

FY12/24

Financial Results Briefing

February 14, 2025

SBS Holdings, Inc. (TSE Prime: 2384)





- 01 Consolidated Financial Results for FY12/24
- 02 Growth Strategy of SBS Group



01 Consolidated Financial Results for FY12/24

02 Growth Strategy of SBS Group

FY12/24 Consolidated Results

- Net sales increased due to the acquisition of new customers in the Logistics business and progress in price optimization, but profits decreased due to upfront costs from the opening of new logistics bases, etc.

(Unit: million yen)

	FY12/23	FY12/24	Change	Pct. Change
Net Sales	431,911	448,145	-16,233	(+3.8%)
Operating income	19,719	17,704	-2,014	(-10.2%)
Ordinary income	19,747	18,463	-1,284	(-6.5%)
Net income attributable to owners of the parent	10,056	9,619	-437	(-4.3%)
Earnings per share(EPS)	253.20yen	242.19yen	-11.01yen	(-4.3%)

Results by Segment

Logistics business

- Sales increased due to progress in acquiring new customers and price optimization. Profits decreased due to upfront start-up costs for opening new logistics bases and lower freight volume in some segments.

Property Management business

- Higher sales and profits due to the implementation of real estate securitization.

(Unit: million yen)

Segment		FY12/23	FY12/24	Change	Pct. Change	Contents of increase/decrease
Net sales	Logistics	408,684	420,333	+11,648	(+2.9%)	
	Property management	13,899	17,936	+4,036	(+29.0%)	Increase in real estate liquidation volume (+4,250)
	Others	9,328	9,875	+547	(+5.9%)	Increase in sales in human resources and marketing businesses
	Total	431,911	448,145	+16,233	(+3.8%)	
Operating Income	Logistics	11,501	9,220	-2,280	-19.8%)	
	Property management	7,962	8,113	+150	(+1.9%)	Increase in real estate liquidation volume (+609)
	Others	359	390	+30	(+8.5%)	Increase in profits in the human resources business
	Adjustments	-104	-20	+84	—	
	Total	19,719	17,704	-2,014	-10.2%)	
Profit margin		4.6%	4.0%			

Performance by Major Group Companies

- SBS Toshiba Logistics: Increase in sales but decrease in profit due to decrease in freight volume of semiconductors, etc. and cost of opening new logistics bases, despite increase in volume of consumer electronics, etc.
- SBS RICOH LOGISTICS System: Sales increased, but profits decreased due to upfront costs for opening new logistics bases, despite steady growth in sales of precision equipment delivery and office supplies in addition to new customer acquisition.

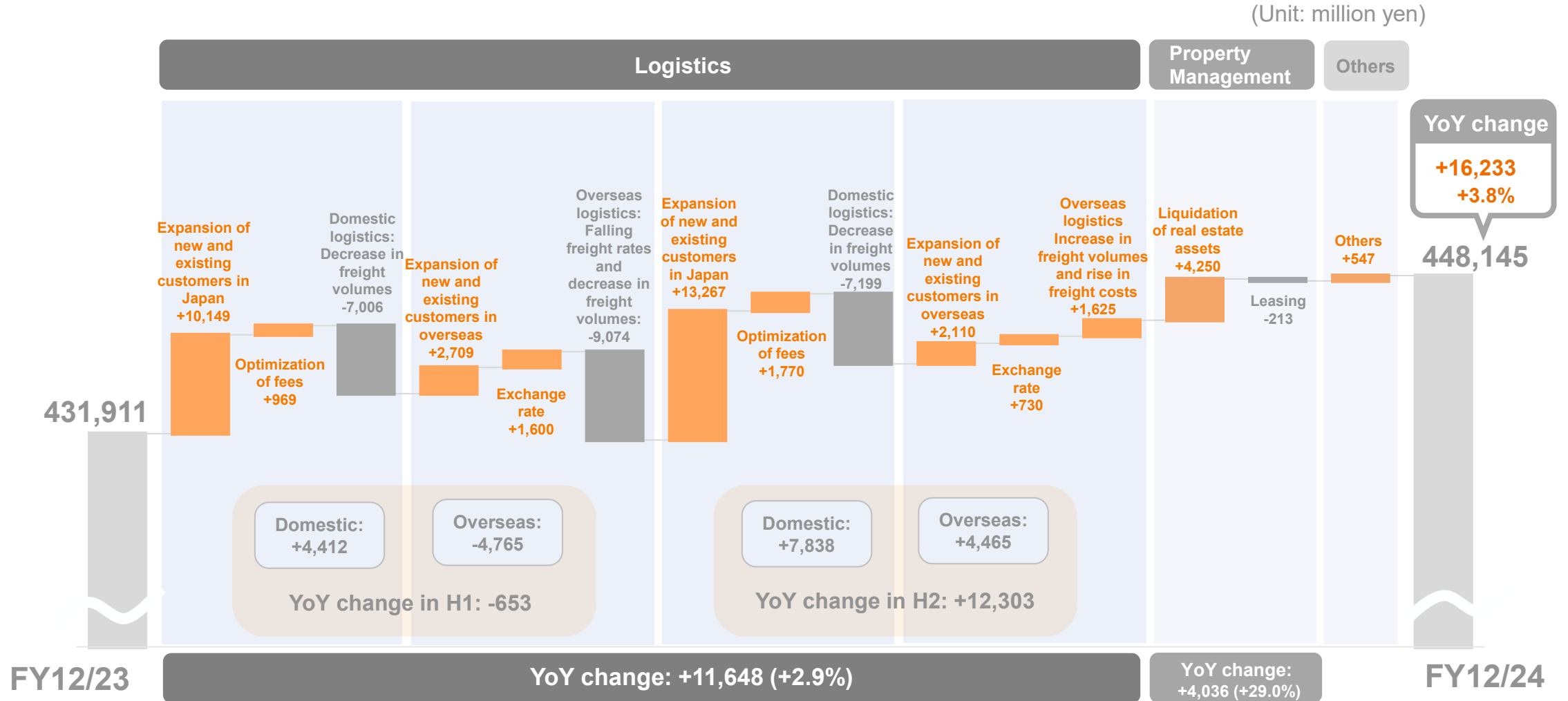
(Unit: million yen)

		FY12/23	FY12/24	Change	Pct. Change	Contents of increase/decrease
SBS TOSHIBA	Net sales	115,140	117,672	+2,532	(+2.2%)	Increase in volume of consumer electronics, etc.
	Logistics group Operating income	4,347	3,547	-800	(-18.4%)	Increase in costs for opening new logistics bases
SBS Ricoh	Net sales	101,311	104,375	+3,064	(+3.0%)	Acquisition of new customers, etc.
	Logistics group Operating income	3,496	3,348	-148	(-4.3%)	Increase in costs for opening new logistics bases
SBS Logicom Group	Net sales	73,301	74,800	+1,498	(+2.0%)	Increase in sales from new orders received
	Operating income	5,712	5,837	+124	(+2.2%)	
Total of 3 companies	Net sales	289,753	296,848	+7,095	(+2.4%)	
	Operating income	13,557	12,732	-824	(-6.1%)	
Other total	Net sales	142,158	151,297	+9,138	(+6.4%)	Increase in costs for opening new logistics bases, and management costs
	Operating income	6,161	4,971	-1,190	(-19.3%)	
Consolidated Financial Results	Net sales	431,911	448,145	+16,233	(+3.8%)	
	Operating income	19,719	17,704	-2,014	(-10.2%)	

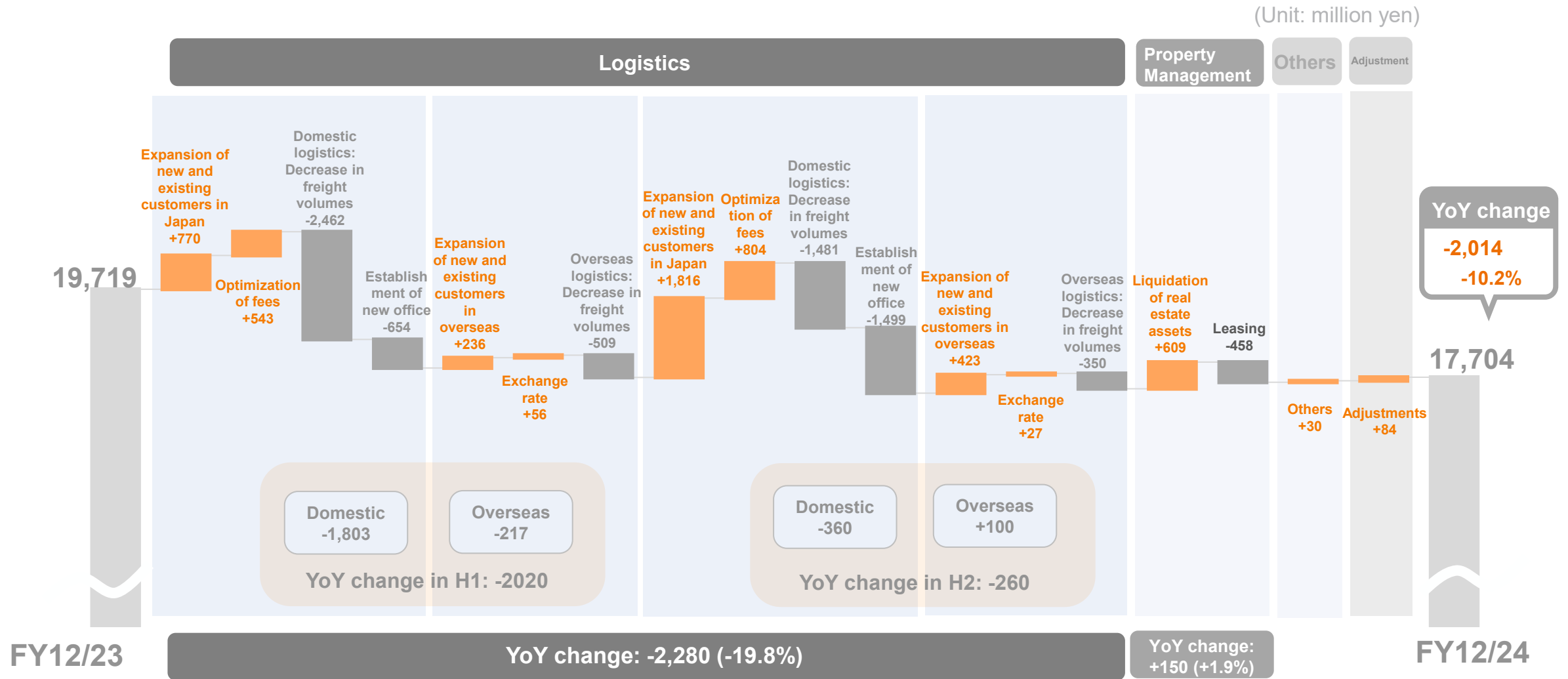
*1 Figures are on an internal management basis.

*2 Figures for SBS Logicom group exclude real estate liquidation figures.
(Including consolidated subsidiaries in FY12/23)

Change Factors for Net Sales by Segment

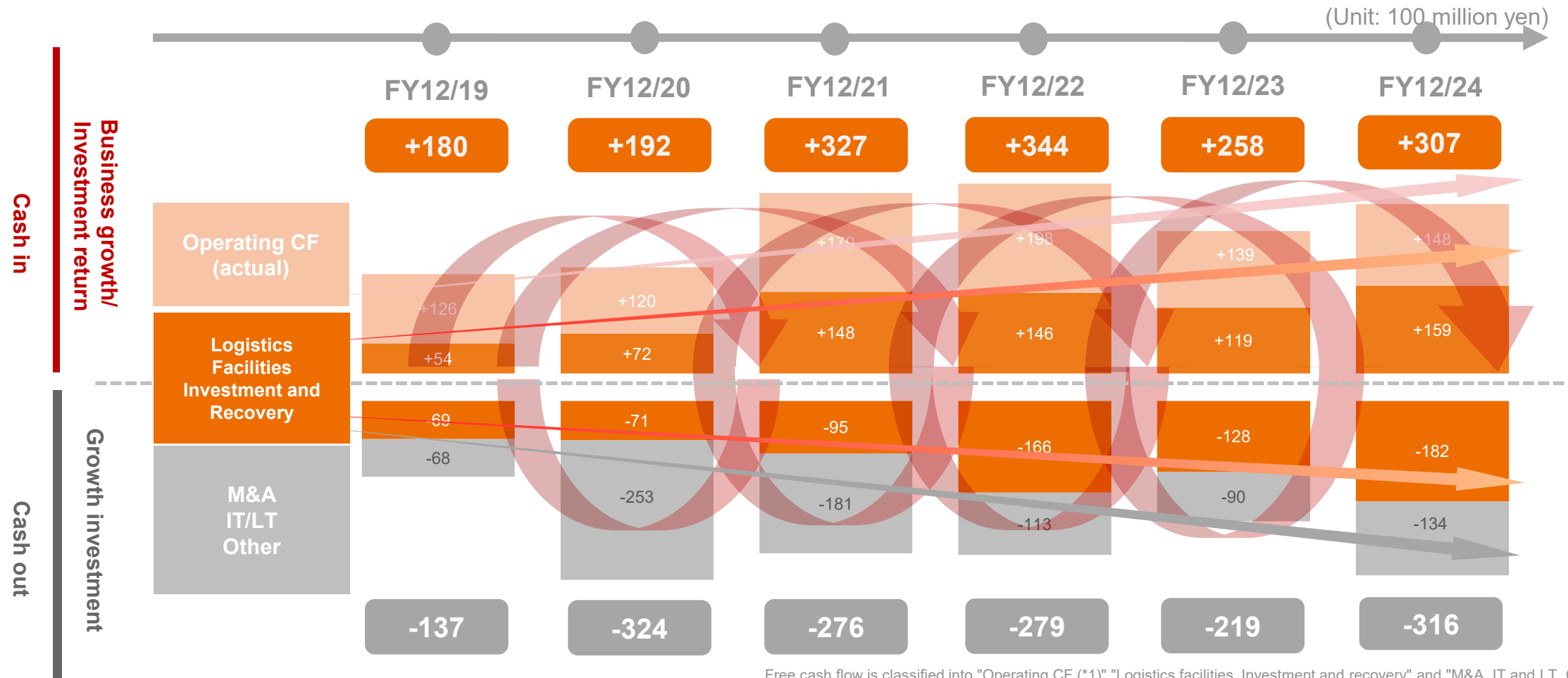


Change Factors for Operating Income by Segment



Improve the Ability to Generate Cash Flow

- Expanded cash flow generation capacity through M&A and expansion of logistics facilities. Accelerate investment and recovery cycle at development logistics facilities.
- In FY12/24, we continued to invest in logistics facilities (18.2 billion yen) by investing in warehouses such as Noda Seto and acquiring land for warehouses.
- Recouped our investment by liquidation of Shin-Sugita and Fukagawa Warehousing Logistics Center (15.9 billion yen).



Free cash flow is classified into "Operating CF (*1)" "Logistics facilities, Investment and recovery" and "M&A, IT and LT, Other."

*1 Investments and recoveries of real estate (Inventories) included in Operating CF are excluded.

FY12/25 Consolidated Business Forecasts

- Plan for sales growth by implementing growth strategies for 3PL, international business, and EC business in Logistics business.
- Plan for profit growth by restructuring the revenue model within the Logistics business, such as improving the profitability of newly launched bases in the previous year and eliminating vacant warehouse space.
- Comparison with the medium-term management plan (FY12/25): Downward revision from the initial plan in response to changes in the business environment, such as changes in marine freight rates.

(Unit: million yen)

	Results	Forecasts	Change	Pct. Change	Medium-term management plan (FY23~FY25)	
	FY12/24	FY12/25			Initial plan	Correction
Net sales	448,145	485,000	+36,854	(+8.2%)	500,000	-15,000
Operating income	17,704	20,500	+2,795	(+15.8%)	27,500	-7,000
Ordinary income	18,463	20,100	+1,636	(+8.9%)		
Net income attributable to owners of the parent	9,619	11,200	+1,580	(+16.4%)		
Earnings per share (EPS)	242.19 Yen	281.99 Yen	+39.80 Yen	(+16.4%)		

: Formulated in February 2023

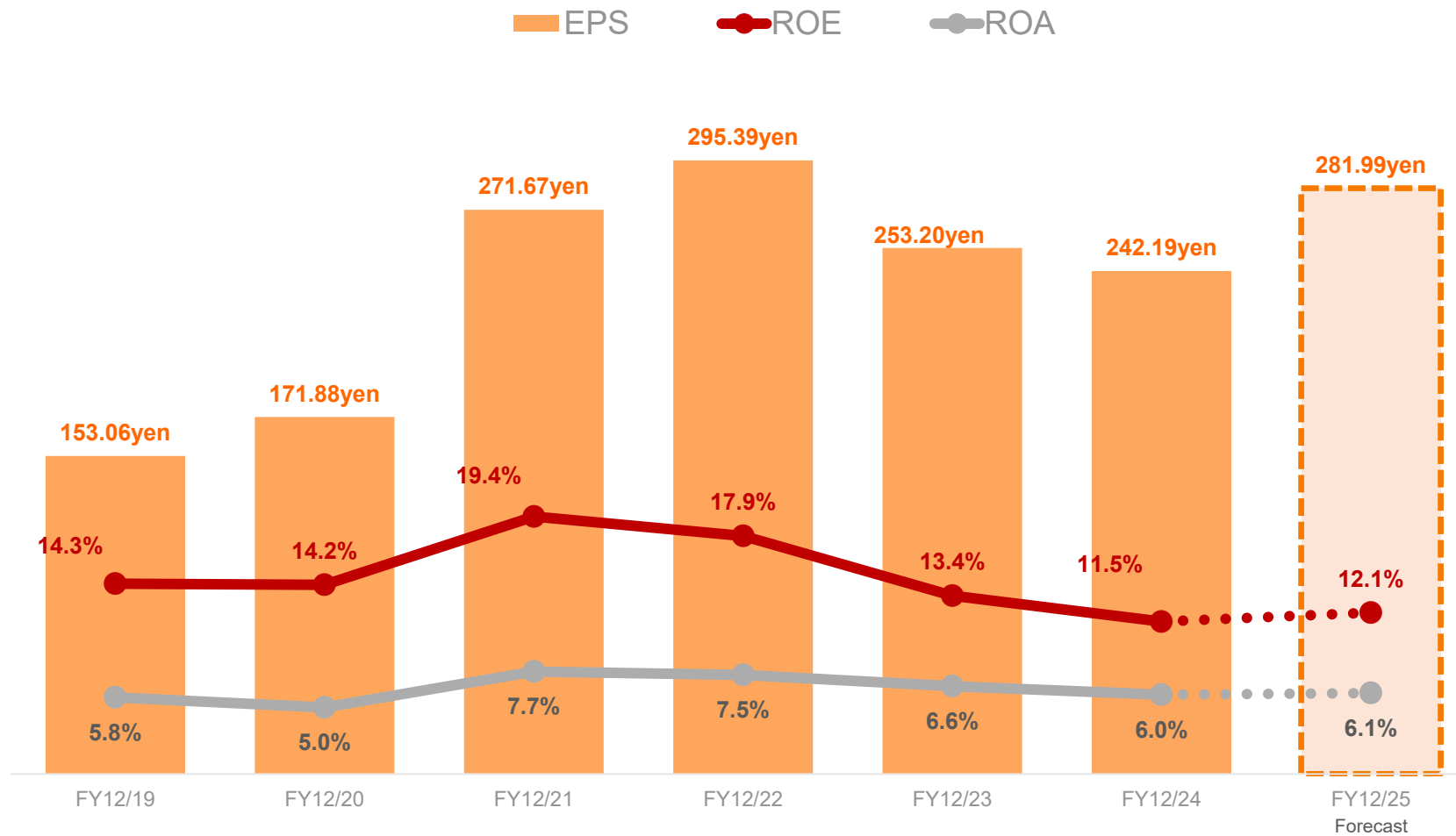
FY12/25 Forecast by Segment

- [Logistics] Plan to strengthen sales and profits by promoting growth strategies and enhancing profitability.
- [Real Estate] Plan to increase sales and profits by implementing real estate securitization.

(Unit: million yen)

		Actual	Forecast	Change	Pct.Change
Segment		FY12/24	FY12/25		
Net sales	Logistics	420,333	455,600	+35,,266	(+8.4%)
	Property management	17,936	18,400	+463	(+2.6%)
	Others	9,875	11,000	+1,124	(+11.4%)
	Total	448,145	485,000	+36,854	(+8.2%)
Operating Income	Logistics	9,220	11,800	+2,579	(+28.0%)
	Property management	8,113	8,700	+586	(+7.2%)
	Others	390	500	+109	(+28.1%)
	Adjustments	-20	-500	-479	—
	Total	17,704	20,500	+2,795	(+15.8%)
Profit margin		4.0%	4.2%		

Trends in EPS/ROE/ROA

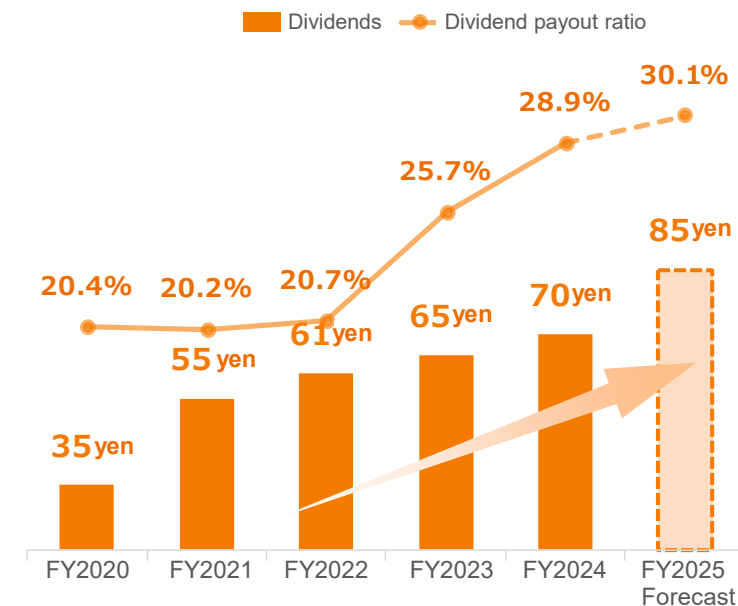


Shareholder Returns

- Enhance internal reserves to build a more resilient management foundation, pay stable dividends, and improve dividend levels in line with business performance.
- FY12/25 Dividend (Forecast): Increased payout ratio to **30%**, resulting in **85 yen** of dividend (up **15 yen**).

Dividend Trends

	Result					Forecast
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Dividend per share	35 yen	55 yen	61 yen	65 yen	70 yen	85 yen
Dividend payout ratio	20.4%	20.2%	20.7%	25.7%	28.9%	30.1%

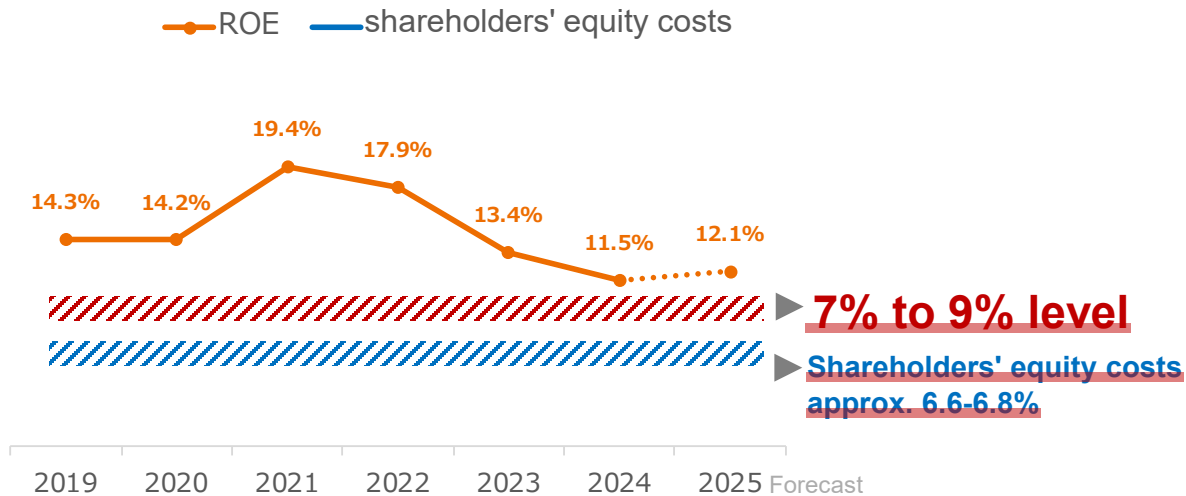


Cost of Capital and Profitability of Capital

"Measures for realizing management that is conscious of capital costs and stock prices-①"

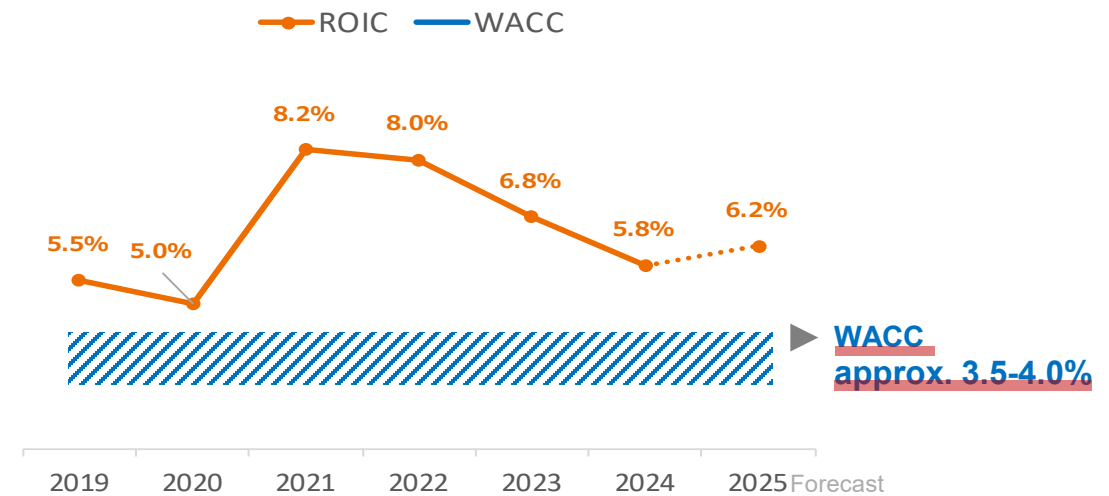
- ROE has been on a downward trend in recent years, although it has exceeded shareholders' equity costs. Aiming for improvement through initiatives to improve profitability.
- ROIC has been above the weighted-average cost-of-capital (WACC). Continue to invest in growth with an awareness of capital profitability.

Trends in Cost of Capital and Profitability of Capital



Shareholders' equity cost: based on CAPM

7-9%: Level assuming a general expected return from investors of around 7 to 9%



WACC: CAPM basis

Current status and targets of P/B Ratio, ROE, and P/E Ratio

"Measures for realizing management that is conscious of capital costs and stock prices-②"

ROE

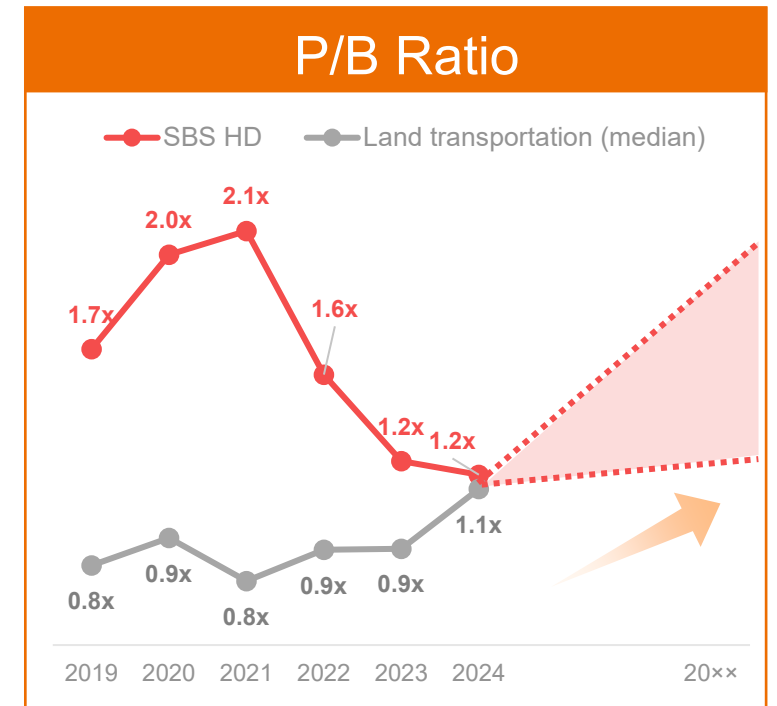
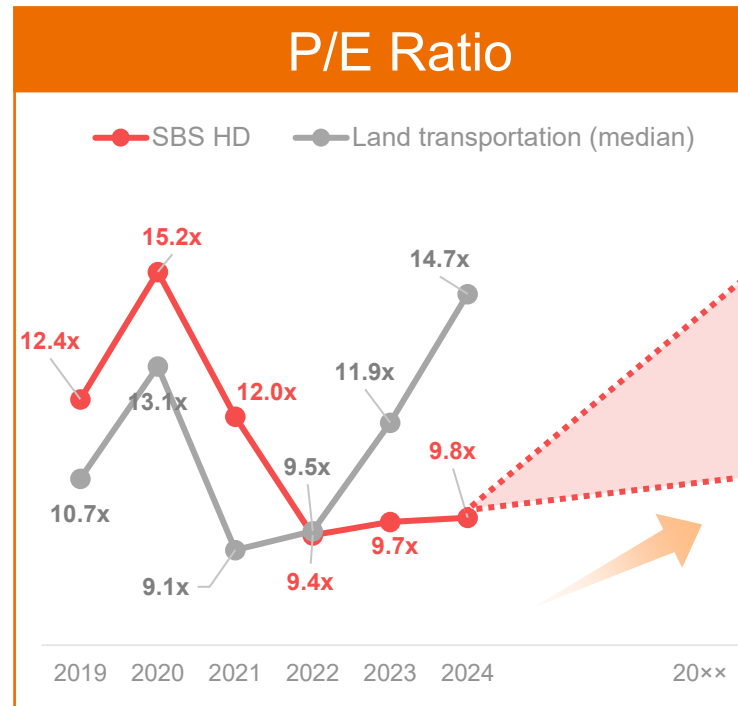
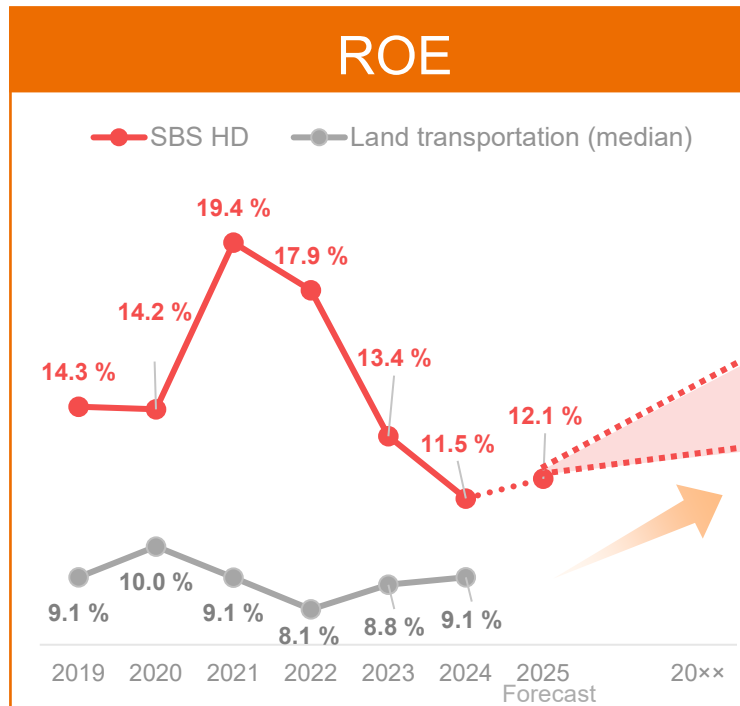
- Current status: Exceeding the industry average but declining in recent years.
- Target: Secure stable **12% to 14%** level by improving profit (margin) and optimizing capital structure.

P/E Ratio

- Current status: Recently, it has fallen below the industry average.
- **Target:** Aim for **15** times the industry average level in the future by improving the expected growth rate and reducing capital costs.

P/B Ratio

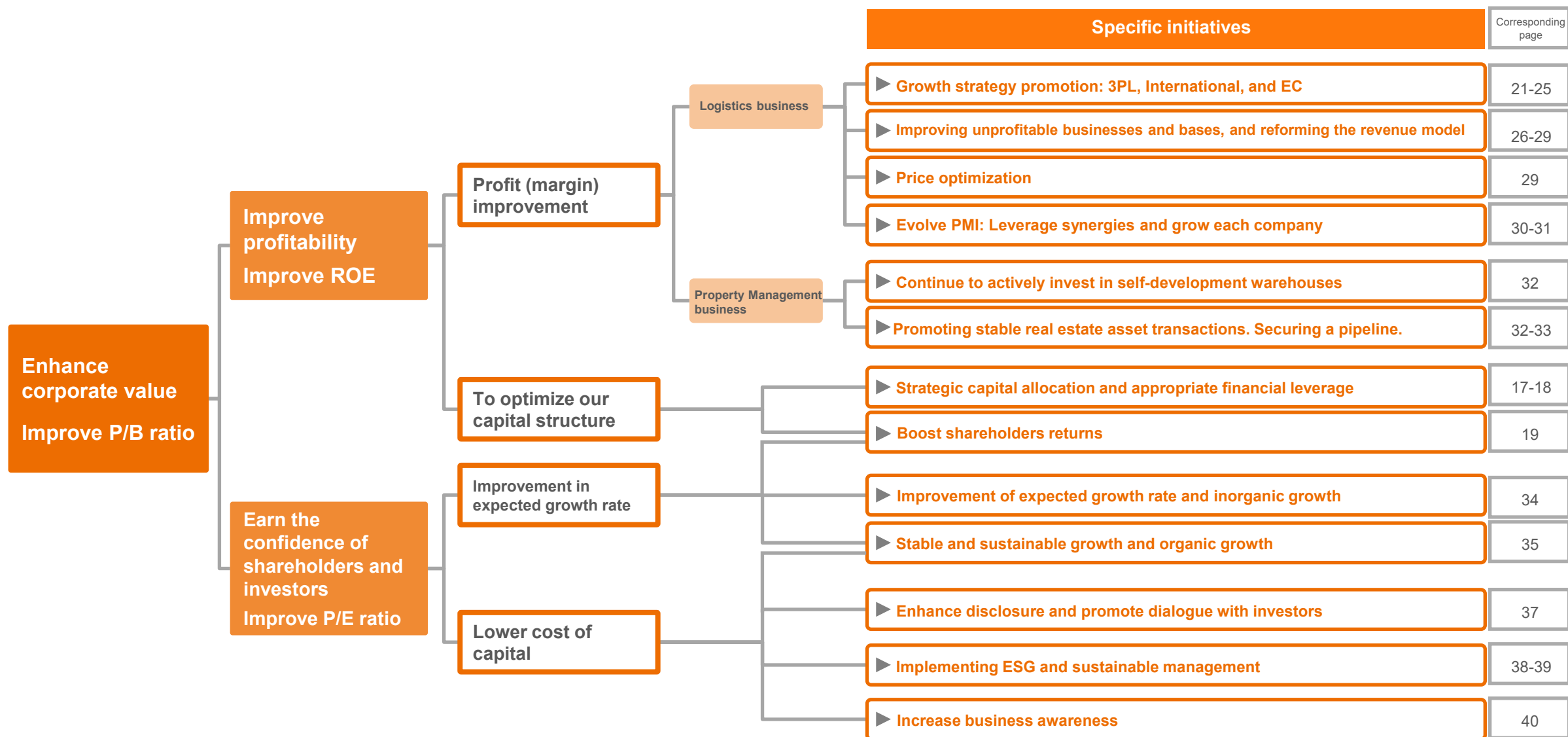
- Current status: P/B Ratio is 1.0 times higher than the industry average. However, it has declined in recent years.
- **Target:** Aim for **1.2 to 2.0** times in the future by improving ROE and P/E Ratio.



: Land transportation (median) "15 prime market and land transportation companies (excluding railways and buses)"

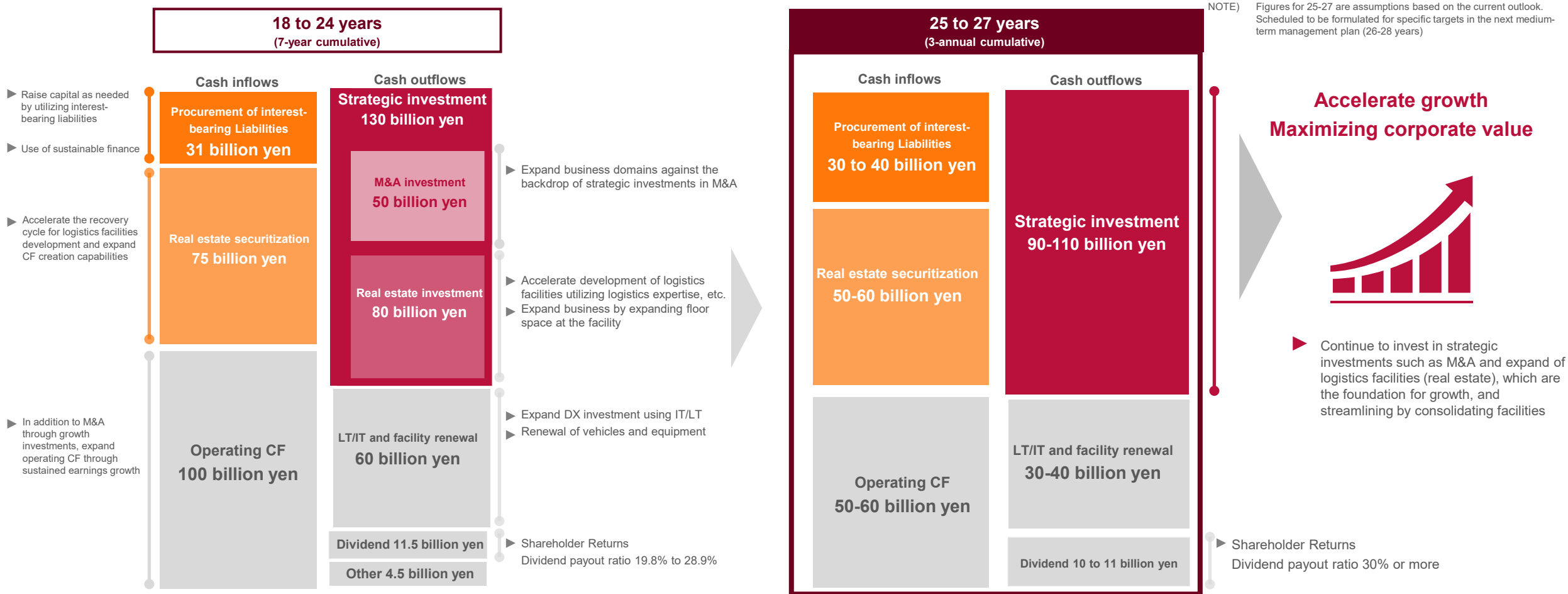
Initiatives to Expand Corporate Value

"Measures for realizing management that is conscious of capital costs and stock prices-③"



Strategic capital allocations

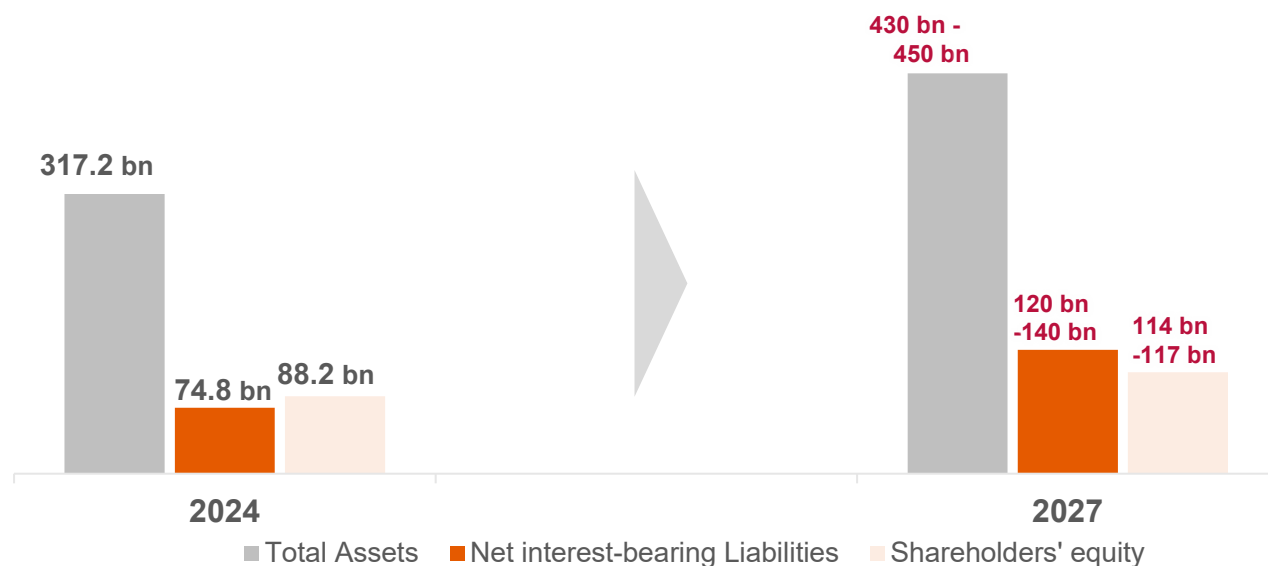
- Expand investment in growth base and shareholder returns through strategic capital allocation
- Accelerate the investment and recovery cycle through reallocation of the real estate portfolio by making investments with an awareness of capital efficiency
- Active use of interest-bearing Liabilities to maintain appropriate financial leverage



Appropriate financial leverage

- Expand scale and invest in growth through appropriate financial leverage. Improving CF Creation Capabilities and Strengthening BS Management
- Aim to continuously improve ROE by actively utilizing interest-bearing Liabilities and optimizing the capital structure through shareholder returns

	FY12/21	FY12/22	FY12/23	FY12/24	Assumed for 25-27 years
Equity Ratio	21.9%	23.7%	26.4%	27.8%	25% to 30% Target level
Financial Leverage	4.6x	4.2x	3.8x	3.6x	3x to 4x Target level
Net debt/equity ratio	1.2x	1.0x	0.9x	0.8x	0.9x to 1.2x Target level



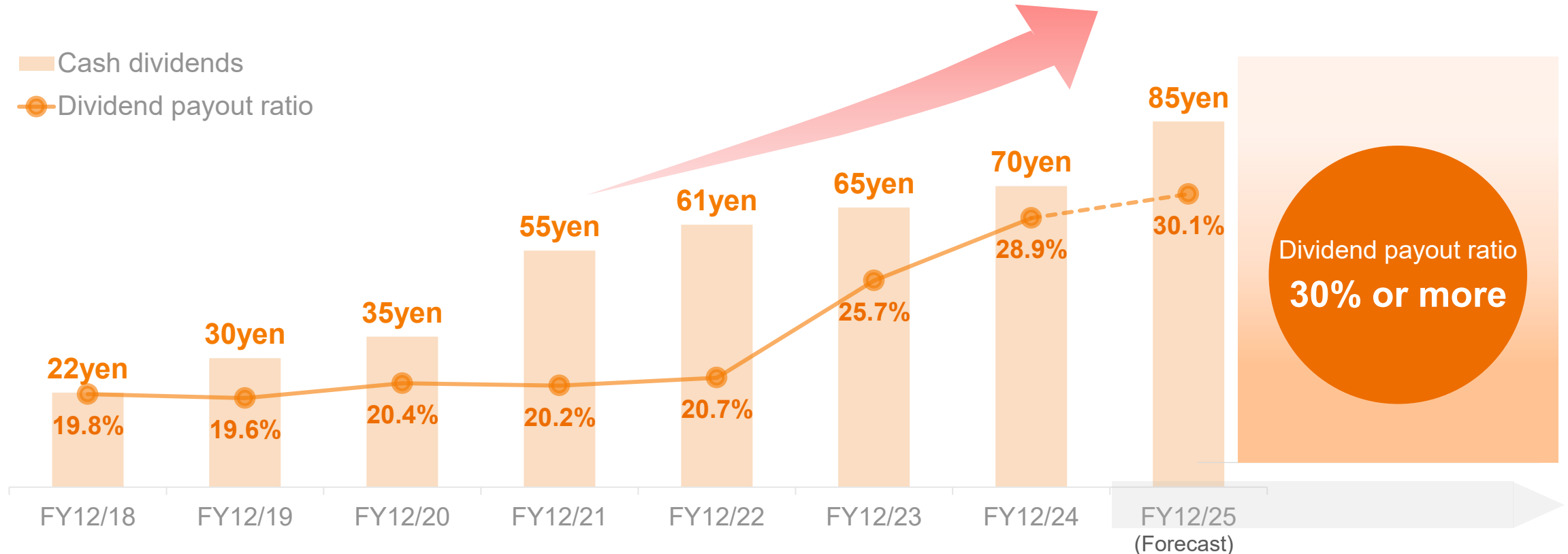
- Strategic investment (M&A and logistics facilities)
- Growth investment (DX investment "LT × IT")
- Real estate portfolio replacement
- Improving profitability by promoting PMI
- Active use of interest-bearing Liabilities
- Boost shareholders returns

NOTE) Figures for FY12/27 are based on current status forecasts.
Specific plan values are scheduled to be formulated again in the next medium-term management plan (26-28 years)

Boost shareholders returns

Policy on Distributing Profits to Shareholders

- Dividend payout ratio increased to **30%**: FY12/25 dividend (forecast) **85 yen** (up **15 yen**)
- We will continue to strengthen shareholder returns and maintain a dividend payout ratio of **30%** or more while considering the balance between growth investment and financial soundness.



01 Consolidated Financial Results for FY12/24

02 Growth Strategy of SBS Group

Progress of the three-year business plan "SBS Next Stage" (23-25 years)

Progress of Priority Measures for the Three-year Plan (FY12/24)

- **Build Group platforms in strategic:** In 3PL, international and EC fields, the plan to build a group platform was established.
- **Logistics Base:** Floor area of logistics facilities exceeded 1 million tsubo (FY12/24 + 110,000 tsubo increased)
- **LT×IT:** A new LT Lab opened and implemented robotics solutions (transport and GTP)
- **Sustainability:** Improve EV of used vehicles (renovate EV for used vehicles, introduce EV vans) and strengthen human resource development (next-generation training)

Revision of Sales and Profit Targets (Final Year of the Medium-Term Management Plan 2025)

	Three-year plan	Current Forecast	Change
Net sales	500 billion yen	485 billion yen	-15 billion yen
Operating income	27.5 billion yen	20.5 billion yen	-7 billion yen

- Consolidated NSK Logistics: +16.5 billion yen
- Marine freight rates change: -25 billion yen
- Changes in the Semiconductor Market: -6.5 billion yen

- Impact of environmental changes: -3 billion yen
- Sluggish performance at new start-up bases: -3 billion yen
- Other sales shortfall: -1 billion yen

Logistics Business: Promote growth-oriented strategies and reform the revenue model in FY12/25

- Aiming for high-growth centered on **Logistics** business while maintaining **Property Management business** as a stable earnings base

Forecast of consolidated business results for FY12/25 Net sales: +8.2% YoY, Operating income: +2.8 billion YoY

⇒ **Net sales for FY12/30: 700 billion yen or more**

- Significant improvement in profitability of low-return **Logistics business**

FY12/24: 2.2% ➡ **FY12/25: 2.5%** ➡ FY12/30: 4.5% or more

Promoting Income Growth Strategies

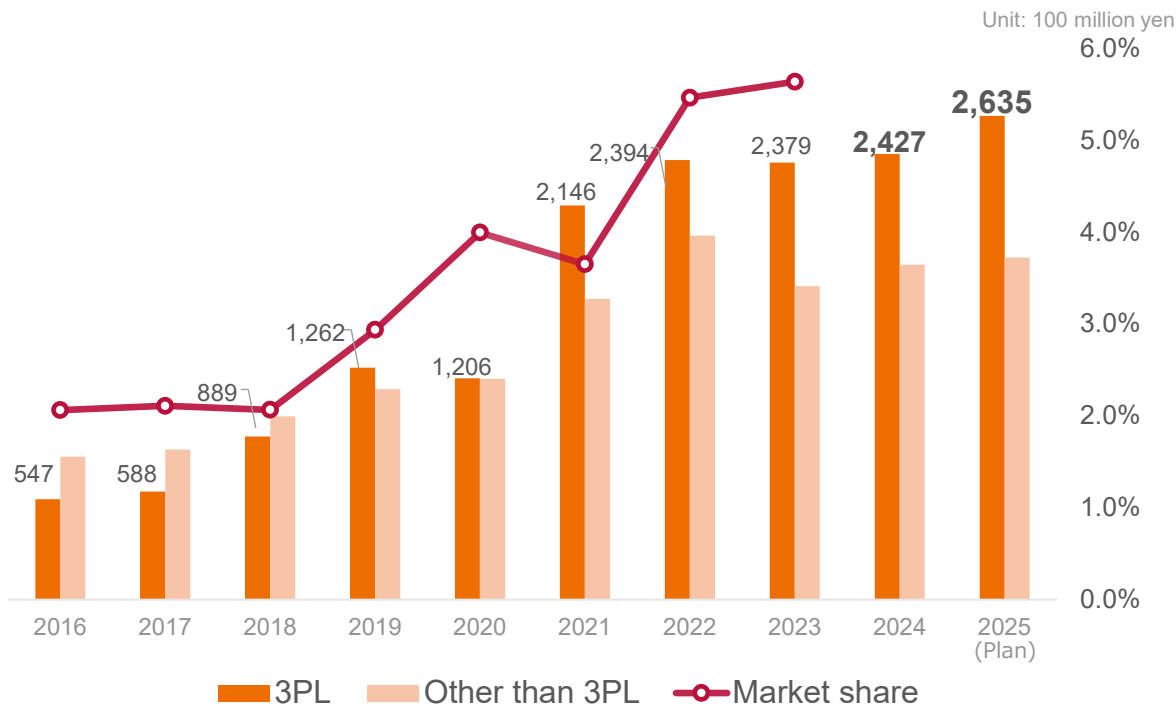
- 3PL: Acquire new customers and expand business with existing customers. Continue to develop infrastructure such as logistics facilities.
- Restructure international operations is a paragraph. Acquire a solid base in Europe in addition to Asia.
- EC Business: Accelerate growth with a specialized platform as the core. Improve productivity by introducing LT.

Restructuring of Logistics Business's Revenue Model

- Eliminate unprofitable sites and businesses
- Eliminate vacant space in the warehouse
- Optimize personnel structure
- Strengthen initiatives to optimize rates

Growth Strategy Promotion 1: 3PL

3PL Business Net sales and Market-Share

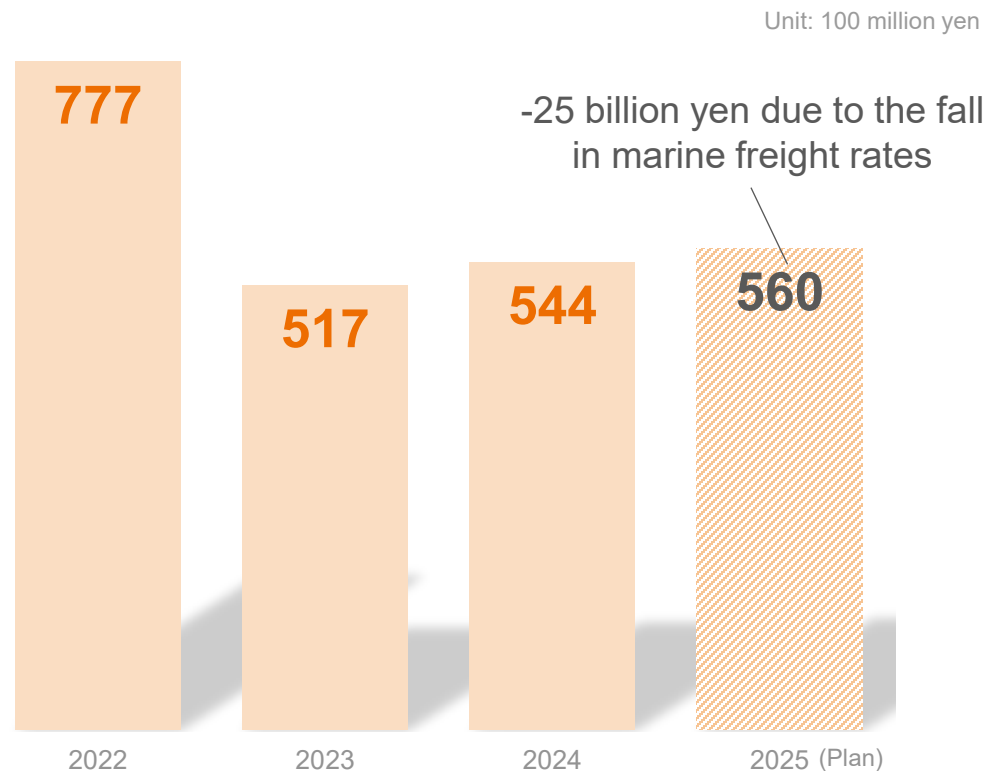


*Market share: Prepared by the Company based on data from the "3PL White Paper" in the September 2023 issue of the monthly "LOGI-BIZ" magazine.

- **Significant increase in FY12/25 due to the addition of M&A effects**
Steady growth by FY12/24 due to expand of existing businesses in addition to new establishments
Increased due to the acquisition of new customers and the inclusion of NSK Logistics
Expect to
- **February: "Noda Seto Distribution Center" started operation**
Group's largest 40,000 tsubo
First EC platform base started operation
- **August: Open "Distribution Center Yokohama Fukuura"**
Scheduled operation of 17,000 tsubo full floor space (SBS RICOH LOGISTICS System)
- **September: Expand operation of "Medical Platform"**
@Kashiwanuma Minami Warehouse (SBS Toshiba Logistics)
- **October: NSK Logi joined the Group**
Incorporating 3PL business of the Nippon Seiko Group
- **Increase in floor space by 110,000 tsubo in FY12/24 (81,000 tsubo in H1 / 31,000 tsubo in H2)**
The operating floor space of logistics facilities exceeded 1 million tsubo and 3PL expansion is expected.
Accumulate potential

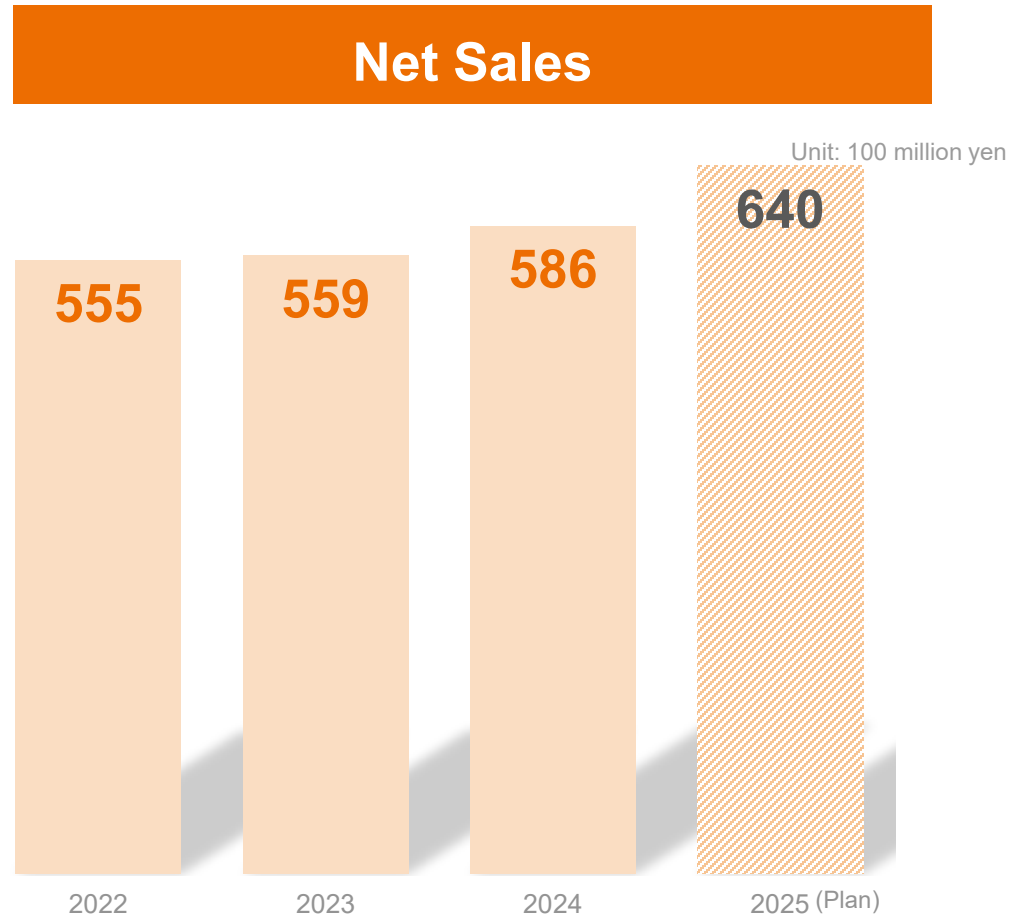
Growth Strategy Promotion 2: International Logistics Business

Net Sales



- **Accelerate business development by establishing a two-system overseas business promotion system through the integration of bases**
 - Under the two-system structure (SBS Toshiba Logistics and SBS RICOH LOGISTICS System), the company aims to expand exchanges in regional logistics, mainly with freight arrivals and departures in East Asia and Southeast Asia.
 - Aiming to expand 3PL business, expand logistics functions and client bases of intra-regional networking.
- **Strengthen foreign 3PL through M&A**
 - On regional networking with the aim of expanding 3PL businesses
Expand logistics functions and customer base.
 - Target regions are Europe, Asia, and North America.
Aiming to integrate with existing networks in China and Southeast Asia

Growth Strategy Promotion 3: EC Logistics



Figures for FY12/22 and FY12/23 results and FY12/24 forecasts have been revised from the figures in the FY12/23 results briefing materials.

- **Despite the slump in EC business, sales continued to rise. Same level as the 3-year plan in FY12/25**
 - Sales increased in FY12/24 despite a decrease in the handling volume of the last one-mile business and a secure of orders from large customers.
 - Strong orders received in the platform business
- **Industry-first dedicated EC platform ECNoda Seto Distribution Center (10,000 tsubo) started operation in February**
 - Main products: Supplements, Food Products, Cosmetics, Apparel, General merchandise, etc.
 - Equipped with rare constant-temperature facilities (20-degree/30-degree band) and refrigerators (approx. 500 tsubo, 1F).
 - In December, we began operations using LT, such as shelf robots and high-rise robots.
- **FY12/25: Further expansion of EC platforms**
 - Increased floor space by 5,000 tsubo at EC Noda-Seto
 - Second e-commerce logistics base starts full-scale operation @ Yao City, Osaka, about 2,000 tsubo

Restructuring of Logistics business's revenue model

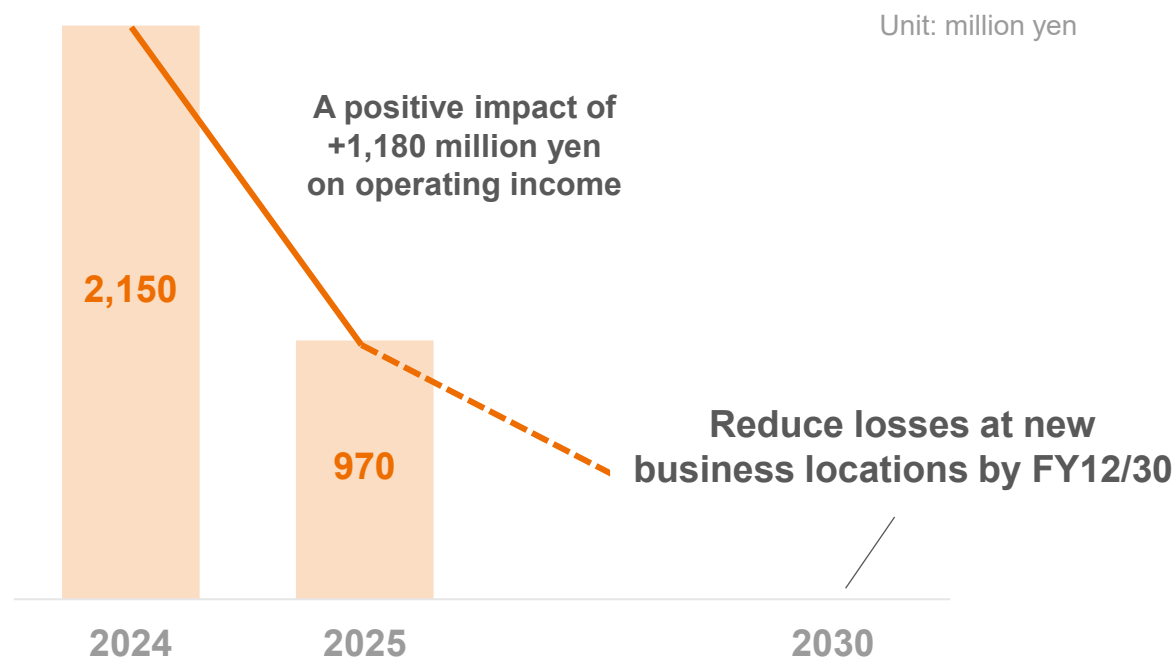
- **Target = Achieve a 4.5% or higher operating income ratio for the Logistics business at an early stage.**
⇒ FY12/24: 2.2% FY12/25 Plan: 2.5% FY12/30: 4.5% or more

Reforming Logistics business's Profit Structure



Restructuring the revenue model 1: Reduce unprofitable sites

Reduction of Loss at the Time of Opening of New Business Location



Targets 6 core companies and domestic bases

- **Reduction of losses due to the opening of new business location**

FY12/24 results: 2,150 million yen



FY12/25 plan: 970 million yen

- **Benefits from improving the operating income ratio by 1.18 billion yen**

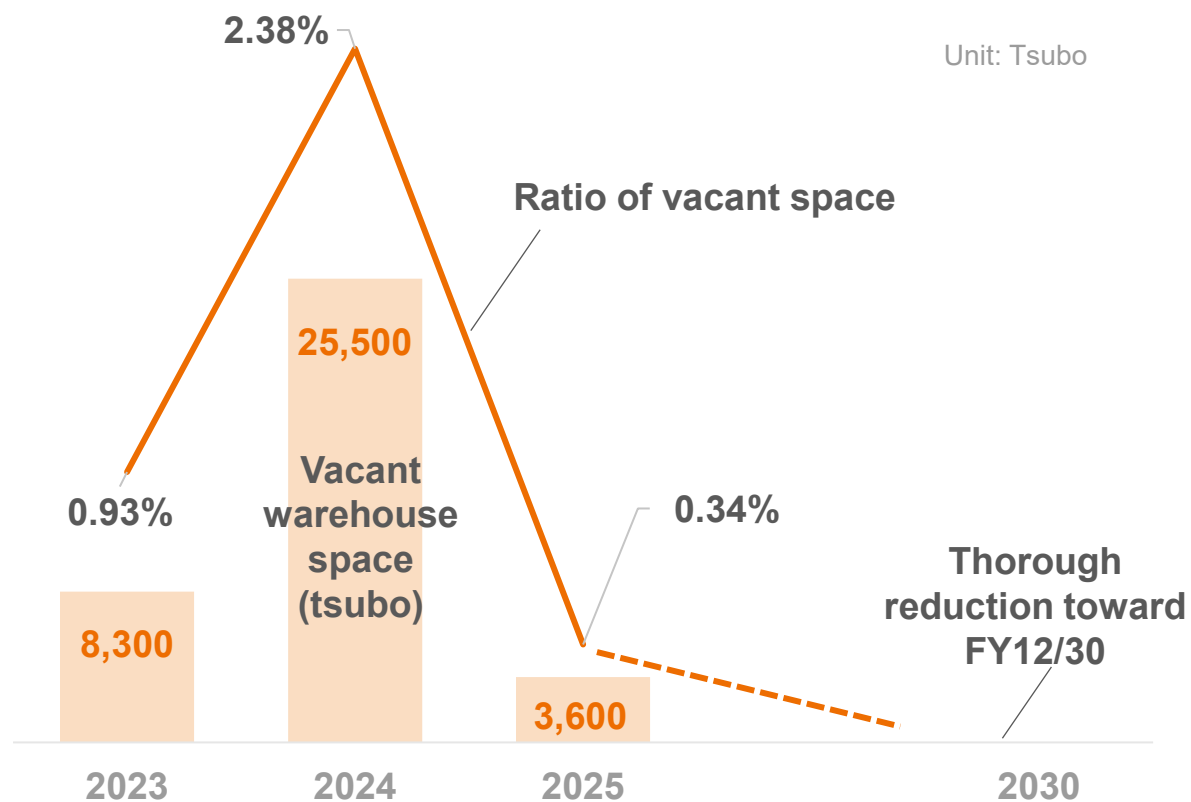
Strengthen initiatives for further reductions

- **Major improvement measures for FY12/25**

- Improvement of the loading ratio of vehicles and chartered vehicles
- Maximization of warehouse volume ratio
- Thorough price optimization
- Reduced use of temporary staffing

Restructuring the revenue model 2: Reduce the number of vacant space in warehouses

Number of Vacant Spaces in Warehouses



Targets 6 core companies and domestic bases

- Vacancy status of the warehouse**

The end of FY12/24 result: 25,500 tsubo

The increase in new logistics locations, particularly at SBS Toshiba Logistics and SBS RICOH LOGISTICS System, has led to a significant oversupply of vacant space.



The end of FY12/25 plan: 3,600 tsubo

Reducing by -21,900 tsubo

Profit improvement effect: +960 million yen

Expected to be full of floors at many locations by the end of FY12/25 by strengthening sales. Reduce substantial vacant space, such as upper-level space in warehouses.



Reduce as much as possible by FY12/30

Together with vehicles, thorough efforts to "eliminate air"

Restructuring the revenue model 3: Optimization of Personnel Composition/Price Optimization

Optimization of Personnel Composition

- **Enhance flexibility for logistics fluctuations, improve employees' abilities, and work to optimize the personnel composition of the site.**
 - Promote stable on-site management by reducing the proportion of temporary staffing and outsourced business, which tends to give rise to variations in job performance, and raising the proportion of part-time and temporary workers directly employed.
 - Relocate veteran full-time employees who have been involved in field sales for many years and who are well-versed in logistics operations as new sales and new start-up professionals. Improving human resource value through riskling.



Enhance the value of human capital and curb increases in labor costs at the same time

Price Optimization

- **Continue and strengthen efforts to optimize price**
 - We will continue strengthening negotiations for appropriate prices in FY12/25 due to the expected increase in personnel expenses, raw materials, and energy-related costs.
 - Consider cost reduction together with customers by proposing **improvements in productivity through appropriate operational improvements and higher value-added services** in light of load volume trends and on-site status.
- **Focus Areas for Price Optimization**
 - Low-temperature logistics, infrastructure-related businesses, home appliances, semiconductors, etc.

Logistics business: Growth-strategy of major companies

*Figures are on an internal management basis (billion yen).

Growth Strategies of Major Operating Companies		FY12/24 Actual	FY12/25 Plan	Change
SBS Toshiba Logistics Corporation <ul style="list-style-type: none"> Delayed recovery of load volume for heavy products and semiconductors. Concerns about the impact of changes in the capital structure of major customers in the future. In FY12/24, sales of home appliances and medical devices recovered, but the plan has not been achieved due to the sluggish market for semiconductors and the expense of launching new facilities. Accelerate investment in future growth, including reorganization of sales structure and warehouse and DX. In FY12/25, the company will smoothly shift to a new organizational structure, and work to improve profitability and optimize fees at new bases in order to recover the V-shape. Medium-term target of Net sales 200 billion yen. 	Net sales	1,176	1,230	+5%
	Operating income	35	45	+28%
SBS RICOH LOGISTICS SYSTEM Co., Ltd. <ul style="list-style-type: none"> Domestic office-related shipments remained sluggish. Overseas sales picked up due to an increase in load volume and Freight costs switching. In FY12/24, the company entered new industries, but struggled to launch. Favorable office supplies, etc. unable to absorb, resulting in lower profit compared to plan. In FY12/25, fiscals strengthened our sales activities for the full-floor operation of the Kansai base (Yao City, Osaka Prefecture), which was opened in the previous year. Aiming to turn unprofitable sites into the black by eliminating vacant space and optimizing rates, including at other new sites. 	Net sales	1,045	1,089	+4%
	Operating income	34	38	+12%
SBS Logicom* real estate securitization value excluded <ul style="list-style-type: none"> Diversified customer base into a wide variety of industries and business formats. Cover weakness in retail and other areas with other strong areas. In FY12/24, the Noda Seto Branch (in Noda Seto Distribution Center) began operations, achieving profitability early. The entire company saw a slight decline in profits compared to the plan but secured an increase in sales and profits year on year. From FY12/25 onward, the Company has continued to enhance its sales capabilities, improve logistics quality, and bolster personnel recruitment to achieve sustainable growth in net sales and profits. Aiming to achieve 100 billion yen corporate (net sales) as soon as possible. 	Net sales	748	756	+1%
	Operating income	58	61	+5%

Logistics business: Expand business portfolio (M&A results)

NSK LOGISTICS (currently SBS NSK LOGISTICS Co., Ltd)

■ Acquired 66.61% of shares in October 2024

- NSK Ltd.'s Group logistics function companies engaged in domestic business and import/export business.

Annual net sales: Approx. 16.5 billion yen

⇒ Demonstrating synergies among "manufacturer-affiliated logistics companies" within the Group
Deepen ties between NSK and SBS groups

Scheduled to Acquire Shares of Blackbird Logistics B.V (Netherlands)

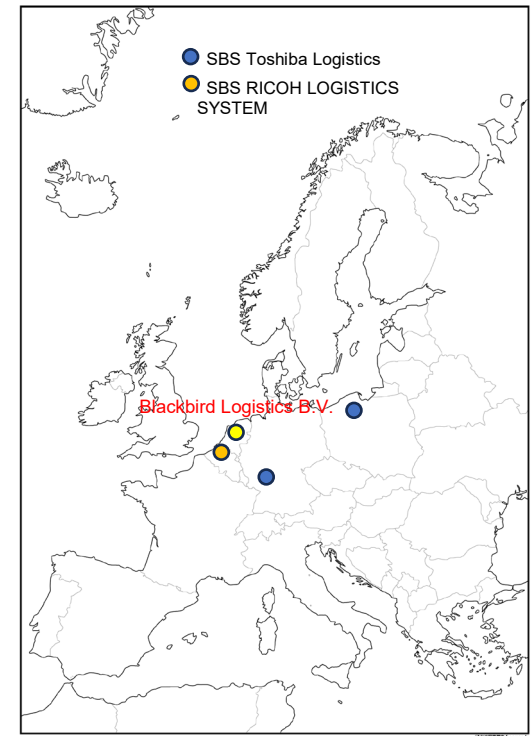
■ Scheduled to acquire 80.0% of shares in April 2025

- In Rotterdam (Europe's largest port), we secured an entry point for our European business.

Annual net sales: Approx. 50,000k€

- Expand 3PL business in Europe + Integrate existing businesses and customer networks in China/Asia

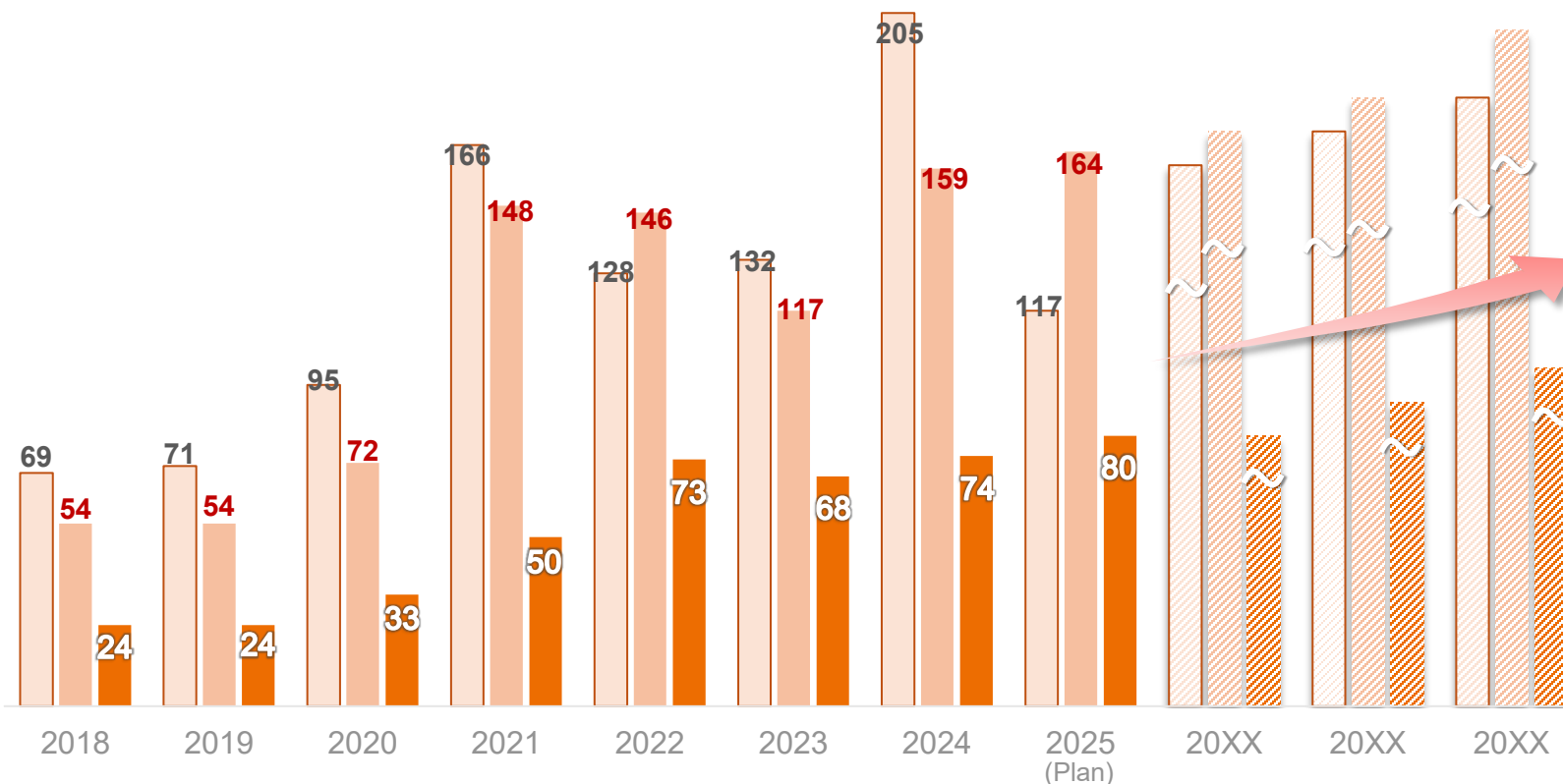
⇒ **Strengthening SBS's Overseas Business**



Property Management business: Continue to invest in real estate development while ensuring stable flow.

- Secure an extensive pipeline for the future through proactive land acquisition and planned construction investment.
- The scale of stable flow is also expanding in line with the increase in the scale of investments and development. Achieve stable liquidation income.

□ Development investment ■ Liquidation amount ■ Operating income due to liquidation Unit: 100 million yen



- **Higher returns on investments**

- Maximize the impact of investment by utilizing licensing and knowledge of Logistics business providers to control development costs.

- **Stable flow**

- Market to a wide range of investors as attractive investment properties, assuming long-term lump-sum leaseback arrangements.

- **Enhanced pipeline**

- Expansion of the area to be purchased for land on a nationwide scale.
Promoting development plans while matching with real-world shippers' needs with strong sales capabilities.

Property Management business: Operation Area

Period	Types	Start of operation	Name	Operating/development	Area under management (Tsubo)	Area under management (㎡)
	From the end of December 2023				968,200	3,200,656
	In-house development	February	Noda Seto Bldg.A	SBS RICOH LOGISTICS System, SBS Logicom and SBSHD	43,800	144,793
	Rent	May	Kashiwashonan Warehouse	SBS Toshiba Logistics	8,706	28,780
		May	Totsuka Warehouse	SBS Toshiba Logistics	5,223	17,266
		June	Shigakonan branch	SBS Logicom	13,326	44,053
		August	Distribution Center Yokohamafukuura	SBS RICOH LOGISTICS System	17,167	56,750
		September	Atsugi Low Temperature Distribution Center	SBS Flec	4,300	14,215
		October	BC Kawasakitakatsu	SBS RICOH LOGISTICS System	3,042	10,056
		November	Distribution Center Yao (tentative name)	SBS RICOH LOGISTICS System	7,991	26,416
		Other	(Incremental floor space less than 3,000 tsubo and cancellation)	SBSG	13,718	45,349
FY12/24 Results				117,273	387,679	
Area under management (en)*1				1,085,473	3,588,335	
	Rent	January	(M&A consolidated)	SBSNSK Logistics	7,166	23,689
		March	Nanko First Branch	SBS Logicom	3,140	10,380
		March	Kawasakiminami Branch	SBS Logicom	10,000	33,058
		April	(M&A consolidated)	Blackbird*3	31,157	103,000
		April	North Kanto branch (Natori warehouse)	SBS Toshiba Logistics	3,548	11,729
		April	BC Kumamoto (tentative name)	SBS RICOH LOGISTICS System	3,133	10,357
		Other	(Incremental floor space less than 3000 tsubo and cancellation)	SBSG	2,221	7,342
	Plans to open in 2025				60,365	199,553
	In-house development (Under construction)	August	Tomisato Distribution Center (tentative name)	L-Max	34,000	112,397
	Development site * 2	Under development plan	Noda Seto Building B	SBS Asset management	34,000	112,397
			Tokorozawa Land A/B	SBS Logicom and SBS Sokuhai Support	11,000	36,364
			Yokoshibahikari-cho Land	SBS Logicom	60,000	198,347
			Kasumigaura City Land	SBS Logicom	20,000	66,116
			Chikushino	L-Max	28,000	92,562
			Nasu	L-Max	10,000	33,058
	(Small-scale land)	SBSG	600	1,983		
Plans for development from FY12/26 (pipeline inventories)				167,960	555,239	
Potential operating area (result + plan)				1,313,798	4,343,127	

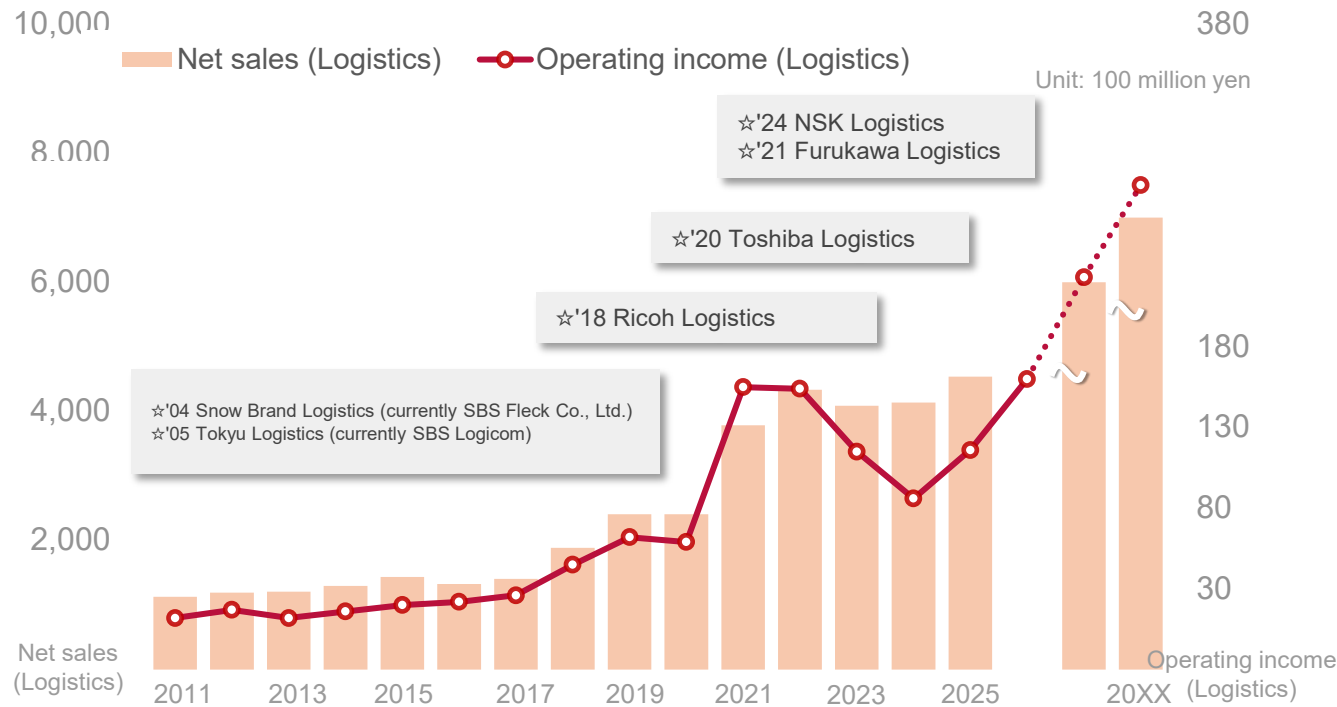
*1: Area under management... Effective area for operating Logistics business (different from the total floor area under the Building Standard Law)

*2: Development site: The floor area of the individual details is the total floor area (approximate) according to the Building Standard Law. The total area is the area expected to be used as the operating area (approx. 85% of the total floor area) from the total floor area of the individual details.

*3: Blackbird's operating area includes our warehouse of 8,470 tsubo (28,000㎡).

- **FY12/24: 117,000 tsubo more floor space**
 - Over 117,000 tsubo of floor space was added, more than twice as many as in the previous year, due to the overlap in the development of large-scale bases.
- **FY12/25: Plan to increase floor space by 60,000 tsubo**
 - Continue to increase floor space for new projects and existing expansion as appropriate while focusing on eliminating vacant floors, which will be the accumulation balance in the previous fiscal year
 - Increase in floor space of two newly consolidated companies is expected to be 38,000 tsubo
- **From FY12/26: Potential operating area Land acquired for approximately 160,000 tsubo**
 - Continue carefully selecting land acquisitions to maintain a stable pipeline
 - Areas covered include Kanto-Kansai, Kyushu, Tohoku, and Hokkaido

Improving expected growth rate: Inorganic growth



Achieving Unparalleled Growth Through M&A

- Diverse and expansive logistics portfolio
- Create economies of scale
- Incorporate logistics functions of national brand companies



Acquisition of excellent shippers and excellent human resources

[Diversification and expansion of logistics portfolio]

- Food logistics
- Retail logistics
- Corporate transfer
- In-building logistics
- Business delivery (Tokyo metropolitan area)



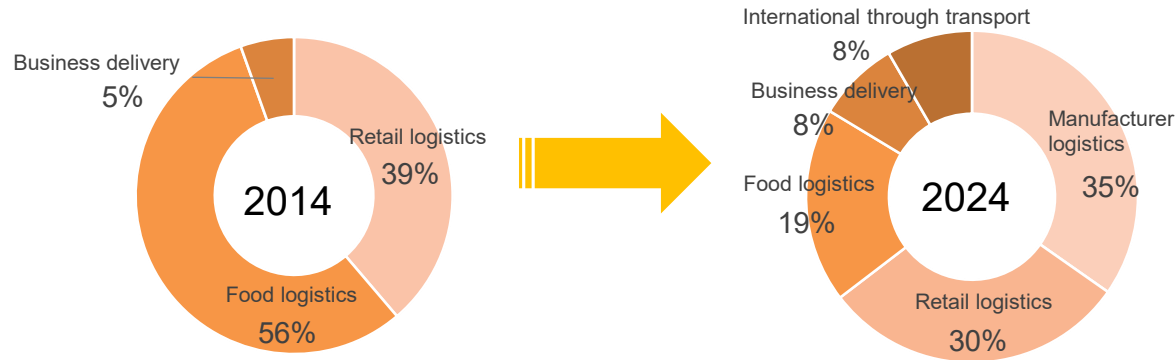
- Procurement and production logistics
- Precision equipment, electronic components
- Office equipment
- EC
- Forwarding
- Business delivery (nationwide)



- International through transport
- Plant equipment
- Electronic device and equipment
- Home appliances, housing, elevators
- Industrial cable
- Bearings •4PL

Increase in expected growth rate: Stable and sustainable organic growth

[Diversification of logistics portfolio]



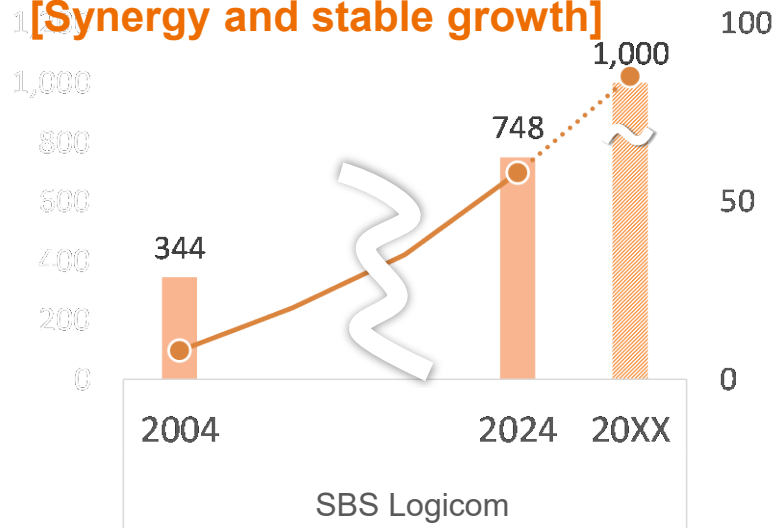
• Logistics x Real Estate Synergies

- Group companies promote existing expansion and new sales through in-house development projects for warehouses
- Stable liquidity complement Logistics business

• Stable Growth through Expansion of Logistics Portfolio

- Growing diversification of business domains, such as toB/toC, domestic/external demand, and domestic/overseas, absorbs changes in volume attributable to economic cycles and specific shippers
- Engagement of new group companies increases the depth of the foundation for stable growth among existing group companies

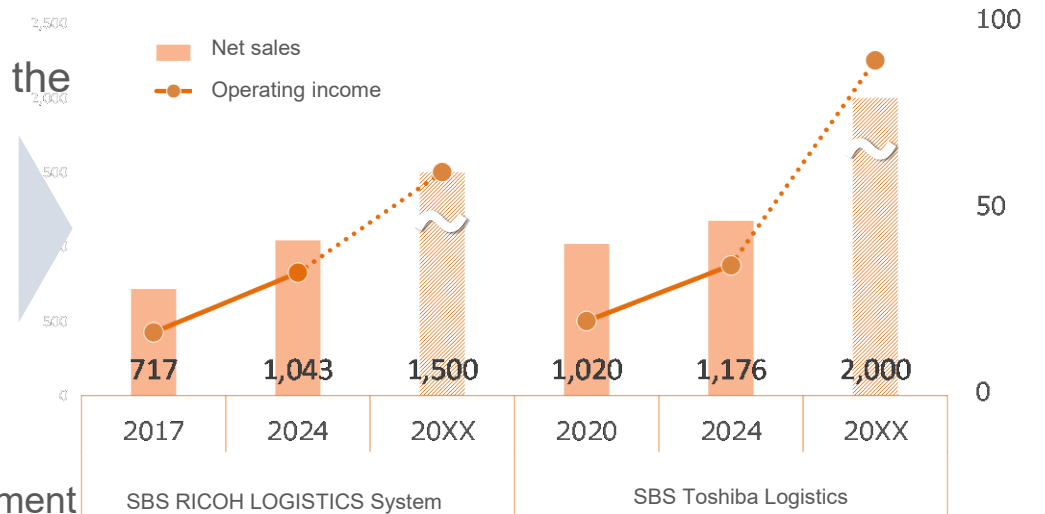
[Synergy and stable growth]



SBS Logicom, which joined the Group 20 years ago, has achieved dramatic growth.

- Net sales: **2** times
- Operating income: **7** times

As a model for a newly joined company, we transplant sales development and field management know-how, etc.



| Appendix

Enhance disclosure and promote dialogue with investors

■ Results of Dialogue with Investors

Opportunities for dialogue and disclosure	Actual/year	Activity status
Results briefing	Twice	✓ Explanation by the representative director and financial officer at the time of the second and fourth quarter financial results
Small meetings	4-6 times	✓ Convened approximately twice every six months, small meetings attended by the representative director and the director in charge of financial (with the participation of analysts and institutional investors)
Individual interviews (Of which, management member supports)	110 to 140 meetings (10 to 20 times)	✓ Investor relations officers respond to all requests in principle ✓ As requested, management members talk about management strategy as speakers.
Releasing interview schedules	From time to time	✓ Opened interview schedules on "Minsetsu"
Worksite tour	0-3 times	✓ Tours are held at sites where new initiatives are being undertaken. Unscheduled meetings.
Issue of reports	6 times + as needed	✓ Shared Research Inc.: Updated from time to time when disclosed in addition to quarterly updates. ✓ FISCO Ltd.: Published IR reports twice a year (March and September)
IR portal site	From time to time	✓ Posting latest information on "IRStreet" of Finantec Co., Ltd.
Disseminating information for shareholders	Regular	✓ Business Report (March), Integrated Report (September), HP Regular Renewal (February to March)

■ Feedback to management

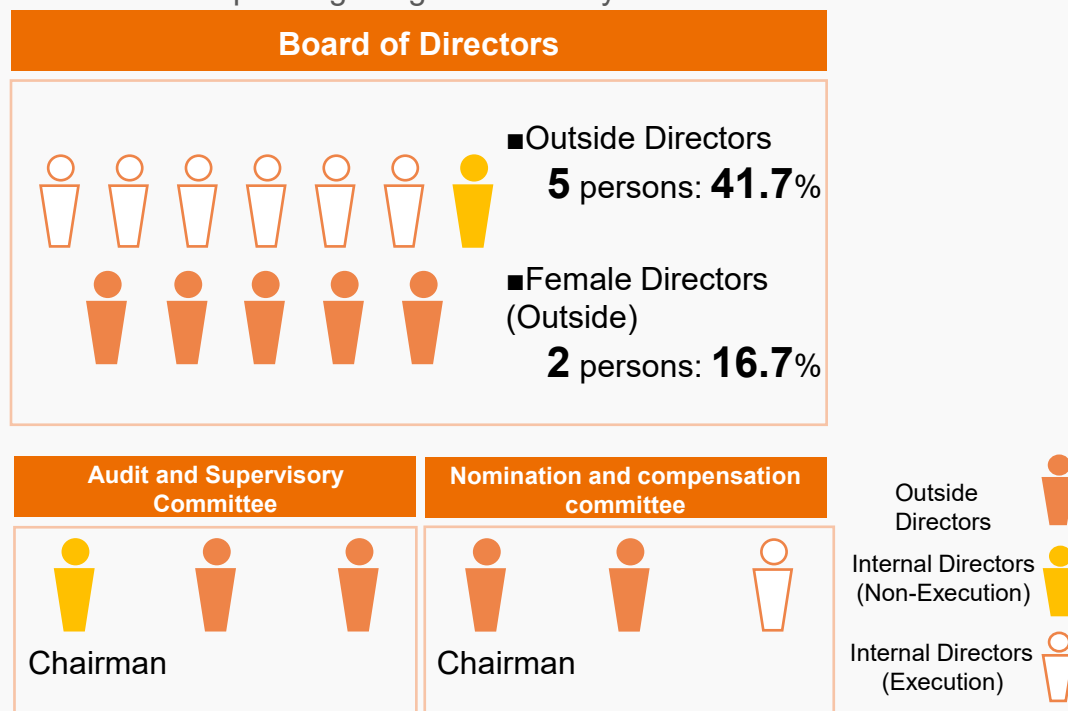
Sharing with management	<ul style="list-style-type: none"> Regular IR meetings attended either individually or by top management Report the reaction of analysts and investors to management and policy planning division, etc.
Reflection in disclosure materials	<ul style="list-style-type: none"> Disclosure of cost of capital and profitability of capital Expansion of disclosures, including setting targets for P/B ratio, ROE, and P/E ratio

ESG and Sustainable Management: Initiatives to Strengthen Governance

■ Governance System Diagram

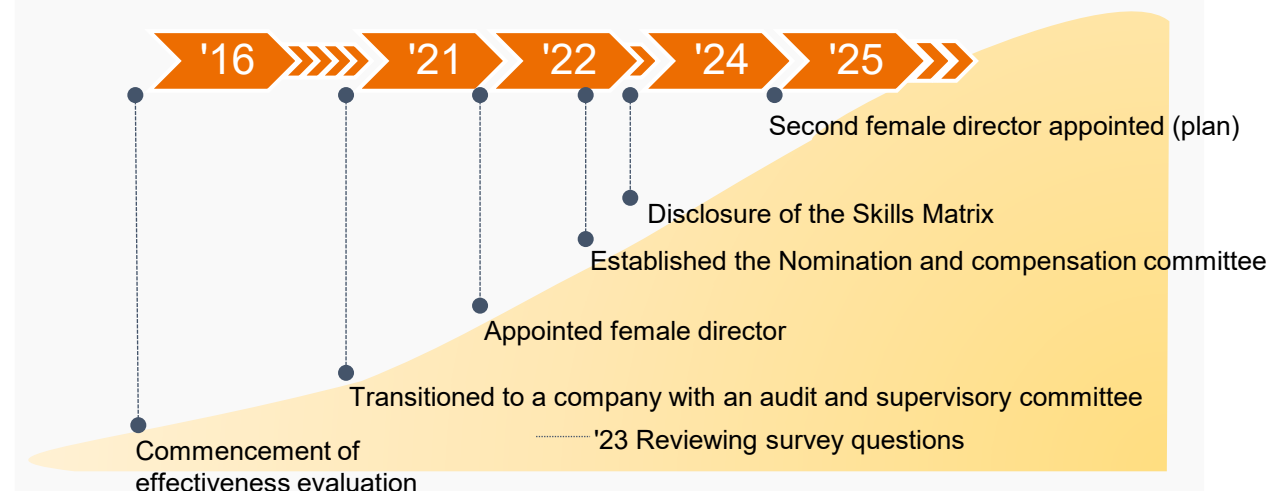
In 2021, since shifting to a company with an audit and supervisory committee, we have focused on expanding our governance system.

Focus on expanding the governance system

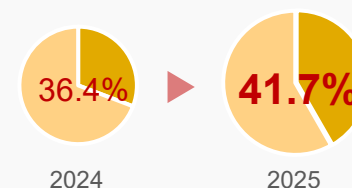


*March 25, 2025 (plan)

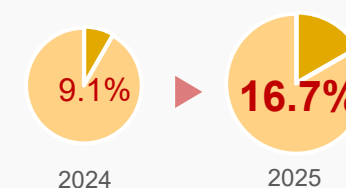
■ History of Strengthening Governance



■ Ratio of outside directors to all directors



■ Ratio of Female Directors



■ Changes in points for evaluating the

2022	2023	2024
3.95	4.05 (+0.01)	4.06 (+0.01)

ESG and Sustainable Management: Environmental and Compliance



Driving test for modification of used 1.5-ton truck EV
(November 2024)

Converting Used Diesel Trucks to EVs --- accelerates EV adoption

■ Start of verification tests

2-ton truck: from March 2024, 1.5-ton truck: from November 2024

- The first in Japan to mass-produce conversions of used diesel trucks to EVs.
- Planning to convert 1,000 electric vehicles (EVs) for mid-sized and small-sized cars by 2030.
(Joint research and demonstration tests with other companies)

Strengthening the Compliance System

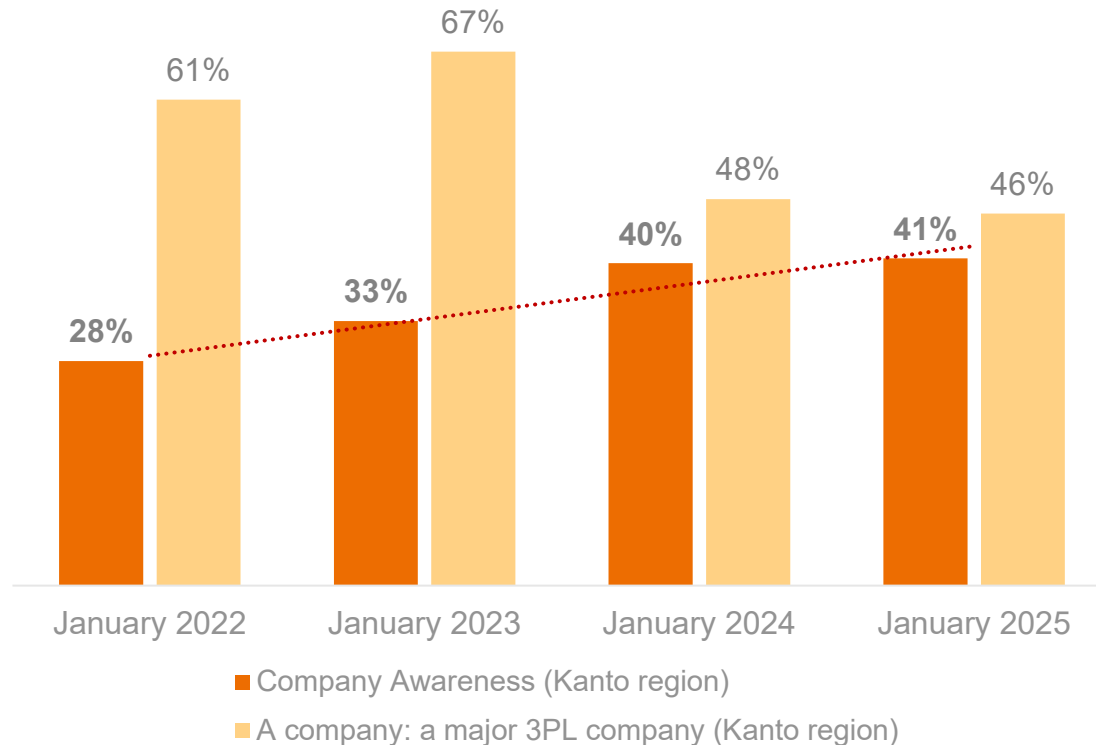
■ Regular meetings of the Liaison Committee for Whistleblowers from January 2025

- Enhancing the functionality of the whistleblowing hotline and facilitating communication and information sharing among group companies.

Enhancement of corporate awareness: Brand penetration activities

- Implemented activities to penetrate SBS brands, including TV Commercial
⇒ Business awareness steadily increased

Trends in Business Awareness (by LINE Research survey)



Responding to the "Can you name some 3PL companies you are aware of?" questionnaire based on aided recall presented by four major companies
Subjects: Men and women in their 30s and 50s, chief assistant manager class or higher, and persons involved in the selection of "mission-critical systems" and "logistics and warehousing-related services"
(n=500)

Penetration of the corporate brand

- Increase in articles by economic and overseas media
(Number of articles posted in the Nikkei: FY12/19: 2 articles
⇒ FY12/24: 14 articles)
- Strengthen driver recruitment activities
--Use social media for recruitment at group companies
- Professional sports support
--Professional Golf
--JAPAN RUGBY LEAGUE ONE
--J.League
--Women's Soccer Nadeshiko 1 division, etc.

Penetration of service brands

- "EC Logistics Omakase Kun" from 2022
- "Eco Mercari Shipping" and "SBS Eco Logistics Service" from 2024
- TV commercials broadcast promoting the above
(Casting celebrities from 2022)