

**Consolidated Financial Results
for the Year Ended March 31, 2016[Japan GAAP]**

May 12, 2016

The Sumitomo Warehouse Co., Ltd.

Securities code:	9303
Stock exchange listings:	Tokyo
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Date of general shareholders' meeting (as planned):	June 28, 2016
Dividend payable date (as planned):	June 29, 2016
Annual securities report filing date (as planned):	June 28, 2016
Supplemental material of annual results:	Yes
Convening briefing of annual results:	Yes

1. Consolidated financial results for the year ended March 31, 2016(April 1, 2015-March 31, 2016)

Figures are rounded down to the nearest million yen, except per share figures.

(1) Consolidated operating results (%: change from the previous year)

	Operating revenue		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended March 31, 2016	172,257	(1.4)	10,768	14.9	12,784	17.7	8,082	13.3
Year ended March 31, 2015	174,738	6.0	9,368	(3.4)	10,859	(2.4)	7,133	14.6

Note: Comprehensive income:

Year ended March 31, 2016 : 601 million yen ; (97.0%)

Year ended March 31, 2015 : 20,350 million yen ; 30.6%

	Net income per share	Diluted net income per share	Net income to shareholders' equity ratio	Ordinary income to total assets ratio	Operating income to operating revenues ratio
	Yen	Yen	%	%	%
Year ended March 31, 2016	45.23	45.18	5.0	4.2	6.3
Year ended March 31, 2015	39.94	39.93	4.6	3.7	5.4

Note: Investment profit (loss) on equity method:

Year ended March 31, 2016 : 181 million yen

Year ended March 31, 2015 : 218 million yen

(2) Consolidated financial positions

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2016	300,558	169,451	53.8	905.43
As of March 31, 2015	302,545	171,503	54.2	918.40

Note: Owner's equity

As of March 31, 2016: 161,813 million yen

As of March 31, 2015: 164,121 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents, end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2016	15,861	(16,453)	3,254	23,948
Year ended March 31, 2015	16,471	(9,107)	(8,865)	21,828

2. Dividends

	Dividend per share					Total dividend paid Millions of yen	Payout ratio (consolidated) %	Ratio of total amount of dividends to net assets (consolidated) %
	First quarter	Second quarter	Third quarter	Fiscal year end	Total			
	Yen	Yen	Yen	Yen	Yen			
Year ended March 31, 2015	—	6.00	—	7.00	13.00	2,322	32.5	1.5
Year ended March 31, 2016	—	6.00	—	8.00	14.00	2,502	31.0	1.5
Year ending March 31, 2017 (Forecast)	—	7.00	—	7.00	14.00		30.5	

3. Consolidated forecasts for the year ending March 31, 2017 (April 1, 2016-March 31, 2017)

(%: change from the previous year)

	Operating revenue		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Six months	86,000	(2.3)	5,300	(1.1)	6,200	(6.0)	3,900	(3.0)	21.82
Full year	173,000	0.4	10,800	0.3	12,600	(1.4)	8,100	0.2	45.32

4. Other

(1) Material changes in subsidiaries during this period (Changes in scope of consolidations resulting from change in subsidiaries)

: None

(2) Changes in accounting policies, accounting estimates and retrospective restatement

1) Changes in accounting policies based on revisions of accounting standard: Yes

2) Changes in accounting policies other than ones based on revisions of accounting standard: None

3) Changes in accounting estimates: None

4) Retrospective restatement: None

(3) Number of issued and outstanding shares (common stock)

Number of issued and outstanding shares (including treasury stock):

As of March 31, 2016 : 195,936,231 shares

As of March 31, 2015 : 195,936,231 shares

Number of treasury stock:

As of March 31, 2016 : 17,222,656 shares

As of March 31, 2015 : 17,232,582 shares

Average number of shares:

Year ended March 31, 2016 : 178,717,463 shares

Year ended March 31, 2015 : 178,601,625 shares

* Status of auditing processes

This financial results are exempt from auditing processes based on the Financial Instruments and Exchange Act, and auditing processes of financial statements based on the Financial Instruments and Exchange Act has not been completed at the time of disclosure of this financial results.

* Explanation for the proper use of forecasts and other special instructions

The forecasts are based on information currently available and certain assumptions judged to be reasonable. The Company's actual results may differ materially from the forecasts as a result of numerous factors outside of Company's control.

Consolidated Financial Results
(1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2015	As of March 31, 2016
Assets		
Current assets		
Cash and deposits	26,861	36,798
Notes and accounts receivable-trade	19,471	18,593
Real estate for sale	76	36
Work in process	30	23
Deferred tax assets	773	907
Other	4,928	5,152
Allowance for doubtful accounts	(110)	(102)
Total current assets	52,031	61,409
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	64,480	69,569
Machinery, equipment and vehicles, net	3,437	4,122
Vessels, net	7,831	7,354
Tools, furniture and fixtures, net	1,147	1,019
Land	49,265	49,424
Construction in progress	7,135	3,156
Other, net	676	711
Total property, plant and equipment	133,973	135,358
Intangible assets		
Goodwill	3,823	3,030
Leasehold right	5,573	5,519
Software	1,445	1,314
Other	217	212
Total intangible assets	11,060	10,075
Investments and other assets		
Investment securities	96,351	84,957
Long-term loans receivable	445	476
Deferred tax assets	2,353	2,149
Other	6,542	6,382
Allowance for doubtful accounts	(212)	(251)
Total investments and other assets	105,480	93,714
Total non-current assets	250,513	239,148
Total assets	302,545	300,558

(Millions of yen)

	As of March 31,2015	As of March 31,2016
Liabilities		
Current liabilities		
Notes and accounts payable-trade	12,261	11,353
Current portion of bonds	100	100
Short-term loans payable	16,567	12,480
Income taxes payable	1,522	2,215
Provision for bonuses	1,583	1,719
Other	7,040	6,069
Total current liabilities	39,075	33,937
Non-current liabilities		
Bonds payable	12,200	25,100
Long-term loans payable	43,919	41,010
Deferred tax liabilities	24,203	19,280
Net defined benefit liability	2,693	2,853
Provision for directors' retirement benefits	92	64
Long-term deposits received	7,665	7,684
Other	1,192	1,174
Total non-current liabilities	91,966	97,169
Total liabilities	131,041	131,106
Net assets		
Shareholders' equity		
Capital stock	21,822	21,822
Capital surplus	19,159	19,238
Retained earnings	83,175	88,782
Treasury stock	(8,956)	(8,952)
Total shareholders' equity	115,201	120,891
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	42,945	36,224
Deferred gains or losses on hedges	(7)	(25)
Foreign currency translation adjustment	5,719	4,598
Remeasurements of defined benefit plans	261	124
Total accumulated other comprehensive income	48,919	40,921
Subscription rights to shares	101	163
Non-controlling interests	7,280	7,474
Total net assets	171,503	169,451
Total liabilities and net assets	302,545	300,558

(2) Consolidated statements of income and consolidated statements of comprehensive income
(Consolidated statements of income)

(Millions of yen)

	Year ended March 31, 2015	Year ended March 31, 2016
Operating revenue		
Warehouse income	22,647	22,616
Harbor transportation income	37,044	36,519
International transportation income	37,245	34,135
Land transportation income	27,144	26,616
Shipping income	30,976	31,634
Rent income of warehouse and logistics facilities	5,285	5,270
Rent income of real estate	8,479	9,309
Other	5,914	6,154
Total operating revenue	174,738	172,257
Operating cost		
Cost of sales	108,581	103,728
Personal cost	19,391	19,486
Rent expenses	10,359	10,458
Taxes and dues	1,874	2,042
Depreciation	6,806	7,288
Other	8,749	8,501
Total operating cost	155,764	151,506
Operating gross profit	18,974	20,751
Selling, general and administrative expenses		
Salaries and allowances and welfare expenses	5,044	5,158
Provision for bonuses	369	484
Retirement benefit expenses	248	271
Amortization of goodwill	521	486
Other	3,423	3,581
Total selling, general and administrative expenses	9,606	9,982
Operating income	9,368	10,768
Non-operating income		
Interest income	52	53
Dividend income	1,626	1,757
Share of profit of entities accounted for using equity method	218	181
Foreign exchange gains	—	359
Other	303	371
Total non-operating income	2,200	2,724
Non-operating expenses		
Interest expenses	516	456
Bond issuance cost	—	72
Other	193	179
Total non-operating expenses	709	707
Ordinary income	10,859	12,784

(Millions of yen)

	Year ended March 31, 2015	Year ended March 31, 2016
Extraordinary income		
Gain on sales of non-current assets	58	61
Compensation income	994	—
Gain on reversal of foreign currency translation adjustment	—	32
Total extraordinary income	1,053	93
Extraordinary losses		
Loss on retirement of non-current assets	225	156
Impairment loss	370	11
Loss on valuation of investment securities	—	30
Business structure improvement expenses	288	120
Total extraordinary losses	884	319
Profit before income taxes	11,028	12,559
Income taxes-current	3,195	4,101
Income taxes-deferred	483	(167)
Total income taxes	3,679	3,934
Profit	7,349	8,624
Profit attributable to non-controlling interests	215	541
Profit attributable to owners of parent	7,133	8,082

(Consolidated statements of comprehensive income)

(Millions of yen)

	Year ended March 31, 2015	Year ended March 31, 2016
Profit	7,349	8,624
Other comprehensive income		
Valuation difference on available-for-sale securities	10,258	(6,767)
Deferred gains or losses on hedges	(12)	(30)
Foreign currency translation adjustment	2,236	(941)
Remeasurements of defined benefit plans, net of tax	36	(133)
Share of other comprehensive income of entities accounted for using equity method	482	(150)
Total other comprehensive income	13,001	(8,022)
Comprehensive income	20,350	601
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	19,902	221
Comprehensive income attributable to non-controlling interests	447	380

(3) Consolidated statements of changes in net assets

Year ended March 31, 2015

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of current period	21,822	19,173	78,972	(9,053)	110,915
Cumulative effects of changes in accounting policies			(698)		(698)
Restated balance	21,822	19,173	78,274	(9,053)	110,217
Changes of items during period					
Dividends of surplus			(2,231)		(2,231)
Profit attributable to owners of parent			7,133		7,133
Purchase of treasury stock				(3)	(3)
Disposal of treasury stock		(13)		100	86
Net changes of items other than shareholders' equity					
Total changes of items during period	—	(13)	4,901	96	4,984
Balance at end of current period	21,822	19,159	83,175	(8,956)	115,201

	Accumulated other comprehensive income					Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	32,738	—	3,181	229	36,149	99	6,871	154,036
Cumulative effects of changes in accounting policies								(698)
Restated balance	32,738	—	3,181	229	36,149	99	6,871	153,338
Changes of items during period								
Dividends of surplus								(2,231)
Profit attributable to owners of parent								7,133
Purchase of treasury stock								(3)
Disposal of treasury stock								86
Net changes of items other than shareholders' equity	10,206	(7)	2,537	32	12,769	2	409	13,180
Total changes of items during period	10,206	(7)	2,537	32	12,769	2	409	18,165
Balance at end of current period	42,945	(7)	5,719	261	48,919	101	7,280	171,503

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of current period	21,822	19,159	83,175	(8,956)	115,201
Cumulative effects of changes in accounting policies		(19)	(152)		(172)
Restated balance	21,822	19,140	83,023	(8,956)	115,029
Changes of items during period					
Dividends of surplus			(2,323)		(2,323)
Profit attributable to owners of parent			8,082		8,082
Purchase of treasury stock				(5)	(5)
Disposal of treasury stock		4		9	14
Changes in parent's ownership interests due to transactions with non-controlling shareholders		93			93
Net changes of items other than shareholders' equity					
Total changes of items during period	—	98	5,759	4	5,862
Balance at end of current period	21,822	19,238	88,782	(8,952)	120,891

	Accumulated other comprehensive income					Subscription rights to shares	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	42,945	(7)	5,719	261	48,919	101	7,280	171,503
Cumulative effects of changes in accounting policies			(136)		(136)			(308)
Restated balance	42,945	(7)	5,582	261	48,783	101	7,280	171,194
Changes of items during period								
Dividends of surplus								(2,323)
Profit attributable to owners of parent								8,082
Purchase of treasury stock								(5)
Disposal of treasury stock								14
Changes in parent's ownership interests due to transactions with non-controlling shareholders								93
Net changes of items other than shareholders' equity	(6,721)	(18)	(983)	(137)	(7,861)	61	194	(7,605)
Total changes of items during period	(6,721)	(18)	(983)	(137)	(7,861)	61	194	(1,743)
Balance at end of current period	36,224	(25)	4,598	124	40,921	163	7,474	169,451

(4) Consolidated statements of cash flows

(Millions of yen)

	Year ended March 31, 2015	Year ended March 31, 2016
Cash flows from operating activities		
Profit before income taxes	11,028	12,559
Depreciation	7,334	7,730
Impairment loss	423	11
Compensation income	(994)	—
Amortization of goodwill	521	486
Increase (decrease) in allowance for doubtful accounts	(28)	32
Increase (decrease) in net defined benefit liability	(267)	(41)
Increase (decrease) in provision for directors' retirement benefits	(24)	(27)
Increase (decrease) in provision for bonuses	60	137
Interest and dividend income	(1,679)	(1,811)
Interest expenses	516	456
Share of (profit) loss of entities accounted for using equity method	(218)	(181)
Loss (gain) on sales of non-current assets	(58)	(61)
Loss on retirement of non-current assets	225	156
Loss (gain) on valuation of investment securities	5	30
Gain on reversal of foreign currency translation adjustment	—	(32)
Decrease (increase) in notes and accounts receivable-trade	215	594
Increase (decrease) in notes and accounts payable-trade	(588)	(818)
Increase (decrease) in deposits received	556	(796)
Other, net	828	(423)
Subtotal	17,857	18,002
Interest and dividend income received	1,857	1,886
Interest expenses paid	(525)	(460)
Proceeds from compensation	497	—
Income taxes paid	(3,215)	(3,566)
Net cash provided by (used in) operating activities	16,471	15,861
Cash flows from investing activities		
Payments into time deposits	(7,760)	(14,337)
Proceeds from withdrawal of time deposits	10,755	6,499
Purchase of property, plant and equipment	(14,218)	(8,349)
Proceeds from sales of property, plant and equipment	78	205
Purchase of intangible assets	(373)	(413)
Purchase of investment securities	(36)	(67)
Proceeds from sales of investment securities	3,004	2
Payments of loans receivable	(73)	(69)
Collection of loans receivable	38	37
Other, net	(521)	38
Net cash provided by (used in) investing activities	(9,107)	(16,453)

(Millions of yen)

	Year ended March 31, 2015	Year ended March 31, 2016
Cash flows from financing activities		
Increase in short-term loans payable	7,337	5,921
Decrease in short-term loans payable	(7,684)	(6,326)
Proceeds from long-term loans payable	1,300	2,050
Repayments of long-term loans payable	(7,321)	(8,639)
Proceeds from issuance of bonds	—	13,000
Redemption of bonds	(100)	(100)
Proceeds from sales of treasury stock	71	11
Purchase of treasury stock	(3)	(5)
Cash dividends paid	(2,232)	(2,324)
Cash dividends paid to non-controlling shareholders	(62)	(89)
Other, net	(169)	(242)
Net cash provided by (used in) financing activities	(8,865)	3,254
Effect of exchange rate change on cash and cash equivalents	713	(543)
Net increase (decrease) in cash and cash equivalents	(787)	2,119
Cash and cash equivalents at beginning of period	22,616	21,828
Cash and cash equivalents at end of period	21,828	23,948

(5) Segment Information

[Segment Information]

1. General information about reportable segments

The reportable segments are the components of our Group, for each of which discrete financial information is available, and whose operating results are regularly reviewed by the Company's board of directors to make decisions about resources to be allocated to each segment and assess its performance.

The Company, in cooperation with its domestic and overseas subsidiaries, operates "Logistics business" including warehousing, harbor transportation, international transportation and land transportation etc., which, constituting respective parts of total logistics business, have a mutual relationship to each other and are deemed to be inseparable in management of the Company, and "Shipping business" consisting mainly of vessel operations on the routes between the northwest coast of North America and East Asia by our subsidiary Westwood Shipping Lines, Inc. In addition to these, the Company promotes "Real estate business" including leasing and sales of real estate etc., with a dedicated department in its head office, mainly in such way as to put its real estate to more effective use.

The Company's business comprises the segments corresponding to each business as mentioned above, and the Company presents "Logistics", "Real estate" and "Shipping" as its three reportable segments.

2. Information related to operating revenue, income (loss), assets, and other items by reportable segment

Year ended March 31, 2015

(Millions of yen)

	Reportable segment				Adjustment (Note 1)	Amount in consolidated statements of income (Note 2)
	Logistics	Shipping	Real estate	Total		
Operating revenue						
Operating revenue to outside customers	135,139	30,976	8,622	174,738	—	174,738
Intersegment transfers	446	136	370	953	(953)	—
Total	135,585	31,113	8,992	175,692	(953)	174,738
Segment income	9,085	636	3,662	13,384	(4,016)	9,368
Segment assets	133,750	20,229	43,330	197,311	105,233	302,545
Other items						
Depreciation	3,818	498	2,444	6,761	572	7,334
Amortization of goodwill	104	417	—	521	—	521
Investment in associates accounted for by equity method	5,709	—	—	5,709	—	5,709
Additions to property, plant and equipment and intangible assets	6,481	102	6,685	13,269	405	13,674

Notes: 1. (1) Adjustment in segment income of ¥ -4,016 million includes company-wide expenses of ¥ -3,980 million, which are not allocated to the respective reportable segments. Company-wide expenses consist mainly of the expenses not assignable to neither of the reportable segments for administrative departments of the Company and some of its consolidated subsidiaries.

(2) Adjustment in segment assets of ¥ 105,233 million includes company-wide assets of ¥ 107,356 million, which are not allocated to the respective reportable segments. Company-wide assets consist mainly of working funds (cash and deposits), long-term investments (investment securities) and assets of administrative departments, of the Company and some of its consolidated subsidiaries, which are not assignable to neither of the reportable segments.

(3) Adjustment in additions to property, plant and equipment and intangible assets of ¥ 405 million consist of the capital investments not assignable to neither of the reportable segments for administrative departments of the Company and some of its consolidated subsidiaries.

2. Segment income is adjusted to coincide with operating income as recorded on the consolidated statements of income.

	Reportable segment				Adjustment (Note 1)	Amount in consolidated statements of income (Note 2)
	Logistics	Shipping	Real estate	Total		
Operating revenue						
Operating revenue to outside customers	130,981	31,634	9,641	172,257	—	172,257
Intersegment transfers	408	166	376	951	(951)	—
Total	131,390	31,801	10,017	173,209	(951)	172,257
Segment income	9,044	1,685	4,542	15,273	(4,504)	10,768
Segment assets	136,477	19,007	43,096	198,581	101,976	300,558
Other items						
Depreciation	4,209	507	2,460	7,177	553	7,730
Amortization of goodwill	104	382	—	486	—	486
Investment in associates accounted for by equity method	5,662	24	—	5,686	—	5,686
Additions to property, plant and equipment and intangible assets	6,714	417	2,273	9,405	66	9,471

Notes: 1. (1) Adjustment in segment income of ¥ -4,504 million includes company-wide expenses of ¥ -4,477 million, which are not allocated to the respective reportable segments. Company-wide expenses consist mainly of the expenses not assignable to neither of the reportable segments for administrative departments of the Company and some of its consolidated subsidiaries.

(2) Adjustment in segment assets of ¥ 101,976 million includes company-wide assets of ¥ 103,891 million, which are not allocated to the respective reportable segments. Company-wide assets consist mainly of working funds (cash and deposits), long-term investments (investment securities) and assets of administrative departments, of the Company and some of its consolidated subsidiaries, which are not assignable to neither of the reportable segments.

(3) Adjustment in additions to property, plant and equipment and intangible assets of ¥ 66 million consist of the capital investments not assignable to neither of the reportable segments for administrative departments of the Company and some of its consolidated subsidiaries.

2. Segment income is adjusted to coincide with operating income as recorded on the consolidated statements of income.

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