reasonable adjustments have been made, taking into consideration the conditions of the Reorganization, etc. Provided, however, that any fractional figure less than one share generated as a result of such adjustment shall be rounded off.
- 4) The value of the property to be contributed at the time of exercise of share acquisition rights
The value of the property to be contributed at the time of exercise of each share acquisition right to be issued shall be the amount obtained by multiplying the post-reorganization exercise price set below by the number of shares of the Company Subject to Reorganization underlying the relevant each share acquisition right to be determined pursuant to the above item. The post-reorganization exercise price shall be one yen per share of the Company Subject to Reorganization that can be received by exercising each share acquisition right to be issued.
- 5) Period during which share acquisition rights can be exercised
It shall be from the start date of the period during which the share acquisition rights can be exercised as specified in the above period of exercise of share acquisition rights or the effective date of the Reorganization, whichever comes later, to the expiration date of the period during which the share acquisition rights can be exercised as specified in the above period of exercise of share acquisition rights.
- 6) Matters concerning the capital and capital reserves that will be increased in cases where shares are issued as a result of the exercise of share acquisition rights
To be determined in accordance with the issuance price and amount to be incorporated into the stated capita per share in cases where shares are issued as a result of the above exercise of share acquisition rights.
- 7) Restriction on purchase of share acquisition rights by transfer
Approval of the Board of Directors of the Company Subject to Reorganization shall be required for the acquisition of any share acquisition rights by means of transfer.
- 8) Conditions on the exercise of share acquisition rights
To be determined in accordance with the above conditions on the exercise of share acquisition rights.
- 9) Provisions for acquisition of share acquisition rights
If any of the following proposals (a), (b), (c), (d) or (e) is approved at the general meeting of shareholders of the Company (in case a resolution of the general meeting of shareholders is not required, if a resolution of the Board of Directors of the Company or a decision of executive officers delegated pursuant to the provisions of Article 416, paragraph 4 of the Companies Act is made), the Company may acquire the share acquisition rights without contribution on a date separately specified by the Board of Directors of the Company:
 - (a) a proposal for approval of a merger agreement in which the Company ceases to exist;
 - (b) a proposal for approval of a company split agreement or a company split plan in which the Company becomes a split company;
 - (c) a proposal for approval of a share exchange agreement or a share transfer plan in which the Company becomes a wholly-owned subsidiary;
 - (d) a proposal for approval of amendments to the articles of incorporation which establishes a provision to the effect that, as the features of all shares issued by the Company, the approval of the Company is required for the acquisition of such shares by transfer; and
 - (e) a proposal for approval of amendments to the articles of incorporation which establishes a provision to the effect that, as the features of the class shares underlying share acquisition rights, the approval of the Company is required for the acquisition of such class shares by transfer, or that the Company acquires all of such class shares by a resolution of the general meeting of shareholders.
3. By a resolution of the Board of Directors meeting held on June 7, 2024, the Company has conducted a share split with an

effective date of October 1, 2024 in the ratio of one share to two shares. Accordingly, “The number of shares subject to share acquisition rights” and “Issuance price and amount to be incorporated into the stated capital per share on the exercise of share acquisition rights” have been adjusted.

2) Rights plans

There are no applicable matters to be reported.

3) Share acquisition rights for other uses

Share acquisition rights issued in accordance with the Companies Act are as follows.

Zero Coupon Convertible Bonds due 2031

Date of resolution	November 26, 2024
Number of share acquisition rights*	(Note) 1
Of which, the number of treasury share acquisition rights*	—
Class, description and number of shares subject to share acquisition rights (shares)*	Common shares: 10,772,696 [10,880,854] (Note) 2
Amount payable on the exercise of share acquisition rights (yen)*	2,042.2 [2,021.9] (Note) 3
Period of exercise of share acquisition rights*	December 26, 2024 - November 28, 2031 (Local time at the location where exercise requests are received) (Note) 4
Issuance price and amount to be incorporated into the stated capital per share on the exercise of share acquisition rights*	Issuance price: 2,042.2 [2,021.9] Amount to be incorporated into the stated capital: 1,021 [1,011] (Note) 5
Conditions on the exercise of share acquisition rights*	(Note) 6
Matters concerning the transfer of share acquisition rights*	As the share acquisition rights are attached to the convertible bonds with share acquisition rights, they cannot be transferred separately from the bonds.
Matters concerning the issuance of share acquisition rights as a result of reorganization*	(Note) 7
Details and value of the assets invested when exercising the share acquisition rights*	When exercising the respective share acquisition rights, the bonds pertaining to the corresponding share acquisition rights shall be invested, and the value of the corresponding bonds shall be equivalent to their face value.
Balance of bonds with share acquisition rights (millions of yen)	22,000 [17,800]

*Description denotes information as of the end of the fiscal year under review (March 31, 2026). With regard to any revisions made between the last day of the fiscal year ended March 31, 2026 and the end of the month preceding the filing date (May 31, 2026), details as of the end of the month preceding the filing date are stated in brackets, and other matters remain unchanged from the last day of the fiscal year ended March 31, 2026.

(Notes) 1. The total number of rights is 2,200 (as of the end of the fiscal year ended March 31, 2026), 1,780 (as of the end of the month preceding the filing date), and the number obtained by dividing the total face value of the bonds pertaining to the certificates of the substitute bonds with share acquisition rights (meaning the certificates of the bonds with share acquisition rights issued with the appropriate verification and compensation in the event that the certificates of the bonds with share acquisition rights are lost, stolen, or destroyed) by 10 million yen.

2. The number of common company shares delivered by the Company through the exercise of the share acquisition rights shall be the number obtained by dividing the total amount of the face value of the bonds pertaining to the exercise request by the conversion value described in (Note) 3 below. However, fractional amounts of less than one share occurring due to exercise shall be omitted, and cash-based adjustments shall not be performed.
3. (A) When exercising the respective share acquisition rights, the bonds pertaining to the corresponding share acquisition rights shall be invested, and the value of the corresponding bonds shall be equivalent to their face value.
(B) The conversion value shall initially be 2,090 yen.
(C) After the bonds with share acquisition rights are issued, in the event that the Company issues the Company's common shares at a payment amount which falls below the market value of the Company's common shares or disposes of the Company's common shares held by the Company, the conversion value shall be adjusted according to the following mathematical formula. Furthermore, the "existing number of issued shares" in the following mathematical formula is the total number of common shares issued by the Company (excluding those held by the Company).

$$\text{Conversion value after adjustment} = \frac{\text{Conversion value before adjustment} \times \left(\text{Existing number of issued shares} + \frac{\text{Number of issued or disposed shares} \times \text{Amount paid per share}}{\text{Market value}} \right)}{\text{Existing number of issued shares} + \text{Number of issued or disposed shares}}$$

Moreover, the conversion value may be adjusted as necessary when certain grounds arise such as when share acquisition rights (including rights attached to bonds with share acquisition rights), which allow holders to request the delivery of the Company's common shares, are issued by means of a split or consolidation of the Company's common shares or at a price which falls below the market value of the Company's common shares, or in case certain events arise.

4. The period shall be set from December 26, 2024 (including that date) to November 28, 2031 (including that date) (local time at the location where exercise requests are received). However, in the event that (1) the bonds are prematurely redeemed optionally by the Company, etc. as described in 7 (4) (A) below, the period shall end on the third business day in Tokyo before the redemption date (However, this excludes share acquisition rights pertaining to the bonds for which early redemption was not selected as described in 7 (4) (A) 2) below; (2) the bonds are prematurely redeemed optionally by a holder of the bonds with share acquisition rights as described in 7 (4) (B) below, the period shall last until a notice of redemption is deposited with the fiscal agent as described in 7 (10); (3) the bonds with the share acquisition rights are acquired by the Company as described in 7 (5) below or the cancellation of the bonds by purchase is done as described in 7 (6) below, the period shall end at the time when the bonds are canceled; or (4) the bonds are accelerated as described in 7 (7) below, the period shall end at the time of acceleration. In any of the cases described above, the share acquisition rights cannot be exercised after November 28, 2031 (local time at the location where exercise requests are received). Regardless of the above, in the event that the bonds with the share acquisition rights are acquired by the Company as described in 7 (5) below, the share acquisition rights cannot be exercised from September 13, 2031 (including that date) to the optional redemption date (defined in 7 (5) below). In the event that the Company reasonably judges it to be necessary in order to conduct an organizational restructuring, etc. of the Company (defined in 7 (4) (A) iii) below), the share acquisition rights cannot be exercised during a period of up to 30 days specified by the Company, which will end within 14 days from the day following the effective date of the organizational restructuring, etc. Moreover, the share acquisition rights cannot be exercised in the event that the day on which the exercise of the share acquisition rights take effect (or on the following business day in Tokyo in the event that the effective date is not a business day in Tokyo) corresponds to the reference date stipulated by the Company or the period from two business days in Tokyo before (or three business days in Tokyo before in the event that the corresponding shareholder confirmation date is not a business day in Tokyo) another date, stipulated in order to confirm a shareholder in relation to Article 151, Paragraph 1 of the Act on Book-Entry Transfer of Corporate Bonds and Shares (hereinafter referred to as the "Shareholder Confirmation Date"), to the corresponding Shareholder Confirmation Date (or on the following business day in Tokyo in the event that the corresponding Shareholder Confirmation date is not a business day in Tokyo). However, in the event that the laws and regulations or customs concerning the delivery of shares pertaining to the exercise of the share acquisition rights through the book-entry transfer system based on the Act on Book-Entry Transfer of Corporate Bonds and Shares are changed, the Company may modify the restrictions on the period in which the share acquisition rights can be exercised under this paragraph to reflect the corresponding changes.

5. The amount of the capital increase in the event that shares are issued through the exercise of share acquisition rights shall be the product of 0.5 multiplied by the capital increase amount limit calculated in accordance with the provisions of Article 17 of the Regulation on Corporate Accounting, and fractional amounts of less than one yen occurring as a result of the calculation shall be rounded up to yield the final amount. The amount of the capital reserve increase shall be the amount obtained by subtracting the capital increase amount from the capital increase amount limit.

6. (A) Partial exercise of the respective share acquisition rights is not allowed.

(B) The holder of the bonds with share acquisition rights may exercise share acquisition rights, for the period from December 26, 2024 (including that date) to September 12, 2031 (including that date), only in the event that, in accordance with the main terms of the bonds with share acquisition rights, during a calendar year quarter, the closing price of the Company's common shares exceeds 130% of the applied conversion value (however, this value is the initial conversion value for the calendar year quarter ended September 30, 2024) on the corresponding final trading day on 20 consecutive trading days ending in the preceding calendar year quarter (last trading day (defined below) of each calendar year quarter from the calendar year quarter ended September 30, 2024 to the calendar year quarter ending June 30, 2031 (including that quarter)), from the first day of the said calendar year quarter (however, it is December 26, 2024 for the calendar year quarter starting on October 1, 2024) to the last day.

However, the conditions for exercising the share acquisition rights described in this section (B) are not applied during periods a., b. and c. below or during period d. below in which grounds for parity (defined below) occur.

- a. During periods in which the Company's long-term issuer rating is BBB- or less according to Rating and Investment Information, Inc. or its successor rating institution (hereinafter referred to as "R&I"), the Company's long-term issuer rating is no longer rated by R&I, or the Company's long-term issuer rating is stopped or withdrawn by R&I
- b. During the period after the Company issues notification of the early redemption of the bonds as described in 7 (4) (A) I through V below (However, this excludes the share acquisition rights pertaining to bonds for which early redemption was not selected as described in 7 (4) (A) II below)
- c. As long as the Company does not prohibit the exercise of the share acquisition rights when conducting an organizational restructuring, etc. as described in (6) above, the period starting from the day on which the notification of the corresponding organizational restructuring, etc. is provided to holders of the bonds with share acquisition rights according to the main terms of the bonds with share acquisition rights and continuing until the effective date of the corresponding organizational restructuring, etc.
- d. The period starting from the next business day in Tokyo (including that date) following the day on which the Company notifies holders of the bonds with share acquisition rights that grounds for parity have occurred and counting forward for 15 consecutive business days in Tokyo

"Trading day" refers to a day on which the Tokyo Stock Exchange, Inc. is open, excluding days on which the closing price is not announced. "Grounds for parity" refers to the case in which (i) the calculation agent (defined below) decides that the price of the bonds with share acquisition rights determined according to the main terms of the bonds based on purchase price information for the bonds provided by Bloomberg's Evaluated Pricing service (BVAL) or its successor service falls below 98% of the closing parity value (defined below) or (ii) in the case where the price described in (i) above cannot be obtained, a major financial institution selected by the Company decides that the purchasing price of the bonds with share acquisition rights, presented according to the main terms of the bonds with share acquisition rights, falls below 97% of the closing parity value or (iii) the calculation agent decides the price described in (i) above or the purchasing price described in (ii) above cannot be obtained on any of the five consecutive business days in Tokyo counting from three business days in London and Tokyo after the date on which notification regarding the occurrence of the said grounds is received from holders of the bonds with share acquisition rights.

"Closing parity value" means the amount which is obtained by (i) dividing 10 million yen by the applied conversion value on the corresponding date and then (ii) multiplying that number by the closing price of the Company's common shares on the corresponding date.

The "calculation agent" refers to MUFG Bank, Ltd. London Branch.

7. (A) In the event that an organization restructuring, etc. is conducted, the Company shall designate the succeeding company, etc. (defined below), have that company inherit the position of principal debtor of the bonds with share acquisition rights according to the main terms of the bonds with share acquisition rights and devote its utmost efforts to deliver new share acquisition rights in lieu of the share acquisition rights. However, regarding the said succession and delivery, the prerequisites are (i) they must be executable under the applicable laws and regulations at that time, (ii) the required structure must be already built or possible to build, and (iii) the Company or

succeeding company, etc. must be able to execute them without bearing any expenses (including taxes) which are unreasonable (as judged by the Company) when viewed from the entirety of the said organizational restructuring, etc. In such a case, the Company shall also devote the utmost efforts to have the succeeding company, etc. remain a publicly traded company in Japan on the effective date of the said organization restructuring, etc. The obligation to make an effort by the Company described in this section (A) does not apply in the case the Company delivers a certificate as described in 7 (4) (A) 3) (b) below to the fiscal agent. The “succeeding company, etc.” is the other party in the organizational restructuring, etc. and is the company which takes over the bonds with share acquisition rights and/or the Company’s obligations pertaining to the share acquisition rights.

(B) The details of the share acquisition rights of the succeeding company, etc. which are delivered according to the stipulations of (A) above are as follows:

1) Number of share acquisition rights

The number shall be the same as the number of the share acquisition rights pertaining to the bonds with share acquisition rights remaining immediately before the effective date of the said organizational restructuring, etc.

2) Class of shares underlying share acquisition rights

It shall be common shares of the succeeding company, etc.

3) Number of shares underlying share acquisition rights

The number of common shares of the succeeding company, etc. delivered through the exercise of the share acquisition rights of the succeeding company, etc. shall be determined in consideration of the conditions of the said organizational restructuring, etc. and in reference to the main terms of the bonds with share acquisition rights as well as in accordance with (i) and (ii) below. Furthermore, the conversion value shall be subject to the same adjustments as in (4) (C) above.

(i) In the event of an organizational restructuring, etc. other than that described above, the conversion value shall be determined such that an economic benefit, which is equivalent to that obtained by the holder of the bonds with share acquisition rights in the event that the share acquisition rights are exercised immediately before the effective date of the said organizational restructuring, etc., can be received when the share acquisition rights of the succeeding company, etc. are exercised immediately after the effective date of the said organizational restructuring, etc.

(ii) In the event of an organizational restructuring, etc. other than that described above, the conversion value shall be determined such that an economic benefit, which is equivalent to that obtained by the holder of the bonds with share acquisition rights in the event that the share acquisition rights are exercised immediately before the effective date of the said organizational restructuring, etc., can be received when the share acquisition rights of the succeeding company, etc. are exercised immediately after the effective date of the said organizational restructuring, etc.

4) Details and value of the property to be contributed at the time of exercise of share acquisition rights

At the time when the share acquisition rights of the succeeding company, etc. are exercised, the succeeding bonds shall be invested, and the value of the bonds shall be an amount equivalent to the face value of the succeeding bonds.

5) Period during which share acquisition rights can be exercised

The period shall extend from the effective date of the said organizational restructuring, etc. (or a subsequent date within 14 days according to circumstances) to the date of expiration of the exercise period of the share acquisition rights stipulated in (6) above.

6) Other conditions on the exercise of share acquisition rights

Partial exercise of the respective share acquisition rights of the succeeding company, etc. shall not be allowed. In addition, the exercise of the share acquisition rights of the succeeding company, etc. shall be subject to the same restrictions described in (7) (B) above.

7) Acquisition of bonds with share acquisition rights by the succeeding company, etc.

The succeeding company, etc. may acquire the share acquisition rights of the succeeding company, etc. and the succeeding bonds as in the case of 7 (5) below.

8) Capital and capital reserves that will be increased in cases where shares are issued as a result of the exercise of share acquisition rights

The amount of the capital increase in the event that shares are issued through the exercise of share acquisition rights of the succeeding company, etc. shall be the product of 0.5 multiplied by the capital increase amount limit calculated in accordance with the provisions of Article 17 of the Regulation on

Corporate Accounting, and fractional amounts of less than one yen occurring as a result of the calculation shall be rounded up to yield the final amount. The amount of the capital reserve increase shall be the amount obtained by subtracting the capital increase amount from the capital increase amount limit.

9) In the event that an organizational restructuring, etc. occurs

In the event that an organization restructuring, etc. occurs with respect to the succeeding company, etc., it shall be handled in the same manner as the bonds with share acquisition rights.

10) Other matters

Fractional amounts of less than one share occurring due to the exercise of share acquisition rights of the succeeding company, etc. shall be omitted, and cash-based adjustments shall not be performed. The share acquisition rights of the succeeding company, etc. cannot be transferred separately from the succeeding bonds.

- (C) In the event that the Company has the succeeding company, etc. take over or succeed the obligations of the Company based on the bonds in accordance with the stipulations under (A) above, the Company shall comply with the main terms of the bonds with share acquisition rights in addition to giving a guarantee for certain cases as stipulated in the main terms of the bonds with share acquisition rights.

(3) Exercises of moving strike convertible bonds, etc.

There are no applicable matters to be reported.

(4) Changes in total number of issued shares, share capital and legal capital surplus

Date	Changes in the total number of issued shares (shares)	Balance of the total number of issued shares (shares)	Changes in share capital (millions of yen)	Balance of share capital (millions of yen)	Changes in legal capital reserve (millions of yen)	Balance of legal capital reserve (millions of yen)
May 31, 2022 (Note) 1	(2,500,000)	65,739,892	—	11,316	—	11,582
March 29, 2024 (Note) 1	(2,500,000)	63,239,892	—	11,316	—	11,582
October 1, 2024 (Note) 2	63,239,892	126,479,784	—	11,316	—	11,582

(Notes) 1. The decrease is due to the cancellation of treasury shares.

2. The change is due to the 2-for-1 share split.

3. Between April 1, 2026, and May 31, 2026, the total number of issued shares increased by 638,012, and both the share capital and legal capital reserve increased by 647 million yen, respectively, as a result of the exercise of warrants attached to convertible-bond-type bonds with share acquisition rights.

4. Pursuant to a resolution adopted at the Board of Directors meeting held on May 15, 2026, 638,012 shares of treasury shares were cancelled effective June 15, 2026, resulting in a decrease of 638,012 shares in the total number of issued shares.

(5) Shareholding by shareholder category

As of March 31, 2026

Category	Status of shares (the number of shares constituting one unit is 100 shares)								Status of Shares below unit (shares)
	Government and local municipalities	Financial institutions	Financial instruments business operators	Other corporations	Foreign corporations, etc.		Individuals, others	Total	
					Other than individuals	Individuals			
Numbers of shareholders (persons)	—	20	20	144	207	4	5,515	5,910	—
Number of shares held (units)	—	179,865	15,107	164,751	592,531	10	312,115	1,264,379	41,884
Ratio of shares held (%)	—	14.23	1.19	13.03	46.86	0.00	24.69	100.00	—

(Notes) 1. Of 9,723,112 treasury shares, 97,231 units are included in the “Individuals, others” and 12 shares are included in the “Status of shares below unit.”

2. The “Financial institutions” includes 98,400 shares (984 units) of the Company held by a trust whose beneficiaries are Directors.

(6) Major shareholders

As of March 31, 2026

Name	Address	Number of shares held (thousands of shares)	Percentage of shares held to the total number of issued shares (excluding treasury shares) (%)
GOLDMAN, SACHS & CO. REG (Standing Proxy: Goldman Sachs Japan Co., Ltd.)	200 WEST STREET NEW YORK, NY, USA	25,110	21.50
Master Trust Bank of Japan, Ltd. (trust account)	Akasaka Intercity AIR, 1-8-1 Akasaka, Minato-ku, Tokyo	7,393	6.33
THE CHASE MANHATTAN BANK, N.A. LONDON SPECIAL ACCOUNT NO.1 (Standing Proxy: Mizuho Bank, Ltd.)	WOOLGATE HOUSE, COLEMAN STREET LONDON EC2P 2HD, ENGLAND	6,280	5.37
General Incorporated Association Kuroiwa-Kai	192-1 Makinoji, Koga-shi, Ibaraki	5,120	4.38
Honda Motor Co., Ltd.	2-2-3 Toranomom, Minato-ku, Tokyo	4,898	4.19
Panicum Funding Ltd. (Standing Proxy: Goldman Sachs Japan Co., Ltd.)	UGLAND HOUSE, SOUTH CHURCH ST. GEORGE TOWN, GRAND CAYMAN, CAYMAN ISLAND, KY1-1104	4,000	3.42
NOMURA PB NOMINEES LIMITED OMNIBUS-MARGIN (CASHPB) (Standing Proxy: Nomura Securities Co., Ltd.)	1 ANGEL LANE, LONDON EC4R 3AB, UNITED KINGDOM	3,944	3.37
GOLDMAN SACHS INTERNATIONAL (Standing Proxy: Goldman Sachs Japan Co., Ltd.)	PLUMTREE COURT, 25 SHOE LANE, LONDON EC4A 4AU, U.K.	2,701	2.31
NIKKON Holdings Employees' Shareholding Association	6-17 Akashi-cho, Chuo-ku, Tokyo	2,602	2.22
Nippon Life Insurance Company	1-6-6 Marunouchi, Chiyoda-ku, Tokyo	2,542	2.17
Total	—	64,594	55.32

(Notes) 1. Out of the number of shares held above, the number of shares pertaining to trust business is as follows.

Master Trust Bank of Japan, Ltd. 7,393 thousand shares

2. Oasis Management Company Ltd., which was not a major shareholder at the end of the fiscal year ended March 31, 2025, has become a major shareholder as of the end of the fiscal year ended March 31, 2026.

3. The Large Shareholding Report made available to the public as of December 12, 2024, contained the information listed below regarding shares held by Silchester International Investors LLP as of December 10, 2024. However, because the Company was unable to verify the actual number of shares held as of the end of the fiscal year under review, this company was omitted from the list of major shareholders.

The content of the Large Shareholding Report is as follows.

Name	Address	Number of shares held (shares)	Shareholding as a proportion of total shares outstanding (%)
Silchester International Investors LLP	5th floor, Time & Life Building, 1 Bruton Street, London, W1J 6TL, United Kingdom	5,225,000	4.13

4. The Large Shareholding Report made available to the public as of April 2, 2026, contained the information listed below regarding shares held by Farallon Capital Management, L.L.C. as of March 26, 2026. However, because the Company was unable to verify the actual number of shares held as of the end of the fiscal year under review, this company was omitted from the list of major shareholders.

The content of the Large Shareholding Report is as follows.

Name	Address	Number of shares held (shares)	Shareholding as a proportion of total shares outstanding (%)
Farallon Capital Management, L.L.C.	One Maritime Plaza, Suite 2100, San Francisco, California, U.S.A.	29,088,700	23.00

5. The Large Shareholding Report made available to the public as of July 29, 2024, contained the information listed below regarding shares held by MUFG Bank, Ltd. and its joint holders, Mitsubishi UFJ Trust and Banking Corporation and Mitsubishi UFJ Asset Management Co., Ltd., as of July 22, 2024. However, because the Company was unable to verify the actual number of shares held as of the end of the fiscal year under review, these companies were omitted from the list of major shareholders.

The content of the Large Shareholding Report is as follows.

Name	Number of shares held (thousands of shares)	Shareholding as a proportion of total shares outstanding (%)
MUFG Bank, Ltd.	1,198	1.89
Mitsubishi UFJ Trust and Banking Corporation	1,803	2.85
Mitsubishi UFJ Asset Management Co., Ltd.	375	0.59

6. The Large Shareholding Report made available to the public as of December 18, 2024, contained the information listed below regarding shares held by JPMorgan Securities Japan Co., Ltd. and its joint holders, J.P. Morgan Securities plc, J.P. Morgan Securities LLC and J.P. Morgan SE, as of December 13, 2024. However, because the Company was unable to verify the actual number of shares held as of the end of the fiscal year under review, these companies were omitted from the list of major shareholders.

The content of the Large Shareholding Report is as follows.

Name	Number of shares held (thousands of shares)	Shareholding as a proportion of total shares outstanding (%)
JPMorgan Securities Japan Co., Ltd.	2,901	2.29
J.P. Morgan Securities plc	2,855	2.26
J.P. Morgan Securities LLC	112	0.09
J.P. Morgan SE	200	0.16

7. The Large Shareholding Report made available to the public as of March 6, 2026, contained the information listed below regarding shares held by Nomura Securities Co., Ltd. and its joint holders, Nomura International plc, Nomura Securities International, Inc. and Nomura Asset Management Co., Ltd., as of February 27, 2026. However, because the Company was unable to verify the actual number of shares held as of the end of the fiscal year under review, these companies were omitted from the list of major shareholders.

The content of the Large Shareholding Report is as follows.

Name	Number of shares held (thousands of shares)	Shareholding as a proportion of total shares outstanding (%)
Nomura Securities Co., Ltd.	7,814	5.85
Nomura International plc	1,613	1.21
Nomura Securities International, Inc.	—	0.00
Nomura Asset Management Co., Ltd.	721	0.57

8. The Large Shareholding Report made available to the public as of March 10, 2026, contained the information listed below regarding shares held by Oasis Management Company Ltd. as of March 3, 2026. However, because the Company was unable to verify the actual number of shares held as of the end of the fiscal year under review, this company was omitted from the list of major shareholders.

The content of the Large Shareholding Report is as follows.

Name	Address	Number of shares held (shares)	Shareholding as a proportion of total shares outstanding (%)
Oasis Management Company Ltd.	PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands, Maples Corporate Services Limited	14,616,792	11.56

(7) Voting rights
1) Issued shares

As of March 31, 2026

Category	Number of shares (shares)	Number of voting rights (units)	Description
Shares without voting rights	—	—	—
Shares with limited voting rights (treasury shares, etc.)	—	—	—
Shares with limited voting rights (others)	—	—	—
Shares with full voting rights (treasury shares, etc.)	(Treasury shares) Common shares 9,723,100	—	—
Shares with full voting rights (others)	Common shares 116,714,800	1,167,148	—
Shares below one unit	Common shares 41,884	—	—
Total number of issued shares	126,479,784	—	—
Total voting rights held by all shareholders	—	1,167,148	—

(Notes) 1. The number of shares and voting rights in the “Shares with full voting rights (others)” box includes 98,400 shares (voting rights 984 units) of the Company held by a trust whose beneficiaries are Directors.

2. The number of common shares in the “Shares below one unit” box includes 12 treasury shares held by the Company.

2) Treasury shares, etc.

As of March 31, 2026

Name of shareholder	Address of shareholder	Number of shares held under own name (shares)	Number of shares held under the names of others (shares)	Total number of shares held (shares)	Percentage of shares held to the total number of issued shares (%)
NIKKON Holdings Co., Ltd.	6-17 Akashi-cho, Chuo-ku, Tokyo	9,723,100	—	9,723,100	7.69
Total	—	9,723,100	—	9,723,100	7.69

(Note) The number of treasury shares does not include 98,400 shares (voting rights 984 units) of the Company held by a trust whose beneficiaries are Directors.

(8) Share ownership plan for Directors (and other Officers) and employees

1) Overview of share ownership plan for Directors

At the 80th Annual General Meeting of Shareholders held on June 29, 2021, the Company’s shareholders approved of the introduction of the share-based remuneration plan applicable to the Company’s Directors (excluding the Directors who are Audit & Supervisory Committee Members and Outside Directors; hereinafter referred to as the “Director”) in order to further clarify the link between the remuneration of Directors and the performance and stock value of the Company and for Directors to share the profits and risks caused by stock price fluctuations with shareholders, thereby raising awareness of contribution to the improvement of medium-to long-term business performance and the increase of corporate value. Details are as stated in IV. Information about Reporting Company, 4. Corporate governance, (4) Remuneration for Directors (and other officers).

2. Acquisition and disposal of treasury shares

[Class of shares, etc.] Acquisition of common shares pursuant to Article 155, Item 3 of the Companies Act and acquisition of common shares pursuant to Article 155, Item 7 of the Companies Act

(1) Acquisition by resolution of shareholders meeting

There are no applicable matters to be reported.

(2) Acquisition by resolution of Board of Directors meeting

Category	Number of shares (shares)	Total amount (yen)
Status of resolution at a Board of Directors meeting (September 5, 2025) (Acquisition period: From September 8, 2025 to March 31, 2026)	7,500,000	15,000,000,000
Treasury shares acquired before the fiscal year under review	—	—
Treasury shares acquired during the fiscal year under review	4,227,100	14,999,856,100
Total number and amount of remaining shares to be acquired by resolution	3,272,900	143,900
Ratio of unexercised shares to the number resolved as of the end of the fiscal year under review (%)	43.6	0.0
Treasury shares acquired during the current term	—	—
Ratio of unexercised shares to the number resolved as of the filing date (%)	43.6	0.0

(3) Acquisition not based on resolution of Shareholders Meeting or Board of Directors meeting

Category	Number of shares (shares)	Total amount (yen)
Treasury shares acquired during the fiscal year under review	40	133,160
Treasury shares acquired during the current term	43	257,656

(Note) “Treasury shares acquired during the current term” does not include the number of shares below one unit purchased during the period from June 1, 2026, to the filing date of this annual securities report.

(4) Disposal of acquired treasury shares and number of treasury shares held

Category	Fiscal year under review		Current term	
	Number of shares (shares)	Total amount disposed (yen)	Number of shares (shares)	Total amount disposed (yen)
Acquired treasury shares for which subscribers were solicited	—	—	—	—
Acquired treasury shares retired	—	—	—	—
Acquired treasury shares transferred due to merger, stock exchange, stock delivery, or company split	—	—	—	—
Others (exercise of share acquisition rights)	—	—	1,439,238	3,750,353,522
Number of treasury shares held	9,821,512	—	8,382,317	—

- (Notes) 1. The number of treasury shares disposed during the current term does not include the number of shares below one unit sold during the period from June 1, 2026 to the filing date of this annual securities report.
2. The number of treasury shares held during the current term does not include the number of shares below one unit purchased or delivered during the period from June 1, 2026, to the filing date of this annual securities report.
3. The numbers of treasury shares held during the fiscal year under review and the current term each include shares of the Company held by a trust whose beneficiaries are Directors (98,400 shares).

3. Dividend policy

Our basic policy of profit distribution is to aim for a DOE (dividend on equity ratio) of 4% or higher, and to pay progressive dividends, which means maintaining or increasing the total dividend amount for the full year compared to the previous fiscal year, not reducing it, in principle. Our basic policy is to make dividend payments from surplus twice a year as an interim dividend and a year-end dividend.

The Company amended its Articles of Incorporation at the Annual General Meeting of Shareholders held on June 29, 2006, to allow dividends of surplus by a resolution of the Board of Directors, so that profit returns can be done flexibly.

Based on the policy above, we decided to pay a dividend of 75 yen per share (including an interim dividend of 37 yen) for the fiscal year under review.

As a result, the dividend payout ratio for the fiscal year under review is 97.1% (with a consolidated dividend payout ratio of 51.2% for the fiscal year under review).

We will utilize internal reserves to make capital investments in pursuit of greater competitiveness of each business and to strengthen our financial structure, thereby increasing the Group's corporate value.

Our Articles of Incorporation stipulates that the Company may pay interim dividends.

(Note) Dividends whose record date falls in the current fiscal year are as follows:

Date of resolution		Total cash dividends (millions of yen)	Dividend per share (yen)
November 7, 2025	Resolution at a Board of Directors meeting	4,455	37
May 8, 2026	Resolution at a Board of Directors meeting	4,436	38

We revised our basic policy in the 14th Medium-term Business Plan, and regarding dividends for the fiscal year ending March 31, 2027 onward, we have set a target DOE (dividend on equity ratio) of 6% or higher, and with regard to the amount of annual dividend, we take the policy of not decreasing it from the amount paid in the previous year but maintaining or increasing it, in principle.

4. Corporate governance

(1) Overview of corporate governance

1) Basic approach to corporate governance

As a general logistics firm with an integrated logistics system, the Company believes that it is important to be constantly aware of the soundness, lawfulness and speed of management, to build relationships of trust with stakeholders including shareholders, investors, and business partners as a listed company, and to maintain growth and enhance corporate value in the long term. Accordingly, the Company is developing and strengthening the organizational structure and endeavoring to ensure the transparency of corporate activities to develop the environment for a framework governing corporate activities (corporate governance) and to ensure that this framework functions effectively.

As measures to ensure that internal control mechanisms maintain the corporate soundness, the Company has enacted Conduct Guidelines and is developing a compliance structure and risk management structure.

By engaging in such business activities, the Company intends to fulfil its corporate responsibilities to customers, shareholders, and other stakeholders and contribute to the development of society.

2) Overview of corporate governance structure and reasons for employing the said structure

The Company became a company with an Audit & Supervisory Committee by a resolution of the Annual General Meeting of Shareholders held on June 28, 2018, in order to further enhance the Board of Directors' supervisory functions, enable swift decision-making, further enhance the corporate governance code, and add to the corporate value.

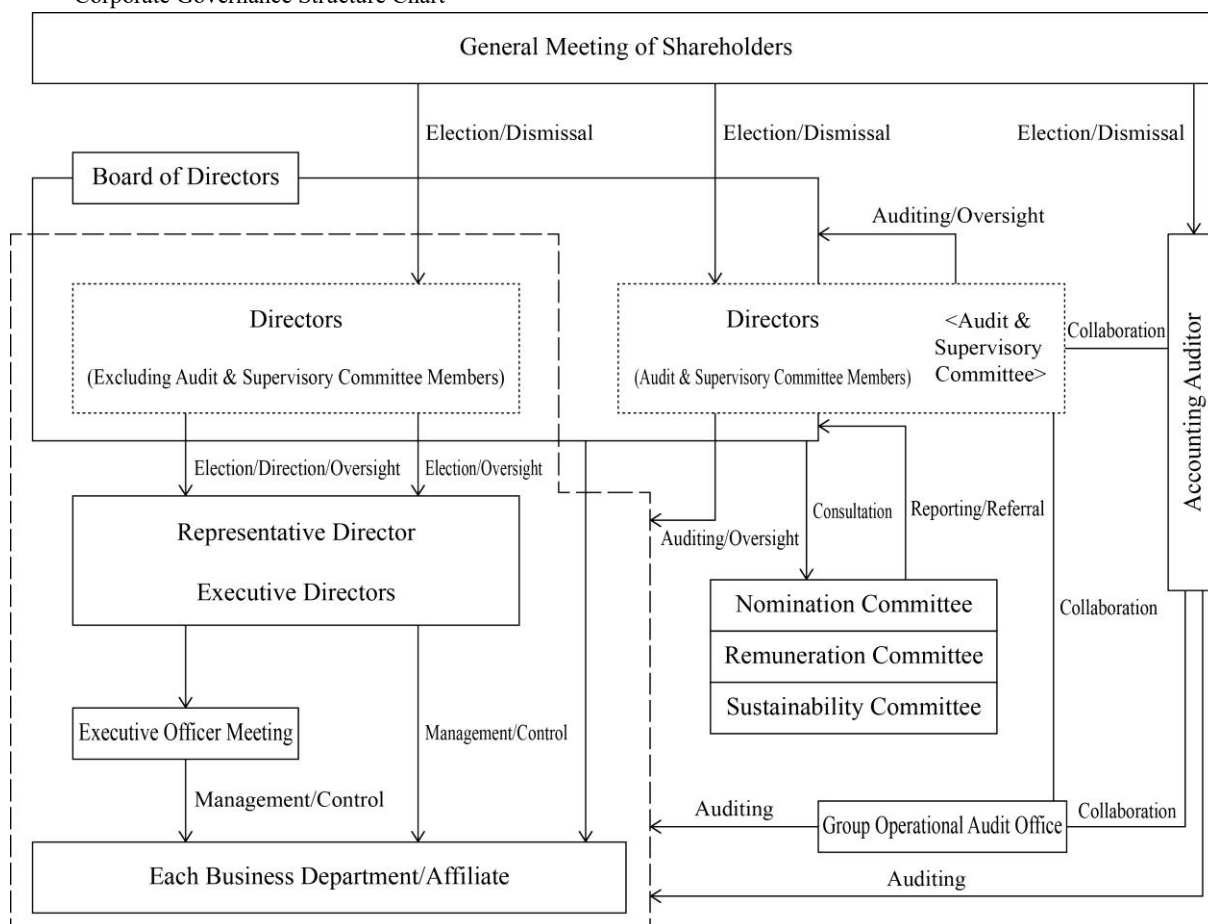
The Company has installed a Board of Directors, an Audit & Supervisory Committee, and an accounting auditor as management control organs.

The Board of Directors consists of 11 members and is chaired by Masakatsu Kuroiwa, President and Representative Director. The other members are Directors Seiji Ooka, Yasunori Matsuda, Hidehiro Motohashi, Aiko Koma, Ryutaro Ozeki, Ichinari Koda, Clark Graninger, Tetsuya Okuda, Hideki Kawasaki, and Kanako Takeda. They include six Outside Directors: Aiko Koma, Ryutaro Ozeki, Ichinari Koda, Clark Graninger, Tetsuya Okuda, and Kanako Takeda. The Company holds monthly ordinary Board of Directors' meetings for the purpose of approving material matters and extraordinary Board of Directors' meetings whenever necessary. It also holds monthly Business Strategy Council meetings for the purpose of speeding up material decision-making, and monthly Executive Officer meetings mainly for the purpose of reporting and exchanging information, thereby adopting a structure which enables strengthening of the oversight function, expansion of matters deliberated and reported, and flexible decision-making. In addition, the Company has adopted the Executive Officer System to separate the business execution function from the management decision-making and oversight function, speed up decision-making and clarify responsibility for business execution, and increase management efficiency, and also to strengthen corporate governance.

The Audit & Supervisory Committee consists of three members: Audit & Supervisory Committee Member Tetsuya Okuda, who chairs the committee, and Audit & Supervisory Committee Members Hideki Kawasaki and Kanako Takeda. They include two Outside Directors: Tetsuya Okuda and Kanako Takeda. The Company holds Audit & Supervisory Committee meetings and meetings of Audit & Supervisory Committee Members and seeks to strengthen their independence and functions, thereby adopting an audit structure in accordance with the Audit & Supervisory Committee Rules, the Audit & Supervisory Committee Audit Standards, and the Audit & Supervisory Committee Auditing Standards for Internal Control System. The Company also adopts a structure which allows Audit & Supervisory Committee Members to adequately monitor Directors' performance of duties through attendance at Board of Directors' meetings and other important meetings, individual interviews with Directors, division managers and other relevant persons, and business audits and reports of business sites in Japan and overseas.

The Company has six Outside Directors who monitor and supervise us from the perspective of external checking. They exceed a majority of the Board of Directors. Accordingly, we believe that the objectivity and neutrality of the management supervisory function as well as effective corporate governance are ensured as of now.

Corporate Governance Structure Chart



3) Other corporate governance-related matters

Under its internal control systems, the Company has established a Basic Policy on Establishment of Internal Control Systems as set out below based on the Companies Act and Ordinance for Enforcement of the Companies Act to ensure appropriate business operations at the Company and its subsidiaries, and shall seek to develop and endeavor to maintain the structure necessary to establish such systems.

a. Matters regarding employees assisting with the duties of the Audit and Supervisory Committee (Article 110-4, Paragraph 1, Item 1 of the Ordinance for Enforcement of the Companies Act)

I The Company shall assign the employees (“assisting employees”) which the Audit & Supervisory Committee needs to execute its duties.

b. Matters regarding the independence of assisting employees from Directors (who are not Audit & Supervisory Committee Members) (Item 2 of the same paragraph)

I Assisting employees shall, insofar as they are assisting the duties of the Audit & Supervisory Committee, be under the command of Directors who are Audit & Supervisory Committee Members.

II The Company shall obtain the prior consent of the Audit & Supervisory Committee regarding personnel changes, personnel evaluations and disciplinary action concerning assisting employees.

c. Matters concerning securing the effectiveness of instructions to employees assisting the Audit & Supervisory Committee (Item 3 of the same paragraph)

I Directors (who are not Audit & Supervisory Committee Members) shall not unfairly restrict the command of Directors who are Audit & Supervisory Committee Members over assisting employees.

d. System for reporting by Directors (who are not Audit & Supervisory Committee Members), employees and others to Directors who are Audit & Supervisory Committee Members and other systems concerning reporting to the Audit and Supervisory Committee (Item 4 of the same paragraph)

I Directors who are Audit & Supervisory Committee Members may attend meetings of the Management Strategy Council and other important council or committee meetings or report meetings in addition to Board of Directors’

meetings to hear about and gain an understanding of the process for making material decisions and the status of business execution, and may ask for explanations or view relevant materials where necessary.

II Matters to be reported on a regular basis to Directors who are Audit & Supervisory Committee Members (includes Group companies)

- i. Management and business execution status and financial status
- ii. Results of internal audits conducted by the internal audit division (includes the status of the internal control system)
- iii. Status of risks and risk management
- iv. Compliance status (accidents, fraudulent conduct, complaints, troubles) and other matters

III Matters to be reported on an ad hoc basis to Directors who are Audit & Supervisory Committee Members (includes Group companies)

- i. Facts which might cause serious detriment or damage to the company, undermine trust in the company or affect its business results
 - ii. Fraudulent conduct or serious violations of laws or regulations or the Articles of Incorporation in connection with the performance of duties by Directors (who are not Audit & Supervisory Committee Members)
 - iii. Facts reported under the whistleblowing system
 - iv. Results of inspection by regulatory authority or external audit
 - v. Administrative disposition imposed by regulatory authority
 - vi. Change in significant accounting policies, enactment (amendment or abolishment) of accounting standard, etc.
 - vii. Information contained in announcements of business results or business result forecasts or other important disclosures, etc.
 - viii. Serious violations of internal rules, regulations, standards, etc.
 - ix. Other matters on which Directors who are Audit & Supervisory Committee Members and Audit & Supervisory Committee Members request reports as necessary
- e. System for preventing the party submitting the report in the preceding section from being unfairly treated because of the report (Item 5 of the same paragraph)
- I The Company shall obtain the prior consent of the Audit & Supervisory Committee in connection with personnel changes, personnel evaluations and disciplinary action concerning Directors and employees of NIKKON Holdings Group who submitted reports provided for in the preceding section to the Audit & Supervisory Committee. (Item 5 of the same paragraph)
- f. Matters regarding policy on handling advance payment or reimbursement of expenses resulting from execution of duties by Directors (only expenses related to the execution of duties of the Audit & Supervisory Committee) or other expenses or debts arising from said execution of duties (Item 6 of the same paragraph)
- I The Company shall make prompt payment upon request for the advance payment or reimbursement of expenses resulting from execution of duties by the Audit & Supervisory Committee.
- g. Other systems to ensure effective auditing by Directors who are Audit & Supervisory Committee Members (Item 7 of the same paragraph)
- I The Representative Director shall have meetings with Directors who are Audit & Supervisory Committee Members on a regular basis to explain the Company's management policies and shall also exchange opinions with them on the issues the company needs to address and the risks surrounding the company as well as the status of development of the environment for audits by Directors who are Audit & Supervisory Committee Members and major audit-related issues, endeavoring to increase mutual understanding and trust between the Representative Directors and the Audit & Supervisory Committee.
- II Directors (who are not Audit & Supervisory Committee Members) shall develop an internal audit division structure and environment to ensure that, when inspecting the status of company business and property and conducting other audit operations, Directors who are Audit & Supervisory Committee Members can have a close relationship with internal audit divisions and conduct efficient audits.
- III Directors (who are not Audit & Supervisory Committee Members) shall develop a structure and environment to ensure that Directors who are Audit & Supervisory Committee Members can hold regular meetings with the accounting auditor and can also liaise closely with the accounting auditor, including attending site visits by the accounting auditor, and conduct efficient audits.
- IV Directors (who are not Audit & Supervisory Committee Members) shall develop a structure and environment to ensure that Directors who are Audit & Supervisory Committee Members can use outside experts (lawyers, certified public accountants, tax accountants, consultants and others) if necessary when conducting audits.
- h. System to ensure that Directors perform their duties in compliance with laws, regulations and the articles of incorporation (Article 399-13, Paragraph 1, first sentence of Item 1 (c) of the Companies Act)
- I Directors shall adhere to the NIKKON Holdings Group Basic Philosophy and the NIKKON Holdings Group Conduct Guidelines established by the Board of Directors and comply with laws, regulations and the articles of incorporation, and shall also focus on setting a good example and raising compliance awareness among employees to

- create a corporate culture for the conduct of business activities with a high level of ethics.
- II The Company shall position compliance and the fulfilment of its social responsibility as top management priorities and, with the Legal Department responsible for all compliance-related measures, shall conduct activities to develop and implement the compliance structure and internal control and seek to ensure compliance.
 - III The Board of Directors, the Compliance Promotion Committee, the Group Management Unit and the persons responsible for each division shall play a central role in operating the Company's compliance structure.
 - IV The Compliance Promotion Committee shall deliberate on material problems relating to compliance across the NIKKON Holdings Group and shall also seek to maintain and enhance the compliance structure, raise awareness and provide training in accordance with the internal regulations on compliance. In addition, the Compliance Promotion Committee shall report to and advise the Board of Directors where necessary.
 - V The Legal Department shall serve as the secretariat of the Compliance Promotion Committee and shall also be in charge of planning and implementation in relation to the compliance structure.
- i. System for storing and managing information about the Directors' performance of their duties (Article 110-4, Paragraph 2, Item 1 of the Ordinance for Enforcement of the Companies Act)
- I The minutes of Board of Directors' meetings and other meetings, approval documents and other information relating to Directors' performance of their duties shall be appropriately stored and managed in accordance with established internal regulations (regulations on the storage and management of documents and information).
 - II The above internal regulations shall cover clarification of the information to be stored and managed, the storage period and management method, the establishment of an information security policy, the establishment of an organization for storing and managing information, and the granting of the necessary authority, and the establishment of methods for responding in the event of leak, destruction or loss of information.
- j. Regulations concerning management of the risk of loss and other relevant systems (Item 2, Item 5 (b) of the same paragraph)
- I The Company shall establish the Risk Management Regulations to systematically conduct risk management across the NIKKON Holdings Group.
 - II On applying the regulations, the Company shall, upon establishment of a Risk Management Committee, appoint a person responsible for risk management, establish the division of duties, and grant the necessary authority.
 - III The Risk Management Committee engages in activities such as the identification, analysis and evaluation of risks predicted across the NIKKON Holdings Group, risk management which is consistent with corporate strategies and can adapt to changes in the management environment, the formulation of specific risk management plans, verification of the efficacy of the risk management structure, and clarification of matters to be reported to the Board of Directors regarding risk management.
 - IV The person responsible for risk management in the NIKKON Holdings Group shall report the risk management status to the Company's Risk Management Committee in accordance with the Company's Risk Management Regulations.
 - V The Risk Management Committee shall report matters relating to the risk management of the NIKKON Holdings Group to the Board of Directors on a regular basis.
- k. System to ensure efficient execution of duties by Directors (Item 3 of the same paragraph)
- I The Company shall make decisions at meetings of the Board of Directors which are convened regularly once a month and also convened as appropriate on an ad hoc basis.
 - II The Board of Directors shall determine management policies, matters stipulated by laws and regulations and other material matters related to management, and shall regularly monitor the state of progress and implementation status of management plans, the business plans of each division and other plans.
 - III The NIKKON Holdings Group shall ensure the efficient execution of duties by Directors through clarification of the division of duties of Directors and the division of responsibilities of each division, and the granting of authority.
- l. System to ensure that the execution of duties by the Directors and employees conforms to laws, regulations and the Articles of Incorporation (Item 4, Item 5 (b) of the same paragraph)
- I The NIKKON Holdings Group shall fulfil its corporate responsibility in relation to customers, shareholders and communities and contribute to the development of society through sound business activities. To achieve this goal, the NIKKON Holdings Group's employees will all practice the NIKKON Holdings Group Conduct Guidelines

enacted in October 2007.

- II The Company shall establish a Compliance Hotline (system for submitting reports from inside or outside the company) for reporting compliance-related information. The Compliance Promotion Committee shall deliberate on matters reported via the hotline and take appropriate action.
 - III Internal audit divisions shall develop the compliance structure and verify its efficacy.
- m. System for ensuring the appropriateness of the operations of the corporate group which consists of the Company and its subsidiaries (Item 5 of the same paragraph)
- I The Company shall establish a dedicated section for managing subsidiaries and, upon appointing a person responsible, shall adopt a structure for managing the operations of subsidiaries, etc. in accordance with the Affiliated Company Regulations.
 - II Directors, etc. of subsidiaries shall regularly report the status of business and operations at subsidiaries to Directors of the Company.
 - III Subsidiaries shall be audited by the Company's internal audit division and Directors who are Audit & Supervisory Committee Members.
 - IV The Company shall develop a structure under which the Company, which is the parent company, monitors subsidiaries to ensure that they do not engage in inappropriate acts and a structure under which subsidiaries do not have to obey when the parent company instructs them to engage in inappropriate acts.
 - V The Company shall develop and operate the necessary internal control structure to ensure the reliability of financial reporting and help maintain and improve public trust.
- n. Basic views on and status of efforts for eliminating antisocial forces
- I Basic views on eliminating antisocial forces
The NIKKON Holdings Group shall develop a system for blocking any relationship with organized crime groups and other antisocial forces that threaten the order or safety of civil society and disturb economic activities, and the Group shall take a resolute stance as a unified organization toward antisocial forces and have no relationship, including business relation, with them.
 - II Status of efforts for eliminating anti-social forces
The NIKKON Holdings Group shall make each general affairs division responsible for actions to eliminate antisocial forces and shall establish close relationships with outside parties such as the police force and lawyers and seek to strengthen cooperation with them through the exchange of information, participation in various types of training and other means.

4) Limited liability agreement

The Company has entered into an agreement with Outside Directors in accordance with the provision of Article 427, Paragraph 1 of the Companies Act to limit their liabilities for damages under Article 423, Paragraph 1 of the same act. The maximum amount of their liabilities under the agreement will be the amount stipulated in the law. However, this limit of liabilities will be applicable only when the performance of their duties giving rise to such liabilities is recognized to have been carried out in good faith and with no gross negligence.

Moreover, the Company has entered into an agreement with the accounting auditor to limit its liabilities under Article 423, Paragraph 1 of the Companies Act to the extent stipulated in Article 425, Paragraph 1 of the same act.

5) Number of Directors

The Articles of Incorporation prescribe that the number of the Company's Directors (who are not Audit & Supervisory Committee Members) shall be three to eleven, and the number of Directors who are Audit & Supervisory Committee Members shall be four or less (the majority of which shall be Outside Directors).

6) Matters set forth to be resolved by a Board of Directors meeting in lieu of resolutions at a General Meeting of Shareholders

a. Acquisition of treasury shares

Pursuant to Article 165, Paragraph 2 of the Companies Act, the Articles of Incorporation prescribe a clause allowing acquisition of its own shares by a Board of Directors resolution. Such inclusion was made to enable the implementation of flexible capital policies according to the changing economic situation.

b. Dividends of surplus

The Articles of Incorporation prescribe that matters stipulated in the respective items of Article 459, Paragraph 1 of the Companies Act, such as dividends of surplus, shall be decided by a Board of Directors' resolution, unless otherwise stipulated by law, in order to allow for flexible profit returns to shareholders.

7) Resolution requirement for election of Directors

The Articles of Incorporation stipulates that resolution to elect Board of Directors shall be made by a majority of the shareholders present at a meeting where shareholders representing at least one-third of voting rights of all shareholders entitled to exercise voting rights are present, and that the cumulative voting shall not be permitted for such resolution.

8) Special resolutions at the General Meeting of Shareholders

For purpose of maintaining smooth operation of the General Meeting of Shareholders by relaxing the quorum for special resolutions at the meeting, the Articles of Incorporation stipulates that special resolutions pursuant to Article 309, Paragraph 2 of the Companies Act, shall be passed with two-thirds or more of the voting rights held by shareholders present at a meeting where shareholders representing at least one-third of voting rights of all shareholders entitled to exercise voting rights are present.

9) Status of activities of the Board of Directors

According to the Regulations of the Board of Directors, the Board of Directors makes resolutions for basic policies and plans on the Company's management, matters regarding important business execution, as well as matters stipulated in laws, regulations and the articles of incorporation., and receives reports regarding matters stipulated in laws and regulations and the statuses of execution of important operations. The Company holds monthly ordinary Board of Directors' meetings and extraordinary Board of Directors' meetings whenever necessary and held 15 Board of Directors' meetings during the fiscal year under review.

Status of attendance of individual Directors during the fiscal year under review is detailed below.

Name	Full-time/Outside	Number of meetings held	Number of meetings attended
Masakatsu Kuroiwa	Full-time	15	15
Seiji Ooka	Full-time	15	15
Yasunori Matsuda	Full-time	15	15
Hidehiro Motohashi	Full-time	15	15
Aiko Koma	Outside	15	15
Ryutaro Ozeki	Outside	15	15
Ichinari Koda	Outside	10	10
Clark Graninger	Outside	10	10
Tetsuya Okuda	Outside	15	15
Hideki Kawasaki	Full-time	15	14
Kanako Takeda	Outside	15	14

(Note) Outside Directors Ichinari Koda and Clark Graninger attended 10 meetings during the fiscal year under review because they are Directors newly elected at the Annual General Meeting of Shareholders held on June 27, 2025.

The subjects deliberated, and the numbers of discussions made and reports submitted for these topics in the Board of Directors during the fiscal year under review were as follows.

Subjects	Number of discussions	Number of reports
Management strategies, governance, and sustainability	27	32
Risks, compliance, and internal control	1	12
Personnel affairs	7	8
Financial reporting and finance	18	6
Capital expenditures	15	28
Other particular matters	5	12
Total	73	98

10) Status of activities of the Nomination Committee

The Company resolved to establish the Nomination Committee as a voluntary advisory body to the Board of Directors at a Board of Directors meeting held on December 6, 2019. The Committee convened three times during the fiscal year under review, attended by all the members. As of June 26, 2026, the Committee consists of three members: Outside Director Ryutaro Ozeki, who chairs the Committee; Outside Director (Audit & Supervisory Committee Member) Tetsuya Okuda; and Representative Director Masakatsu Kuroiwa.

Specifically, the Nomination Committee convenes to confirm and assess competencies in terms of age, knowledge, capabilities, and health status in the process of determining candidates for Directors, Representative Directors, and Executive Directors for the next period.

11) Status of activities of the Remuneration Committee

The Company resolved to establish the Remuneration Committee as a voluntary advisory body to the Board of Directors at a Board of Directors meeting held on January 10, 2020. The Committee convened three times during the fiscal year under review, attended by all the members. As of June 26, 2026, the Committee consists of three members: Outside Director Aiko Koma, who chairs the Committee; Outside Director (Audit & Supervisory Committee Member) Kanako Takeda; and Representative Director Masakatsu Kuroiwa.

Specifically, the Remuneration Committee convenes to objectively assess the appropriateness of the process for determining bonuses based on financial reporting and monthly remuneration that are received by Directors, and confirm that the amount of bonuses and remuneration for each Director is appropriate in the light of his or her role, responsibilities, and performance.

(2) Directors (and other Officers)

1) List of Directors (and other Officers)

Directors (and other Officers) of the Company as of the filing date (June 26, 2026) are as follows.

Male: 9, Female: 2 (Ratio of females to Directors (and other officers): 18%)

Title and position	Name	Date of birth	Career summary	Term	Number of shares held (thousands of shares)
President, Representative Director and Chief Executive Officer	Masakatsu Kuroiwa	February 2, 1951	March 1973 Joined the Company September 1981 General Manager of Suzuka Center June 1986 Director June 1989 Managing Director November 1994 President, A.N.I. LOGISTICS, LTD. June 1999 Senior Managing Director, the Company January 2003 Chairman and President, NK PARTS INDUSTRIES, INC. April 2009 General Manager of Sales Headquarters, the Company June 2009 President and Representative Director June 2011 President, Representative Director and Executive Officer October 2015 President, Representative Director and Chief Executive Officer (current position)	(Note) 3	340
Representative Director and Senior Executive Officer	Seiji Ooka	June 30, 1960	March 1983 Joined the Company October 1992 Manager of Sales Office of Sayama Packaging Center August 1998 Seconded to A.N.I. LOGISTICS, LTD. June 2007 General Manager of Sales Office of KD Packaging, the Company July 2009 General Manager of Packaging Sales Department and General Manager of Sales Office of KD Packaging April 2011 General Manager of Packaging Sales Department and General Manager of Tokyo Business Department June 2011 Executive Officer January 2014 General Manager of Packaging Sales Department, General Manager of Tokyo Business Department, and General Manager of the Fifth Sales Department September 2015 Resigned as Executive Officer October 2015 Executive Officer, NIPPON KONPO UNYU SOKO CO., LTD. (current NIKKON Logistics CO., LTD.) April 2016 Executive Officer, the Company June 2016 Director and Executive Officer July 2016 General Manager of Domestic Business Department June 2017 Representative Director, President and Executive Officer, NIPPON KONPO UNYU SOKO CO., LTD. (current NIKKON Logistics CO., LTD.) April 2021 Director and Senior Executive Officer, the Company April 2021 President and Representative Director, NIPPON KONPO UNYU SOKO CO., LTD. (current NIKKON Logistics CO., LTD.) June 2021 Representative Director and Senior Executive Officer, the Company (current position)	(Note) 3	46

Title and position	Name	Date of birth	Career summary	Term	Number of shares held (thousands of shares)
Representative Director and Managing Executive Officer	Yasunori Matsuda	March 9, 1959	March 1982 Joined the Company November 1997 Assistant Manager of Accounting Department June 2000 Seconded to NK PARTS INDUSTRIES, INC. June 2007 General Manager of Accounting Department, the Company October 2009 General Manager of Affiliated Companies Management Department April 2012 Executive Officer June 2012 Director and Executive Officer April 2019 General Manager of Legal Affairs Department April 2021 Director and Managing Executive Officer April 2023 General Manager of Overseas Business Department April 2024 General Manager of Legal Affairs Department (current position) June 2025 Representative Director and Managing Executive Officer, the Company (current position)	(Note) 3	66
Director and Executive Officer	Hidehiro Motohashi	January 14, 1965	March 1988 Joined the Company July 2010 General Manager of Okayama Sales Office June 2014 General Manager of Personnel Department and General Manager of Information Management Department April 2015 Executive Officer April 2015 General Manager of Labor Department and General Manager of Health Development Center September 2015 Resigned as Executive Officer October 2015 Executive Officer, NIPPON KONPO UNYU SOKO CO., LTD. (current NIKKON Logistics CO., LTD.) April 2020 Executive Officer, the Company June 2021 Director and Executive Officer (current position) July 2021 General Manager of Group Administration Department (current position) December 2022 General Manager of HR Supervisory Department April 2026 General Manager of HR Supervisory Department (current position)	(Note) 3	29
Director	Aiko Koma	January 17, 1980	December 2007 Registered as a lawyer (Tokyo Bar Association) Joined RENAISS Law Office January 2019 Partner, RENAISS Law Office (current position) June 2021 Outside Director, the Company (current position)	(Note) 3	3

Title and position	Name	Date of birth	Career summary	Term	Number of shares held (thousands of shares)
Director	Ryutaro Ozeki	August 8, 1959	April 1982 Joined Toyota Motor Sales Co., Ltd. (current Toyota Motor Corporation) April 1996 Resigned from Toyota Motor Corporation May 1996 Joined Ozeki Co., Ltd., Director and General Manager of Corporate Planning Office December 2000 Representative Director, Senior Managing Director and General Manager of Sales Department December 2002 Representative Director and President (current position) September 2003 Corporate Auditor (part-time), View Planning Co., Ltd. February 2008 Corporate Auditor (part-time), Yamato Metal Co., Ltd. December 2009 Director (part-time) (current position) May 2010 Director (part-time), View Planning Co., Ltd. July 2019 Delegate, Tokyo Pharmaceutical Corporate Pension Fund Association (current position) June 2022 Outside Director, the Company (current position)	(Note) 3	2
Director	Ichinari Koda	December 1, 1962	April 1985 Joined The Yamaguchi Bank, Ltd. October 2006 Deputy General Manager of Corporate Planning Department (Hiroshima) April 2007 General Manager of Market Sales Department December 2010 General Manager of Hiroshima Branch April 2012 Director, Momiji Bank, Ltd. June 2014 Managing Director June 2016 Senior Managing Director June 2016 Director, Yamaguchi Financial Group, Inc. June 2018 President and Director, The Yamaguchi Bank, Ltd. June 2018 Managing Director, Yamaguchi Financial Group, Inc. June 2021 Director, Yamaguchi Cable Vision Co., Ltd. June 2022 Director and Chairman, The Yamaguchi Bank, Ltd. June 2023 Director, YM Asset Management Co., Ltd. June 2023 Director, All Nippon Asset Management Co., Ltd. June 2025 Representative Director, YM Asset Management Co., Ltd. (current position) June 2025 Outside Director, the Company (current position)	(Note) 3	0

Title and position	Name	Date of birth	Career summary	Term	Number of shares held (thousands of shares)
Director	Clark Graninger	January 27, 1968	September 1991 Joined NIPPON SHAFT CO., LTD June 1997 Graduated from The University of Chicago Booth School of Business July 1997 Joined Lehman Brothers Japan Inc. June 2000 Joined Shinsei Bank, Limited (current SBI Shinsei Bank, Limited) Deputy General Manager and Chief of Credit Trading Team September 2003 Senior Managing Executive Officer and General Manager of Institutional Business Division February 2007 Representative Director and President, APLUS Co., Ltd. November 2009 Assistant to the President, Shinsei Bank, Limited February 2011 Banking Executive Officer and General Manager of Retail Banking Division, Aozora Bank, Ltd. August 2017 Managing Director and Head of Best Wealth Management, WealthPark Co., Ltd. June 2021 Managing Director, WealthPark Capital, Inc. (current position) June 2022 Co-Founder and Representative Director, COO/CFO, Reboot K.K. February 2023 Outside Director, FUJITEC CO., LTD. (current position) June 2025 Outside Director, the Company (current position) June 2026 Representative Director and President, Reboot K.K. (current position)	(Note) 3	0

Title and position	Name	Date of birth	Career summary		Term	Number of shares held (thousands of shares)
Director (Audit & Supervisory Committee Member)	Tetsuya Okuda	September 2, 1961	April 1984	Joined the Ministry of Transport (currently the Ministry of Land, Infrastructure, Transport and Tourism)	(Note) 4	2
			July 2002	Head of Policy Planning Office, General Affairs Division, Maritime Bureau, the Ministry of Land, Infrastructure and Transport		
			September 2003	Private Secretary to the Minister of Land, Infrastructure and Transport		
			September 2004	Director for General Affairs Division, Minister's Secretariat		
			August 2005	Director, Transport Consumer Policy Division, Policy Bureau		
			July 2006	General Manager, London Office, Japan National Tourism Organization		
			July 2008	Director, Passenger Transport Division, Road Transport Bureau, the Ministry of Land, Infrastructure, Transport and Tourism		
			July 2009	Director, Airport Planning, Airport Department, Civil Aviation Bureau		
			October 2009	Director, Capital Area Airports Division, Airport Department, Civil Aviation Bureau		
			October 2011	Director for Personnel Division, Minister's Secretariat		
			August 2013	Director, Aviation Network Department, Civil Aviation Bureau		
			July 2014	Deputy Vice-Minister for Policy Coordination, Minister's Secretariat		
			June 2016	Director-General, Railway Bureau		
			July 2017	Director-General, Road Transport Bureau		
			July 2019	Retired		
			November 2019	President, Japan Transport and Tourism Research Institute (current position)		
			June 2022	Outside Director (Audit & Supervisory Committee Member), the Company (current position)		
Director (Audit & Supervisory Committee Member)	Hideki Kawasaki	January 10 1964	March 1986	Joined the Company	(Note) 4	23
			April 1997	Manager of Sales Office of Kumamoto Center		
			August 2001	Seconded to NIPPON KONPO (THAILAND) CO., LTD.		
			April 2004	Manager of the Fourth Sales Department, the Company		
			April 2009	General Manager of Labor Department		
			October 2015	Deputy General Manager of Tokyo Business Department and General Manager of Tokyo Sales Office, NIPPON KONPO UNYU SOKO CO., LTD. (current NIKKON Logistics CO., LTD.)		
			March 2017	General Manager of General Affairs Department and General Manager of Information Management Department		
			March 2018	General Manager of General Affairs Department and General Manager of Legal Affairs Department		
			April 2018	Executive Officer		
			April 2022	General Manager of Operational Audit Office		
			June 2022	Corporate Auditor		
			June 2024	Director (Audit & Supervisory Committee Member), the Company (current position)		

Title and position	Name	Date of birth	Career summary	Term	Number of shares held (thousands of shares)
Director (Audit & Supervisory Committee Member)	Kanako Takeda	November 14, 1976	April 2010 Joined IAU accounting corporation Iwata Office March 2016 Tax accountant (current position) June 2024 Outside Director (Audit & Supervisory Committee Member), the Company (current position)	(Note) 4	0
Total					517

(Notes) 1. Among the Directors, Aiko Koma, Ryutaro Ozeki, Ichinari Koda, Clark Graninger, Tetsuya Okuda, and Kanako Takeda are Outside Directors.

2. The structure of the Company's Audit & Supervisory Committee is as follows.

Tetsuya Okuda (Chair), Hideki Kawasaki (Member), and Kanako Takeda (Member)

3. The term of office for Directors (who are not Audit & Supervisory Committee Members) is from the end of the Annual General Meeting of Shareholders for the fiscal year ended March 31, 2025, to the conclusion of the Annual General Meeting of Shareholders for the fiscal year ended March 31, 2026.

4. The term of office for Directors who are Audit & Supervisory Committee Members is from the end of the Annual General Meeting of Shareholders for the fiscal year ended March 31, 2024, to the conclusion of the Annual General Meeting of Shareholders for the fiscal year ended March 31, 2026.

5. The Company has adopted the Executive Officer System to separate the business execution function from the management decision-making and oversight function, speed up decision-making and clarify responsibility for business execution, and increase management efficiency, and also to strengthen corporate governance.

The number of Executive Officers is 20, of which four concurrently serve as Directors.

Title	Name	Position
Chief Executive Officer	Masakatsu Kuroiwa	Chairman and Representative Director, NIKKON Logistics CO., LTD. (former NIPPON KONPO UNYU SOKO CO., LTD.); Chairman and Director, A.N.I. LOGISTICS, LTD.; Chairman and Director, NIPPON KONPO (THAILAND) CO., LTD.; Chairman and Director, A.N.I. TRANSPORT, LTD.; and Chairman and Director, SIAM AUTO TECHNIC CO., LTD.
Senior Executive Officer	Seiji Ooka	Chairman, NIKKON LOGISTICS CHINA CO., LTD.; and Chairman, NIKKON CHONGQING LOGISTICS CO., LTD.
Managing Executive Officer	Yasunori Matsuda	General Manager of Legal Affairs Department
	Kioi Yamada	Representative Director and President, NK International Co., Ltd.
Deputy Managing Executive Officer	Takashi Abe	President, NK Engineering Co., Ltd.; President and Representative Director, Nikkon Kyusyu Co., Ltd.; and President and Representative Director, NIKKON WEST CO., LTD. (former CHUGOKU BUTSURYU SERVICE CO., LTD.)
	Toshihisa Nishimura	President and Representative Director, NIPPON RIKUSO Co., Ltd.; and President and Representative Director, TECHNIC SERVICE Co., Ltd.
	Sakyo Horii	Chairman and Representative Director, MEIKON CO., LTD.; Chairman and Representative Director, MATSUHISA SOUGOU CO., LTD.; and President and Representative Director, CHUOH PACK INDUSTRY CO., LTD.
	Sumito Hashimoto	President and Representative Director, NIPPON UNYU CO., LTD.; and President and Representative Director, NIKKON Ryomo CO., LTD.
Executive Officer	Hidehiro Motohashi	General Manager of Group Administration Department; and General Manager of HR Supervisory Department
	Atsushi Kayamoto	General Manager of Management Planning Department
	Takashi Shibayama	President and Representative Director, ITO-EXPRESS CO., LTD
	Satoshi Mizukami	President and Representative Director, Auto Technic Japan Co., Ltd.
	Yukitoshi Seki	Chairman and Representative Director, CHUETSUTEC Co, Ltd; President and Representative Director, NIKKON Moving Co., Ltd.; Representative Director and President, GINZA Consulting Co., Ltd.; and President and Representative Director, TRANSPORT JAPAN CO., LTD.
	Daisuke Gunji	
	Kazuaki Tashiro	Representative Director, President and Executive Officer, NIKKON Logistics CO., LTD. (former NIPPON KONPO UNYU SOKO CO., LTD.)
	Katsumasa Ehara	Representative Director and Deputy Chief Executive Officer, NIKKON Logistics CO., LTD. (former NIPPON KONPO UNYU SOKO CO., LTD.)
	Hisashi Fukatsu	Representative Director and President, MEIKON CO., LTD.
	Tetsuo Sugita	
	Keita Inagaki	President, NK PARTS INDUSTRIES, INC.; President and Director, NK AMERICA, INC.; President and Director, NKA TRANSPORTATION, INC.; President and Director, NKA LOGISTICS, INC.; President and Director, NKA CUSTOMS SERVICE, INC.; President and Director, AUTO TECHNIC AMERICAS, INC.; President and Director, NK NORTH AMERICA, INC.; Chairman and Director, SUPREME AUTO TRANSPORT, LLC.; and Chairman and Director, President, NKP MEXICO, S.A. DE C.V.

Title	Name	Position
	Mamoru Hayashida	President and Director, PT NIPPON KONPO INDONESIA

2) Skill Matrix of Directors

Skills that the Board of Directors is expected to have for appropriately fulfilling its functions of decision-making and management supervision, in light of long-term direction of management and business strategy, and reasons for selection of those skills, as well as skills possessed by each Director are as follows.

Skill item	Reasons for selection of skills
Corporate Management	To respond to expectations of a wide variety of stakeholders as a listed company broadly operating logistics-related business in Japan and overseas, the corporate management skill is needed for the Board of Directors to conduct the business portfolio management that contributes to sustainable growth.
Legal Affairs	At the Company that has established its corporate governance structure in a systematic manner and been working on active management while complying with laws and regulations, the legal affairs skill is needed for the Board of Directors to determine relevant policies and supervise relevant matters.
Accounting	At the Company that has been implementing growth investments, including investments in new businesses and M&As, in a flexible and active manner with the aim of improving its corporate value and shareholder value in a long term, the financial accounting skill is needed for the Board of Directors to consider the appropriateness of capital policies and financial strategies.
Finance	This skill represents the ability to understand the financial statements of corporations and analyze their profitability, capital efficiency and financial soundness. It is needed to leverage the knowledge about financing and risk management and contribute to a sustainable improvement of the corporate value.
Investment	It is needed to have knowledge regarding investment decisions and capital allocation in line with the growth strategy, and have the skill of leading such knowledge to improvement of the corporate value in a medium- and long-term perspective, through evaluation of investment projects, risk analysis, operational support after integration, etc. related to M&As, investment in new businesses, capital investment, etc.
Safety	At the Company that recognizes the traffic safety and improvement of work environment as its most important issues as a logistics company, the skill is needed for the Board of Directors to assess and consider the “safety of workplace,” “prevention of traffic accidents,” and “providing high-quality services.”
Internationality	The Company has positioned the expansion of overseas business as one of the growth drivers in its Medium-term Business Plan, and therefore the skill regarding internationality is needed for the Board of Directors to make important decisions on management issues.
Personnel Affairs, Human Resources Development	It is necessary that we construct policies regarding human resources development, securing their diversity, and enhancement of corporate environments of the Group from a medium- to long-term perspective and in a concrete manner, and therefore the skill is needed for the Board of Directors to make important decisions regarding personnel affairs and human resources development.
IT, DX	The Company aims for creating shared value with customers and society through its logistics service utilizing digital tools, as well as AI and IoT technologies, and therefore the skill regarding IT and digital is needed for the Board of Directors to determine relevant policies.
ESG	Regarding Environment, Social, and Governance, the skill is needed to balance the sustainability of corporations with their social responsibility especially from the perspective of response to changing climate, respect for human rights, promotion of diversity, information disclosure, enhancement of governance, etc.

No.	Name	Positions	Independent Outside	Insight, Expertise, Experience										Gender
				Corporate Management	Legal Affairs	Finance, Accounting			Safety	Internationality	Personnel Affairs, Human Resources Development	IT, DX	ESG	
						Accounting	Finance	Investment						
1	Masakatsu Kuroiwa	President, Representative Director and Chief Executive Officer		●	●	●			●	●	●			Male
2	Seiji Ooka	Representative Director and Senior Executive Officer		●	●				●	●	●	●	●	Male
3	Yasunori Matsuda	Representative Director and Managing Executive Officer		●	●	●	●	●		●			●	Male
4	Hidehiro Motohashi	Director and Executive Officer		●					●		●	●	●	Male
5	Aiko Koma	Outside Director	●		●								●	Female
6	Ryutaro Ozeki	Outside Director	●	●	●									Male
7	Ichinari Koda	Outside Director	●	●		●	●	●						Male
8	Clark Graninger	Outside Director	●	●		●	●	●		●				Male
9	Tetsuya Okuda	Outside Director (Audit & Supervisory Committee Member)	●		●				●	●		●		Male
10	Hideki Kawasaki	Director (Full-time Audit & Supervisory Committee Member), Selection Audit & Supervisory Committee Member		●	●						●		●	Male
11	Kanako Takeda	Outside Director (Audit & Supervisory Committee Member)	●			●								Female

3) Outside Directors (and other Officers)

a. Number of Outside Directors and their human, capital or transactional relationship or any other interest relationship with the Company

The Company has elected six Outside Directors.

Outside Director Aiko Koma is a lawyer. There existed no transactional relationship between the Company and her in the past, with her independence being ensured. Thus, we believe that there will be no potential conflict of interest with ordinary shareholders. She has been engaged in practical operations of corporate legal affairs for many years as a lawyer, and the Company has elected her as an Outside Director as it deems that she will provide good advice on strengthening corporate governance and diversity of the Company and supervise execution of duties by Directors from an independent standpoint by utilizing her expertise and a wide range of knowledge and experience, leading to greater transparency and stronger supervisory function of the Board of Directors. She holds 3,893 shares of the Company.

There exists no transactional relationship between Ozeki Co., Ltd., to which Outside Director Ryutaro Ozeki belongs, and the Company. Thus, we believe that there will be no potential conflict of interest with ordinary shareholders. He has been serving as Representative Director of Ozeki Co., Ltd. for many years, and the Company has elected him as an Outside Director as it deems that he will provide good advice and guidance on management of the Company based on his wealth of experience and broad insight as a corporate manager and supervise execution of duties by Directors from an independent standpoint, leading to greater transparency and stronger supervisory function of the Board of Directors. He holds 2,682 shares of the Company.

There exists no transactional relationship between Outside Director Ichinari Koda and the Company, with his independence being ensured. Thus, we believe that there will be no potential conflict of interest with ordinary shareholders. He has held important managerial positions at financial institutions in Japan for many years, and is a specialist versed in financial fields. He has a wealth of experience regarding fund-raising strategies associated with M&As and growth investments, as well as deep insights into management of the optimal capital structure and cost of capital in terms of improving the corporate value. The Company has elected him as an Outside Director as it deems that he will provide good advice and guidance on the management of the Company by utilizing his knowledge and supervise execution of duties by Directors, contributing to greater transparency and stronger supervisory function of the Board of Directors, and furthermore, to appropriate management of cost of capital of the Company, as well as sustainable improvement of its corporate value. He holds 339 shares of the Company.

There exists no transactional relationship between Outside Director Clark Graninger and the Company, with his independence being ensured. Thus, we believe that there will be no potential conflict of interest with ordinary shareholders. He has over 30 years of business experience in the financial industry. He has management experience of having held important positions at financial institutions in Japan. In addition, he also has an experience of having fulfilled a leading role in engagement with investors, including foreign institutional investors, and other activities as an independent outside director of other listed company. The Company has elected him as an Outside Director as it deems that his wealth of experience in the financial industry in Japan and knowledge of the corporate finance will contribute to sustainable enhancement of the Company's corporate value through implementing and considering an improvement of capital efficiency. He holds 339 shares of the Company.

There exists no transactional relationship between the Japan Transport and Tourism Research Institute, to which Outside Director Tetsuya Okuda belongs, and the Company. Thus, we believe that there will be no potential conflict of interest with ordinary shareholders. The Company has elected him as an Outside Director as it deems that he has experience and insight acquired from his engagement in transport administration for many years, and that he will provide good advice primarily on logistics and audit and supervise execution of duties by Directors from an independent standpoint, leading to greater transparency and stronger supervisory function of the Board of Directors. He holds 2,682 shares of the Company.

Outside Director Kanako Takeda is a certified public tax accountant. There existed no transactional relationship between the Company and her in the past, with her independence being ensured. Thus, we believe that there will be no potential conflict of interest with ordinary shareholders. The Company has elected her as an Outside Director as it deems that she has a wealth of experience and expertise as a tax accountant, and that she will provide good advice primarily on finance, accounting and tax matters and supervise execution of duties by Directors from an independent standpoint, leading to greater transparency and stronger supervisory function of the Board of Directors. She holds 874 shares of the Company.

There exists no human, capital or transactional relationship or any other interest relationship between Outside Directors and the Company except for the above.

b. Criteria or policy on independence for election of Outside Directors

The Company believes that it can further strengthen its management structure by giving officers who meet the independence criteria stipulated by the Tokyo Stock Exchange a full understanding of the Group's business and management environment and corporate philosophy and receiving from them impartial, fair and appropriate guidance and advice on the Company's management based on their honest character and broad insight and experience and it judges an officer who does not fall under any of the following as independent.

1. An executive of a major business partner (Note) of the Group or an executive of a company for which the Group is a major business partner
2. An executive of a lender of the Group whose loan amount to the Company exceeds 2% of the Company's consolidated total assets as of the end of the most recent fiscal year
3. A major shareholder of the Company who holds a stake in the Company of 10% or more or an executive of a major shareholder or investor (ranked in the top 10), either currently or at any point in the most recent three fiscal years
4. A consultant, accounting specialist or legal specialist who during the most recent three fiscal years received from the Company average annual compensation exceeding 10 million yen
5. Any person who has fallen under any of the categories 1. to 4. above in the last five years
6. A spouse or relative within two degrees of kinship of a Director, etc. of the Company or a consolidated subsidiary
7. A person whose total period of employment at the Company exceeds eight years

(Note) The term "major business partner" refers to a business partner of the Group whereby the annual transactions between such business partner and the Group during the most recent three fiscal years amount to more than 2% of the consolidated net sales of the Company or the consolidated net sales of the business partner.

c. Views on functions and roles of Outside Directors as well as election of Outside Directors who are Audit & Supervisory Committee Members

The Company has elected four Outside Directors (who are not Audit & Supervisory Committee Members) in order to enhance the transparency and supervisory function of the Board of Directors. In addition, it has elected two Outside Directors who are Audit & Supervisory Committee Members. By setting the number of Outside Directors to be appointed at six, which exceeds the majority of the 11 Directors to be appointed, and forming the three-member Audit & Supervisory Committee including the said two Outside Directors who are Audit & Supervisory Committee Members. Thus, we have established a system that enables the committee to serve as a supervisory body independent from the Company.

4) Mutual collaboration between supervisions and audits by Outside Directors and internal audits, audits by the Audit & Supervisory Committee and accounting audits, as well as relationships with the Internal Control Division

Outside Directors who are Audit & Supervisory Committee Members endeavor to actively obtain information necessary for audits in order to further enhance the independence and neutrality of the structure of audits. The full-time Audit & Supervisory Committee Member conveys information obtained in important internal meetings and information from the Group Operational Audit Office as the internal audit division, including internal audit reports, as well as the status of audits by the accounting auditor and the status of internal controls in the meetings of Audit & Supervisory Committee, and shares it with all Audit & Supervisory Committee Members. In addition, they ask candid questions or state opinions to the Board of Directors.

Outside Directors (who are not Audit & Supervisory Committee Members) obtain information on audits by the Audit & Supervisory Committee, internal audits, accounting audits, and internal controls through the Board of Directors meetings, and strive to strengthen the supervisory function of the Board of Directors by exchanging views as necessary.

(3) Audits

1) Status of audits by the Audit & Supervisory Committee

The Company's Audit & Supervisory Committee consists of one full-time Audit & Supervisory Committee Member and two Outside Audit & Supervisory Committee Members. In audits by the Audit & Supervisory Committee, the committee performs its duties systematically and effectively, by designating the supervision and verification of the operation of the internal control system, such as compliance and risk management, as priority items, receiving reports from the internal control division, etc. on audit results on a regular and as-needed basis, requesting the internal control division to conduct investigations as necessary, and examining its findings, in accordance with audit policies and plans.

The career and other information of each Audit & Supervisory Committee Members as of June 26, 2026 is as follows.

Title and position	Name	Career, etc.
Outside Audit & Supervisory Committee Member	Tetsuya Okuda	He has broad experience and insight acquired from his engagement in transport administration for many years.
Full-time Audit & Supervisory Committee Member	Hideki Kawasaki	He has been involved primarily in operations related to general affairs and audit and has served as General Manager of General Affairs Department, etc., having a wealth of operational experience at the Company and knowledge regarding management and audit.
Outside Audit & Supervisory Committee Member	Kanako Takeda	She has a wealth of experience and expertise as a tax accountant, and is well versed in finance, accounting and tax matters.

The Audit & Supervisory Committee convenes regularly once a month, with 15 meetings held for the fiscal year under review, including extraordinary meetings. Attendance of individual Audit & Supervisory Committee Members is detailed below.

Name	Number of meetings held	Number of meetings attended
Tetsuya Okuda	15	15
Hideki Kawasaki	15	15
Kanako Takeda	15	14

Specific subjects discussed by the Audit & Supervisory Committee are formulation of audit policies and plans, evaluation of the accounting auditor and assessment of the reasonableness of its reelection, decision on and approval for remuneration for audits by the accounting auditor, opinions on election of Directors (who are not Audit & Supervisory Committee Members), and decision on the content of audit reports by the Audit & Supervisory Committee.

Details of activities of the full-time Audit & Supervisory Committee Member are as follows:

- Attending important meetings, including the Board of Directors meetings, the Management Strategy Council, Executive Officer meetings, the Risk Management Committee, and the Compliance Promotion Committee
- Holding meetings with the Representative Director for the purpose of examining and exchanging views on recent events, issues to be addressed, management policies, and other matters. (once a month, approximately for an hour)
- Reviewing important final decision documents, including minutes of Board of Directors meetings, approval documents, and contracts.
- Attending regular meetings with the Accounting Auditor and accounting departments for the purpose of reporting audit results and exchanging views, and holding monthly meetings with the Accounting Auditor to share information and discuss matters of mutual interest between the Accounting Auditor and the Audit & Supervisory Committee. (15 regular meetings and 5 monthly meetings, starting in November)
- Attending quarterly hearings with headquarters divisions of the Company and core business subsidiaries to examine the status of businesses and assets.
- Holding business reporting meetings of other subsidiaries (twice a year) for the purpose of examining the status of businesses and assets, compliance status, lawsuits, and other matters.
- Attending liaison meetings with corporate auditors of subsidiaries (twice a year) for the purpose of examining the status of audit records and exchanging views and sharing information.
- Holding information exchange meetings with the internal audit division for the purpose of examining the status of internal

control assessments and responses.

2) Status of internal audits

Two employees of Group Operational Audit Office are in charge of conducting internal audits, and inspect and assess whether organizational operations and business across all divisions of the Company and its subsidiaries are being conducted appropriately and efficiently in accordance with laws and regulations, company policies, standards and procedures. Such inspections are onsite inspections, in principle; however, they also include remote inspections, and relevant departments are also asked for their opinions where necessary. Group Operational Audit Office also conducts follow-up activities to confirm whether improvements have been made to address any issues identified and endeavors to conduct proper internal audits.

Group Operational Audit Office and Audit & Supervisory Committee Members make efforts to ensure close collaboration by exchanging information regularly and holding regular meetings with the audit corporation being the accounting auditor to exchange information on the details and results of audits.

Group Operational Audit Office has been responsible for reporting the audit results as needed in multiple meeting bodies attended by Directors. In addition, in order to enhance the effectiveness of internal audits, it began reporting the results in Board of Directors meetings on a quarterly basis from the fiscal year starting from April 1, 2023.

3) Status of accounting audits

a. Name of the audit corporation

KPMG AZSA LLC

b. Continuous audit period

Since the fiscal year ended March 31, 1996

c. Names of Certified Public Accountants (CPAs) who audited the Company's accounts

Designated Limited Liability Partners, Engagement Partners: Yasushi Kaneko and Mako Tasaka

d. Assistants for accounting audits

16 CPAs, 15 persons who passed the CPA Examination, and 47 other workers.

e. Policies and reasons for selecting the audit corporation

In selecting the accounting auditor, the Company conducts a comprehensive evaluation on such factors as the implementation structure of audits, audit plans, and reasonableness of an estimated audit remuneration, the global network of the audit corporation, and past audit records.

The Audit & Supervisory Committee makes a comprehensive evaluation of the auditing quality, independence, execution of duties, and other factors. If the committee determines that it cannot verify the appropriateness and reliability of audits, the committee shall resolve the content of a proposal for the General Meeting of Shareholders to dismiss or not to reappoint the accounting auditor. In addition, the Audit & Supervisory Committee shall dismiss the accounting auditor conditional upon its unanimous approval, if it determines that the accounting auditor falls under the provisions specified in each item of Article 340, Paragraph 1, of the Companies Act. In such case, an Audit & Supervisory Committee Member designated by the committee shall report the said dismissal and the reasons thereof at the first General Meeting of Shareholders following the dismissal.

f. Evaluation of the audit corporation by the Audit & Supervisory Committee

The Audit & Supervisory Committee evaluated the audit corporation and verified that the said audit corporation had maintained its independent standpoint and conducted accounting audits properly.

The committee also made a resolution confirming the reelection of the accounting auditor and in doing so, conducted a comprehensive evaluation in accordance with the "Practical Guidelines for the Assessment of Accounting Auditors and the Formulation of Assessment Criteria," published by Japan Audit & Supervisory Board Members Association.

4) Details of audit remuneration

a. Details of remuneration for Certified Public Accountants

Category	Fiscal year ended March 31, 2025		Fiscal year ended March 31, 2026	
	Remuneration for audit certification (millions of yen)	Remuneration for non-audit certification (millions of yen)	Remuneration for audit certification (millions of yen)	Remuneration for non-audit certification (millions of yen)
Reporting company	153	23	132	2
Consolidated subsidiaries	22	—	22	—
Total	175	23	154	2

Remuneration for non-audit certification in the reporting company for the fiscal year ended March 31, 2025 was paid for the preparation of a comfort letter in relation to the issuance of bonds.

Remuneration for non-audit certification in the reporting company for the fiscal year ended March 31, 2026 was paid for the preparation of a comfort letter in relation to the issuance of bonds.

b. Details of remuneration (excluding a.) for the same network as the auditing Certified Public Accountants (KPMG)

Category	Fiscal year ended March 31, 2025		Fiscal year ended March 31, 2026	
	Remuneration for audit certification (millions of yen)	Remuneration for non-audit certification (millions of yen)	Remuneration for audit certification (millions of yen)	Remuneration for non-audit certification (millions of yen)
Reporting company	—	53	—	8
Consolidated subsidiaries	—	—	—	16
Total	—	53	—	24

Remuneration for non-audit certification in the reporting company for the fiscal year ended March 31, 2025 was paid for M&A due diligence services, etc.

Remuneration for non-audit certification in the reporting company for the fiscal year ended March 31, 2026 was paid for advisory services on tax affairs.

Remuneration for non-audit certification in consolidated subsidiaries for the fiscal year ended March 31, 2026 was paid for advisory services on tax affairs for overseas subsidiaries.

c. Details of remuneration for other important audit certification

For the fiscal years ended March 31, 2025 and March 31, 2026, no significant amount of remuneration for audit certification services was paid by consolidated subsidiaries of the Company to Certified Public Accountants who belong to networks other than the one to which auditing CPAs of the Company belong.

d. Policies concerning audit remuneration

Audit remuneration to the auditing Certified Public Accountants auditing the Company is determined with prior approval by the Audit and Supervisory Committee, following the consultation between the Company and the accounting auditor based on audit plans we receive from the auditing Certified Public Accountants, maintenance and improvement of auditing quality, and efficient implementation of audits.

e. Reasons for the agreement by the Audit & Supervisory Committee on the remuneration for the accounting auditor

The Audit and Supervisory Committee agreed to the amount of remuneration for the accounting auditor after examining past audit hours by item of auditing by the accounting auditor and history of actual audit remuneration as well as audit plans and records in the past years, and analyzing and considering audit plans and the reasonableness of an estimated audit remuneration for the fiscal year under review.

(4) Remuneration for Directors (and other Officers)

1) Matters concerning the Policy for the Decision on the Amounts of Remuneration for Directors (and Other Officers) or the Calculation Method Thereof

The remuneration for Directors of the Company consists of fixed remuneration as well as bonuses for Directors and other officers and stock-based remuneration, which are performance-linked remunerations. However, the remuneration for Outside Directors and Directors who are Audit and Supervisory Committee Members consists of fixed remuneration only.

Fixed remuneration is composed of monthly remuneration, and details of payments and allocation of amount are clearly determined by full-time or part-time status. Monthly fixed remuneration is determined in consideration of the inflation rate, for Directors (excluding Outside Directors) upon passage of two years since the previous revision.

The indicator related to bonuses for Directors and other officers, which are performance-linked remuneration, is “Profit attributable to owners of parent,” which is an indicator of future investments and the source of shareholder returns, and a certain targeted percentage of the profit is paid after the conclusion of the General Meeting of Shareholders.

As non-monetary remunerations, the Company provides performance-linked stock-based remuneration using a board benefit trust. Under the scheme, shares, etc. are granted at the time of retirement from office, corresponding to points calculated based on the position, the achievement level of numerical targets for the “Profit attributable to owners of parent” for each fiscal year in our Medium-term Business Plan, which are determined by the Board of Directors.

The scheme is intended to raise awareness to contribute to medium- to long-term improvement of performance and enhancement of corporate value. The proportion of the remuneration by type for Directors (excluding Outside Directors and Directors who are Audit and Supervisory Committee Members) is determined by benchmarking the remuneration levels of peer companies in related industries and segments with similar business scale, and the higher the position is, the greater the proportion of performance-linked and stock-based remunerations is.

At the 84th Annual General Meeting of Shareholders held on June 27, 2025, it was resolved that the remuneration for Directors (who are not Audit & Supervisory Committee Members) per year shall be no more than 400 million yen (with the portion of Outside Directors being no more than 60 million yen per year; including performance-linked remuneration and excluding the portion of employee’s salary for Directors who concurrently serve as employees).

In addition, at the 80th Annual General Meeting of Shareholders held on June 29, 2021, it was resolved that, in addition to the remuneration above, a performance-linked stock-based remuneration plan using a benefit board trust shall be introduced for Directors (excluding Outside Directors, and Directors who are Audit and Supervisory Committee Members), with the respective upper limits of no more than 27,000 points (two shares per point) and no more than 40 million yen per fiscal year. Details of the scheme are as follows.

[Type of Assets to be Delivered]

Those eligible for the scheme shall receive the Company’s shares or cash in lieu of shares.

[Number of the Company’s Shares to be delivered]

The number of the Company’s shares to be delivered to each recipient with beneficiary rights of the trust is the one calculated as two shares of the Company per one point for points awarded to the said recipient.

However, cash in lieu of the Company’s shares may be delivered as described below.

- For shares corresponding to the figure calculated by deducting the number of the Company’s shares to be delivered to those eligible for the scheme multiplied by 0.7 (the number of shares is rounded up to the nearest trading unit), cash equivalent to the fair value of that calculated number of shares of the Company shall be delivered instead of the Company’s shares, for the purpose of the Company withholding funds for the payment of withholding income tax and other taxes.
- In cases that it is difficult for those eligible for the scheme to open a share transfer account in a securities firm designated by the Company or to transfer shares to an account opened for the transfer thereof on reasonable grounds, cash equivalent to the fair value of 100 percent of the number of shares of the Company to be delivered shall be delivered, instead of the Company’s shares.
- In cases that bereaved family members of those eligible for the scheme inherit beneficiary rights of the trust on their death, the said bereaved family members shall be delivered the Company’s shares of the number calculated as two shares per one point for the points awarded to the said eligible individuals. However, for shares corresponding to the figure calculated by deducting the number of the said Company’s shares multiplied by 0.7 (the number of shares is rounded up to the nearest trading unit), cash equivalent to the fair value of that calculated number of shares of the Company shall be delivered, instead of the Company’s shares.

[Formula to calculate points to be awarded as the remuneration for the evaluation period (Note 1)]

Awarded Points = Fixed awarded points + Performance-linked awarded points

(Note 1) The evaluation period is a period of each fiscal year (starting on April 1 and ending on March 31 of the following year. However, the initial evaluation period is a period between April 1, 2021, to March 31, 2022).

(1) Fixed awarded points

Fixed awarded points (rounded up to the nearest integer) = total of monthly calculation basic points I (Note 2) in each calendar month during the evaluation period (Note 3)

(Note 2) Monthly calculation basic points I = basic amount by position I (Note 4) / 12 / the average acquisition price of the Company's shares at the time of awarding the points.

(Note 3) However, for the initial evaluation period, April, May, and June 2021 are excluded.

(Note 4) Basic amount by position I depends on the position held in each calendar month as described in the table below. If an individual is in office for even a day of a calendar month, his or her basic amount by position I for the said calendar month is based on the table below. However, the amount for the month when he or she assumed office is zero yen, while the amount for the month when his or her position changed is based on that for the previous position.

Position	Basic amount by position I (yen)
President, Representative Director and Chief Executive Officer	12,000,000
Representative Director and Deputy Chief Executive Officer	6,300,000
Representative Director and Senior Executive Officer	5,600,000
Representative Director and Executive Officer	4,680,000
Representative Director	4,420,000
Director and Senior Executive Officer	5,000,000
Director and Managing Executive Officer	4,000,000
Director and Executive Officer	2,700,000
Director	2,400,000

(2) Performance-linked awarded points

Performance-linked awarded points (rounded up to the nearest integer) = total of monthly calculation basic points II (Note 5) in each calendar month during the evaluation period (Note 3) x performance-linked coefficient (Note 6)

(Note 5) Monthly calculation basic points II = basic amount by position II (Note 7) / 12 / the average acquisition price of the Company's shares at the time of awarding the points

(Note 6) Performance-linked coefficient shall be one if the "Profit attributable to owners of parent" ("Profit attributable to owners of parent" as described in the Company's annual securities report. The same applies hereafter.) for a fiscal year corresponding to the evaluation period reaches numerical targets of the Company (numerical targets for the "Profit attributable to owners of parent" for each fiscal year in our Medium-term Business Plan, which are determined by the Board of Directors), while it shall be zero if the "Profit attributable to owners of parent" fails to reach the said targets. The targets for the "Profit attributable to owners of parent" of the Medium-term Business Plan that newly started from the fiscal year ended March 31, 2024 are as follows: 16.0 billion yen for the first year, the fiscal year ended March 31, 2024; 17.0 billion yen for the second year, the fiscal year ended March 31, 2025; and 20.0 billion yen for the final year, the fiscal year ended March 31, 2026.

(Note 7) Basic amount by position II depends on the position held in each calendar month as described in the table below. If an individual is in office for even a day of a calendar month, his or her basic amount by position II for the said calendar month is based on the table below. However, the amount for the month when he or she assumed office is zero yen, while the amount for the month when his or her position changed is based on that

for the previous position.

Position	Basic amount by position II (yen)
President, Representative Director and Chief Executive Officer	1,200,000
Representative Director and Deputy Chief Executive Officer	630,000
Representative Director and Senior Executive Officer	560,000
Representative Director and Executive Officer	468,000
Representative Director	442,000
Director and Senior Executive Officer	500,000
Director and Managing Executive Officer	400,000
Director and Executive Officer	270,000
Director	240,000

The Company has conducted a share split with an effective date of October 1, 2024 in the ratio of one share to two shares. The number of shares in the description above is adjusted, with the said share split taken into account.

At the 77th Annual General Meeting of Shareholders held on June 28, 2018, it was resolved that the remuneration for Directors who are Audit & Supervisory Committee Members per year shall be no more than 72 million yen, and the remuneration for each Director who is an Audit & Supervisory Committee Member is determined based on the consultation among Audit & Supervisory Committee Members.

The Company resolved to establish a Remuneration Committee as a voluntary advisory body to the Board of Directors at a Board of Directors meeting held on January 10, 2020. The Remuneration Committee is chaired by an Independent Outside Director and consists of three or more members, the majority of which are Independent Outside Directors. Starting in the fiscal year beginning April 1, 2020, the individual remuneration for Directors of the Company is determined by a resolution of the Board of Directors, following the consultation in the voluntary Remuneration Committee based on the request for advice from the Board of Directors.

2) Total amount of remunerations by category of Directors and other officers, total amount of remunerations by type, and the number of paid directors and other Officers

Category of Directors and other officers	Total amount of remunerations (millions of yen)	Total amount of remunerations by type (millions of yen)			Number of eligible Directors and other officers
		Fixed remuneration	Performance-linked remuneration	Non-monetary remuneration, etc. included therein	
Directors (excluding Audit & Supervisory Committee Members and Outside Directors)	180	100	79	25	5
Audit & Supervisory Committee Members (excluding Outside Directors)	15	15	—	—	1
Outside Directors and other officers	42	42	—	—	6

(Note) The Company resolved to abolish a share option scheme at a Board of Directors meeting held on April 5, 2019.

3) Total amount of consolidated remuneration, etc. for each officer

The description is omitted because no officer receives the total amount of consolidated remuneration of 100 million yen or more.

(5) Shareholdings

1) Criteria for and approach to classification of shares for investment

The Company classifies shares for investment into two categories: shares for investment and cross-shareholdings. Shares for investment are those that are held for pure investment purposes to make profits from changes in the value of shares or dividends received. Cross-shareholdings refer to shares that are recognized as contributing to our continuous growth and enhancement of our corporate values in the mid-to-long term while serving the purposes of building smooth long-term relationships with our business partners or of maintaining or reinforcing collaborative business relationships with our partners.

The Company has the following policy on the exercise of voting rights of stocks for investment. The content of each proposal shall be considered based on the management policies and business plans, etc., of the investee, and deliberation shall be conducted on a case-by-case basis while comprehensively considering from the following perspectives: whether or not the proposal contributes to enhance corporate value of the investee or mutual benefit of the shareholders; the impact that the proposal may have on corporate value of the Company in terms of creation of business opportunities between the investee and the Company, and building, maintaining and strengthening of business and collaborative relationship with the investee; and the status of the investee in terms of commitment to social justice and compliance.

2) Shares for investment held for non-pure investment purposes

The Company is a company whose principal business is to conduct business management of its subsidiaries (a holding company).

Of the Company and its consolidated subsidiaries, the Company is the company with the largest balance sheet amount of shares for investment held for non-pure investment purposes (amount recorded for shares for investment) (the largest holding company), which is detailed as follows:

a. Policy for shareholdings and the method for verifying the rationality of shareholdings, as well as the verification by the Board of Directors, etc. regarding the adequacy of individual securities held

The Company finds long-term partners indispensable to stably maintaining logistics business. For cross-shareholdings, we make it a rule to focus on the shares of partner companies that lead to our enhanced corporate values through heightened mutual corporate alliance by maintaining/reinforcing trading relationships or forming a business partnership.

The Board of Directors reviews cross-shareholdings in terms of profit and loss or risk associated with shares held, and cost of capital every year to curtail shares that no longer meet the purposes of cross-shareholdings as mentioned above as appropriate and properly.

The reasons for holding shares of Honda Motor Co., Ltd. included in the issues listed as specified investment shares are as follows.

Honda Motor Co., Ltd. is a Japanese leading global manufacturer of motorcycles and automobiles. The Company has been a supplier of services such as transportation, storage and processing to Honda Motor Co., Ltd. for 70 years since the establishment of the Company to contribute to construction of efficient supply chains in line with its production plans. Thus, Honda Motor Co., Ltd. is a vitally important business partner that forms our backbone, including the testing business and international businesses, and has continued to contribute to our growth and corporate value enhancement.

b. The number of issues and the book value on the balance sheet

	The number of issues (issues)	Total book value on the balance sheet (millions of yen)
Unlisted shares	1	23
Shares other than the unlisted shares	11	22,253

(Issues whose number of shares increased in the fiscal year under review)

	The number of issues (issues)	Total acquisition costs related to the increase in the number of shares (millions of yen)	Reason for the increase in the number of shares
Unlisted shares	—	—	—
Shares other than the unlisted shares	1	4	Shares acquired through the business partners' shareholding association

(Issues whose number of shares decreased in the fiscal year under review)

	The number of issues (issues)	Total sale value related to the decrease in the number of shares (millions of yen)
Unlisted shares	—	—
Shares other than the unlisted shares	1	163

c. Information on the number of shares by issue of specified investment shares and deemed shareholdings, with their book value on the balance sheet

Specified investment shares

Issue	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2025	Purpose of shareholding, outline of the business alliance, quantitative effect of shareholding and reason for increase in the number of shares	Whether the issuer holds shares of the Company
	Number of shares (shares)	Number of shares (shares)		
	Total book value on the balance sheet (millions of yen)	Total book value on the balance sheet (millions of yen)		
Honda Motor Co., Ltd.	10,421,100	10,520,952	Refer to 2) above with regard to the purpose of shareholding.	Yes
	13,104	14,124	The Company is a member of business partners' shareholding association of said company, and while the number of shares held increased during the period due to share acquisitions through that association, the number of shares held at the end of the period decreased following its dissolution.	
Seino Holdings Co., Ltd.	921,000	921,000	The Company engages itself in business partnership with the company concerned, including the establishment of a joint venture, and we own the shares of the company concerned to strengthen our collaboration with it.	Yes
	2,234	2,123		
Hirata Corporation	817,200	272,400	The company concerned is a manufacturer of industrial devices related to automobiles and semiconductors, and we own the shares of the company as a business partner consistent with our policy of business expansion. The increase in the number of shares is due to a stock split.	Yes
	1,925	1,248		
Aica Kogyo Company, Limited	412,000	412,000	The company concerned is one of the major business partners in relation to housing, and in consideration of the business relationship, we own the shares of the company concerned to maintain and reinforce favorable business relations.	Yes
	1,491	1,358		
Mitsubishi UFJ Financial Group, Inc.	507,617	507,617	The company concerned is a partner in the field of various financial services, and we own the shares of the company concerned to maintain and reinforce favorable business relations.	No (Note) 2
	1,319	1,020		
NITTO KOGYO CORPORATION	150,400	150,400	The company concerned manufactures and sells electric machines and appliances, and we own the shares of the company concerned as a business partner consistent with our policy of business expansion.	Yes
	634	468		
MITSUBA Corporation	461,000	461,000	The company concerned is a supplier of automobile parts closely related to our businesses and is a strategically important partner from whom we received the transfer of its logistics subsidiary. As such, we own the shares of the company concerned.	Yes
	549	378		

Issue	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2025	Purpose of shareholding, outline of the business alliance, quantitative effect of shareholding and reason for increase in the number of shares	Whether the issuer holds shares of the Company
	Number of shares (shares)	Number of shares (shares)		
	Total book value on the balance sheet (millions of yen)	Total book value on the balance sheet (millions of yen)		
ISEKI & CO., LTD.	341,700	341,700	The company concerned is one of the important business partners that are agricultural machinery manufacturers, and we provide it with a logistic function close to its production base. As such, we own the shares of the company concerned to maintain and reinforce favorable business relations.	Yes
	524	370		
OSAKI ELECTRIC CO., LTD.	118,000	118,000	The company concerned is a leading manufacturer in the field of smart meters, and we own the shares of the company concerned as a business partner consistent with our policy of business expansion.	Yes
	197	94		
Eidai Co., Ltd.	704,000	704,000	The company concerned is one of the major business partners in relation to housing, and in consideration of the business relationship, we own the shares of the company concerned to maintain and reinforce favorable business relations.	Yes
	161	147		
Mizuho Financial Group, Inc.	18,130	18,130	The company concerned is a partner in the field of various financial services, and we own the shares of the company concerned to maintain and reinforce favorable business relations.	No (Note) 3
	110	73		

(Notes) 1. The Company describes the method for verifying the rationality of shareholdings as it finds it difficult to state quantitative effects of specified investment shares. The Company verifies the significance of holding individual shares at the Board of Directors meetings, and has confirmed that shares currently held all conform to our holding policy.

2. The Company's shares are held by Mitsubishi UFJ Financial Group, Inc.'s subsidiaries, including MUFG Bank, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Mitsubishi UFJ Morgan Stanley Securities Co., Ltd., and Mitsubishi UFJ eSmart Securities Co., Ltd.
3. The Company's shares are held by Mizuho Financial Group, Inc.'s subsidiary, Mizuho Securities Co., Ltd.

Deemed holding shares

There are no applicable matters to be reported.

3) Shares for investment held for non-pure investment purposes

There are no applicable matters to be reported.

5. Employees

(1) Basic policy regarding human resources strategy, etc.

1) Human resources strategy

Details regarding our human resources strategy are set forth in 2. Basic perspectives toward sustainability of II. Overview of business.

2) Policy on determining the amount and details of employee compensation

The policy regarding the determination of the amount and details of employee compensation is as follows. Each Group company establishes its own policy individually.

Name	Policy on Determining the Amount and Details of Employee Compensation
NIKKON Holdings Co., Ltd.	The company has introduced a job-based employment system, and compensation is structured as an annual salary system. The base annual salary is determined based on criteria set forth in the salary regulations, taking into comprehensive consideration the employee's experience, job duties, qualifications held, work performance and other factors. In addition, the company conducts performance evaluations twice a year, and the results of these evaluations are reflected in compensation decisions such as pay raises and promotions. Bonuses are treated as a portion of the annual salary determined in accordance with the salary regulations, and the amount paid is determined based on each employee's annual salary.
NIPPON KONPO UNYU SOKO CO., LTD.	Salaries of the company's employees are determined based on the employment rules and wage regulations, taking into comprehensive consideration each employee's job duties, responsibilities, abilities, experience, work performance and company performance. The compensation system consists of base pay, various allowances, and bonuses; base pay is determined based on a grade system corresponding to job duties and roles. Bonuses are paid in accordance with company performance and individual evaluation results.
Auto Technic Japan Co., Ltd.	Based on the company's corporate philosophy "To contribute to the development of our customers and society through the high technical skills of our employees, and to realize the happiness of the people who build and support our company," the company believes that the growth and active contributions of each individual employee lead to its sustainable growth and the enhancement of corporate value. Based on this philosophy, the company's basic policy regarding salaries and other compensation is to appropriately reflect the roles employees assume, the responsibilities expected of them, their demonstrated results, behavior, abilities, and growth, while taking into consideration the stability of their livelihoods.

(2) Employees

1) Information about group

As of March 31, 2026

Name of business segment	Number of employees (persons)	
Transportation business	3,916	(894)
Warehousing business	1,508	(372)
Packaging business	5,164	(1,279)
Testing business	1,997	(82)
Other businesses	343	(103)
Company-wide (shared)	818	(121)
Total	13,746	(2,851)

- (Notes) 1. The number of employees shows the number of full-time employees.
 2. The figures in parenthesis indicate the average number of temporary employees per year.
 3. The number of employees in the company-wide (shared) section is the number of employees of the administration department.

2) Information about reporting company

As of March 31, 2026

Number of employees (persons)	Average age (years old)	Average length of service (years)	Average annual salary (Thousands of yen)	Percentage changes in average annual salary compared to the previous fiscal year (%)
43 (6)	42.2	14.2	6,164	(0.2)

- (Notes) 1. Number of employees shows the number of full-time employees including employees loaned from another company to the Company.
 2. Average annual salary includes bonuses and any non-standard wages.
 3. The figures in parenthesis indicate the average number of temporary employees per year.
 4. The reporting company's employees belong to the packaging business, other business segments and the administration department.

3) Company with the largest number of employees

- a. Company with the largest number of employees during the current fiscal year
 NIPPON KONPO UNYU SOKO CO., LTD.

As of March 31, 2026

Number of employees (persons)	Average age (years old)	Average length of service (years)	Average annual salary (Thousands of yen)	Percentage changes in average annual salary compared to the previous fiscal year (%)
3,839 (608)	44.0	14.2	4,804	4.0

- (Notes) 1. Average annual salary includes bonuses and any non-standard wages.
 2. The figures in parenthesis indicate the average number of temporary employees per year.

- b. Company with the second-largest number of employees after the company listed in a. above
 Auto Technic Japan Co., Ltd.

As of March 31, 2026

Number of employees (persons)	Average age (years old)	Average length of service (years)	Average annual salary (Thousands of yen)	Percentage changes in average annual salary compared to the previous fiscal year (%)
1,951 (90)	37.7	13.5	6,045	2.6

- (Notes) 1. Average annual salary includes bonuses and any non-standard wages.
 2. The figures in parenthesis indicate the average number of temporary employees per year.

(3) Labor unions

The Company's employees mainly consist of employees loaned from NIPPON KONPO UNYU SOKO CO., LTD., and no labor union has been formed.

Among the consolidated subsidiaries, NIPPON KONPO UNYU SOKO CO., LTD. formed the Nippon Konpo Unyu Soko Labor Union as a single company in June 1960, and the union is a member of the Japan Federation of Transport Workers' Union. As of March 31, 2026, 12 of the consolidated subsidiaries are also members of the Nippon Konpo Unyu Soko Labor Union, which has 3,070 members. At Auto Technic Japan Co., Ltd., the Auto Technic Japan Labor Union has been formed, which has been a member of All Honda Workers Union and has 1,843 members as of March 31, 2026. At Ryoji Unyu Co., Ltd., the Ryoji Unyu Labor Union has been formed, which has been a member of Federation of Mitsubishi Motors Workers' Unions and has 90 members as of March 31, 2026. At NIKKON KITAKYU CO., LTD., the NIKKON KITAKYU Labor Union has been formed. It belongs to a council of workers' unions related to YASKAWA Electric Corporation and has 54 members as of March 31, 2026.

The Chuetsutec Unso Labor Union has been formed at CHUETSUTEC Co., Ltd., and Ito-Express Labor Union has been formed at ITO-EXPRESS CO., LTD., both of which have been members of the All Japan Federation of Transport Workers' Unions. As of March 31, 2026, these unions have 57 and 149 members, respectively. Moreover, the four companies, NIPPON RIKUSO Co., Ltd., MEIKON CO., LTD., NIPPON UNYU CO., LTD., and CHUETSU YUSOU Co, Ltd. have formed independent labor unions as a single company respectively. The numbers of members as of March 31, 2026 are as follows: the Nippon Rikuso Labor Union has 417 members, the Meikon Labor Union has 161 members, the Nippon Unyu Labor Union has 413 members, and the Chuetsuyusou Labor Union has 15 members. All of the above companies and unions have continued to have a sound path of solidarity with labor and management, and the relationship between labor and management is stable.

There are no other special issues to report.

(4) Proportion of female workers in managerial posts, percentage of male workers who took parental leave, and wage difference between male workers and female workers

1) Reporting company

The reporting company is not subject to the provisions set forth in the Act on the Promotion of Women's Active Engagement in Professional Life (Act No. 64 of 2015) and the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Act No. 76 of 1991); therefore, the information is not provided.

2) Consolidated subsidiaries

Fiscal year ended March 31, 2026						Supplemental remarks
Name	Proportion of female workers in managerial posts (%) (Note) 1	Percentage of male workers who took childcare leave (%) (Note) 2	Wage difference between male and female workers (%) (Note) 3			
			All workers	Regular employees	Part-time and fixed-term employees	
NIPPON KONPO UNYU SOKO CO., LTD.	3.9	47.2	69.9	70.1	73.0	—
NIPPON RIKUSO Co., Ltd.	7.9	44.4	69.4	68.1	72.6	
NIPPON UNYU CO., LTD.	15.0	50.0	72.8	68.9	78.9	
Auto Technic Japan Co., Ltd.	0.9	95.7	72.6	76.8	65.9	
CHUETSUTEC Co., Ltd.	0.0	0.0	104.7	98.9	103.5	
ITO-EXPRESS CO., LTD.	6.9	100.0	69.0	74.0	109.3	
MEIKON CO., LTD.	10.0	—	59.0	79.9	46.3	
AUTO TECHNIC CO., LTD.	0.0	—	99.2	95.3	75.7	
Nikkon Kyusyu Co., Ltd.	0.0	—	63.8	65.8	69.9	
TECHNIC SERVICE Co., LTD.	0.0	—	89.5	95.8	114.4	
Ryoji Unyu Co., Ltd.	5.9	0.0	77.2	76.0	41.6	
NIKKON Ryomo CO., LTD.	12.5	100.0	64.6	74.1	87.2	
CHUETSU YUSOU Co, Ltd.	0.0	—	50.5	61.2	61.4	
CHUOH PACK INDUSTRY CO., LTD.	6.1	80.0	68.7	73.9	54.4	
CHUGOKU BUTSURYU SERVICE CO., LTD.	0.0	100.0	81.1	86.2	74.2	

MATSUHISA SOUGOU CO., LTD.	25.0	—	78.6	82.2	51.8
Sapporo Shinbun Yuso Co., Ltd.	0.0	—	78.5	87.9	69.2

- (Notes) 1. The column shows figures calculated in accordance with the provisions of the Act on the Promotion of Women's Active Engagement in Professional Life (Act No. 64 of 2015).
2. The column shows the percentages of male workers who took childcare leave calculated in accordance with Article 71-6, item (i), of the Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Ordinance of the Ministry of Labor No. 25 of 1991), based on the provisions of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Act No. 76 of 1991).
3. The wage difference between male and female workers is indicated by the percentage of the wage level of female workers to the wage level of male workers. It should be noted that, as there are no differences in wages for equal work, the differences are due to different gender compositions of the respective job types.
4. The figure is not provided because this company does not disclose the information stipulated in the provisions of the Act on the Promotion of Women's Active Engagement in Professional Life (Act No. 64 of 2015).
5. The consolidated subsidiaries other than the above subsidiaries are not subject to the disclosure obligation under the provisions set forth in the Act on the Promotion of Women's Active Engagement in Professional Life (Act No. 64 of 2015) and the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Act No. 76 of 1991); therefore, the information is not provided.

3) Domestic consolidated companies

Fiscal year ended March 31, 2026					Supplemental remarks
Proportion of female workers in managerial posts (%) (Note) 1	Percentage of male workers who took childcare leave (%) (Note) 2	Wage difference between male and female workers (%) (Note) 3			
		All workers	Regular employees	Non-regular employees	
4.6	69.4	55.9	53.9	72.6	—

- (Notes) 1. The column shows figures calculated in accordance with the provisions of the Act on the Promotion of Women's Active Engagement in Professional Life (Act No. 64 of 2015). The metrics for the Group companies inside and outside Japan is 10.8%.
2. The column shows the percentages of male workers who took childcare leave calculated in accordance with Article 71-6, item (i), of the Ordinance for Enforcement of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Ordinance of the Ministry of Labor No. 25 of 1991), based on the provisions of the Act on Childcare Leave, Caregiver Leave, and Other Measures for the Welfare of Workers Caring for Children or Other Family Members (Act No. 76 of 1991).
3. With regard to the wage difference between male and female workers, one of the factors for the average wage of female workers being lower than that of male workers is that the number of female workers is relatively small in the whole workforce. This influences the calculation because it reflects differences between male and female workers in compositions on respective job types, employment forms, labor hours and lengths of service. The average age of employees of the NIKKON Holdings Group in Japan are 44.8 years old for males and 38.1 years old for females, and the average lengths of service is 13.2 years for males and 8.1 years for females. In addition, the proportion of females in driving jobs, the wages for which are relatively high, is 3.5%, and the proportion of females in managerial posts is 4.6%. This is one of the factors behind the wage difference. Going forward, the Group will promote the hiring of females and increase the ratio of female workers to our workforce from a long-term view. We will also create a work environment where everyone has opportunities for growth while balancing work and individual life events.

V. Financial Information

1. Methods for preparing the consolidated financial statements and financial statements

(1) The Company prepares its consolidated financial statements based on the “Regulation on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements” (Ministry of Finance Order No. 28 of October 30, 1976).

(2) The Company prepares its financial statements based on the “Regulation on Terminology, Forms, and Preparation Methods of Financial Statements” (Ministry of Finance Order No. 59 of November 27, 1963; hereinafter the “Financial Statements Regulations”).

Being a special company submitting financial statements, the Company prepares its financial statements in accordance with the provisions of Article 127 of the Financial Statements Regulations.

2. Audit certification

According to the provisions of Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act, KPMG AZSA LLC audited the Company’s consolidated financial statements for the consolidated fiscal year (from April 1, 2025 to March 31, 2026) and financial statements for the fiscal year (from April 1, 2025 to March 31, 2026).

3. Special efforts to ensure the adequacy of consolidated financial statements, etc.

The Company makes a special effort to ensure the adequacy of consolidated financial statements, etc. More specifically, it participates in the Financial Accounting Standards Foundation to properly understand accounting standards and construct a system enabling us to accurately respond to changes in accounting standards.

1. Consolidated Financial Statements, etc.

(1) Consolidated Financial Statements

1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	36,784	37,512
Notes and accounts receivable - trade	*1 37,079	*1 35,773
Electronically recorded monetary claims - operating	6,302	5,323
Merchandise and finished goods	153	164
Raw materials and supplies	778	969
Other	*5 5,944	*5 6,107
Allowance for doubtful accounts	(27)	(16)
Total current assets	87,015	85,834
Non-current assets		
Property, plant and equipment		
Buildings and structures	*5 264,601	*5 280,471
Accumulated depreciation	(138,573)	(148,238)
Buildings and structures, net	126,028	132,233
Machinery, equipment and vehicles	*5 72,251	*5 78,272
Accumulated depreciation	(58,222)	(62,134)
Machinery, equipment and vehicles, net	14,029	16,137
Tools, furniture and fixtures	12,891	14,002
Accumulated depreciation	(10,509)	(11,517)
Tools, furniture and fixtures, net	2,381	2,484
Land	*5 122,156	*5 125,222
Leased assets	773	797
Accumulated depreciation	(472)	(478)
Leased assets, net	300	319
Construction in progress	7,956	4,714
Total property, plant and equipment	272,853	281,111
Intangible assets		
Customer-related intangible assets	16,596	15,450
Goodwill	9,804	8,447
Other	4,986	5,227
Total intangible assets	31,387	29,125
Investments and other assets		
Investment securities	*2 28,031	*2 27,302
Long-term loans receivable	30	741
Deferred tax assets	4,273	3,766
Retirement benefit asset	655	1,221
Other	*3, *5 7,065	*3, *5 7,329
Allowance for doubtful accounts	(38)	(38)
Total investments and other assets	40,017	40,323
Total non-current assets	344,258	350,560
Total assets	431,273	436,395

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	11,223	12,945
Electronically recorded obligations - operating	4,296	1,760
Short-term borrowings	*\$ 20,466	*\$ 7,358
Current portion of bonds payable	10,000	10,000
Lease liabilities	112	116
Income taxes payable	4,779	5,333
Provision for bonuses	4,984	4,834
Provision for bonuses for directors (and other officers)	249	258
Notes payable - facilities	51	—
Electronically recorded obligations - non-operating	4,542	951
Other	15,934	16,197
Total current liabilities	76,641	59,755
Non-current liabilities		
Bonds payable	40,000	40,000
Convertible-bond-type bonds with share acquisition rights	22,105	22,089
Long-term borrowings	*\$ 25,743	*\$ 56,139
Lease liabilities	214	232
Deferred tax liabilities	8,371	8,301
Retirement benefit liability	5,196	4,357
Provision for retirement benefits for directors (and other officers)	556	565
Other provisions	14	21
Other	1,794	2,125
Total non-current liabilities	103,996	133,834
Total liabilities	180,638	193,590
Net assets		
Shareholders' equity		
Share capital	11,316	11,316
Capital surplus	12,499	11,207
Retained earnings	207,939	217,710
Treasury shares	(10,473)	(25,473)
Total shareholders' equity	221,280	214,760
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	12,332	13,141
Foreign currency translation adjustment	7,039	8,379
Remeasurements of defined benefit plans	975	1,451
Total accumulated other comprehensive income	20,346	22,973
Share acquisition rights	152	152
Non-controlling interests	8,855	4,918
Total net assets	250,635	242,805
Total liabilities and net assets	431,273	436,395

2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

Consolidated Statement of Income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net sales		
Transportation income	117,963	124,339
Warehouse income	40,881	42,976
Packaging income	57,364	57,648
Other revenue	31,680	44,897
Total net sales	*1 247,890	*1 269,862
Cost of sales		
Transportation cost	103,588	108,497
Warehouse cost	30,022	31,725
Packaging cost	49,911	49,812
Other costs	25,563	36,977
Total cost of sales	209,086	227,012
Gross profit	38,803	42,849
Selling, general and administrative expenses		
Personnel expenses	7,576	8,719
Provision for bonuses	451	501
Provision for bonuses for directors (and other officers)	223	258
Retirement benefit expenses	88	74
Provision for retirement benefits for directors (and other officers)	80	123
Other personnel expenses	6,732	7,760
Depreciation	1,438	2,343
Taxes and dues	1,397	1,384
Travel and transportation expenses	387	399
Provision of allowance for doubtful accounts	(0)	(2)
Other	4,849	6,186
Total selling, general and administrative expenses	15,648	19,031
Operating profit	23,155	23,818
Non-operating income		
Interest income	192	227
Dividend income	1,202	1,183
Rental income	79	79
Share of profit of entities accounted for using equity method	572	527
Subsidy income	297	497
Miscellaneous income	515	394
Total non-operating income	2,859	2,910
Non-operating expenses		
Interest expenses	447	790
Foreign exchange losses	1,253	608
Miscellaneous expenses	344	477
Total non-operating expenses	2,045	1,875
Ordinary profit	23,969	24,853

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Extraordinary income		
Gain on sale of non-current assets	*2 158	*2 742
Gain on sale of investment securities	30	368
Gain on revision of retirement benefit plan	—	481
Total extraordinary income	188	1,592
Extraordinary losses		
Loss on sale of non-current assets	*3 17	*3 79
Loss on retirement of non-current assets	*4 1	*4 74
Loss on sale of investment securities	—	—
Total extraordinary losses	18	154
Profit before income taxes	24,140	26,291
Income taxes - current	7,977	8,755
Income taxes - deferred	(647)	(88)
Total income taxes	7,329	8,666
Profit	16,810	17,624
Profit attributable to non-controlling interests	260	131
Profit attributable to owners of parent	16,550	17,493

Consolidated Statement of Comprehensive Income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	16,810	17,624
Other comprehensive income		
Valuation difference on available-for-sale securities	(5,145)	776
Foreign currency translation adjustment	789	1,239
Remeasurements of defined benefit plans, net of tax	126	476
Share of other comprehensive income of entities accounted for using equity method	151	66
Total other comprehensive income	* (4,078)	* 2,558
Comprehensive income	12,732	20,183
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	12,280	20,119
Comprehensive income attributable to non-controlling interests	451	64

3) Consolidated statement of changes in equity
Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	11,316	12,332	198,226	(552)	221,322
Changes during period					
Dividends of surplus			(6,835)		(6,835)
Profit attributable to owners of parent			16,550		16,550
Purchase of treasury shares				(10,001)	(10,001)
Disposal of treasury shares		166	(1)	10	174
Change in shares of parent owned by entities accounted for using equity method				69	69
Net changes in items other than shareholders' equity					
Total changes during period		166	9,712	(9,921)	(42)
Balance at end of period	11,316	12,499	207,939	(10,473)	221,280

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	17,477	6,289	849	24,616	161	344	246,445
Changes during period							
Dividends of surplus							(6,835)
Profit attributable to owners of parent							16,550
Purchase of treasury shares							(10,001)
Disposal of treasury shares							174
Change in shares of parent owned by entities accounted for using equity method							69
Net changes in items other than shareholders' equity	(5,145)	750	126	(4,269)	(8)	8,510	4,232
Total changes during period	(5,145)	750	126	(4,269)	(8)	8,510	4,190
Balance at end of period	12,332	7,039	975	20,346	152	8,855	250,635

Fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	11,316	12,499	207,939	(10,473)	221,280
Changes during period					
Dividends of surplus			(7,722)		(7,722)
Profit attributable to owners of parent			17,493		17,493
Purchase of treasury shares				(14,999)	(14,999)
Purchase of shares of consolidated subsidiaries		(1,291)			(1,291)
Net changes in items other than shareholders' equity					
Total changes during period		(1,291)	9,771	(14,999)	(6,520)
Balance at end of period	11,316	11,207	217,710	(25,473)	214,760

	Accumulated other comprehensive income				Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of period	12,332	7,039	975	20,346	152	8,855	250,635
Changes during period							
Dividends of surplus							(7,722)
Profit attributable to owners of parent							17,493
Purchase of treasury shares							(14,999)
Purchase of shares of consolidated subsidiaries							(1,291)
Net changes in items other than shareholders' equity	809	1,339	476	2,626		(3,936)	(1,310)
Total changes during period	809	1,339	476	2,626		(3,936)	(7,830)
Balance at end of period	13,141	8,379	1,451	22,973	152	4,918	242,805

4) Consolidated Statement of Cash Flows

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	24,140	26,291
Depreciation	14,926	17,424
Increase (decrease) in provision for bonuses	178	(166)
Increase (decrease) in provision for bonuses for directors (and other officers)	5	8
Increase (decrease) in allowance for doubtful accounts	0	(10)
Increase (decrease) in retirement benefits asset and liability	(316)	(717)
Increase (decrease) in provision for retirement benefits for directors (and other officers)	(10)	9
Interest and dividend income	(1,395)	(1,411)
Interest expenses	447	790
Share of loss (profit) of entities accounted for using equity method	(572)	(527)
Loss (gain) on sale of non-current assets	(141)	(663)
Loss on retirement of non-current assets	1	7
Loss (gain) on sale of investment securities	(30)	(368)
Decrease (increase) in trade receivables	(790)	2,757
Decrease (increase) in other assets	318	147
Increase (decrease) in trade payables	(3,424)	(814)
Increase (decrease) in other liabilities	(774)	571
Other, net	850	1,500
Subtotal	33,410	44,827
Interest and dividends received	1,846	2,229
Interest paid	(410)	(675)
Income taxes paid	(7,204)	(8,223)
Net cash provided by (used in) operating activities	27,642	38,157
Cash flows from investing activities		
Payments into time deposits	(1,120)	(1,383)
Proceeds from withdrawal of time deposits	1,290	1,452
Purchase of securities	—	(737)
Proceeds from sale and redemption of securities	—	761
Purchase of property, plant and equipment	(26,688)	(26,876)
Proceeds from sale of property, plant and equipment	261	1,139
Purchase of intangible assets	(832)	(1,275)
Purchase of investment securities	(1,008)	(632)
Proceeds from sale of investment securities	914	2,586
Loan advances	(22)	(854)
Proceeds from collection of loans receivable	208	332
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(26,729)	—
Other, net	(250)	(76)
Net cash provided by (used in) investing activities	(53,978)	(25,564)

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash flows from financing activities		
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	—	(1,160)
Proceeds from short-term borrowings	47,800	4,000
Repayments of short-term borrowings	(30,000)	(17,800)
Proceeds from long-term borrowings	—	34,000
Repayments of long-term borrowings	(2,538)	(2,859)
Purchase of treasury shares	(10,001)	(14,999)
Proceeds from sale of treasury shares	0	—
Purchase of treasury shares of subsidiaries	—	(4,205)
Proceeds from issuance of bonds	10,000	10,000
Redemption of bonds	(10,000)	(10,000)
Proceeds from issuance of bonds with share acquisition rights	22,110	—
Dividends paid	(6,835)	(7,722)
Dividends paid to non-controlling interests	(1,180)	(286)
Other, net	(278)	(85)
Net cash provided by (used in) financing activities	19,076	(11,119)
Effect of exchange rate change on cash and cash equivalents	399	(705)
Net increase (decrease) in cash and cash equivalents	(6,859)	767
Cash and cash equivalents at beginning of period	42,796	35,937
Cash and cash equivalents at end of period	*1 35,937	*1 36,705

[Notes]

(Significant accounting policies for preparation of consolidated financial statements)

1. Disclosure of scope of consolidation

(1) The Company has 59 consolidated subsidiaries, of which key companies are as follows:

NIPPON KONPO UNYU SOKO CO., LTD.

NIPPON RIKUSO Co., Ltd.

MEIKON CO., LTD.

NIPPON UNYU CO., LTD.

Auto Technic Japan Co., Ltd.

CHUETSUTEC Co., Ltd.

ITO-EXPRESS CO., LTD.

NK PARTS INDUSTRIES, INC.

(2) The Company has 20 non-consolidated subsidiaries, including Safetech Co., Ltd.

The non-consolidated subsidiaries have been excluded from the scope of consolidation as each of them is small in scale in terms of their total assets, net sales, profit (loss) (amount commensurate with our stake) and retained earnings (amount commensurate with our stake) individually, and they have no material impact on our consolidated financial statements in total as well.

2. Disclosure about application of equity method

The Company applies the equity method to investments in its 11 non-consolidated subsidiaries, and its affiliated companies, FUTIAN NIKKON LOGISTICS (GUANGZHOU) CO., LTD., Nippon Transportation Co., Ltd. and MC PACK (MALAYSIA) SDN. BHD.

The Company has not applied the equity method to its non-consolidated subsidiaries NKV LOGISTICS LTD., KOLAR LOGISTICS AGENT PRIVATE LTD., TAPUKARA LOGISTICS AGENT PRIVATE LTD., NIPPON KONPO VIETNAM REAL ESTATE CO., LTD., PT. NK INDO LOGISTIK, PT. NKI GUDANG KEMAS, NIPPON KONPO (MALAYSIA) SDN. BHD, NKM LOGISTICS SDN. BHD., Tsukiji-Real Estate Co., Ltd., Ota International Cargo Terminal Co., Ltd., and its affiliated companies S&N Logistics, Co., Ltd., GUANGZHOU DONGFENG NIKKON LOGISTICS. CO., LTD., as each of them is small in scale in terms of their profit (loss) (amount commensurate with our stake) and retained earnings (amount commensurate with our stake) individually, and they have no material impact on our consolidated financial statements in total as well.

3. Matters related to consolidated subsidiaries' fiscal years

Of our consolidated subsidiaries, the following companies close the book on December 31: NIKKON LOGISTICS CHINA CO., LTD., NIKKON CHONGQING LOGISTICS CO., LTD., NKP MEXICO, S.A. de C.V. and NK LOGISTICA MEXICO, S.A. de C. V. For these companies, the Company uses their financial statements based on provisional settlements of accounts as of the consolidated closing date when preparing its consolidated financial statements. In addition, NK NORTH AMERICA, INC. SUPREME AUTO TRANSPORT, LLC. and SUPREME EQUIPMENT COMPANY, LLC. close the book on December 31. For these companies, the Company uses their financial statements as of the same date when preparing its consolidated financial statements. However, necessary adjustments are made on consolidation for material transactions that occurred between the end of the fiscal year of these subsidiaries and the consolidated closing date. Closing dates of the other consolidated subsidiaries are same as the last day of the consolidated fiscal year.

4. Disclosure of accounting policies

(1) Evaluation standards and methods for significant assets

1) Securities

a. Held-to-maturity bonds...the amortized cost method (straight-line method)

b. Available-for-sale securities

Securities other than equities without market price...the fair value method based on quoted market prices as of the end of the fiscal year (valuation differences are directly booked into net assets and costs of securities sold are determined by the moving average method).

Equities without market price.....the moving average cost method

2) Derivatives

Fair value method

3) Money held in trust for investment purposes

Fair value method

4) Inventories

- Raw materials mainly the cost method based on the first-in first-out method (balance sheet values reflect write-downs for decreased profitability)
- Supplies mainly the cost method based on the last purchase cost method (balance sheet values reflect write-downs for decreased profitability)
- Merchandise and finished goods..... mainly the cost method based on the weighted average method (balance sheet values reflect write-downs for decreased profitability)

(2) Depreciation methods for significant depreciable assets

1) Property, plant, and equipment (excluding leased assets)

The Company mainly uses the declining balance method.

However, the Company and its domestic consolidated subsidiaries use the straight-line method for buildings (excluding facilities attached to buildings) acquired on April 1, 1998 or later and facilities attached to buildings and structures acquired on April 1, 2016 or later. They use the straight-line method to depreciate immaterial depreciable assets whose acquisition cost is 100,000 yen or more but less than 200,000 yen for three years.

Principal useful lives are as follows:

Buildings and structures	7 - 50 years
Machinery, equipment and vehicles	4 - 17 years
Tools, furniture and fixtures	3 - 20 years

2) Intangible assets (excluding leased assets)

The Company uses the straight-line method.

Principal useful lives are as follows:

Software (for internal use)	3 - 5 years
Goodwill	5 - 9 years
Customer-related intangible assets	5 - 33 years

3) Leased assets

Leased assets related to finance lease transactions that do not transfer ownership

The Company uses the straight-line method with estimated useful lives equal to lease terms, and zero residual values.

(3) Accounting standards for significant allowances and provisions

1) Allowance for doubtful accounts

To prepare for potential losses from uncollectable notes and accounts receivables, a provision is made on general receivables based on historical rates. For specific receivables such as doubtful receivables, collectability is considered individually to record an estimated uncollectable amount.

2) Provision for bonuses

To prepare for the payment of bonuses for its employees, the Company records estimated payments.

3) Provision for bonuses for directors (and other officers)

To prepare for the payment of bonuses to directors (and other officers), the Company recorded the amount attributable to fiscal year ended March 31, 2026 based on estimated payments in the fiscal year.

4) Provision for retirement benefits for directors (and other officers)

To prepare for the payment of retirement benefits for directors (and other officers), some of our consolidated subsidiaries recorded the amount required at the end of the term in accordance with their internal regulations on retirement benefits for directors (and other officers).

(4) Accounting standards for recording significant revenues and expenses

Details of main performance obligations and regular timing for revenue recognition in major businesses related to revenue from contracts with customers of the Company and its consolidated subsidiaries are as follows:

1) Transportation business

In our transportation business we identify conducting cargo transportation based on the customer's request as our performance obligation. We recognize revenue, assuming obligation is fulfilled by providing cargo transportation service from start of cargo transportation to arrival of cargo, or to inspection of delivered goods by addressees.

2) Warehousing business

In our warehousing business we identify provision of storage and loading/unloading services based on the customer's request as our performance obligation. We recognize revenue, assuming obligation is fulfilled at the time the service as

requested by the customer has been completed in terms of storage service and loading/unloading of the stored cargo as stipulated by the contract.

3) Packaging business

In our packaging business we identify packaging cargo and providing services in the logistics sites as our performance obligation. We recognize revenue, assuming obligation is fulfilled by completing the work requested by the customer based on their instruction.

4) Testing business

In our testing business we chiefly provide testing services for transportation equipment and identify provision of the result output through operation for a certain period as our performance obligation. Since the project received runs for a certain period, we recognize revenue over a specified period, assuming that obligation is fulfilled based on operational progress.

In each of the aforementioned businesses, consideration for our performance obligation is collected generally within one year after the obligation is fulfilled according to the payment terms separately determined, and does not involve any material financial element.

(5) Accounting methods for retirement benefits

1) Periodic attribution for projected retirement benefits

In calculating retirement benefit liability, the attribution on a benefit formula basis is applied for allocation of projected benefits to the periods until the end of the current fiscal year.

2) Amortization of actuarial differences and past service costs

Actuarial differences are amortized on a straight-line basis over a fixed period (five years) within the average remaining service period of employees at the time of incurrence in each fiscal year, starting from the fiscal year following the year of incurrence.

Past service costs are recognized as expenses as incurred in each consolidated fiscal year.

(6) Significant hedge accounting methods

1) Hedge accounting methods

The Company in principle uses deferred hedge accounting. Designated hedge accounting is applied to the forward exchange contracts that meet the requirements for designated hedge accounting, while exceptional accounting treatment is applied to interest-rate swaps that meet the requirements for exceptional accounting treatment.

2) Hedging instruments and hedged items

Hedging instruments.....Interest-rate swaps and forward exchange contracts

Hedged items.....Borrowings and monetary claims in foreign currency

3) Hedging policy

The Company does this only for the purpose of hedging against interest rate risks and foreign exchange risks.

4) Evaluation of the effectiveness of hedging

During the period between the start of a hedge and the time of judging its effectiveness, the Company compares cumulative market fluctuations of the hedging instrument and the hedged item to judge hedging effectiveness based on their changes in amount. When concluding a forward exchange contract, the Company allocates it to each with the same maturity date and the same amount in foreign currency according to its risk management policy, enabling it to fully secure the correlation regardless of subsequent fluctuations in foreign exchange. The Company therefore omits the evaluation of the effectiveness of forward exchange contracts on the closing date.

(7) Standards for translating significant assets or liabilities that are in foreign currency into yen

Monetary claims and obligations in foreign currency are translated into yen using the spot exchange rate on the consolidated settling day, and translation adjustments are treated as a profit or loss. Assets and liabilities at overseas subsidiaries, etc. are translated into yen using the spot exchange rate on the consolidated closing date. Revenue and expense are translated into yen using the average rate during the period, and translation adjustments are included in the foreign currency translation adjustment and non-controlling interests in net assets.

(8) Cash and cash equivalents in the consolidated statements of cash flows

Funds (cash and cash equivalents) in the consolidated statements of cash flows consist of cash on hand, demand deposits, and short-term investments maturing within three months from the date of acquisition that are highly liquid and carry only a minor risk of price volatility.

(Significant accounting estimates)

Below are items whose amounts were recorded on the consolidated financial statements for the fiscal year ended March 31, 2026 according to accounting estimates and which may significantly affect the consolidated financial statements for the fiscal year ending March 31, 2027.

1. Impairment of non-current assets

(1) The amount recorded on the consolidated financial statements for the fiscal year ended March 31, 2026

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Property, plant and equipment*	272,853	281,111
Intangible assets*	31,387	29,125

(Notes) 1. The Company finalized the provisional accounting treatment pertaining to business combinations in the fiscal year under review, and the figures for the previous fiscal year includes amounts that reflect a significant revision of the allocation of acquisition costs due to the finalization of said provisional accounting treatment.

2. In both the fiscal year ended March 31, 2025 and the fiscal year ended March 31, 2026, a sign of impairment was recognized in some of our business sites for warehousing, packaging, and testing businesses, as operating loss was continuously incurred or market prices significantly dropped. Thus, we calculated total undiscounted future cash flows that were expected to be generated by the continuous usage of the assets concerned and the disposal thereof after their use, results of which exceeded the book value in each business site. We therefore did not recognize impairment loss.

(2) Information on details of the significant accounting estimates pertaining to the identified items

The Group's non-current assets owned by each business site are grouped by the smallest unit that generates cash flow largely independent of the cash flows of other assets or asset groups.

We determine whether there is any sign that these have suffered impairment losses on the last day of each consolidated fiscal year, and if a sign of impairment is recognized, we compare the total undiscounted future cash flows from the asset group with the book value to judge whether the recognition of impairment loss is required. If the judgment results in the need to recognize impairment loss, we reduce the book value to the recoverable amount and the reduced amount of the book value is recognized as impairment loss.

Based on the budget of the fiscal year ending March 31, 2027 and the business plans, future cash flows are estimated on certain assumptions about an increase in net sales, including new orders that we expect to receive. If these assumptions require revision as uncertain future economic conditions fluctuates, they may affect the estimated future cash flows significantly.

2. Valuation of the "goodwill" and "customer-related intangible assets" of SUPREME AUTO TRANSPORT, LLC.

(1) The amount recorded on the consolidated financial statements for the fiscal year ended March 31, 2026

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Goodwill	3,537	2,940
Customer-related intangible assets	13,495	12,443

(2) Information on details of the accounting estimates pertaining to the identified items

Goodwill and customer-related intangible assets (hereinafter referred to as "goodwill, etc.") related to SUPREME AUTO TRANSPORT, LLC. (hereinafter referred to as "SPMA") are assessed and measured for impairment losses as a single, large unit that includes such goodwill, etc. within SPMA's asset group. We examine whether there is a sign of impairment of a large asset group that includes goodwill, etc. based mainly on the progress in SPMA's business plan as projected at the time of acquisition. In the event that we identify a sign of impairment in asset groups that include goodwill, etc., we will calculate future pre-discounted cash flows based on the future business plan, compare them with the book value and determine whether impairment losses should be recognized. Although we determine that there is no sign of impairment as of March 31, 2026, SPMA may be subject to changes in the uncertain future economic environment and other factors, which will significantly affect the consolidated financial statements for the fiscal year ending March 31, 2027.

3. Valuation of the “goodwill” and “customer-related intangible assets” of CHUOH PACK INDUSTRY CO., LTD.

(1) The amount recorded on the consolidated financial statements for the fiscal year ended March 31, 2026

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Goodwill	5,809	5,163
Customer-related intangible assets	3,101	3,007

(Note) In the fiscal year ended March 31, 2026, the provisional accounting treatment for business combinations was finalized. Accordingly, figures for the fiscal year ended March 31, 2025 reflect the content of the finalized provisional accounting treatment.

(2) Information on details of the accounting estimates pertaining to the identified items

Goodwill and customer-related intangible assets (hereinafter referred to as “goodwill, etc.”) related to CHUOH PACK INDUSTRY CO., LTD. are assessed and measured for impairment losses as a large unit that includes such goodwill, etc. within the company’s asset group. If a sign of impairment in the asset group is recognized, we compare the total undiscounted future cash flows from the asset group with the book value to judge whether the recognition of impairment loss is required. If the judgment results in the need to recognize impairment loss, we reduce the book value to the recoverable amount and the reduced amount of the book value is recognized as impairment loss.

As of the end of the fiscal year ended March 31, 2026, we have determined that there are signs of impairment regarding the asset group of CHUOH PACK INDUSTRY CO., LTD., given that actual results have deviated from the business plan projected at the time of acquisition. We assessed whether an impairment loss should be recognized; since the total future pre-discounted cash flows exceeded the asset’s carrying amount, we determined that recognition of an impairment loss is not necessary.

The estimates of future pre-discounted cash flows used in the assessment were based on future business plans, which included key assumptions that net sales would increase through improved selling prices reflecting rising market prices and the implementation of sales expansion measures.

The business plan underlying the future cash flows is subject to uncertainties arising from changes in the external environment and other factors. If, due to the impact of these uncertainties, the timing and amount of actual future cash flows differ from the estimates, an impairment loss on goodwill and other assets could have a material impact on the consolidated financial statements for the fiscal year ending March 31, 2027.

(New accounting standards not yet applied)

- Accounting Standard for Leases (ASBJ Statement No. 34, September 13, 2024, Accounting Standards Board of Japan)
- Implementation Guidance on Accounting Standard for Leases (ASBJ Guidance No. 33, September 13, 2024, Accounting Standards Board of Japan)

(1) Overview

As part of the initiatives to make Japanese GAAP consistent with international standards, ASBJ conducted a study based on international accounting standards to develop an accounting standard related to leases that will have lessees recognize assets and liabilities for all leases, and issued an accounting standard for leases, etc. While the basic policy of the standard is based on a single lessee accounting model of IFRS 16, by only adopting the main provisions rather than the whole of IFRS 16, the standard aimed to be simple and highly convenient, basically requiring no revision when applying the provisions of IFRS 16 in non-consolidated financial statements.

For the accounting treatment of lessees, lessees shall adopt the single lessee accounting model as the method to allocate expenses arising from leases. As with IFRS 16, the model shall record depreciation on right-of-use assets and interests on lease liabilities for all leases, regardless of a finance lease or an operating lease.

(2) Schedule of application

Planned to be applied from the beginning of the fiscal year ending March 31, 2028.

(3) Impact of application of accounting standards, etc. concerned

We are currently assessing the effect of applying the Accounting Standard for Leases, etc. on the consolidated financial statements.

(Additional information)

(Implementation of the share-based remuneration plan for Directors)

It was resolved at the 80th ordinary general meeting of shareholders held on June 29, 2021 that the Company would implement a share-based remuneration plan using a trust (hereinafter “the Plan”) for its Directors (excluding Directors who are Audit and Supervisory Committee Members, and Outside Directors; hereinafter the “Directors”).

1. Overview of the transaction

The Plan is a share-based remuneration plan, in which the trust the Company establishes by contributing money (hereinafter the “Trust”) acquires shares of the Company, and a number of shares of the Company equivalent to the number of points the Company gives to each Director will be granted to each Director through the Trust. The Plan consists of both a fixed part in which fixed points are granted every fiscal year and a performance-linked part in which points are granted according to the extent to which performance goals of the Medium-term Business Plan are achieved in each fiscal year of the Business Plan period.

The time when a Director receives the shares of the Company shall be at the time when the Director resigns, in principle.

It was resolved at the Board of Directors meeting dated June 2, 2023 that the trust period of the Plan would be extended to the end of August 2026.

2. The Company’s shares remaining in the Trust

The Company records its shares remaining in the Trust as treasury shares in net assets according to the book value in the Trust (excluding the amount of incidental expenses). The book value of the treasury shares concerned amounted to 137 million yen with the number of shares being 98,000 as of the end of the fiscal year ended March 31, 2025, while the book value amounted to 137 million yen, with the number of shares being 98,000 as of the end of the fiscal year ended March 31, 2026.

(Consolidated balance sheet)

- *1. Amount of receivables generated from the contracts with customers included in notes and accounts receivable - trade is as follows:

	As of March 31, 2025	As of March 31, 2026
Notes receivable - trade	352 million yen	136 million yen
Accounts receivable - trade	36,726	35,637

- *2. Shares of non-consolidated subsidiaries and affiliated companies are as follows:

	As of March 31, 2025	As of March 31, 2026
Investment securities (equities)	3,782 million yen	3,476 million yen

- *3. Investments in capital of non-consolidated subsidiaries and affiliated companies are as follows:

	As of March 31, 2025	As of March 31, 2026
Other	4,595 million yen	4,690 million yen

- *4. Transfer of liquidated accounts receivable

	As of March 31, 2025	As of March 31, 2026
Transfer of accounts receivable	2,441 million yen	2,576 million yen

- *5. Assets pledged as collateral and liabilities related to collateral

Assets pledged as collateral are as follows:

	As of March 31, 2025	As of March 31, 2026
Other (current assets)	22 million yen (— millions of yen)	73 million yen (— millions of yen)
Buildings and structures	291 (166)	274 (163)
Machinery, equipment and vehicles	2,081 (164)	1,138 (234)
Land	493 (61)	311 (61)
Other (investments and other assets)	28 (—)	64 (—)
Total	2,916 (392)	1,862 (459)

Of the above, figures in parenthesis indicate factory foundation mortgages and the relevant liabilities.

Liabilities related to collateral are as follows:

	As of March 31, 2025	As of March 31, 2026
Short-term borrowings	666 million yen (— millions of yen)	358 million yen (— millions of yen)
Long-term borrowings	743 (—)	139 (—)
Total	1,409 (—)	497 (—)

Of the above, figures in parenthesis indicate factory foundation mortgages and the relevant liabilities.

(Consolidated statement of income)

*1. Revenue from contracts with customers

For net sales we do not distinguish revenue from contracts with customers from other revenues in the consolidated statement of income. The amount of revenue from contracts with customers is stated in 3. Disclosure of sales, profit (loss), asset, liability, and other items for each reportable segment and information on disaggregation of revenue in [Notes] (Segment information, etc.) on the consolidated financial statements.

*2. Details of gain on sale of non-current assets are as follows:

	Previous fiscal year (April 1, 2024 to March 31, 2025)	Current fiscal year (April 1, 2025 to March 31, 2026)
Machinery, equipment and vehicles	157 million yen	138 million yen
Tools, furniture and fixtures	0	0
Land	—	603
Other	0	0
Total	158	742

*3. Details of loss on sale of non-current assets are as follows:

	Previous fiscal year (April 1, 2024 to March 31, 2025)	Current fiscal year (April 1, 2025 to March 31, 2026)
Machinery, equipment and vehicles	16 million yen	79 million yen
Tools, furniture and fixtures	0	0
Total	17	79

*4. Details of loss on retirement of non-current assets are as follows:

	Previous fiscal year (April 1, 2024 to March 31, 2025)	Current fiscal year (April 1, 2025 to March 31, 2026)
Buildings and structures	0 million yen	66 million yen
Machinery, equipment and vehicles	0	7
Tools, furniture and fixtures	0	0
Other	0	0
Total	1	74

(Consolidated statement of comprehensive income)

*Reclassification adjustments, income taxes and tax effect related to other comprehensive income

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Valuation difference on available-for-sale securities:		
Gains (losses) recognized during the fiscal year	(7,156) million yen	1,505 million yen
Reclassification adjustments	(30)	(368)
Before income taxes and tax effect adjustments	(7,186)	1,137
Income taxes and tax effect	2,041	(360)
Valuation difference on available-for-sale securities	(5,145)	776
Foreign currency translation adjustment:		
Gains (losses) recognized during the fiscal year	789	1,239
Foreign currency translation adjustment	789	1,239
Remeasurements of defined benefit plans:		
Gains (losses) recognized during the fiscal year	549	1,539
Reclassification adjustments	(337)	(824)
Before income taxes and tax effect adjustments	211	714
Income taxes and tax effect	(85)	(238)
Remeasurements of defined benefit plans, net of tax	126	476
Share of other comprehensive income of entities accounted for using equity method:		
Gains (losses) recognized during the fiscal year	151	66
Share of other comprehensive income of entities accounted for using equity method	151	66
Total other comprehensive income	(4,078)	2,558

(Consolidated statement of changes in equity)

Fiscal year ended March 31, 2025

1. Matters related to issued shares

Class of shares	As of April 1, 2024	Increase	Decrease	As of March 31, 2025
Common shares (shares)	63,239,892	63,239,892	—	126,479,784

Note The Company has conducted a share split with an effective date of October 1, 2024 in the ratio of one share to two shares.

(Major cause of change)

Breakdown of increase in shares is as follows:

Increase due to share split 63,239,892 shares

2. Matters related to treasury shares

Class of shares	As of April 1, 2024	Increase	Decrease	As of March 31, 2025
Common shares (shares)	176,223	5,421,913	3,764	5,594,372

Notes 1. The Company has conducted a share split with an effective date of October 1, 2024 in the ratio of one share to two shares.

2. The number of treasury shares as of March 31, 2025 includes shares of the Company held by a trust whose beneficiaries are Directors (98,400 shares).

(Major cause of change)

Breakdown of increase in shares is as follows:

Increase due to share split 989,244 shares

Increase due to purchase of treasury shares based on the resolution of the Board of Directors 4,432,100 shares

Increase due to purchase of treasury shares of less than one unit 569 shares

Breakdown of decrease in shares is as follows:

Decrease due to the exercise of share acquisition rights 3,700 shares

Decrease due to request for additional purchase of treasury shares of less than one unit up to the trading unit 64 shares

3. Matters related to share acquisition rights

Category	Breakdown of share acquisition rights	Class of shares subject to share acquisition rights	The number of shares subject to share acquisition rights (shares)				Balance as of March 31, 2025 (millions of yen)
			As of April 1, 2024	Increase	Decrease	As of March 31, 2025	
Reporting company (Parent company)	Share acquisition rights as share options	—	—	—	—	—	152
Total		—	—	—	—	—	152

4. Matters related to dividends

(1) Dividends paid

Resolution	Class of shares	Total cash dividends (millions of yen)	Dividend per share (yen)	Record date	Effective date
May 10, 2024 Board of Directors	Common shares	3,471	55	March 31, 2024	June 10, 2024
November 8, 2024 Board of Directors	Common shares	3,364	54	September 30, 2024	December 12, 2024

Note: Total dividends based on the resolution of the Board of Directors meeting dated May 10, 2024 include dividends of 2 million yen on the Company's shares owned by a trust whose beneficiaries are Directors and total dividends based on the resolution of the Board of Directors meeting dated November 8, 2024 include dividends of 2 million yen on the Company's shares owned by a trust whose beneficiaries are Directors.

(2) Of the dividends whose record date belongs to the fiscal year concerned, the dividend whose effective date falls in the following fiscal year

Resolution	Class of shares	Total cash dividends (millions of yen)	Source of dividends	Dividend per share (yen)	Record date	Effective date
May 9, 2025 Board of Directors	Common shares	3,266	Retained earnings	27	March 31, 2025	June 13, 2025

Note: Total dividends based on the resolution of the Board of Directors meeting dated May 9, 2025 include dividends of 2 million yen on the Company's shares owned by a trust whose beneficiaries are Directors.

Fiscal year ended March 31, 2026

1. Matters related to issued shares

Class of shares	As of April 1, 2025	Increase	Decrease	As of March 31, 2026
Common shares (shares)	126,479,784	—	—	126,479,784

2. Matters related to treasury shares

Class of shares	As of April 1, 2025	Increase	Decrease	As of March 31, 2026
Common shares (shares)	5,594,372	4,227,140	—	9,821,512

Note: The number of treasury shares as of March 31, 2026 includes shares of the Company held by a trust whose beneficiaries are Directors (98,400 shares).

(Major cause of change)

Breakdown of increase in shares is as follows:

Increase due to purchase of treasury shares based on the resolution of the Board of Directors	4,227,100 shares
Increase due to purchase of treasury shares of less than one unit	40 shares

3. Matters related to share acquisition rights

Category	Breakdown of share acquisition rights	Class of shares subject to share acquisition rights	The number of shares subject to share acquisition rights (shares)				Balance as of March 31, 2026 (millions of yen)
			As of April 1, 2025	Increase	Decrease	As of March 31, 2026	
Reporting company (Parent company)	Share acquisition rights as share options	—	—	—	—	—	152
Total		—	—	—	—	—	152

4. Matters related to dividends

(1) Dividends paid

Resolution	Class of shares	Total cash dividends (millions of yen)	Dividend per share (yen)	Record date	Effective date
May 9, 2025 Board of Directors	Common shares	3,266	27	March 31, 2025	June 13, 2025
November 7, 2025 Board of Directors	Common shares	4,455	37	September 30, 2025	December 10, 2025

Note: Total dividends based on the resolution of the Board of Directors meeting dated May 9, 2025 include dividends of 2 million yen on the Company's shares owned by a trust whose beneficiaries are Directors and total dividends based on the resolution of the Board of Directors meeting dated November 7, 2025 include dividends of 3 million yen on the Company's shares owned by a trust whose beneficiaries are Directors.

(2) Of the dividends whose record date belongs to the fiscal year concerned, the dividend whose effective date falls in the following fiscal year

Resolution	Class of shares	Total cash dividends (millions of yen)	Source of dividends	Dividend per share (yen)	Record date	Effective date
May 8, 2026 Board of Directors	Common shares	4,436	Retained earnings	38	March 31, 2026	June 12, 2026

Note: Total dividends based on the resolution of the Board of Directors meeting dated May 8, 2026 include dividends of 3 million yen on the Company's shares owned by a trust whose beneficiaries are Directors.

(Consolidated statement of cash flows)

*1. The relationship between cash and cash equivalents at end of period and amounts of items on the consolidated balance sheet

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Cash and deposits	36,784 million yen	37,512 million yen
Time deposits of over three months	(847)	(807)
Cash and cash equivalents	35,937	36,705

2. Major breakdown of assets and liabilities of companies that became consolidated subsidiaries resulting from the acquisition of equity interests

Fiscal year ended March 31, 2025

The breakdown of assets and liabilities at the start of consolidation arising from the inclusion of SUPREME AUTO TRANSPORT, LLC. in consolidation through the acquisition of its equity interests, as well as the relation between the acquisition price of equity interests in SUPREME AUTO TRANSPORT, LLC. and the expenditures for the acquisition of the company (net amount) are as follows:

Current assets	2,926	million yen
Non-current assets	2,969	million yen
Goodwill	3,792	million yen
Current liabilities	(1,163)	million yen
Non-current liabilities	(1,180)	million yen
Valuation difference	13,994	million yen
Non-controlling interests	(4,386)	million yen
Share acquisition price	16,952	million yen
Cash and cash equivalents	(1,196)	million yen
Deduction: expenditures for acquisition	15,756	million yen

Fiscal year ended March 31, 2026

There are no applicable matters to be reported.

3. Major breakdown of assets and liabilities of companies that became consolidated subsidiaries resulting from the acquisition of shares

Fiscal year ended March 31, 2025

The breakdown of assets and liabilities at the start of consolidation arising from the inclusion of CHUOH PACK INDUSTRY CO., LTD. in consolidation through the acquisition of its shares, as well as the relation between the acquisition price of shares in CHUOH PACK INDUSTRY CO., LTD. and the expenditures for the acquisition of the company (net amount) are as follows:

Current assets	10,899	million yen
Non-current assets	4,336	million yen
Goodwill	5,809	million yen
Current liabilities	(1,148)	million yen
Non-current liabilities	(808)	million yen
Fair market valuation	3,563	million yen
Non-controlling interests	(4,851)	million yen
Share acquisition price	17,800	million yen
Cash and cash equivalents	(7,996)	million yen
Deduction: expenditures for acquisition	9,803	million yen

Note: In the fiscal year ended March 31, 2026, the provisional accounting treatment for business combinations was finalized. Accordingly, figures for the fiscal year ended March 31, 2025 reflect the content of the finalized provisional accounting treatment.

Fiscal year ended March 31, 2026

There are no applicable matters to be reported.

(Leases)

1. Finance lease transactions

Details are omitted because of its insignificance.

2. Operating lease transactions

(Lessee)

Future lease payments regarding operating lease transactions that are non-cancelable lease transactions

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Within one year	1,505	2,765
Over 1 year	7,505	6,008
Total	9,011	8,773

(Financial instruments)

1. Matters related to status of financial instruments

(1) Approach to financial instruments

The Group raises required funds mainly by bank borrowings or issuing corporate bonds in light of the capital expenditure plan. We manage temporary surplus funds by using highly safe financial instruments and raises short-term working capital by bank borrowings. We use derivatives to hedge against risks of future changes in foreign exchange and interest rate, and we do not use them for speculative purposes as a policy.

(2) Details of financial instruments and associated risks

Operating receivables, including notes and accounts receivables - trade, and electronically recorded monetary claims - operating are exposed to the credit risk of each customer. Operating receivables in foreign currency are also exposed to the risk of foreign exchange fluctuations.

Investment securities are mainly composed of shares of the companies with which the Company has business relationships, and exposed to the risk of market price fluctuations.

Most of notes and accounts payable - trade, and electronically recorded obligations - operating, which are operating payables, are due within four months. Although operating payables denominated in foreign currencies are exposed to the risk of foreign exchange fluctuations, they are within the scope of the balance of operating receivables in the same foreign currencies.

Most of notes payable - facilities and electronically recorded obligations - non-operating, which are non-operating payables, are due within six months.

Borrowings and bonds are chiefly intended for procurement of funds required for capital investment, and the ones with longest maturity will be due in seven years after the closing date.

Of derivative transactions, the Company uses forward exchange contracts to hedge against the risk of foreign exchange fluctuations for operating payables in foreign currency, and interest rate swap agreements to hedge against the risk of fluctuations in interest payments for its borrowings and corporate bonds. For hedging accounting, such as hedging instruments, hedged items, hedging policy, and methods for evaluating hedging effectiveness, please refer to (6) Significant hedge accounting methods of 4. Disclosure of accounting policies.

(3) Risk management system for financial instruments

1) Credit risk (the risk of the counterparty default) management

For operating receivables, the Sales Department monitors main business partners' status and the Business Department and Sales Offices manage due dates and balances by business partner. The Company thus seeks to capture collectability concerns as a result of worsening financial situation early and mitigate their risks. Our consolidated subsidiaries have similar management systems to ours.

The Company makes derivative transactions only with issuers with high ratings to mitigate credit risk.

2) Market risk (the risk of fluctuations in foreign exchange) management

The Company captures the risk of foreign exchange fluctuations for operating receivables/payables denominated in foreign currency by currency and by month and uses forward exchange contracts to hedge against the risk as appropriate.

The Company regularly checks market prices and issuers' financial situations for investment securities while it continuously reviews holdings, taking into account the relationship with business partners.

Departments in charge make derivative transactions upon approval of the Board of Directors in accordance with the Management Rules. Monthly transaction results are reported to the Board of Directors.

3) Management of liquidity risk on financing (the risk of failing to make payment on due date)

Each of our Group companies creates and updates a financing plan when necessary, and the Group manages its liquidity risk by maintaining liquidity on hand.

(4) Supplementary explanation on matters related to fair values of financial instruments

As fair value measurements of financial instruments incorporate variable factors, values may change under different assumptions.

2. Matters related to fair values of financial instruments

Book values on consolidated balance sheet and fair values of financial instruments, as well as the differences between them are as follows:

As of March 31, 2025

	Book value on consolidated balance sheet (millions of yen)	Fair value (millions of yen)	Difference (millions of yen)
(1) Investment securities	24,129	24,129	—
Total assets	24,129	24,129	—
(2) Bonds payable	40,000	39,935	(64)
(3) Convertible-bond-type bonds with share acquisition rights	22,105	29,645	7,539
(4) Long-term borrowings	25,743	25,701	(41)
Total liabilities	87,848	95,282	7,434

As of March 31, 2026

	Book value on consolidated balance sheet (millions of yen)	Fair value (millions of yen)	Difference (millions of yen)
(1) Investment securities	23,715	23,715	—
Total assets	23,715	23,715	—
(2) Bonds payable	40,000	39,611	(388)
(3) Convertible-bond-type bonds with share acquisition rights	22,089	46,750	24,660
(4) Long-term borrowings	56,139	56,130	(9)
Total liabilities	118,229	142,491	24,261

(Notes) 1. Notes to cash and deposits, notes and accounts receivable - trade, electronically recorded monetary claims - operating, notes and accounts payable - trade, electronically recorded obligations - operating, short-term borrowings, current portion of bonds payable, income taxes payable and electronically recorded obligations - non-operating are omitted, because it is cash (in case of cash), or otherwise their fair values approximate book values since they are settled in a short term.

2. (1) Investment securities does not include equities without market value. Book values of these financial instruments on consolidated balance sheet are as follows:

(Millions of yen)

Category	As of March 31, 2025	As of March 31, 2026
Unlisted shares	3,901	3,587

3. Redemption schedule for monetary claims and securities with maturities after the closing date

As of March 31, 2025

	Within 1 year (Millions of yen)	Over 1 year through 5 years (Millions of yen)	Over 5 years through 10 years (Millions of yen)	Over 10 years (Millions of yen)
Cash and deposits	36,784	—	—	—
Notes and accounts receivable - trade	37,079	—	—	—
Electronically recorded monetary claims - operating	6,302	—	—	—
Total	80,166	—	—	—

As of March 31, 2026

	Within 1 year (Millions of yen)	Over 1 year through 5 years (Millions of yen)	Over 5 years through 10 years (Millions of yen)	Over 10 years (Millions of yen)
Cash and deposits	37,512	—	—	—
Notes and accounts receivable - trade	35,773	—	—	—
Electronically recorded monetary claims - operating	5,323	—	—	—
Total	78,609	—	—	—

4. Repayment schedule for bonds and long-term borrowings after the closing date

As of March 31, 2025

	Within 1 year (Millions of yen)	Over 1 year through 2 years (Millions of yen)	Over 2 years through 3 years (Millions of yen)	Over 3 years through 4 years (Millions of yen)	Over 4 years through 5 years (Millions of yen)	Over 5 years (Millions of yen)
Short-term borrowings	17,800	—	—	—	—	—
Bonds payable	10,000	10,000	—	—	20,000	10,000
Convertible-bond-type bonds with share acquisition rights	—	—	—	—	—	22,000
Long-term borrowings	2,666	3,468	11,229	11,045	—	—
Total	30,465	13,468	11,229	11,045	20,000	32,000

As of March 31, 2026

	Within 1 year (Millions of yen)	Over 1 year through 2 years (Millions of yen)	Over 2 years through 3 years (Millions of yen)	Over 3 years through 4 years (Millions of yen)	Over 4 years through 5 years (Millions of yen)	Over 5 years (Millions of yen)
Short-term borrowings	4,000	—	—	—	—	—
Bonds payable	10,000	—	—	20,000	20,000	—
Convertible-bond-type bonds with share acquisition rights	—	—	—	—	—	22,000
Long-term borrowings	3,358	11,139	11,000	—	15,000	19,000
Total	17,358	11,139	11,000	20,000	35,000	41,000

5. Matters related to the breakdown by level of fair values of financial instruments

The Company classifies fair values of financial instruments into the following three levels according to the observability and significance of inputs for fair value measurement.

Level 1 fair value: Fair values calculated using, out of the observable inputs for fair value measurement, the quoted prices in active markets for the target assets or liabilities of the fair value measurements.

Level 2 fair value: Fair values calculated using the observable inputs for fair value measurements other than those in level 1.

Level 3 fair value: Fair values calculated using unobservable inputs for fair value measurements.

When several types of inputs that have a significant impact on the calculation of fair values are used, those fair values are classified at the level that is the least prioritized in calculating them, among the respective levels of these inputs.

(1) Financial instruments recorded at fair value on the consolidated balance sheet

As of March 31, 2025

Category	Fair value (millions of yen)			
	Level 1	Level 2	Level 3	Total
Investment securities				
Equities	23,816	—	—	23,816
Investment trusts	312	—	—	312
Total assets	24,129	—	—	24,129

As of March 31, 2026

Category	Fair value (millions of yen)			
	Level 1	Level 2	Level 3	Total
Investment securities				
Equities	23,682	—	—	23,682
Investment trusts	33	—	—	33
Total assets	23,715	—	—	23,715

(2) Financial instruments other than those recorded at fair value on the consolidated balance sheet

As of March 31, 2025

Category	Fair value (millions of yen)			
	Level 1	Level 2	Level 3	Total
Bonds payable	—	39,935	—	39,935
Convertible-bond-type bonds with share acquisition rights	—	29,645	—	29,645
Long-term borrowings	—	25,701	—	25,701
Total liabilities	—	95,282	—	95,282

As of March 31, 2026

Category	Fair value (millions of yen)			
	Level 1	Level 2	Level 3	Total
Bonds payable	—	39,611	—	39,611
Convertible-bond-type bonds with share acquisition rights	—	46,750	—	46,750
Long-term borrowings	—	56,130	—	56,130
Total liabilities	—	142,491	—	142,491

(Note) Description of the evaluation technic used for fair value measurements and inputs for fair value measurements

Investment securities

Fair values of listed equities and investment trusts are classified as level 1 fair value because they are measured based on the quoted prices and are traded in active markets.

Bonds payable

Fair values of bonds issued by the Company are classified as level 2 fair value because they are measured at the present value of total principal and interest discounted at the rate that takes into account their issuable period and credit risk.

Convertible-bond-type bonds with share acquisition rights

Fair values of convertible-bond-type bonds with share acquisition rights are classified as level 2 fair value because they are measured based on the quoted prices.

Long-term borrowings

Fair values of long-term borrowings are classified as level 2 fair value because we use the discounted present value method to measure their fair values based on the interest rate that takes into account total principal and interest, the remaining period of the liability, and credit risk.

(Securities)

1. Available-for-sale securities

As of March 31, 2025

Category	Book value on consolidated balance sheet (millions of yen)	Acquisition cost (millions of yen)	Difference (millions of yen)
Those with book value on consolidated balance sheet exceeding acquisition cost			
Equities	23,667	5,521	18,145
Other	24	8	16
Subtotal	23,692	5,530	18,162
Those with book value on consolidated balance sheet not exceeding acquisition cost			
Equities	124	139	(14)
Other	312	326	(14)
Subtotal	437	466	(28)
Total	24,129	5,996	18,133

(Note) The table above on available-for-sale securities does not include unlisted equities (with book value on consolidated balance sheet of 119 million yen), because they have no quoted market prices.

As of March 31, 2026

Category	Book value on consolidated balance sheet (millions of yen)	Acquisition cost (millions of yen)	Difference (millions of yen)
Those with book value on consolidated balance sheet exceeding acquisition cost			
Equities	23,682	4,439	19,243
Other	33	8	24
Subtotal	23,715	4,447	19,267
Those with book value on consolidated balance sheet not exceeding acquisition cost			
Equities	0	0	(0)
Other	—	—	—
Subtotal	0	0	(0)
Total	23,715	4,447	19,267

(Note) The table above on available-for-sale securities does not include unlisted equities (with book value on consolidated balance sheet of 111 million yen), because they have no quoted market prices.

2. Available-for-securities sold

Fiscal year ended March 31, 2025

Class	Proceeds from sale (millions of yen)	Total gains on sale (millions of yen)	Total losses on sale (millions of yen)
Equities	270	30	—
Other	—	—	—
Total	270	30	—

Fiscal year ended March 31, 2026

Class	Proceeds from sale (millions of yen)	Total gains on sale (millions of yen)	Total losses on sale (millions of yen)
Equities	1,637	368	—
Other	—	—	—
Total	1,637	368	—

(Derivatives)

Derivative transactions not subject to hedge accounting

Currency-related derivatives

As of March 31, 2025

There are no applicable matters to be reported.

As of March 31, 2026

There are no applicable matters to be reported.

(Retirement benefits)

1. Overview of retirement benefit plans adopted

The Company and its consolidated subsidiaries have set both a defined benefit corporate pension plan and a lump-sum retirement benefit plan as their defined benefit-type plans. The Company and some of its consolidated subsidiaries have set defined contribution pension plans as a defined contribution-type plan.

Some consolidated subsidiaries use the simplified method to calculate retirement benefit liability and expenses for their defined benefit corporate pension plan and lump-sum retirement benefit plan.

Moreover, some consolidated subsidiaries changed their retirement benefit plans in response to the extension of the mandatory retirement age from 60 to 65. As a result of this change, retirement benefit liability decreased by 481 million yen with the same amount of past service costs recognized.

All of the related past service costs are recognized in the fiscal year under review.

2. Defined benefit plans

(1) Reconciliation between the opening balance and the closing balance of retirement benefit liability

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
The opening balance of retirement benefit liability	16,479 million yen	16,516 million yen
Service cost	1,128	1,139
Interest expense	133	238
Actuarial differences generated	(1,054)	(1,138)
Past service cost	(33)	(481)
Retirement benefits paid	(742)	(796)
Increase due to acquisition of new consolidated subsidiaries	613	—
Other	(8)	25
The closing balance of retirement benefit liability	16,516	15,504

(2) Reconciliation between the opening balance and closing balance of plan assets

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
The opening balance of plan assets	12,042 million yen	11,975 million yen
Expected return on plan assets	284	299
Actuarial differences generated	(538)	(79)
Contribution from the employer	586	582
Retirement benefits paid	(400)	(408)
The closing balance of plan assets	11,975	12,368

(3) Reconciliation between the closing balances of retirement benefit liability and plan assets, and retirement benefit liability and retirement benefit assets on the consolidated balance sheet

	As of March 31, 2025	As of March 31, 2026
Funded retirement benefit liability	13,195 million yen	12,037 million yen
Plan assets	(11,975)	(12,368)
	1,220	(331)
Unfunded retirement benefit liability	3,320	3,466
Net amount of assets and liabilities recorded on the consolidated balance sheet	4,541	3,135
Retirement benefit liability	5,196	4,357
Retirement benefit asset	(655)	(1,221)
Net amount of assets and liabilities recorded on the consolidated balance sheet	4,541	3,135

(Note) The table includes plans that use the simplified method.

(4) Breakdown of retirement benefit expenses

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Service cost	1,128 million yen	1,139 million yen
Interest expense	133	238
Expected return on plan assets	(284)	(299)
Recognized actuarial difference	(303)	(343)
Amortization of past service cost	(33)	(481)
Retirement benefit expenses on defined benefit plans	639	253

(5) Remeasurements of defined benefit plans

Breakdown of the items recorded as remeasurements of defined benefit plans (before income taxes and tax effects) is as follows:

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Actuarial difference	(211) million yen	(714) million yen
Total	(211)	(714)

(6) Accumulated remeasurements of defined benefit plans

Breakdown of the item recorded as accumulated remeasurements of defined benefit plans (before income taxes and tax effects) is as follows:

	As of March 31, 2025	As of March 31, 2026
Unrecognized actuarial difference	(1,467) million yen	(2,182) million yen
Total	(1,467)	(2,182)

(7) Plan assets

1) The major breakdown of plan assets

The ratio of each major category to total plan assets is as follows.

	As of March 31, 2025	As of March 31, 2026
Bonds	28.7%	20.2%
Equities	1.9	11.7
General account	51.9	51.8
Other	17.6	16.2
Total	100.0	100.0

2) Method for determining long-term expected return on plan assets

To determine the long-term expected return on plan assets, we take into account the following factors: current and projected allocations of plan assets; and current and long-term expected returns on diverse assets that compose the plan assets.

(8) Matters related to assumptions of actuarial calculations

Assumptions of key actuarial calculations

	As of March 31, 2025	As of March 31, 2026
Discount rates	1.14% - 1.65%	1.90% - 3.00%
Long-term expected return on plan assets	2.5%	2.5%
Projected rate of salary increase	1.11% - 1.61%	1.08% - 2.67%

3. Defined contribution plan

The required employer contributions of the Company and its consolidated subsidiaries were 333 million yen in the fiscal year ended March 31, 2025 and 343 million yen in the fiscal year ended March 31, 2026.

(Share options, etc.)

1. Details of share options and changes in their volume

(1) Details of share options

	2011 share acquisition rights	2012 share acquisition rights	2013 share acquisition rights
Category and number of grantees	7 Directors of the Company 10 Executive Officers of the Company	7 Directors of the Company 13 Executive Officers of the Company	7 Directors of the Company 14 Executive Officers of the Company
Number of share options by class of shares (note)	Common shares: 165,200	Common shares: 137,200	Common shares: 100,400
Grant date	July 19, 2011	July 30, 2012	July 22, 2013
Vesting condition	No vesting condition is provided.	No vesting condition is provided.	No vesting condition is provided.
Service period	Not specified.	Not specified.	Not specified.
Exercise period	July 20, 2011 - July 19, 2046	July 31, 2012 - July 30, 2047	July 23, 2013 - July 22, 2048

	2014 share acquisition rights	2015 share acquisition rights	2016 share acquisition rights
Category and number of grantees	7 Directors of the Company 13 Executive Officers of the Company	7 Directors of the Company 14 Executive Officers of the Company	7 Directors of the Company 6 Executive Officers of the Company
Number of share options by class of shares (note)	Common shares: 85,800	Common shares: 74,000	Common shares: 63,800
Grant date	July 22, 2014	July 27, 2015	July 21, 2016
Vesting condition	No vesting condition is provided.	No vesting condition is provided.	No vesting condition is provided.
Service period	Not specified.	Not specified.	Not specified.
Exercise period	July 23, 2014 - July 22, 2049	July 28, 2015 - July 27, 2050	July 22, 2016 - July 21, 2051

	2017 share acquisition rights	2018 share acquisition rights
Category and number of grantees	7 Directors of the Company 6 Executive Officers of the Company	7 Directors of the Company 5 Executive Officers of the Company
Number of share options by class of shares (note)	Common shares: 45,600	Common shares: 36,200
Grant date	July 21, 2017	July 20, 2018
Vesting condition	No vesting condition is provided.	No vesting condition is provided.
Service period	Not specified.	Not specified.
Exercise period	July 22, 2017 - July 21, 2052	July 21, 2018 - July 20, 2053

(Note) Translated into the number of shares.

The Company has conducted a share split with an effective date of October 1, 2024 in the ratio of one share to two shares. The number of shares above represents figures that reflect the said share split.

(2) Volume of share options and changes thereof

The following information covers share options that existed in the fiscal year ended March 31, 2026 and the numbers of share options were translated into the numbers of shares.

The Company has conducted a share split with an effective date of October 1, 2024 in the ratio of one share to two shares. The number of shares and per share prices below represent figures that reflect the said share split.

1) The number of share options

	2011 share acquisition rights	2012 share acquisition rights	2013 share acquisition rights	2014 share acquisition rights
Before vesting (shares)				
As of March 31, 2025	—	—	—	—
Granted	—	—	—	—
Expired	—	—	—	—
Vested	—	—	—	—
Outstanding	—	—	—	—
After vesting (shares)				
As of March 31, 2025	47,600	40,200	27,600	24,000
Vested	—	—	—	—
Exercised	—	—	—	—
Expired	—	—	—	—
Outstanding	47,600	40,200	27,600	24,000

	2015 share acquisition rights	2016 share acquisition rights	2017 share acquisition rights	2018 share acquisition rights
Before vesting (shares)				
As of March 31, 2025	—	—	—	—
Granted	—	—	—	—
Expired	—	—	—	—
Vested	—	—	—	—
Outstanding	—	—	—	—
After vesting (shares)				
As of March 31, 2025	18,400	23,400	18,400	15,400
Vested	—	—	—	—
Exercised	—	—	—	—
Expired	—	—	—	—
Outstanding	18,400	23,400	18,400	15,400

2) Per share prices

	2011 share acquisition rights	2012 share acquisition rights	2013 share acquisition rights	2014 share acquisition rights
Exercise price (yen)	1	1	1	1
Average share price upon exercise (yen)	—	—	—	—
Fair value per share on grant date (yen)	385.5	413.5	740	791

	2015 share acquisition rights	2016 share acquisition rights	2017 share acquisition rights	2018 share acquisition rights
Exercise price (yen)	1	1	1	1
Average share price upon exercise (yen)	—	—	—	—
Fair value per share on grant date (yen)	928	915	1,114.5	1,270.5

2. Method for estimating the number of vested share options

We use the method that only reflects the number of share options that actually expired because it is difficult to reasonably estimate the number of share options that will expire in future.

(Tax effect accounting)

1. Breakdown of major factors that caused deferred tax assets and liabilities

	As of March 31, 2025	As of March 31, 2026
(Deferred tax assets)		
Provision for bonuses	1,584 million yen	1,597 million yen
Enterprise tax payable	374	403
Provision for bonuses and legal welfare expenses	239	246
Retirement benefit liability	2,425	2,250
Unrealized gains on non-current assets	627	641
Impairment loss	208	200
Share acquisition rights	48	48
Provision for retirement benefits for directors (and other officers)	179	185
Valuation difference on available-for-sale securities	9	0
Depreciation	697	548
Other	1,162	1,165
Deferred tax assets (subtotal)	7,557	7,287
Valuation allowance	(302)	(137)
Offset with deferred tax liabilities	(2,981)	(3,383)
Total deferred tax assets	4,273	3,766
(Deferred tax liabilities)		
Valuation difference on available-for-sale securities	(6,104)	(6,147)
Reserve for tax purpose reduction entry of non- current assets	(813)	(801)
Retained earnings of overseas subsidiaries	(1,227)	(1,369)
Other	(1,650)	(3,367)
Deferred tax liabilities (subtotal)	(9,795)	(11,685)
Offset with deferred tax assets	2,981	3,383
Total deferred tax liabilities	(6,813)	(8,301)
Net deferred tax liabilities	(2,540)	(4,534)

2. The breakdown of any major items that caused the significant difference between the statutory tax rate and the effective tax rate after applying tax effect accounting

	As of March 31, 2025	As of March 31, 2026
Statutory tax rate	—	30.6%
(Adjustment)		
Non-deductible expenses such as entertainment expenses	—	0.1
Non-taxable income such as dividend income	—	(1.3)
Per capita inhabitant tax	—	0.9
Equity in earnings of associates	—	(0.6)
Tax rate differences with consolidated subsidiaries	—	(0.9)
Amortization of goodwill	—	1.5
Expenses related to the acquisition of subsidiary shares	—	0.9
Adjustment to increase deferred tax assets at the end of the period due to a change in tax rates	—	0.2
Other	—	1.6
Effective tax rate after applying tax effect accounting	—	33.0

(Note) This note has been omitted because the difference between the statutory tax rate and the effective tax rate after applying tax effect accounting was 5% or less in the fiscal year ended March 31, 2025.

(Business combinations)

Finalization of provisional accounting treatment for business combinations

With regard to the business combination with CHUOH PACK INDUSTRY CO., LTD. that took place on March 26, 2025 (deemed acquisition date: March 31, 2025), provisional accounting treatment was applied in the fiscal year ended March 31, 2025, but this treatment has been finalized in the fiscal year ended March 31, 2026.

As a result of finalizing this provisional accounting treatment, a significant revision to the initial allocation of the acquisition cost has been reflected in the consolidated financial statements for the fiscal year ended March 31, 2025. The amount of goodwill, which had been provisionally calculated at 8,172 million yen, decreased by 2,363 million yen to 5,809 million yen. In addition, as of the end of the fiscal year ended March 31, 2025, machinery, equipment and vehicles, net increased by 404 million yen, tools, furniture and fixtures, net by 84 million yen, land by 304 million yen, customer-related intangible assets by 3,101 million yen, other intangible assets by 1,086 million yen, deferred tax liabilities by 1,557 million yen, and non-controlling interests by 956 million yen, while buildings and structures, net decreased by 103 million yen.

(Asset retirement obligations)

This note is omitted because of its insignificance.

(Real estate for lease, etc.)

The Company and some of its consolidated subsidiaries own logistics facilities for lease, commercial facilities for lease, and office buildings for lease in Tokyo and other areas for the purpose of earning rental income. Used by the Company and some of its subsidiaries, some domestic office buildings are stated as real estate, part of which is used as real estate for lease, etc.

The book values on the consolidated balance sheets, changes during the period, and fair values of the real estate for lease, etc. and real estate, part of which is used as real estate for lease, etc. are as follows:

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Real estate for lease, etc.		
Book value on consolidated balance sheet		
Balance at beginning of period	14,974	22,789
Changes during the period	7,814	34
Balance at end of period	22,789	22,823
Fair value at fiscal year-end	28,022	28,034
Real estate, part of which is used as real estate for lease, etc.		
Book value on consolidated balance sheet		
Balance at beginning of period	10,299	10,222
Changes during the period	(77)	(8)
Balance at end of period	10,222	10,213
Fair value at fiscal year-end	10,740	10,824

(Notes) 1. Book value on the consolidated balance sheet is equal to the acquisition cost less cumulative depreciations and cumulative impairment losses.

2. Of changes during the period for real estate for lease, etc., the major decreases in the fiscal year ended March 31, 2025 included depreciation (by 253 million yen), whereas major increases included the acquisition of real estate (by 6,657 million yen) and new leases (by 1,406 million yen). For the fiscal year ended March 31, 2026, major decreases included depreciation (by 476 million yen), whereas major increases included new leases (by 488 million yen) and the acquisition of real estate (by 23 million yen).

3. Of changes during the period for real estate, part of which is used as real estate for lease, etc., the major decreases in the fiscal year ended March 31, 2025 included depreciation (by 97 million yen), whereas major increases included acquisition of real estate (by 19 million yen). For the fiscal year ended March 31, 2026, major decreases included depreciation (by 102 million yen), whereas major increases included new leases (by 93 million yen).

4. The fair values of major properties at fiscal year-ends are based on real estate appraisal reports by an external real estate appraiser while those of other properties were calculated by the Company according to the Real Estate Appraisal Standards.

Gains (losses) on real estate for lease, etc. and real estate, part of which is used as real estate for lease, etc. are as follows:

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Real estate for lease, etc.		
Rental income	1,625	2,079
Rental expenses	975	1,124
Difference	649	955
Real estate, part of which is used as real estate for lease, etc.		
Rental income	296	366
Rental expenses	237	251
Difference	59	115

(Note) Real estate, part of which is used as real estate for lease, etc. includes portion used by the Company and some of its subsidiaries to provide services and for business management. Therefore, rental income for such portion is not recorded.

However, expenses on such real estate (e.g. depreciation, taxes and dues, repair expenses, insurance expenses) are included in rental expenses.

(Revenue recognition)

1. Information on the breakdown of revenue from contracts with customers

For information on the breakdown of revenue from contracts with customers, please refer to [Notes] (Segment information, etc.)

2. Information that forms the basis of understanding revenue from contracts with customers

For information that forms the basis of understanding revenue, please refer to (Significant accounting policies for preparation of consolidated financial statements), 4. Disclosure of accounting policies, (4) Accounting standards for recording significant revenue and expenses.

3. Information on the relationship between the satisfaction of performance obligations based on contracts with customers and cash flows from such contracts, as well as on how much and when the Company expects to recognize revenue from the contracts with customers existing as of March 31, 2026 in the next fiscal year onward

This information is omitted because the Company and its consolidated subsidiaries have no contract assets or liabilities, and have very few contracts whose terms are initially expected to exceed one year, which therefore are deemed insignificant.

(Segment information, etc.)

[Segment information]

1. Description of reportable segments

The Company's reportable segments are components of the Company for which separate financial information is available that is evaluated regularly by the Board of Directors to determine allocation of management resources and assess performance.

Depending on the type of service to provide, the Company has four reportable segments, Transportation, Warehousing, Packaging and Testing. The Transportation segment engages in the transportation of finished four-wheeled vehicles and motorcycles, automotive parts, housing equipment, agricultural machinery and others. The Warehousing segment engages in the storage of finished four-wheeled vehicles and motorcycles, automotive parts, housing equipment, agricultural machinery and others. The Packaging segment engages in processing for distribution, the delivery of automotive parts and other goods on behalf of other parties, export packing and other operations. The Testing segment engages in testing finished four-wheeled vehicles and motorcycles, automotive parts, agricultural machinery and others.

2. Methods of calculating amounts of net sales, profit or loss, assets, liabilities, and other items by reportable segment

Methods of accounting procedures for the reportable segments are generally identical to those described in "Significant accounting policies for preparation of consolidated financial statements." Profits in the reportable segments are figures based on operating profit. Transactions between the reportable segments are based on market prices.

3. Disclosure of sales, profit (loss), asset, liability, and other items for each reportable segment and information on disaggregation of revenue

Fiscal year ended March 31, 2025

(Millions of yen)

	Reportable segments					Others (Note 1)	Total
	Transportation business	Warehousing business	Packaging business	Testing business	Total		
Net sales							
Automobiles	43,630	10,038	26,998	23,588	104,255	583	104,838
Automotive parts	24,939	11,508	11,662	508	48,619	1,424	50,043
Housing	16,178	3,460	8,001	—	27,639	149	27,789
Agricultural machinery	4,456	1,913	970	30	7,371	81	7,452
Food and beverages	1,826	2,495	817	—	5,139	14	5,153
Newspapers and publications	4,698	0	—	—	4,698	—	4,698
Others	22,233	10,829	8,914	24	42,001	4,025	46,027
Revenue from contracts with customers	117,963	40,245	57,364	24,152	239,726	6,277	246,003
Other revenue	—	635	—	—	635	1,250	1,886
Sales to external customers	117,963	40,881	57,364	24,152	240,362	7,527	247,890
Intersegment sales or transfers	409	301	532	16	1,259	2,526	3,785
Total	118,373	41,182	57,896	24,168	241,621	10,054	251,675
Segment profit (loss)	6,314	8,558	4,248	3,989	23,111	(16)	23,095
Segment assets	132,416	134,337	62,519	18,957	348,231	81,427	429,658
Others							
Depreciation (Note 2)	4,492	7,023	1,294	880	13,691	1,234	14,926
Investment in equity method affiliates	2,713	—	192	—	2,906	1,922	4,829
Increase in property, plant and equipment and intangible assets (Note 2)	7,062	12,713	2,422	1,783	23,982	3,574	27,556

(Notes) 1. The “Others” category consists of businesses that are not included in reportable segments. It includes customs clearance business and automobile repair business, etc. In addition, interest income related to operating and non-operating transactions is excluded in the “Others” section in order to better represent the actual situation.

2. Depreciation includes the amortized amount of long-term prepaid expenses. Increase in property, plant and equipment and intangible assets includes the amount of increase in long-term prepaid expenses.

3. The Company finalized the provisional accounting treatment pertaining to business combinations in the fiscal year under review, and segment information for the previous fiscal year includes amounts that reflect a significant revision of the initial allocation of acquisition costs due to the finalization of said provisional accounting treatment.

	Reportable segments					Others (Note 1)	Total
	Transportation business	Warehousing business	Packaging business	Testing business	Total		
Net sales							
Automobiles	47,036	10,820	26,176	23,615	107,648	4,364	112,012
Automotive parts	25,725	12,454	12,209	815	51,205	5,868	57,073
Housing	16,816	3,415	8,030	—	28,263	1,862	30,125
Agricultural machinery	4,841	1,675	1,016	7	7,541	85	7,626
Food and beverages	1,908	2,238	882	—	5,029	283	5,313
Newspapers and publications	4,472	0	82	—	4,556	—	4,556
Others	23,538	11,595	9,250	130	44,515	5,462	49,977
Revenue from contracts with customers	124,339	42,201	57,648	24,569	248,759	17,927	266,686
Other revenue	—	775	—	—	775	2,400	3,175
Sales to external customers	124,339	42,976	57,648	24,569	249,534	20,327	269,862
Intersegment sales or transfers	385	295	510	24	1,216	2,559	3,775
Total	124,724	43,272	58,159	24,594	250,750	22,887	273,637
Segment profit (loss)	7,523	8,826	4,429	4,016	24,794	(1,064)	23,730
Segment assets	133,966	139,725	64,230	18,253	356,177	79,257	435,434
Others							
Depreciation (Note 2)	4,773	7,684	1,493	1,093	15,044	2,379	17,424
Investment in equity method affiliates	2,860	—	190	—	3,050	1,541	4,592
Increase in property, plant and equipment and intangible assets (Note 2)	6,343	10,249	2,876	853	20,322	4,274	24,597

(Notes) 1. The “Others” category consists of businesses that are not included in reportable segments. It includes customs clearance business and automobile repair business, etc. In addition, interest income related to operating and non-operating transactions is excluded in the “Others” section in order to better represent the actual situation.

2. Depreciation includes the amortized amount of long-term prepaid expenses. Increase in property, plant and equipment and intangible assets includes the amount of increase in long-term prepaid expenses.

4. Difference between total reportable segments and the amounts on consolidated financial statements, as well as details of the difference (matters related to difference adjustment)

(Millions of yen)

Net sales	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Total reportable segments	241,621	250,750
Net sales in Others	10,054	22,887
Elimination of intersegment transactions	(3,785)	(3,775)
Net sales on the consolidated financial statements	247,890	269,862

(Millions of yen)

Profit	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Total reportable segments	23,111	24,794
Profit in Others	(16)	(1,064)
Other adjustments (Note)	60	87
Operating profit on the consolidated financial statements	23,155	23,818

(Note) Other adjustments include the difference resulting from the elimination of operating and non-operating transactions.

(Millions of yen)

Assets	As of March 31, 2025	As of March 31, 2026
Total reportable segments	348,231	356,177
Assets in Others	81,427	79,257
Corporate assets (Note)	1,614	960
Total assets on the consolidated financial statements	431,273	436,395

(Note) Corporate assets primarily include surplus operating funds (time deposits, etc.) and long-term investment assets (investment securities).

(Millions of yen)

Others	Total reportable segments		Others		Adjustments		Amount on consolidated financial statements	
	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Depreciation	13,691	15,044	1,234	2,379	—	—	14,926	17,424
Investment in equity method affiliates	2,906	3,050	1,922	1,541	—	—	4,829	4,592
Increase in property, plant and equipment and intangible assets	23,982	20,322	3,574	4,274	—	—	27,556	24,597

[Related information]

Fiscal year ended March 31, 2025

1. Information by product and service

(Millions of yen)

	Transportation business	Warehousing business	Packaging business	Testing business	Other businesses	Total
Sales to external customers	117,963	40,881	57,364	24,152	7,527	247,890

2. Information by region

(1) Net sales

(Millions of yen)

Japan	North America	Asia	Total
202,735	26,531	18,622	247,890

(Note) Net sales are classified by country or region based on customers' locations.

(2) Property, plant and equipment

Details of property, plant and equipment are omitted as the amount of property, plant and equipment located in Japan accounts for 90% or more of the amount of property, plant and equipment on consolidated balance sheet.

3. Information by key customer

(Millions of yen)

Customer's name	Net sales	Related segment
Honda Motor Co., Ltd.	40,995	Transportation, warehousing, packaging, testing, and other businesses

Fiscal year ended March 31, 2026

1. Information by product and service

(Millions of yen)

	Transportation business	Warehousing business	Packaging business	Testing business	Other businesses	Total
Sales to external customers	124,339	42,976	57,648	24,569	20,327	269,862

2. Information by region

(1) Net sales

(Millions of yen)

Japan	North America	Asia	Total
221,768	28,520	19,573	269,862

(Note) Net sales are classified by country or region based on customers' locations.

(2) Property, plant and equipment

Details of property, plant and equipment are omitted as the amount of property, plant and equipment located in Japan accounts for 90% or more of the amount of property, plant and equipment on consolidated balance sheet.

3. Information by key customer

(Millions of yen)

Customer's name	Net sales	Related segment
Honda Motor Co., Ltd.	41,781	Transportation, warehousing, packaging, testing, and other businesses

[Information on impairment loss on non-current assets by reportable segment]

Fiscal year ended March 31, 2025

There are no applicable matters to be reported.

Fiscal year ended March 31, 2026

There are no applicable matters to be reported.

[Information on amortized goodwill and unamortized goodwill outstanding by reportable segment]

Fiscal year ended March 31, 2025

(Millions of yen)

	Transportation business	Warehousing business	Packaging business	Testing business	Others	Total
Amortization during the period	466	36	22	—	0	525
Balance at end of period	3,758	146	89	—	5,809	9,804

Fiscal year ended March 31, 2026

(Millions of yen)

	Transportation business	Warehousing business	Packaging business	Testing business	Others	Total
Amortization during the period	594	36	19	—	645	1,296
Balance at end of period	3,116	109	57	—	5,164	8,447

[Information on gain on bargain purchase by reportable segment]

Fiscal year ended March 31, 2025

There are no applicable matters to be reported.

Fiscal year ended March 31, 2026

There are no applicable matters to be reported.

[Related parties]

Transactions with related parties

(1) Transactions between the reporting company of the consolidated financial statements and related parties

Officers and major individual shareholders (limited to individuals) of the company filing the consolidated financial statements

Fiscal year ended March 31, 2025

There are no applicable matters to be reported.

Fiscal year ended March 31, 2026

There are no applicable matters to be reported.

(2) Transactions between the reporting company's consolidated subsidiaries and related parties

Fiscal year ended March 31, 2025

There are no applicable matters to be reported.

Fiscal year ended March 31, 2026

There are no applicable matters to be reported.

(Per share information)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Net assets per share	1,998.82 yen	2,037.86 yen
Earnings per share	133.99 yen	146.62 yen
Earnings per share after adjustment for the effects of dilutive potential shares	123.25 yen	134.17 yen

(Notes) 1. The Company has conducted a share split with an effective date of October 1, 2024 in the ratio of one share to two shares. Net assets per share, earnings per share, and earnings per share after adjustment for the effects of dilutive potential shares are calculated on the assumption that the said share split was conducted at the beginning of the fiscal year ended March 31, 2025.

2. When calculating earnings per share, the Company includes its shares remaining in the trust, which it reports as treasury shares in shareholders' equity, into the treasury shares which it deducts from the calculation of the average number of shares during the period. When calculating net assets per share, it also includes them into the treasury shares deducted from the total number of issued shares at the end of the period.

The average number of the treasury shares during the period deducted from the calculation of earnings per share was 98,000 shares in the fiscal year ended March 31, 2025 and 98,000 shares in the fiscal year ended March 31, 2026, while the number of the treasury shares deducted from the calculation of net assets per share was 98,000 shares in the fiscal year ended March 31, 2025 and 98,000 shares in the fiscal year ended March 31, 2026.

3. The basis for calculating earnings per share and earnings per share after adjustment for the effects of dilutive potential shares during the period is as follows.

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
(1) Earnings per share		
Profit attributable to owners of parent (millions of yen)	16,550	17,493
Amount not attributable to common shareholders (millions of yen)	—	—
Profit attributable to owners of parent on common stock (millions of yen)	16,550	17,493
Average number of common shares during the period (thousand shares)	123,514	119,313
(2) Earnings per share after adjustment for the effects of dilutive potential shares		
Adjusted profit attributable to owners of parent (millions of yen)	(3)	(10)
[Amortization of bond premium (after deducting tax equivalent amount)] (millions of yen)	[(3)]	[(10)]
Increase in the number of common shares (thousand shares)	10,743	10,987
[Subscription rights to shares] (thousand shares)	[216]	[214]
[Convertible-bond-type bonds with share acquisition rights] (thousand shares)	[10,526]	[10,772]
Overview of potential shares not included in the calculation of earnings per share after adjustment for the effects of dilutive potential shares because of having no dilutive effect	—	—

(Subsequent events)

(Business combination by acquisition)

We have received notice from a non-controlling shareholder of SUPREME AUTO TRANSPORT, LLC. (hereinafter referred to as “SPMA”), which we acquired on May 20, 2024, stating that the shareholder intends to exercise its right to sell its entire equity interests in SPMA to us. Upon receiving this notice, our subsidiary NK NORTH AMERICA, INC. acquired the equity interests in SPMA on May 28, 2026, making it a wholly-owned subsidiary.

1. Overview of the transaction

1) Name of combined company and its business content

Name of the company: SUPREME AUTO TRANSPORT, LLC.

Description of business: Automobile finished vehicle transportation operations

2) Date of business combination

May 28, 2026 (equity interest acquisition date)

June 30, 2026 (deemed acquisition date)

3) Legal form of business combination

Acquisition of equity interests from non-controlling shareholders

4) Name of company after combination

No change.

5) Percentage of voting rights acquired

25%

6) Other matters regarding the overview of the transaction

We have acquired all of the equity interests held by non-controlling shareholders.

With this additional acquisition of equity interests, the company has become a wholly-owned subsidiary of ours.

2. Overview of accounting treatment applied

In accordance with the “Accounting Standard for Business Combinations” (ASBJ Statement No. 21, January 16, 2019) and the “Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures” (ASBJ Guidance No. 10, January 16, 2019), we intend to account for this transaction as a transaction with non-controlling shareholders among transactions under common control.

3. Matters regarding the additional acquisition of equity interests in a subsidiary

Consideration for acquisition: Cash	37 million U.S. dollars
Acquisition cost	37 million U.S. dollars

4. Matters regarding changes in the Company’s equity interests arising from transactions with non-controlling shareholders

1) Main factors affecting changes in capital surplus

Additional acquisition of equity interests in a subsidiary

2) Amount of capital surplus reduced due to transactions with non-controlling shareholders

Not determined at this point.

(Cyberattack on our consolidated subsidiary)

On May 13, 2026 and June 2, 2026, we announced that CHUOH PACK INDUSTRY CO., LTD., a subsidiary of the Company, had been the victim of a ransomware cyberattack, resulting in partial system outages.

As a result of our investigation, we have confirmed that certain information stored on CHUOH PACK INDUSTRY CO., LTD.’s servers was unlawfully transmitted to an external party by a third party, resulting in a data breach. We are continuing to investigate the nature and scope of the information suspected to have been leaked.

We are currently assessing the impact of this incident on our financial results for the fiscal year ending March 31, 2027. If a significant impact on our financial results is anticipated, we will disclose this information promptly.

5) [Annexed consolidated detailed schedules]

[Annexed consolidated detailed schedule of corporate bonds]

Company name	Issue	Issue date	Balance at beginning of the fiscal year under review (millions of yen)	Balance at end of the fiscal year under review (millions of yen)	Interest rate (%)	Collateral	Redemption date
NIKKON Holdings Co., Ltd.	The sixth issuance of unsecured straight bonds	December 18, 2018	10,000 (10,000)	— (—)	0.320 per annum	Unsecured	December 18, 2025
NIKKON Holdings Co., Ltd.	The seventh issuance of unsecured straight bonds	October 11, 2019	10,000 (—)	10,000 (—)	0.280 per annum	Unsecured	October 11, 2029
NIKKON Holdings Co., Ltd.	The ninth issuance of unsecured straight bonds	September 18, 2020	10,000 (—)	10,000 (—)	0.420 per annum	Unsecured	September 18, 2030
NIKKON Holdings Co., Ltd.	The tenth issuance of unsecured straight bonds	March 10, 2022	10,000 (—)	10,000 (10,000)	0.320 per annum	Unsecured	March 10, 2027
NIKKON Holdings Co., Ltd.	The 11th issuance of unsecured straight bonds	May 30, 2024	10,000 (—)	10,000 (—)	0.843 per annum	Unsecured	May 30, 2029
NIKKON Holdings Co., Ltd.	The 12th issuance of unsecured straight bonds	April 30, 2025	— (—)	10,000 (—)	1.408 per annum	Unsecured	April 30, 2030
NIKKON Holdings Co., Ltd.	Zero Coupon Convertible Bonds due 2031	December 12, 2024	22,105 (—)	22,089 (—)	—	—	December 12, 2031
Total	—	—	72,105 (10,000)	72,089 (10,000)	—	—	—

(Notes) 1. Parenthesized values refer to those redeemable within one year.

2. Details of the Convertible-bond-type bonds with share acquisition rights are as follows:

Issue	Zero Coupon Convertible Bonds due 2031
Class of shares to be issued	Common shares
Issue price of share acquisition rights (yen)	Nil
Initial conversion price (yen)	(Note) 2 2,042.2
Total issue price (millions of yen)	22,000
Total issue price of shares issued upon the exercise of stock acquisition rights (millions of yen)	—
Percentage of share acquisition rights granted (%)	100
Period of exercise of share acquisition rights	From December 26, 2024 to November 28, 2031

(Notes) 1. It is assumed that the full payment due for exercising share acquisition rights is paid in lieu of the full redemption of the convertible bonds associated with those rights when requested by rights holders seeking to exercise their share acquisition rights. It is further assumed that such a request is made when the share acquisition rights are exercised.

2. At its meeting held on May 8, 2026, the Board of Directors approved a proposal to pay a year-end dividend per share of 38 yen for the fiscal year ended March 31, 2026. Accordingly, pursuant to the conversion price adjustment provisions of the terms of the Zero Coupon Convertible Bonds due 2031, the conversion price has been adjusted from 2,042.2 yen to 2,021.9 yen.

3. Below is the annual redemption schedule within five years from the closing date.

Within 1 year (Millions of yen)	Over 1 year through 2 years (Millions of yen)	Over 2 years through 3 years (Millions of yen)	Over 3 years through 4 years (Millions of yen)	Over 4 years through 5 years (Millions of yen)
10,000	—	—	20,000	20,000

[Annexed consolidated detailed schedule of borrowings]

Category	Balance at beginning of the fiscal year under review (millions of yen)	Balance at end of the fiscal year under review (millions of yen)	Average interest rate (%)	Due date
Short-term borrowings	17,800	4,000	1.7	—
Long-term borrowings due within 1 year	2,666	3,358	0.8	—
Lease liabilities due within 1 year	112	116	—	—
Long-term borrowings (excluding those due within 1 year)	25,743	56,139	1.1	From April 2027 through July 2032
Lease liabilities (excluding those due within 1 year)	214	232	—	From April 2027 through December 2031
Other interest-bearing debts Deposits received (due within 1 year)	850	583	0.4	—
Total	47,387	64,430	—	—

(Notes) 1. The average interest rate is stated as the weighted average interest rate on the balance of borrowings, etc. at end of period.

2. The Company does not state the average interest rate for lease liabilities because it records lease liabilities inclusive of amounts equivalent to interest payments included in total lease expenses on the consolidated balance sheet.

3. The repayment schedule of long-term borrowings and lease liabilities (excluding those due within one year) within five years after the closing date is as follows:

Category	Over 1 year through 2 years (Millions of yen)	Over 2 years through 3 years (Millions of yen)	Over 3 years through 4 years (Millions of yen)	Over 4 years through 5 years (Millions of yen)
Long-term borrowings	11,139	11,000	—	15,000
Lease liabilities	93	69	43	23

[Annexed consolidated detailed schedule of asset retirement obligations]

The amounts of asset retirement obligations at the beginning and the end of the current fiscal year are not larger than 1% of the total liabilities and net assets at the beginning and the end of the fiscal year under review. Therefore, the schedule of asset retirement obligations is not disclosed in accordance with Article 92-2 of the Regulation on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements.

(2) Other information

1) Semiannual information in the fiscal year ended March 31, 2026

(Cumulative period)	Six months ended September 30, 2025	Fiscal year ended March 31, 2026
Net sales (millions of yen)	131,912	269,862
Profit before income taxes (millions of yen)	11,313	26,291
Profit attributable to owners of parent (millions of yen)	6,567	17,493
Earnings per share (yen)	54.37	146.62

(Note) The Company finalized the provisional accounting treatment for the business combination in the fiscal year ended March 31, 2026. The relevant figures for the six months ended September 30, 2025 reflect the significant revision of the initially allocated amount of acquisition costs as the Company finalized the provisional accounting treatment for the business combination.

2) Status after the closing date

There are no applicable matters to be reported.

3) Significant lawsuits

There are no applicable matters to be reported.

2. Non-consolidated Financial Statements, etc.

(1) Non-consolidated Financial Statements

1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	12,771	16,133
Accounts receivable - trade	*1 976	*1 1,935
Short-term loans receivable	*1 27,190	*1 26,983
Other	*1 668	*1 108
Total current assets	41,606	45,161
Non-current assets		
Property, plant and equipment		
Buildings	13,070	12,445
Structures	549	485
Machinery and equipment	290	301
Vehicles	0	0
Tools, furniture and fixtures	30	23
Land	23,707	23,707
Construction in progress	56	1,763
Total property, plant and equipment	37,705	38,725
Intangible assets	1	14
Investments and other assets		
Investment securities	21,769	22,310
Shares of subsidiaries and associates	118,239	116,527
Investments in capital of subsidiaries and associates	3,787	3,787
Long-term loans receivable	*1 43,419	*1 45,662
Other	18	18
Total investments and other assets	187,235	188,307
Total non-current assets	224,941	227,048
Total assets	266,548	272,209

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Electronically recorded obligations - operating	9	18
Short-term borrowings	17,800	4,000
Current portion of long-term borrowings	2,000	3,000
Current portion of bonds payable	10,000	10,000
Accounts payable - other	*1 284	*1 323
Income taxes payable	51	257
Deposits received	*1 27,658	*1 28,193
Electronically recorded obligations - non-operating	842	—
Provision for bonuses	42	37
Provision for bonuses for directors (and other officers)	58	44
Other	*1 204	321
Total current liabilities	58,952	46,196
Non-current liabilities		
Bonds payable	40,000	40,000
Convertible-bond-type bonds with share acquisition rights	22,105	22,089
Long-term borrowings	25,000	56,000
Deferred tax liabilities	5,017	5,270
Provision for retirement benefits for executive officers	14	21
Other	*1 660	*1 736
Total non-current liabilities	92,798	124,118
Total liabilities	151,750	170,314
Net assets		
Shareholders' equity		
Share capital	11,316	11,316
Capital surplus		
Legal capital surplus	11,582	11,582
Total capital surplus	11,582	11,582
Retained earnings		
Legal retained earnings	1,426	1,426
Other retained earnings		
Reserve for dividends	50	50
Reserve for tax purpose reduction entry of non-current assets	14	13
General reserve	92,000	49,000
Retained earnings brought forward	(3,422)	41,074
Total retained earnings	90,067	91,564
Treasury shares	(10,473)	(25,473)
Total shareholders' equity	102,492	88,990
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	12,152	12,751
Total valuation and translation adjustments	12,152	12,751
Share acquisition rights	152	152
Total net assets	114,797	101,894
Total liabilities and net assets	266,548	272,209

2) Non-consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Operating revenue	*1 9,610	*1 12,553
Operating costs	*1 1,213	*1 1,460
Operating gross profit	8,397	11,092
Selling, general and administrative expenses	*2 1,211	*2 1,341
Operating profit	7,186	9,751
Non-operating income		
Interest income	0	0
Interest on securities	37	43
Dividend income	1,019	1,002
Miscellaneous income	*1 27	*1 354
Total non-operating income	1,084	1,400
Non-operating expenses		
Interest expenses	160	394
Interest on bonds	215	338
Bond issuance costs	187	49
Foreign exchange losses	1,091	715
Miscellaneous expenses	9	155
Total non-operating expenses	1,664	1,653
Ordinary profit	6,605	9,498
Extraordinary income		
Gain on sale of non-current assets	*3 50	—
Gain on sale of investment securities	29	152
Total extraordinary income	79	152
Extraordinary losses		
Loss on sale of non-current assets	*4 5	—
Total extraordinary losses	5	—
Profit before income taxes	6,680	9,650
Income taxes - current	280	453
Income taxes - deferred	(4)	(23)
Total income taxes	276	430
Profit	6,403	9,219

Operating cost statement

		Fiscal year ended March 31, 2025		Fiscal year ended March 31, 2026	
Category	Note No.	Amount (millions of yen)	Composition ratio (%)	Amount (millions of yen)	Composition ratio (%)
I. Personnel expenses		63	5.3	68	4.7
(Provision for bonuses)		(5)		(6)	
II. Other expenses					
1. Repair expenses		151		231	
2. Depreciation		524		759	
3. Insurance expenses		22		30	
4. Facility expenses		5		5	
5. Taxes and dues		326		186	
6. Travel and transportation expenses		0		0	
7. Others		117		178	
Total other expenses		1,149	94.7	1,392	95.3
Total operating costs		1,213	100.0	1,460	100.0

3) Statement of changes in equity
Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity						
	Share capital	Capital surplus	Retained earnings				
		Legal capital surplus	Legal retained earnings	Other retained earnings			
				Reserve for dividends	Reserve for tax purpose reduction entry of non-current assets	General reserve	Retained earnings brought forward
Balance at beginning of period	11,316	11,582	1,426	50	15	92,000	(2,989)
Changes during period							
Dividends of surplus							(6,835)
Profit							6,403
Reversal of general reserve							
Purchase of treasury shares							
Disposal of treasury shares							(1)
Reversal of reserve for tax purpose reduction entry of non-current assets					(0)		0
Net changes in items other than shareholders' equity							
Total changes during period	—	—	—	—	(0)	—	(433)
Balance at end of period	11,316	11,582	1,426	50	14	92,000	(3,422)

	Shareholders' equity		Valuation and translation adjustments		Share acquisition rights	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	(482)	112,917	17,175	17,175	161	130,254
Changes during period						
Dividends of surplus		(6,835)				(6,835)
Profit		6,403				6,403
Reversal of general reserve		—				—
Purchase of treasury shares	(10,001)	(10,001)				(10,001)
Disposal of treasury shares	10	8				8
Reversal of reserve for tax purpose reduction entry of non-current assets		—				—
Net changes in items other than shareholders' equity			(5,023)	(5,023)	(8)	(5,031)
Total changes during period	(9,991)	(10,424)	(5,023)	(5,023)	(8)	(15,456)
Balance at end of period	(10,473)	102,492	12,152	12,152	152	114,797

Fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity						
	Share capital	Capital surplus	Retained earnings				
		Legal capital surplus	Legal retained earnings	Other retained earnings			
				Reserve for dividends	Reserve for tax purpose reduction entry of non-current assets	General reserve	Retained earnings brought forward
Balance at beginning of period	11,316	11,582	1,426	50	14	92,000	(3,422)
Changes during period							
Dividends of surplus							(7,722)
Profit							9,219
Reversal of general reserve						(43,000)	43,000
Purchase of treasury shares							
Disposal of treasury shares							
Reversal of reserve for tax purpose reduction entry of non-current assets					(0)		0
Net changes in items other than shareholders' equity							
Total changes during period	—	—	—	—	(0)	(43,000)	44,497
Balance at end of period	11,316	11,582	1,426	50	13	49,000	41,074

	Shareholders' equity		Valuation and translation adjustments		Share acquisition rights	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	(10,473)	102,492	12,152	12,152	152	114,797
Changes during period						
Dividends of surplus		(7,722)				(7,722)
Profit		9,219				9,219
Reversal of general reserve		—				—
Purchase of treasury shares	(14,999)	(14,999)				(14,999)
Disposal of treasury shares		—				—
Reversal of reserve for tax purpose reduction entry of non-current assets		—				—
Net changes in items other than shareholders' equity			599	599	—	599
Total changes during period	(14,999)	(13,502)	599	599	—	(12,903)
Balance at end of period	(25,473)	88,990	12,751	12,751	152	101,894

[Notes]

(Significant accounting policies)

1. Evaluation standards and methods for assets

(1) Securities

- a. Held-to-maturity bonds...the amortized cost method (straight-line method)
- b. Shares of subsidiaries and affiliated companies...the moving average cost method
- c. Available-for-sale securities

Securities other than equities without market price the fair value method (valuation differences are directly booked into net assets and costs of securities sold are determined by the moving average method).

Equities without market value the moving average cost method

(2) Derivatives

Fair value method

(3) Money held in trust for investment purposes

Fair value method

2. Depreciation method of non-current assets

(1) Property, plant and equipment

The Company uses the declining balance method.

However, the Company uses the straight-line method for buildings (excluding facilities attached to buildings) acquired on April 1, 1998 or later and facilities attached to buildings and structures acquired on April 1, 2016 or later. It uses the straight-line-method to depreciate immaterial depreciable assets whose acquisition cost is over 100,000 yen through 200,000 yen for three years.

Principal useful lives are as follows:

Buildings	8 - 50 years
Structures	10 - 20 years
Machinery and equipment	7 - 12 years
Vehicles	6 years
Tools, furniture and fixtures	5 - 15 years

(2) Intangible assets

The Company uses the straight-line method.

The Company uses the straight-line method for its software (for internal use) based on internal usable period (five years).

3. Standards for recording allowances and provisions

- (1) Allowance for doubtful accounts To prepare for potential losses from uncollectable notes and accounts receivables, a provision is made on general receivables based on historical rates. For specific receivables such as doubtful receivables, collectability is considered individually to record an estimated uncollectable amount.
- (2) Provision for bonuses To prepare for the payment of bonuses for its employees, the Company records estimated payments.
- (3) Provision for bonuses for directors
(and other officers) To prepare for the payment of bonuses to directors (and other officers), the Company recorded the amount attributable to fiscal year ended March 31, 2026 based on estimated payments in the fiscal year.
- (4) Provision for retirement benefits for
executive officers.....To prepare for the payment of retirement benefits for executive officers, the Company recorded the amount required at the end of the period in accordance with its internal regulations on retirement benefits for executive officers.

4. Standards for recording revenues and expenses

Details of main performance obligations and regular timing for revenue recognition in major businesses related to revenue from contracts with the customers of the Company are as follows:

(1) Real estate rental business

As real estate rental business, we use properties owned by the Company to rent commercial spaces and acquire business land mainly for logistics-related business. We recognize revenue from our real estate rental business over the rental period according to the accounting standard for lease transactions.

Consideration for our performance obligation is collected generally within three months after the obligation is fulfilled according to the payment terms separately determined, and does not involve a material financial element.

5. Other significant matters providing the basis for the preparation of non-consolidated financial statements

(1) Treatment of hedge accounting

a. Hedge accounting methods

The Company in principle uses deferred hedge accounting. Designated hedge accounting is applied to the forward exchange contracts that meet the requirements for designated hedge accounting, while exceptional accounting treatment is applied to interest-rate swaps that meet the requirements for exceptional accounting treatment.

b. Hedging instruments and hedged items

Hedging instruments.....Interest-rate swaps and forward exchange contracts

Hedged items.....Borrowings and accounts receivable - trade

c. Hedging policy

The Company does this only for the purpose of hedging against interest rate risks and foreign exchange risks.

d. Evaluating hedging effectiveness

During the period between the start of a hedge and the time of judging its effectiveness, the Company compares cumulative market fluctuations of the hedging instrument and the hedged item to judge hedging effectiveness based on their changes in amount. When concluding a forward exchange contract, the Company allocates it to each with the same maturity date and the same amount in foreign currency according to its risk management policy, enabling it to fully secure the correlation regardless of subsequent fluctuations in foreign exchange. The Company therefore omits the evaluation of the effectiveness of forward exchange contracts on the closing date.

(Significant accounting estimates)

Valuation of shares of subsidiaries and associates

(1) The amount recorded on the financial statements

116,527 million yen in shares of subsidiaries and associates recorded on the balance sheet includes 19,550 million yen in the acquisition of shares in CHUOH PACK INDUSTRY CO., LTD. (hereinafter referred to as “CHUOH PACK INDUSTRY”).

(2) Information on details of the significant accounting estimates pertaining to the identified items

For shares of subsidiaries and associates without a market price, the carrying amount in the non-consolidated balance sheet is based on the acquisition costs. However, if the substantive value of the shares declines significantly due to a deterioration of the issuer's financial position, unless its recoverability is supported by sufficient evidence, the book value shall be reduced to the actual value, and the amount of such reduction shall be treated as a loss for the current fiscal year.

We acquired the shares of CHUOH PACK INDUSTRY at a price that reflects its excess earning power. The intrinsic value of the company's shares is based on its future business plan, with the items listed in “Notes (Significant accounting estimates)” of the consolidated financial statements serving as the primary assumptions. After assessing whether it was necessary to recognize a valuation loss due to a significant decline in intrinsic value, we determined that the intrinsic value of the company's shares had not declined significantly; therefore, we have not recorded a valuation loss. Although such estimates are determined based on the best possible estimates available, a significant impact on estimates of future cash flows could have a material effect on financial statements for the next fiscal year and beyond.

(Additional information)

(Implementation of the share-based remuneration plan for Directors)

The Company has implemented a share-based remuneration plan using a trust (hereafter “the Plan”) for its Directors (excluding the members of the Audit and Supervisory Committee and the Outside Directors). The purpose and outline of the Plan are as stated in “[Notes] (additional information)” under “V. Financial Information, 1. Consolidated Financial Statements, etc. (1) Consolidated Financial Statements.”

(Non-consolidated balance sheet)

*1. Items on subsidiaries and affiliated companies

Monetary claims and obligations on subsidiaries and affiliated companies

	As of March 31, 2025	As of March 31, 2026
Short-term monetary claims	28,201 million yen	28,887 million yen
Long-term monetary claims	43,419	45,662
Short-term monetary obligations	27,668	28,204
Long-term monetary obligations	30	30

2. Transfer of liquidated accounts receivable

	As of March 31, 2025	As of March 31, 2026
Transfer of accounts receivable	2,441 million yen	2,576 million yen

(Non-consolidated statement of income)

*1. The following transactions with affiliated companies are included.

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Operating transaction volume		
Operating revenue	8,438 million yen	11,011 million yen
Operating costs	71	118
Non-operating transaction volume	1	3

*2. Expenses included in selling expenses accounted for roughly 1% in the fiscal year ended March 31, 2025 and 5% in the fiscal year ended March 31, 2026 while expenses included in general and administrative expenses accounted for approximately 99% in the fiscal year ended March 31, 2025 and 95% in the fiscal year ended March 31, 2026.

Below are major items and amounts of selling, general and administrative expenses.

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Personnel expenses	577 million yen	601 million yen
Provision for bonuses	36	30
Provision for bonuses for directors (and other officers)	62	41
Retirement benefit expenses	16	17
Depreciation	5	6
Taxes and dues	173	96
Travel and transportation expenses	35	35
Other	419	600
Total	1,211	1,341

*3. Details of gain on sale of non-current assets are as follows:

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Tools, furniture and fixtures	0 million yen	— million yen
Land	50	—
Total	50	—

*4. Details of loss on sale of non-current assets are as follows:

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Land	5 million yen	— million yen
Total	5	—

(Securities)

Our subsidiaries' and affiliated companies' shares are not stated as they have no quoted market prices (the amount on balance sheet of the subsidiaries' shares was 116,515 million yen and that of the affiliated companies' shares was 12 million yen in the fiscal year ended March 31, 2026; the amount on balance sheet of the subsidiaries' shares was 118,227 million yen and that of the affiliated companies' was 12 million yen in the fiscal year ended March 31, 2025).

(Tax effect accounting)

1. Breakdown of major factors that caused deferred tax assets and liabilities

	As of March 31, 2025	As of March 31, 2026
(Deferred tax assets)		
Provision for bonuses	13 million yen	11 million yen
Enterprise tax payable	7	23
Impairment loss	0	0
Long-term accounts payable - other	35	35
Loss on valuation of shares of subsidiaries	435	435
Share acquisition rights	48	48
Subsidiaries' shares arising from divestiture	767	767
Valuation difference on available-for-sale securities	5	—
Adjustment on gain (loss) on transfer	138	134
Increase in subsidiaries' shares due to disposal of their capital surplus	214	468
Other	87	99
Deferred tax assets (subtotal)	1,753	2,025
Valuation allowance	(826)	(1,081)
Offset with deferred tax liabilities	(926)	(944)
Total deferred tax assets	—	—
(Deferred tax liabilities)		
Valuation difference on available-for-sale securities	(5,599)	(5,869)
Adjustment on gain (loss) on transfer	(337)	(337)
Other	(7)	(7)
Deferred tax liabilities (subtotal)	(5,944)	(6,214)
Offset with deferred tax assets	926	944
Total deferred tax liabilities	(5,017)	(5,270)
Net deferred tax liabilities	(5,017)	(5,270)

2. The breakdown of any major items that caused the significant difference between the statutory tax rate and the effective tax rate after applying tax effect accounting

	As of March 31, 2025	As of March 31, 2026
Statutory tax rate	30.6%	30.6%
(Adjustment)		
Non-deductible expenses such as entertainment expenses	0.7	0.4
Non-taxable income such as dividend income	(30.8)	(29.3)
Per capita inhabitant tax	0.0	0.0
Changes in valuation allowance	2.9	2.6
Adjustment to increase deferred tax assets at the end of the period due to a change in tax rates	(0.2)	(0.0)
Other	0.9	0.2
Effective tax rate after applying tax effect accounting	4.1	4.5

(Business combinations)

This note is omitted because the same information is included under “Notes (Business combinations)” of the consolidated financial statements.

(Revenue recognition)

Information that forms the basis of understanding revenue from contracts with customers

For information that forms the basis of understanding revenue, please refer to “[Notes] (significant accounting policies), 4. Accounting standards for recording significant revenues and expenses” of non-consolidated financial statements.

(Subsequent events)

There are no applicable matters to be reported.

4) [Annexed consolidated detailed schedules]

[Annexed detailed schedule of property, plant and equipment, etc.]

(Millions of yen)

Type of asset	Balance at beginning of current period	Increase during the period	Decrease during the period	Balance at end of current period	Accumulated depreciation or amortization at end of current period	Depreciation or amortization during the period	Balance at end of current period, net
Property, plant and equipment							
Buildings	18,008	17	—	18,026	5,580	643	12,445
Structures	1,246	—	—	1,246	761	64	485
Machinery and equipment	505	56	—	562	260	46	301
Vehicles	3	—	—	3	3	—	0
Tools, furniture and fixtures	137	2	0	139	116	9	23
Land	23,707	—	—	23,707	—	—	23,707
Construction in progress	56	1,706	—	1,763	—	—	1,763
Total property, plant and equipment	43,664	1,783	0	45,448	6,722	763	38,725
Intangible assets	17	31	16	32	18	1	14

(Notes) 1. Balance at beginning of current period and balance at end of current period are stated at acquisition cost.

2. Major items of increase during the period are as follows:

Construction in progress	Design support and supervision fees for ATJ Haga Office	177million yen
	Construction of Tabino Hotel	1,529million yen

[Annexed detailed schedule of provisions]

(Millions of yen)

Category	Balance at beginning of current period	Increase during the period	Decrease during the period	Balance at end of current period
Provision for bonuses	42	76	82	37
Provision for bonuses for directors (and other officers)	58	41	55	44
Provision for retirement benefits for executive officers	14	12	4	21

(2) Components of major assets and liabilities

This information is omitted as the Company prepares the consolidated financial statements.

(3) Other information

1) Status after the closing date

There are no applicable matters to be reported.

2) Significant lawsuits

There are no applicable matters to be reported.

VI. Outline of Share-related Administration of Reporting Company

Fiscal year	From April 1 to March 31
Ordinary general meeting of shareholders	June
Record date	March 31
Record dates for dividends of surplus	September 30 and March 31
The number of shares per unit	100 shares
Purchase or additional purchase of treasury shares of less than one unit	
Handling office	(Special account) 1-4-5, Marunouchi, Chiyoda-ku, Tokyo Mitsubishi UFJ Trust and Banking Corporation, Stock Transfer Agency Department
Administrator of the register of shareholders	(Special account) 1-4-5, Marunouchi, Chiyoda-ku, Tokyo Mitsubishi UFJ Trust and Banking Corporation, Stock Transfer Agency Department
Transfer office	—
Purchasing fee	Amount separately specified as an amount equivalent to the fees pertaining to the entrustment of sale and purchase of shares
Method of public notice	Electronic public notice. However, if the public notice is not possible due to an accident or through other compelling reasons, then the public notice shall be posted on Nihon Keizai Shimbun published in Tokyo.
Shareholders' privileges	None.

(Note) 1. The Company's shareholders (including the substantial shareholders) shall not exercise rights other than those listed below on shares less than one unit they own.

Rights as specified by each item of Article 189, Paragraph 2 of the Companies Act.

Rights to receive dividends of surplus.

Rights to make a claim as set forth by Article 166, Paragraph 1 of the Companies Act.

Rights to receive allotment of shares for subscription or share acquisition rights for subscription according to the number of shares owned by the shareholder.

VII. Reference Information of Reporting Company

1. Information about parent of reporting company

The Company has no parent company as stipulated by Article 24-7, Paragraph 1 of the Financial Instruments and Exchange Act.

2. Other reference information

The Company filed the following documents during the period between the start date of the fiscal year ended March 31, 2026 and the filing date of the Annual Securities Report.

(1) Annual Securities Report and documents attached thereto, and Confirmation Letter thereof

For the 84th fiscal year (From April 1, 2024, to March 31, 2025), filed to the Director-General of the Kanto Local Finance Bureau on June 26, 2025.

(2) Amendment Report of Annual Securities Report and Confirmation Letter thereof

For the 83rd fiscal year (From April 1, 2023, to March 31, 2024), filed to the Director-General of the Kanto Local Finance Bureau on June 26, 2025.

(3) Internal Control Report and documents attached thereto

Filed to the Director-General of the Kanto Local Finance Bureau on June 26, 2025.

(4) Semiannual Securities Reports and Confirmation Letters thereof

For the semiannual period of the 85th fiscal year (from April 1, 2025 to September 30, 2025): filed to the Director-General of the Kanto Local Finance Bureau on November 13, 2025.

(5) Current Reports

Filed to the Director-General of the Kanto Local Finance Bureau on May 21, 2025.

The Current Report was based on the provision of Article 19, Paragraph 2, Item 12-2 (Agreement on governance between the company and shareholders) and Item 12-3 (Agreement on disposal of shares, etc. between the company and shareholders) of the Cabinet Office Order on Disclosure of Corporate Affairs.

Filed to the Director-General of the Kanto Local Finance Bureau on June 30, 2025.

The Current Report was based on the provision of Article 19, Paragraph 2, Item 9-2 (Results of exercise of voting rights at the general meeting of shareholders) of the Cabinet Office Order on Disclosure of Corporate Affairs.

Filed to the Director-General of the Kanto Local Finance Bureau on November 10, 2025.

The Current Report was based on the provision of Article 19, Paragraph 2, Item 12-3 (Agreement on disposal of shares, etc. between the company and shareholders) of the Cabinet Office Order on Disclosure of Corporate Affairs.

Filed to the Director-General of the Kanto Local Finance Bureau on March 11, 2026.

The Current Report was based on the provision of Article 19, Paragraph 2, Item 4 (Change in the major shareholders) of the Cabinet Office Order on Disclosure of Corporate Affairs.

(6) Share Buyback Reports

Filed to the Director-General of the Kanto Local Finance Bureau on October 6, 2025.

Filed to the Director-General of the Kanto Local Finance Bureau on November 7, 2025.

Filed to the Director-General of the Kanto Local Finance Bureau on December 5, 2025.

Filed to the Director-General of the Kanto Local Finance Bureau on January 9, 2026.

Filed to the Director-General of the Kanto Local Finance Bureau on February 6, 2026.

Filed to the Director-General of the Kanto Local Finance Bureau on March 6, 2026.

Filed to the Director-General of the Kanto Local Finance Bureau on April 3, 2026.

Part II. Information about Reporting Company's Guarantor, etc.

There are no applicable matters to be reported.

Independent Auditor's Report on the Consolidated
Financial Statements and Internal Control

June 26, 2026

To the Border of Directors of
NIKKON Holdings Co., Ltd.

KPMG AZSA LLC
Tokyo Office

Designated Limited
Liability Partner,
Engagement Partner

Certified Public
Accountant

Yasushi Kaneko

Designated Limited
Liability Partner,
Engagement Partner

Certified Public
Accountant

Mako Tasaka

<Audits of Consolidated Financial Statements>

Audit opinion

Pursuant to Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act of Japan, we have audited the consolidated financial statements of NIKKON Holdings Co., Ltd. provided in the "Financial Information" section for the fiscal year from April 1, 2025 to March 31, 2026, which comprise the consolidated balance sheet, the consolidated statements of income, the consolidated statements of comprehensive income, the consolidated statements of changes in equity, the consolidated statements of cash flows, significant accounting policies for preparation of consolidated financial statements, other notes and annexed consolidated detailed schedules.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of NIKKON Holdings Co., Ltd. and its consolidated subsidiaries as of March 31, 2026, and their financial performance and cash flows for the year then ended in conformity with accounting principles generally accepted in Japan.

Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under the auditing standards are further described in the "Auditor's Responsibility for the Audit of the Consolidated Financial Statements" section of this report. We are independent of the Company and its consolidated subsidiaries in accordance with provisions related to professional ethics (including provisions applicable to the audit of financial statements of entities with significant social impact) in Japan, and we are fulfilling our other ethical responsibilities as an auditor. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current fiscal year. Key audit matters are the matters addressed in the process of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reasonableness of the determination regarding the need to recognize an impairment loss on goodwill and customer-related intangible assets concerning CHUOH PACK INDUSTRY CO., LTD.	
Key audit matter description and reasons for determination thereof	How the key audit matter was addressed in the audit
As described in the Notes (Significant accounting estimates), the 29,125 million yen in intangible assets recorded on NIKKON Holdings Co., Ltd.'s consolidated balance sheet for the fiscal year ended March 31, 2026 includes 5,163 million yen in goodwill and 3,007 million yen in customer-related intangible assets that arose when the Company acquired control of CHUOH PACK INDUSTRY CO., LTD. through a tender offer in March 2025; these amounts represent 1.2% and 0.7% of total consolidated assets, respectively. Goodwill and customer-related intangible assets are amortized over the period during which their benefits are expected to be realized, but if a sign of impairment is recognized in the asset group that includes goodwill, it is necessary to compare the total undiscounted future cash flows from the asset group with the book value to judge whether the recognition of impairment loss is required. If the judgment results in the need to recognize impairment loss, we reduce the book value to the recoverable amount and the reduced amount of the book value is recognized as impairment loss. The asset group of CHUOH PACK INDUSTRY CO., LTD. is deemed to show signs of impairment, as its performance has fallen short of the business plan projected at the time of acquisition. Consequently, the Company conducted an assessment during the fiscal year ended March 31, 2026 to determine whether an impairment loss should be recognized. Since the total future pre-discounted cash flows exceeded the asset's carrying amount, the company determined that no impairment loss needed to be recognized. The estimates of future pre-discounted cash flows used in the above assessment are based on a business plan prepared by management; however, this business plan relies on key assumptions, including an increase in sales prices reflecting rising market prices and an expansion of sales revenue through the implementation of sales promotion measures. These assumptions involve uncertainty, and management's judgment has a significant impact on the estimates of future cash flows. As such, we determined that the reasonableness of the determination regarding the need to recognize an impairment loss on goodwill and customer-related intangible assets generated through the acquisition of CHUOH PACK INDUSTRY CO., LTD. was of most significance in the audit of the consolidated financial statements of the current fiscal year and was therefore a key audit matter.	In assessing the reasonableness of the determination regarding the need to recognize an impairment loss on goodwill and customer-related intangible assets concerning CHUOH PACK INDUSTRY CO., LTD., we took primarily the following procedures: (1) Assessment of internal controls We evaluated the effectiveness of development and operation status of the internal control system of the Company regarding the judgement of the necessity of recognizing impairment loss. (2) Assessment of the reasonableness of estimated future cash flows To evaluate the appropriateness of the key assumptions included in CHUOH PACK INDUSTRY CO., LTD.'s business plan, which serves as the basis for estimating future cash flows, we inquired with the management of NIKKON Holdings Co., Ltd. regarding the rationale for these assumptions and mainly performed the following procedures: - Regarding sales growth, we obtained forecast reports on market trends published by external organizations to verify their consistency with the company's sales forecasts and reviewed documentation regarding the plans and progress of sales expansion initiatives to assess their feasibility. - Regarding sales growth, we conducted a trend analysis based on historical sales performance. - Regarding sales price increases, we verified consistency with the company's track record of passing on past market price trends to sales unit prices and assessed the feasibility of these measures.

Other Information

Other information comprises the information included in the annual securities report, other than the consolidated financial statements, non-consolidated financial statements, and our audit report thereon. Management is responsible for preparation and

disclosure of the other information. The Audit & Supervisory Committee is responsible for overseeing the Directors' performance of their duties related to designing and operating the reporting process of other information.

Our audit opinion on the consolidated financial statements does not cover the other information and we do not provide any opinions thereon.

Our responsibilities in the audit of the consolidated financial statements are to read through the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the process of audit, and watch out for any signs of material misstatements in the other information other than such inconsistency.

If, based on the work we have performed, we conclude that there is a material misstatement in the other information, we are required to report that fact.

There is nothing we should report with respect to the other information.

Responsibilities of Management and the Audit & Supervisory Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan. This includes design and operation of such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements in accordance with the premise of going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles generally accepted in Japan.

The Audit & Supervisory Committee is responsible for overseeing the Directors' performance of their duties related to designing and operating the financial reporting process.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Auditor's responsibility is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the consolidated financial statements from an independent standpoint in an audit report based on the audit. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the consolidated financial statements.

In accordance with auditing standards generally accepted in Japan, the auditor exercises professional judgment in the audit process and performs the following while maintaining professional skepticism:

- Identify and assess the risks of material misstatement, whether due to fraud or error, as well as design and perform audit procedures to address the risks of material misstatement. The audit procedures are selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, although the objective of the audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the consolidated financial statements on the premise of going concern and, based on the audit evidence obtained, whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty regarding the premise of going concern, the auditor is required to draw attention in its report to the notes to the consolidated financial statements or, if the notes pertaining to the significant uncertainty are inadequate, issue a modified opinion on the consolidated financial statements. While the conclusions of the auditor are based on the audit evidence obtained up to the date of its audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation and notes to the consolidated financial statements are in accordance with accounting principles generally accepted in Japan, assess the overall presentation, structure, and content of the consolidated financial statements, including related notes, and whether the consolidated financial statements fairly present the underlying transactions and accounting events.
- Plan and perform audits of the consolidated financial statements in order to obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries, which forms the basis of the expression of an opinion on the consolidated financial statements. The auditor is responsible for instructing, supervising, and reviewing the audit of the consolidated financial statements. The auditor is solely responsible for its audit opinion.

The auditor reports to the Audit & Supervisory Committee regarding the scope and timing of implementation of the planned audit,

significant audit findings, including any significant deficiencies in internal control, identified during the audit, and other matters required under the auditing standards.

The auditor also reports to the Audit & Supervisory Committee regarding its observance of provisions relevant to professional ethics on independence in Japan and matters that may reasonably be thought to bear on its independence, and any measures in place to eliminate obstacles or any safeguards applied to reduce obstacles to an acceptable level.

From the matters communicated with the Audit & Supervisory Committee, the auditor determines those matters that were of most significance in the audit of the consolidated financial statements of the fiscal year under review and are therefore the key audit matters. The auditor describes these matters in its auditor's reports unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, the auditor determines that a matter should not be communicated in its report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

<Internal Control Audit>

Audit opinion

We also have audited the accompanying internal control report of NIKKON Holdings Co., Ltd. as of March 31, 2026, in accordance with Article 193-2, Paragraph 2 of the Financial Instruments and Exchange Act.

In our opinion, the internal control report referred to above, in which NIKKON Holdings Co., Ltd. states that internal control over financial reporting was effective as of March 31, 2026, presents fairly, in all material respects, the assessment results of internal control over financial reporting in accordance with assessment standards for internal control over financial reporting generally accepted in Japan.

Basis for the Opinion

We conducted our internal control audit in accordance with audit standards for internal control over financial reporting generally accepted in Japan. Our responsibilities under the standards for internal control audit are further described in "Auditor's Responsibility for the Internal Control Audit" section in this report. We are independent of the Company and its consolidated subsidiaries in accordance with provisions related to professional ethics (including provisions applicable to the audit of financial statements of entities with significant social impact) in Japan, and we are fulfilling our other ethical responsibilities as an auditor. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and the Audit & Supervisory Committee for the Internal Control Report

Management is responsible for the design and operation of internal control over financial reporting and the preparation and fair presentation of the internal control report in accordance with assessment standards for internal control over financial reporting generally accepted in Japan.

The Audit & Supervisory Committee is responsible for overseeing and examining the design and operation of internal control over financial reporting.

Internal control over financial reporting may not completely prevent or detect misstatements in financial reporting.

Auditor's Responsibility for the Internal Control Audit

Auditor's responsibility is to obtain reasonable assurance about whether the internal control report is free from material misstatement, based on the internal control audit it conducted, and to express an opinion on the internal control report from an independent standpoint in an audit report on internal control.

In accordance with audit standards for internal control over financial reporting generally accepted in Japan, the auditor exercises professional judgment through the audit process and performs the following while maintaining professional skepticism:

- Perform audit procedures to obtain audit evidence about the results of the assessments of internal control over financial reporting in the internal control report. The procedures for the internal control audit are selected and applied as determined by the auditor based on the significance of effect on the reliability of financial reporting.
- Evaluate the overall presentation of the internal control report, including the scope, procedures, and results of the assessments of internal control over financial reporting that management described.
- Plan and perform audits of internal controls in order to obtain sufficient and appropriate audit evidence about the results of the assessments of internal control over financial reporting in the internal control report. The auditor is responsible for instructing, supervising and reviewing the audit of the internal control report. The auditor is solely responsible for its audit opinion.

The auditor reports to the Audit & Supervisory Committee regarding the scope and timing of implementation of the planned audit of internal control, the results of internal control audits, any identified significant deficiencies in internal control that should be disclosed, the results of corrections therefor and other matters required under the auditing standards for internal control.

The auditor also reports to the Audit & Supervisory Committee regarding its observance of provisions relevant to professional ethics

on independence in Japan and matters that may reasonably be thought to bear on its independence, and any measures in place to eliminate obstacles or any safeguards applied to reduce obstacles to an acceptable level.

Information on Remuneration

Remuneration for the auditor and the same network as the auditor in accordance with audit attestation work and non-audit work provided to the company and its subsidiaries is described in Corporate governance, (3) Audits included in “Information about Reporting Company.”

Conflicts of Interest

There are no special interests between the Company or its consolidated subsidiaries and the audit firm/engagement partners which should be disclosed pursuant to the provisions of the Certified Public Accountants Act.

End

Notes 1. The original of the Auditor’s Report above is maintained by the Company (the reporting company of the annual securities report).

2. XBRL data are not included in the subject of the audit.

Independent Auditor's
Report

June 26, 2026

To the Board of Directors of
NIKKON Holdings Co., Ltd.

KPMG AZSA LLC
Tokyo Office

Designated Limited
Liability Partner,
Engagement Partner

Certified Public
Accountant

Yasushi Kaneko

Designated Limited
Liability Partner,
Engagement Partner

Certified Public
Accountant

Mako Tasaka

<Audits of Financial Statements>

Audit opinion

Pursuant to Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act of Japan, we have audited the non-consolidated financial statements of NIKKON Holdings Co., Ltd. provided in the “Financial Information” section for the 85th fiscal year from April 1, 2025 to March 31, 2026, which comprise the non-consolidated balance sheet, the non-consolidated statements of income, the non-consolidated statements of changes in equity, significant accounting policies, other notes and annexed detailed schedules.

In our opinion, the non-consolidated financial statements referred to above present fairly, in all material respects, the financial position of NIKKON Holdings Co., Ltd. as of March 31, 2026, and their financial performance for the year then ended in conformity with accounting principles generally accepted in Japan.

Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under the auditing standards are further described in the “Auditor’s Responsibility for the Audit of the Non-consolidated Financial Statements” section of this report. We are independent of the Company in accordance with provisions related to professional ethics (including provisions applicable to the audit of financial statements of entities with significant social impact) in Japan, and we are fulfilling our other ethical responsibilities as an auditor. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the non-consolidated financial statements of the fiscal year under review. Key audit matters are the matters addressed in the process of our audit of the non-consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reasonableness of the evaluation of investments in CHUOH PACK INDUSTRY CO., LTD.	
Key audit matter description and reasons for determination thereof	How the key audit matter was addressed in the audit
NIKKON Holdings Co., Ltd.'s balance sheet for the fiscal year ended March 31, 2026 includes 116,527 million yen in shares of subsidiaries and associates. As stated in the Notes (Significant accounting estimates), 19,550 million yen of this amount represents investments in CHUOH PACK INDUSTRY CO., LTD., accounting for 7.2% of total assets. For equities without market value, if their fair value has declined significantly due to a deterioration in the financial condition of the issuing company, a valuation loss must be recognized unless there is sufficient evidence to support the likelihood of recovery. Management determined that the fair value of investments in CHUOH PACK INDUSTRY CO., LTD. had not declined significantly as of the end of the fiscal year ended March 31, 2026 and therefore did not recognize a valuation loss. As described in the "Key Audit Matters" section of the auditor's report on the consolidated financial statements, titled "Reasonableness of the determination regarding the need to recognize an impairment loss on goodwill and customer-related intangible assets concerning CHUOH PACK INDUSTRY CO., LTD.," an assessment was conducted during the fiscal year ended March 31, 2026 to determine whether an impairment loss should be recognized for the goodwill related to CHUOH PACK INDUSTRY CO., LTD.; however, no impairment loss was recognized. If it were determined that an impairment loss should be recognized, the fair value reflecting the company's excess earning power would decline, and it may become necessary to recognize a valuation loss on investments in the company. Therefore, the judgment regarding the necessity of recognizing an impairment loss on the goodwill and customer-related intangible assets concerning CHUOH PACK INDUSTRY CO., LTD. has a significant impact on the valuation of investments in the company. As such, we determined that the reasonableness of the evaluation of investments in CHUOH PACK INDUSTRY CO., LTD. was of most significance in the audit of the financial statements of the fiscal year ended March 31, 2026 and was therefore a key audit matter.	We evaluated the effectiveness of the establishment and operation of internal controls related to the valuation of shares of subsidiaries and associates regarding the reasonableness of the evaluation of investments in CHUOH PACK INDUSTRY CO., LTD. In conducting this evaluation, we performed the audit procedures described in the "Key Audit Matters" section of the auditor's report on the consolidated financial statements regarding the appropriateness of the "Reasonableness of the determination regarding the need to recognize an impairment loss on goodwill and customer-related intangible assets concerning CHUOH PACK INDUSTRY CO., LTD." in the consolidated financial statements, which has a material impact on the calculation of the intrinsic value.

Other Information

Other information comprises the information included in the annual securities report, other than the consolidated financial statements, non-consolidated financial statements, and our audit report thereon. Management is responsible for preparation and

disclosure of the other information. The Audit & Supervisory Committee is responsible for overseeing the Directors' performance of their duties related to designing and operating the reporting process of other information.

Our opinion on the non-consolidated financial statements does not cover the other information, and we do not provide an opinion thereon.

Our responsibilities in the audit of the non-consolidated financial statements are to read through the other information and, in doing so, consider whether the other information is materially inconsistent with the non-consolidated financial statements or our knowledge obtained in the process of audit, and watch out for any signs of material misstatements in the other information other than such inconsistency.

If, based on the work we have performed, we conclude that there is a material misstatement in the other information, we are required to report that fact.

There is nothing we should report with respect to the other information.

Responsibilities of Management and the Audit & Supervisory Committee for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in Japan. This includes design and operation of such internal control as management determines is necessary to enable the preparation of non-consolidated financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the non-consolidated financial statements in accordance with the premise of going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles generally accepted in Japan.

The Audit & Supervisory Committee is responsible for overseeing the Directors' performance of their duties related to designing and operating the financial reporting process.

Auditor's Responsibility for the Audit of the Non-consolidated Financial Statements

Auditor's responsibility is to obtain reasonable assurance about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the non-consolidated financial statements from an independent standpoint in an audit report based on the audit. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the non-consolidated financial statements.

In accordance with auditing standards generally accepted in Japan, the auditor exercises professional judgment in the audit process and performs the following while maintaining professional skepticism:

- Identify and assess the risks of material misstatement, whether due to fraud or error, as well as design and perform audit procedures to address the risks of material misstatement. The audit procedures are selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for audit opinion.
- In making those risk assessments, the auditor considers internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, although the objective of the audit of the non-consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control.
- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.
- Determine whether it is appropriate for management to prepare the non-consolidated financial statements on the premise of going concern and, based on the audit evidence obtained, whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty regarding the premise of going concern, the auditor is required to draw attention in its report to the notes to the non-consolidated financial statements or, if the notes pertaining to the significant uncertainty are inadequate, issue a modified opinion on the non-consolidated financial statements. While the conclusions of the auditor are based on the audit evidence obtained up to the date of its audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.
- Besides assessing whether the presentation and notes to the non-consolidated financial statements are in accordance with accounting principles generally accepted in Japan, assess the overall presentation, structure, and content of the non-consolidated financial statements, including related notes, and whether the non-consolidated financial statements fairly present the underlying transactions and accounting events.

The auditor reports to the Audit & Supervisory Committee regarding the scope and timing of implementation of the planned audit, significant audit findings, including any significant deficiencies in internal control, identified during the audit, and other matters required under the auditing standards.

The auditor also reports to the Audit & Supervisory Committee regarding its observance of provisions relevant to professional ethics

on independence in Japan and matters that may reasonably be thought to bear on its independence, and any measures in place to eliminate obstacles or any safeguards applied to reduce obstacles to an acceptable level.

From the matters communicated with the Audit & Supervisory Committee, the auditor determines those matters that were of most significance in the audit of the non-consolidated financial statements of the current fiscal year and are therefore the key audit matters. The auditor describes these matters in its auditor's reports unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, the auditor determines that a matter should not be communicated in its report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Information on Remuneration

The information on remuneration is stated in the auditor's report of the consolidated financial statements.

Conflicts of Interest

There are no special interests between the Company and the audit firm/engagement partners which should be disclosed pursuant to the provisions of the Certified Public Accountants Act.

End

Notes: 1. The original of the Auditor's Report above is maintained by the Company (the reporting company of the annual securities report).

2. XBRL data are not included in the subject of the audit.