

**Consolidated Financial Results**  
**for the Second Quarter Ended September 30, 2014 [ Japan GAAP ]**

November 6, 2014

**The Sumitomo Warehouse Co., Ltd.**

Securities code: 9303  
 Stock exchange listings: Tokyo  
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 Quarterly statement filing date (as planned): November 11, 2014  
 Dividend payable date (as planned): December 2, 2014  
 Supplemental material of quarterly results: Yes  
 Convening briefing of quarterly results: Yes

**1. Consolidated financial results for the second quarter ended September 30, 2014** (April 1, 2014- September 30, 2014)

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		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2014	83,013	3.9	4,505	(8.5)	5,218	(8.8)	3,845	13.8
Six months ended September 30, 2013	79,924	4.0	4,924	(2.7)	5,720	3.2	3,379	5.9

Note: Comprehensive income:

Six months ended September 30, 2014: 4,726 million yen; -67.3%

Six months ended September 30, 2013: 14,447 million yen; -%

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended September 30, 2014	21.54	21.53
Six months ended September 30, 2013	18.93	18.92

(2) Consolidated financial positions

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of September 30, 2014	286,041	156,936	52.4
As of March 31, 2014	289,028	154,036	50.9

Note: Owner's equity

As of September 30, 2014: 149,819 million yen

As of March 31, 2014: 147,065million yen

**2. Dividends**

	Dividend per share				
	First quarter	Second quarter	Third quarter	Fiscal year end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2014	—	5.50	—	6.50	12.00
Year ending March 31, 2015	—	6.00			
Year ending March 31, 2015 (Forecast)			—	6.00	12.00

Note: Correction of dividend forecast from the most recent dividend forecast: None

### 3. Consolidated forecasts for the year ending March 31, 2015 (April 1, 2014-March 31, 2015)

(%: change from the previous year)

	Operating revenue		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	170,000	3.1	9,700	0.1	10,900	(2.0)	7,100	14.1	39.78

Note: Correction of financial forecast from the most recent financial forecast: None

### 4. Other

(1) Material changes in subsidiaries during this period (Changes in scope of consolidations resulting from change in subsidiaries)  
: None

(2) Applying of specific accounting of the consolidated quarterly financial statements: Yes

(3) 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

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

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

As of September 30, 2014 : 195,936,231 shares

As of March 31, 2014 : 195,936,231 shares

Number of treasury stock:

As of September 30, 2014: 17,358,817 shares

As of March 31, 2014: 17,419,652 shares

Average number of shares:

Second quarter ended September 30, 2014 : 178,535,673 shares

Second quarter ended September 30, 2013 : 178,460,820 shares

\* Status of quarterly reviewing processes

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

(Millions of yen)

	As of March 31, 2014	As of September 30, 2014
<b>Assets</b>		
Current assets		
Cash and deposits	30,582	21,941
Notes and accounts receivable-trade	19,232	18,771
Real estate for sale	79	79
Work in process	18	21
Deferred tax assets	922	823
Other	4,456	5,452
Allowance for doubtful accounts	(136)	(115)
Total current assets	55,154	46,974
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	62,556	65,730
Machinery, equipment and vehicles, net	3,760	3,734
Vessels, net	8,306	8,068
Tools, furniture and fixtures, net	1,123	1,144
Land	47,655	48,812
Construction in progress	3,466	3,003
Other, net	475	440
Total property, plant and equipment	127,344	130,934
Intangible assets		
Goodwill	3,833	3,469
Leasehold right	5,512	5,464
Software	1,670	1,592
Other	225	212
Total intangible assets	11,242	10,739
Investments and other assets		
Investment securities	86,118	88,466
Long-term loans receivable	472	453
Deferred tax assets	2,458	2,121
Other	6,506	6,562
Allowance for doubtful accounts	(268)	(210)
Total investments and other assets	95,285	97,392
Total non-current assets	233,873	239,067
Total assets	289,028	286,041

(Millions of yen)

	As of March 31, 2014	As of September 30, 2014
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable-trade	12,321	12,054
Current portion of bonds	100	100
Short-term loans payable	10,563	14,726
Income taxes payable	1,528	1,526
Provision for bonuses	1,516	1,713
Other	7,368	5,789
<b>Total current liabilities</b>	<b>33,398</b>	<b>35,910</b>
<b>Non-current liabilities</b>		
Bonds payable	12,300	12,250
Long-term loans payable	56,290	46,446
Deferred tax liabilities	22,191	22,890
Net defined benefit liability	1,948	2,818
Provision for directors' retirement benefits	116	82
Long-term deposits received	7,669	7,665
Other	1,076	1,038
<b>Total non-current liabilities</b>	<b>101,592</b>	<b>93,193</b>
<b>Total liabilities</b>	<b>134,991</b>	<b>129,104</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	21,822	21,822
Capital surplus	19,173	19,169
Retained earnings	78,972	80,959
Treasury shares	(9,053)	(9,021)
<b>Total shareholders' equity</b>	<b>110,915</b>	<b>112,930</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	32,738	34,207
Foreign currency translation adjustment	3,181	2,461
Remeasurements of defined benefit plans	229	220
<b>Total accumulated other comprehensive income</b>	<b>36,149</b>	<b>36,888</b>
Subscription rights to shares	99	111
Minority interests	6,871	7,005
<b>Total net assets</b>	<b>154,036</b>	<b>156,936</b>
<b>Total liabilities and net assets</b>	<b>289,028</b>	<b>286,041</b>

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

(Millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
Operating revenue		
Warehouse income	11,192	11,280
Harbor transportation income	17,734	18,587
International transportation income	15,194	16,738
Land transportation income	13,467	13,458
Shipping income	12,342	13,285
Rent income of warehouse and logistics facilities	2,565	2,661
Rent income of real estate	4,522	4,051
Other	2,904	2,948
Total operating revenue	79,924	83,013
Operating cost		
Cost of sales	48,703	50,983
Personal expenses	9,117	9,503
Rent expenses	4,662	4,841
Taxes and dues	944	964
Depreciation	2,965	3,241
Other	3,929	4,267
Total operating cost	70,323	73,801
Operating gross profit	9,601	9,211
Selling, general and administrative expenses		
Salaries and allowances and welfare expenses	2,313	2,326
Provision for bonuses	320	335
Retirement benefit expenses	108	120
Amortization of goodwill	222	227
Other	1,711	1,695
Total selling, general and administrative expenses	4,676	4,705
Operating income	4,924	4,505
Non-operating income		
Interest and dividend income	803	838
Share of profit of entities accounted for using equity method	74	190
Other	306	119
Total non-operating income	1,184	1,148
Non-operating expenses		
Interest expenses	305	258
Other	83	177
Total non-operating expenses	388	435
Ordinary income	5,720	5,218

(Millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
Extraordinary income		
Gain on sales of non-current assets	13	18
Compensation income	-	994
Total extraordinary income	13	1,013
Extraordinary losses		
Loss on retirement of non-current assets	74	42
Business structure improvement expenses	-	26
Total extraordinary losses	74	69
Income before income taxes and minority interests	5,659	6,161
Income taxes - current	1,972	1,542
Income taxes - deferred	124	592
Total income taxes	2,096	2,134
Income before minority interests	3,562	4,026
Minority interests in income	183	181
Net income	3,379	3,845

(Consolidated quarterly statements of comprehensive income)

(Millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
Income before minority interests	3,562	4,026
Other comprehensive income		
Valuation difference on available-for-sale securities	8,411	1,495
Foreign currency translation adjustment	2,228	(630)
Remeasurements of defined benefit plans, net of tax	-	(6)
Share of other comprehensive income of entities accounted for using equity method	245	(158)
Total other comprehensive income	10,885	699
Comprehensive income	14,447	4,726
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	14,050	4,584
Comprehensive income attributable to minority interests	397	142

## (3) Consolidated quarterly statements of cash flows

(Millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
Cash flows from operating activities		
Income before income taxes and minority interests	5,659	6,161
Depreciation	3,394	3,492
Compensation income	—	(994)
Amortization of goodwill	222	227
Increase (decrease) in provision	99	145
Interest and dividend income	(803)	(838)
Interest expenses	305	258
Share of (profit) loss of entities accounted for using equity method	(74)	(190)
Loss (gain) on sales of non-current assets	(13)	(18)
Loss on retirement of non-current assets	74	42
Decrease (increase) in notes and accounts receivable - trade	(167)	305
Increase (decrease) in notes and accounts payable - trade	(586)	(103)
Other, net	(246)	(750)
Subtotal	7,863	7,737
Interest and dividend income received	858	853
Interest expenses paid	(361)	(264)
Proceeds from compensation	497	497
Income taxes paid	(1,915)	(1,544)
Net cash provided by (used in) operating activities	6,942	7,278
Cash flows from investing activities		
Payments into time deposits	(8,263)	(107)
Proceeds from withdrawal of time deposits	7,735	6,304
Purchase of property, plant and equipment	(4,731)	(8,079)
Proceeds from sales of property, plant and equipment	36	28
Purchase of intangible assets	(433)	(220)
Purchase of investment securities	(516)	(19)
Payments of loans receivable	(56)	(62)
Collection of loans receivable	21	20
Other, net	540	(550)
Net cash provided by (used in) investing activities	(5,668)	(2,686)
Cash flows from financing activities		
Increase in short-term loans payable	6,265	3,364
Decrease in short-term loans payable	(4,493)	(3,163)
Proceeds from long-term loans payable	16,250	200
Repayments of long-term loans payable	(18,163)	(6,081)
Cash dividends paid	(982)	(1,160)
Other, net	(234)	(116)
Net cash provided by (used in) financing activities	(1,358)	(6,957)
Effect of exchange rate change on cash and cash equivalents	720	(56)
Net increase (decrease) in cash and cash equivalents	636	(2,421)
Cash and cash equivalents at beginning of period	16,492	22,616
Cash and cash equivalents at end of period	17,129	20,195



#### (4) Segment information

Information related to operating revenue and income (loss) by reportable segment

Six months ended September 30, 2013

(Millions of yen)

	Reportable segment				Adjustment (Note 1)	Amount in consolidated quarterly statements of income (Note 2)
	Logistics	Shipping	Real estate	Total		
Operating revenue						
Operating revenue to outside customers	62,997	12,342	4,584	79,924	—	79,924
Intersegment transfers	221	116	193	530	(530)	—
Total	63,218	12,458	4,778	80,454	(530)	79,924
Segment income	4,090	257	2,674	7,021	(2,097)	4,924

Notes: 1. Adjustment in segment income of ¥ -2,097 million includes company-wide expenses of ¥ -2,015 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. Segment income is adjusted to coincide with operating income as recorded on the consolidated quarterly statements of income.

Six months ended September 30, 2014

(Millions of yen)

	Reportable segment				Adjustment (Note 1)	Amount in consolidated quarterly statements of income (Note 2)
	Logistics	Shipping	Real estate	Total		
Operating revenue						
Operating revenue to outside customers	65,607	13,285	4,120	83,013	—	83,013
Intersegment transfers	202	77	181	461	(461)	—
Total	65,810	13,363	4,301	83,475	(461)	83,013
Segment income	4,349	537	1,700	6,587	(2,081)	4,505

Notes: 1. Adjustment in segment income of ¥ -2,081 million includes company-wide expenses of ¥ -2,045 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. Segment income is adjusted to coincide with operating income as recorded on the consolidated quarterly statements of income.