

May 15, 2026

Consolidated Financial Results for the Fiscal Year Ended March 31, 2026 (Under Japanese GAAP)

Company name: Sanyo Electric Railway
 Listing: Tokyo Stock Exchange
 Securities code: 9052
 URL: <https://www.sanyo-railway.co.jp/>
 Representative: Masahiro Itoh, President and Representative Director
 Inquiries: Takeshi Tanaka, Executive Officer, Manager of Accounting Division
 Telephone: +81-78-612-2032
 Scheduled date of annual general meeting of shareholders: June 19, 2026
 Scheduled date to commence dividend payments: June 22, 2026
 Scheduled date to file annual securities report: June 18, 2026
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Operating revenues		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	40,132	4.3	4,478	10.2	4,626	10.5	4,045	33.4
March 31, 2025	38,489	(1.9)	4,065	(6.0)	4,185	(6.3)	3,031	(2.6)

Note: Comprehensive income For the fiscal year ended March 31, 2026: ¥5,658 million [46.7%]
 For the fiscal year ended March 31, 2025: ¥3,857 million [(28.6)%]

Fiscal year ended	Basic earnings per share	Diluted earnings per share	Return on equity	Ratio of ordinary profit to total assets	Ratio of operating profit to net sales
	Yen	Yen	%	%	%
March 31, 2026	182.05	-	6.8	3.7	11.2
March 31, 2025	136.44	-	5.4	3.5	10.6

Reference: Share of profit (loss) of entities accounted for using equity method
 For the fiscal year ended March 31, 2026: ¥0 million
 For the fiscal year ended March 31, 2025: ¥1 million

(2) Consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	130,301	62,228	47.8	2,800.62
March 31, 2025	122,690	57,572	46.9	2,591.06

Reference: Equity
 As of March 31, 2026: ¥62,228 million
 As of March 31, 2025: ¥57,572 million

(3) Consolidated cash flows

Fiscal year ended	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
March 31, 2026	8,020	(5,356)	(1,670)	7,805
March 31, 2025	5,898	(7,808)	3,302	6,812

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal year ended March 31, 2025	-	15.00	-	20.00	35.00	778	25.7	1.4
Fiscal year ended March 31, 2026	-	25.00	-	25.00	50.00	1,114	27.5	1.9
Fiscal year ending March 31, 2027 (Forecast)		25.00		25.00	50.00		37.0	

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

(Percentages indicate year-on-year changes.)

	Operating revenues		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Fiscal year ending March 31, 2027	43,738	9.0	4,477	(0.0)	4,397	(4.9)	3,006	(25.7)	135.30

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None
- (3) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2026	22,330,598 shares
As of March 31, 2025	22,330,598 shares

- (ii) Number of treasury shares at the end of the period

As of March 31, 2026	110,939 shares
As of March 31, 2025	111,116 shares

- (iii) Average number of shares outstanding during the period

Fiscal year ended March 31, 2026	22,219,705 shares
Fiscal year ended March 31, 2025	22,218,839 shares

Note: The number of treasury shares at the end of the fiscal year includes the Company's shares held by the Equity Grant Trust for Officers as follows. The fiscal year ending March 31, 2026: 72,400 Shares the fiscal year ending March 31, 2025: 28,500 Shares

[Reference] Overview of non-consolidated financial results

1. Non-consolidated financial results for the fiscal year ended March 31, 2026 (from April 1, 2025 to March 31, 2026)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

Fiscal year ended	Operating revenues		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	21,556	6.1	3,828	13.1	4,107	14.6	3,756	44.6
March 31, 2025	20,326	(4.9)	3,386	(5.5)	3,583	(6.0)	2,598	(3.2)

Fiscal year ended	Basic earnings per share	Diluted earnings per share
	Yen	Yen
March 31, 2026	169.07	-
March 31, 2025	116.96	-

(2) Non-consolidated financial position

As of	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
March 31, 2026	117,164	55,907	47.7	2,516.14
March 31, 2025	109,397	51,337	46.9	2,310.48

Reference: Equity

As of March 31, 2026: ¥55,907 million

As of March 31, 2025: ¥51,337 million

* Financial results reports are exempt from audit conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

(Cautions on forward-looking statements, etc.)

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information available to the Company and on certain assumptions deemed to be reasonable. Actual financial results may differ from the results anticipated in the statements due to various factors.

For the above earnings forecasts, please refer to "1. Please refer to "Summary of Business Results (3) Future Outlook".

(How to obtain supplementary explanatory materials for financial results)

Supplementary materials for the financial results will be disclosed on TDnet on the same day and will also be available on our website.

Consolidated balance sheet

(Millions of yen)

	As of March 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	8,856	6,831
Notes and accounts receivable - trade, and contract assets	3,753	3,423
Securities	-	1,998
Merchandise and finished goods	959	989
Land and buildings for sale in lots	3,909	5,219
Other	1,662	2,101
Allowance for doubtful accounts	(2)	(2)
Total current assets	19,139	20,561
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	42,824	41,771
Machinery, equipment and vehicles, net	10,919	12,587
Land	31,707	31,439
Construction in progress	960	1,869
Other, net	679	1,004
Total property, plant and equipment	87,091	88,671
Intangible assets	743	616
Investments and other assets		
Investment securities	11,281	15,017
Long-term loans receivable	42	30
Retirement benefit asset	3,301	4,387
Deferred tax assets	223	206
Other	882	823
Allowance for doubtful accounts	(13)	(13)
Total investments and other assets	15,717	20,452
Total non-current assets	103,551	109,739
Total assets	122,690	130,301

	As of March 31, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	5,598	6,386
Short-term borrowings	5,972	5,793
Current portion of bonds payable	-	6,000
Income taxes payable	496	744
Provision for bonuses	555	631
Provision for bonuses for directors (and other officers)	32	37
Other	7,445	9,000
Total current liabilities	20,101	28,593
Non-current liabilities		
Bonds payable	6,000	-
Long-term borrowings	31,203	30,730
Deferred tax liabilities	3,606	4,719
Retirement benefit liability	1,380	1,112
Long-term deferred contribution for construction	69	165
Leasehold and guarantee deposits received	2,521	2,494
Other	235	257
Total non-current liabilities	45,016	39,479
Total liabilities	65,118	68,072
Net assets		
Shareholders' equity		
Share capital	10,090	10,090
Capital surplus	7,057	7,074
Retained earnings	34,619	37,662
Treasury shares	(196)	(213)
Total shareholders' equity	51,571	54,614
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	5,086	6,947
Remeasurements of defined benefit plans	914	666
Total accumulated other comprehensive income	6,000	7,614
Total net assets	57,572	62,228
Total liabilities and net assets	122,690	130,301

Consolidated statement of income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Operating revenue	38,489	40,132
Operating expenses		
Operating expenses and cost of sales of transportation	29,131	30,197
Selling, general and administrative expenses	5,292	5,456
Total operating expenses	34,423	35,653
Operating profit	4,065	4,478
Non-operating income		
Interest income	3	15
Dividend income	276	359
Gain on adjustment of accounts payable	42	45
Share of profit of entities accounted for using equity method	1	0
Miscellaneous income	193	203
Total non-operating income	517	623
Non-operating expenses		
Interest expenses	341	422
Loss on adjustment of account payable	40	40
Miscellaneous expenses	14	13
Total non-operating expenses	396	476
Ordinary profit	4,185	4,626
Extraordinary income		
Gain on revision of retirement benefit plan	-	1,071
Subsidy income	18	16
Contribution received for construction	206	5
Gain on sale of investment securities	37	-
Gain on compensation income for expropriation	36	-
Gain on sale of non-current assets	19	-
Total extraordinary income	319	1,094
Extraordinary losses		
Loss on reduction of non current assets with subsidy income	18	16
Loss on retirement of non-current assets	23	12
Tax purpose reduction entry of contribution for construction	206	5
Reduction entry of land compensation income for expropriation	36	-
Total extraordinary losses	286	35
Profit before income taxes	4,219	5,685
Income taxes - current	1,095	1,256
Income taxes - deferred	91	383
Total income taxes	1,187	1,640
Profit	3,031	4,045
Profit attributable to owners of parent	3,031	4,045

Consolidated statement of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2025	Fiscal year ended March 31, 2026
Profit	3,031	4,045
Other comprehensive income		
Valuation difference on available-for-sale securities	938	1,861
Remeasurements of defined benefit plans, net of tax	(112)	(247)
Total other comprehensive income	825	1,613
Comprehensive income	3,857	5,658
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,857	5,658
Comprehensive income attributable to non-controlling interests	-	-

Consolidated statement of changes in equity

Fiscal year ended March 31, 2025

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income			Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	10,090	7,057	32,255	(201)	49,202	4,147	1,027	5,175	54,377
Changes during period									
Dividends of surplus			(667)		(667)				(667)
Profit attributable to owners of parent			3,031		3,031				3,031
Purchase of treasury shares				(1)	(1)				(1)
Disposal of treasury shares				6	6				6
Net changes in items other than shareholders' equity						938	(112)	825	825
Total changes during period	-	-	2,364	4	2,368	938	(112)	825	3,194
Balance at end of period	10,090	7,057	34,619	(196)	51,571	5,086	914	6,000	57,572

Consolidated statement of changes in equity

Fiscal year ended March 31, 2026

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income			Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	Valuation difference on available-for-sale securities	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of period	10,090	7,057	34,619	(196)	51,571	5,086	914	6,000	57,572
Changes during period									
Dividends of surplus			(1,002)		(1,002)				(1,002)
Profit attributable to owners of parent			4,045		4,045				4,045
Purchase of treasury shares				(91)	(91)				(91)
Disposal of treasury shares		17		74	92				92
Net changes in items other than shareholders' equity						1,861	(247)	1,613	1,613
Total changes during period	-	17	3,042	(16)	3,043	1,861	(247)	1,613	4,656
Balance at end of period	10,090	7,074	37,662	(213)	54,614	6,947	666	7,614	62,228

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	4,219	5,685
Depreciation	3,757	3,773
Decrease (increase) in retirement benefit asset	(141)	(1,593)
Increase (decrease) in retirement benefit liability	(89)	(120)
Increase (decrease) in provision for bonuses	(9)	75
Increase (decrease) in provision for bonuses for directors (and other officers)	(1)	5
Share of loss (profit) of entities accounted for using equity method	(1)	(0)
Interest and dividend income	(280)	(374)
Interest expenses	341	422
Loss on retirement of property, plant and equipment	108	83
Loss (gain) on sale of property, plant and equipment	(19)	-
Decrease (increase) in trade receivables	(430)	329
Decrease (increase) in inventories	117	(792)
Increase (decrease) in trade payables	138	400
Decrease (increase) in other current assets	(183)	(626)
Increase (decrease) in other current liabilities	20	1,570
Increase (decrease) in other non-current liabilities	(57)	(2)
Other, net	177	419
Subtotal	7,666	9,255
Interest and dividends received	280	374
Interest paid	(330)	(413)
Income taxes refund (paid)	(1,717)	(1,195)
Net cash provided by (used in) operating activities	5,898	8,020
Cash flows from investing activities		
Payments into time deposits	(2,000)	(2,000)
Proceeds from withdrawal of time deposits	313	3,020
Purchase of property, plant and equipment	(6,573)	(5,583)
Proceeds from sale of property, plant and equipment	301	0
Purchase of investment securities	(302)	(1,035)
Decrease(Increase) in long-term prepaid expenses	(6)	(50)
Purchase of investments and other assets	(8)	(19)
Proceeds from decrease in investments and other assets	52	34
Proceeds from long-term deferred contribution received for construction	379	345
Other, net	35	(68)
Net cash provided by (used in) investing activities	(7,808)	(5,356)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	-	(300)
Proceeds from long-term borrowings	9,340	5,320
Repayments of long-term borrowings	(5,352)	(5,672)
Dividends paid	(667)	(1,002)
Other, net	(16)	(15)
Net cash provided by (used in) financing activities	3,302	(1,670)
Net increase (decrease) in cash and cash equivalents	1,393	993
Cash and cash equivalents at beginning of period	5,418	6,812
Cash and cash equivalents at end of period	6,812	7,805

(Notes on segment information, etc.)

Segment Information

1. Overview of Reporting Segments

The Group's reporting segments are defined as those of the Group's constituent units for which segregated financial information is available.

The Board of Directors is subject to periodic review in order to determine the allocation of management resources and evaluate performance

It is a thing.

The Group focuses on the transportation industry, including the railway business, and the distribution business, including the department store business, and is engaged in real estate, cash registers, etc.

We are engaged in a variety of businesses that lead to the revitalization of the railway line, such as services and services.

The Group is comprised of segments by type of business based on the above business contents, and is based on the category of Transportation

Five reporting segments: "Industry," "Distribution," "Real Estate," "Leisure and Services," and "Other Business"

And it is.

The business contents of each business segment in each reporting segment are as follows.

Transportation We operate trains, buses, taxis, etc.

Distribution We are engaged in the sale of products mainly in the department store business.

Real Estate We lease and sell buildings and land.

Leisure & Hospitality We are engaged in the restaurant business.

Other Businesses..... Supporting company operations such as maintenance, maintenance, and construction of equipment, worker dispatch business, etc.

We are engaged in the business of doing so.

2. Method of calculating the amount of operating revenue, profit or loss, assets and other items for each reporting segment

Profit in the reporting segment is a figure based on operating income. In addition, internal revenues and transfers between segments is based on the prevailing market price.

3. Information on the amount of operating revenue, profit or loss, assets and other items for each reported segment

The previous fiscal year (April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segments						Adjustment amount (Note 1)	Consolidated Financial Statements(Note 2)
	Transportation	Retailing	Real estate business	Leisure services	Other Businesses	Total		
Operating revenue								
(1) Operating revenue to external customers	20,027	9,455	5,459	2,234	1,312	38,489	-	38,489
(2) Internal operating revenue or transfers between segments	392	46	249	62	1,960	2,710	(2,710)	-
Total	20,420	9,501	5,708	2,297	3,272	41,200	(2,710)	38,489
Segment Profit	1,272	350	2,117	171	151	4,064	0	4,065
Segment Assets	51,879	12,372	36,754	847	2,195	104,050	18,640	122,690
Other items								
Depreciation	2,378	350	937	70	20	3,757	-	3,757
Increase in property, plant and equipment and intangible assets	4,759	75	2,456	143	24	7,458	-	7,458

Note: 1. The amount of adjustment is as follows.

(1) The amount of adjustment for segment profit is the elimination of inter-segment transactions.

(2) Adjustments to segment assets include 25,628 million yen in company-wide assets that have not been allocated to each reporting segment, and the elimination of inter-segment transactions. Last year, it was (6,988) million yen. The Company's main assets are the Company's cash and deposits, investment securities, etc.

2. Segment profit is adjusted to operating income in the consolidated statements of income.

3. Depreciation includes amortization of long-term prepaid expenses.

The current fiscal year (April 1, 2025 to March 31, 2026)

(Millions of yen)

	Reportable segments						Adjustment amount (Note 1)	Consolidated Financial Statements(Note 2)
	Transportation	Retailing	Real estate business	Leisure services	Other Businesses	Total		
Operating revenue								
(1) Operating revenue to external customers	21,284	9,360	5,820	2,416	1,250	40,132	-	40,132
(2) Internal operating revenue or transfers between segments	399	62	287	58	2,284	3,093	(3,093)	-
Total	21,684	9,423	6,108	2,475	3,534	43,225	(3,093)	40,132
Segment Profit	1,645	229	2,324	134	115	4,448	30	4,478
Segment Assets	54,323	12,394	36,907	855	2,188	106,669	23,631	130,301
Other items								
Depreciation	2,470	341	831	102	27	3,773	-	3,773
Increase in property, plant and equipment and intangible assets	5,278	193	280	102	59	5,914	-	5,914

Note: 1. The amount of adjustment is as follows.

(1) The amount of adjustment for segment profit is the elimination of inter-segment transactions.

(2) Adjustments to segment assets include 30,458 million yen in company-wide assets that have not been allocated to each reporting segment, and the elimination of inter-segment transactions. Last year, it was (6,826) million yen. The Company's main assets are the Company's cash and deposits, investment securities, etc.

2. Segment profit is adjusted to operating income in the consolidated statements of income.

3. Depreciation includes amortization of long-term prepaid expenses.