

**Consolidated Financial Results**  
**for the Second Quarter Ended September 30, 2020 [ Japan GAAP ]**

November 6, 2020

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

Securities code: 9303  
 Stock exchange listings: Tokyo  
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 Quarterly statement filing date (as planned): November 11, 2020  
 Dividend payable date (as planned): December 1, 2020  
 Supplemental material of quarterly results: Yes  
 Convening briefing of quarterly results: Yes

(Figures are rounded down to the nearest million yen)

**1. Consolidated financial results for the second quarter ended September 30, 2020** (April 1, 2020-September 30, 2020)

(1) Consolidated operating results (%: year-on-year change)

	Operating revenue		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2020	92,945	(2.4)	4,440	(20.0)	5,790	(15.5)	3,360	(21.9)
Six months ended September 30, 2019	95,231	5.8	5,551	40.8	6,853	28.9	4,302	152.6

Note: Comprehensive income:

Six months ended September 30, 2020: 10,647 million yen ; 243.9%

Six months ended September 30, 2019: 3,096 million yen ; -%

	Net income per share	Diluted net income per share
	Yen	Yen
Six months ended September 30, 2020	40.21	40.10
Six months ended September 30, 2019	50.45	50.28

(2) Consolidated financial positions

	Total assets	Net assets	Capital adequacy ratio
	Millions of yen	Millions of yen	%
As of September 30, 2020	325,144	180,184	53.3
As of March 31, 2020	318,458	171,976	51.9

Note: Owner's equity

As of September 30, 2020: 173,143 million yen

As of March 31, 2020: 165,291 million 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, 2020	—	18.00	—	29.00	47.00
Year ending March 31, 2021	—	24.00			
Year ending March 31, 2021 (Forecast)			—	24.00	48.00

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

\* The fiscal year-end dividend per share for the year ended March 31, 2020 consists of ¥19.00 for ordinary dividend and ¥10.00 for 120th anniversary commemorative dividend.

## 3. Consolidated forecasts for the year ending March 31, 2021 (April 1, 2020-March 31, 2021)

(%: year-on-year change)

	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
Full year	187,000	(2.5)	9,500	(14.4)	11,800	(13.2)	7,200	(19.6)	86.15

Note: Correction of financial forecast from the most recent financial forecast: Yes

## 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: None

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, 2020 : 84,386,615 shares

As of March 31, 2020 : 84,386,615 shares

Number of treasury stock:

As of September 30, 2020 : 784,446 shares

As of March 31, 2020 : 838,377 shares

Average number of shares:

Second quarter ended September 30, 2020 : 83,572,636 shares

Second quarter ended September 30, 2019 : 85,283,545 shares

\* Status of quarterly reviewing processes

This Financial Results is not subject to review based on the Japanese Financial Instruments and Exchange Act.

\* 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 the Company's control.

Consolidated Financial Results  
(1) Consolidated quarterly balance sheets

(Millions of yen)

	As of March 31, 2020	As of September 30, 2020
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	36,367	27,682
Notes and accounts receivable-trade	21,851	20,574
Real estate for sale	27	27
Work in process	10	10
Other	5,774	5,824
Allowance for doubtful accounts	(121)	(97)
Total current assets	63,911	54,021
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings and structures, net	77,487	83,691
Machinery, equipment and vehicles, net	4,875	5,347
Vessels, net	4,261	4,095
Tools, furniture and fixtures, net	1,000	1,158
Land	64,048	64,089
Construction in progress	8,239	7,804
Other, net	3,107	2,799
Total property, plant and equipment	163,020	168,987
<b>Intangible assets</b>		
Goodwill	44	35
Leasehold interests in land	5,125	5,125
Software	1,284	1,211
Other	233	239
Total intangible assets	6,687	6,611
<b>Investments and other assets</b>		
Investment securities	77,232	88,022
Long-term loans receivable	330	329
Deferred tax assets	535	523
Other	6,993	6,903
Allowance for doubtful accounts	(253)	(255)
Total investments and other assets	84,839	95,523
Total non-current assets	254,547	271,122
Total assets	318,458	325,144

(Millions of yen)

	As of March 31, 2020	As of September 30, 2020
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable-trade	12,670	12,040
Current portion of bonds payable	5,000	5,000
Short-term borrowings	19,747	12,520
Income taxes payable	1,243	2,045
Provision for bonuses	1,823	2,076
Other	7,133	9,895
Total current liabilities	47,619	43,578
Non-current liabilities		
Bonds payable	43,000	43,000
Long-term borrowings	25,070	24,715
Deferred tax liabilities	16,271	19,447
Provision for retirement benefits for directors (and other officers)	54	49
Retirement benefit liability	4,800	4,861
Long-term deposits received	8,076	7,997
Other	1,588	1,308
Total non-current liabilities	98,862	101,380
Total liabilities	146,482	144,959
<b>Net assets</b>		
Shareholders' equity		
Share capital	14,922	14,922
Capital surplus	12,115	12,115
Retained earnings	106,514	107,445
Treasury stock	(1,191)	(1,114)
Total shareholders' equity	132,361	133,369
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	31,030	38,544
Foreign currency translation adjustment	2,196	1,535
Remeasurements of defined benefit plans	(298)	(305)
Total accumulated other comprehensive income	32,929	39,774
Share acquisition rights	294	292
Non-controlling interests	6,391	6,748
Total net assets	171,976	180,184
Total liabilities and net assets	318,458	325,144

(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, 2019	Six months ended September 30, 2020
Operating revenue		
Warehouse income	13,193	13,100
Harbor transportation income	19,065	17,715
International transportation income	20,250	19,879
Land transportation income	18,982	20,344
Shipping income	12,494	10,890
Rent income of warehouse and logistics facilities	2,747	2,860
Real estate lease revenue	5,063	5,041
Other	3,433	3,113
Total operating revenue	95,231	92,945
Operating costs		
Cost of sales	58,725	57,291
Personal expenses	11,305	11,512
Rent expenses	5,244	5,281
Taxes and dues	1,195	1,250
Depreciation	3,744	4,099
Other	4,388	4,133
Total operating costs	84,603	83,569
Operating gross profit	10,627	9,375
Selling, general and administrative expenses		
Salaries, allowances and welfare expenses	2,557	2,550
Provision for bonuses	399	411
Retirement benefit expenses	104	134
Amortization of goodwill	8	8
Other	2,005	1,829
Total selling, general and administrative expenses	5,076	4,934
Operating income	5,551	4,440
Non-operating income		
Interest and dividend income	1,303	1,206
Share of profit of entities accounted for using equity method	150	72
Other	231	352
Total non-operating income	1,685	1,631
Non-operating expenses		
Interest expenses	208	203
Other	174	78
Total non-operating expenses	383	281
Ordinary income	6,853	5,790

(Millions of yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Extraordinary income		
Gain on sales of non-current assets	14	11
Gain on sales of investment securities	57	—
Total extraordinary income	71	11
Extraordinary losses		
Loss on retirement of non-current assets	136	131
Loss on disaster	40	—
Total extraordinary losses	177	131
Profit before income taxes	6,747	5,670
Income taxes-current	2,033	2,029
Income taxes-deferred	59	(135)
Total income taxes	2,092	1,894
Profit	4,655	3,775
Profit attributable to non-controlling interests	352	415
Profit attributable to owners of parent	4,302	3,360

(Consolidated quarterly statements of comprehensive income)

	(Millions of yen)	
	Six months ended September 30, 2019	Six months ended September 30, 2020
Profit	4,655	3,775
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,116)	7,565
Foreign currency translation adjustment	(279)	(608)
Remeasurements of defined benefit plans, net of tax	(64)	(7)
Share of other comprehensive income of entities accounted for using equity method	(98)	(77)
Total other comprehensive income	(1,558)	6,872
Comprehensive income	3,096	10,647
(Comprehensive income attributable to)		
Owners of parent	2,752	10,205
Non-controlling interests	343	442

## (3) Consolidated quarterly statements of cash flows

(Millions of yen)

	Six months ended September 30, 2019	Six months ended September 30, 2020
Cash flows from operating activities		
Profit before income taxes	6,747	5,670
Depreciation	3,963	4,312
Amortization of goodwill	8	8
Increase (decrease) in provisions	271	226
Interest and dividend income	(1,303)	(1,206)
Interest expenses	208	203
Share of loss (profit) of entities accounted for using equity method	(150)	(72)
Loss (gain) on sales of non-current assets	(14)	(11)
Loss on retirement of non-current assets	136	131
Loss (gain) on sales of investment securities	(57)	—
Decrease (increase) in trade receivables	293	1,163
Increase (decrease) in trade payables	(605)	(554)
Other, net	609	423
Subtotal	10,110	10,294
Interest and dividends received	1,481	1,325
Interest paid	(218)	(219)
Income taxes paid	(3,941)	(1,261)
Net cash provided by (used in) operating activities	7,432	10,138
Cash flows from investing activities		
Payments into time deposits	(15,142)	(952)
Proceeds from withdrawal of time deposits	3,645	488
Purchase of property, plant and equipment	(10,357)	(7,825)
Proceeds from sales of property, plant and equipment	16	59
Purchase of intangible assets	(289)	(206)
Purchase of investment securities	(90)	(21)
Proceeds from sales of investment securities	68	0
Collection of loans receivable	20	6
Other, net	(234)	(139)
Net cash provided by (used in) investing activities	(22,363)	(8,591)
Cash flows from financing activities		
Proceeds from short-term borrowings	3,274	1,252
Repayments of short-term borrowings	(3,170)	(1,517)
Proceeds from long-term borrowings	11,547	—
Repayments of long-term borrowings	(7,463)	(7,289)
Proceeds from issuance of bonds	15,000	—
Purchase of treasury stock	(939)	(0)
Cash dividends paid	(2,435)	(2,422)
Other, net	(489)	(486)
Net cash provided by (used in) financing activities	15,322	(10,463)
Effect of exchange rate change on cash and cash equivalents	(117)	(169)
Net increase (decrease) in cash and cash equivalents	274	(9,085)
Cash and cash equivalents at beginning of period	24,161	34,549
Cash and cash equivalents at end of period	24,435	25,464



#### (4) Segment information

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

Six months ended September 30, 2019

(Millions of yen)

	Reportable segment				Adjustment (Note 1)	Amount in consolidated quarterly statements of income (Note 2)
	Logistics	Shipping	Real estate	Total		
Operating revenue						
External revenue	77,570	12,494	5,166	95,231	—	95,231
Inter-segment revenue	261	296	225	783	(783)	—
Total	77,832	12,791	5,391	96,015	(783)	95,231
Segment income	5,476	2	2,731	8,210	(2,658)	5,551

Notes: 1. The adjustment of ¥ (2,658) million in segment income includes company-wide expenses of ¥ (2,603) 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, 2020

(Millions of yen)

	Reportable segment				Adjustment (Note 1)	Amount in consolidated quarterly statements of income (Note 2)
	Logistics	Shipping	Real estate	Total		
Operating revenue						
External revenue	76,913	10,890	5,141	92,945	—	92,945
Inter-segment revenue	204	294	255	754	(754)	—
Total	77,117	11,184	5,397	93,699	(754)	92,945
Segment income (loss)	4,897	(621)	2,759	7,034	(2,593)	4,440

Notes: 1. The adjustment of ¥ (2,593) million in segment income (loss) includes company-wide expenses of ¥ (2,541) 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 (loss) is adjusted to coincide with operating income as recorded on the consolidated quarterly statements of income.

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