DISCLAIMER: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

August 7, 2026

Consolidated Financial Results for the Three Months Ended June 30, 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 to commence dividend payments: -
Preparation of supplementary material on financial results: None
Holding of financial results briefing: None

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

1. Consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Operating revenues		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	10,142	6.6	1,637	22.6	1,747	23.9	1,183	(31.5)
June 30, 2025	9,514	1.5	1,335	1.7	1,410	(1.8)	1,726	73.1

Note: Comprehensive income For the three months ended June 30, 2026: ¥2,783 million [223.4%]
For the three months ended June 30, 2025: ¥860 million [(45.8)%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2026	53.25	-
June 30, 2025	77.68	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2026	132,388	64,454	48.7
March 31, 2026	130,301	62,228	47.8

Reference: Equity
As of June 30, 2026: ¥64,454 million
As of March 31, 2026: ¥62,228 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	-	25.00	-	25.00	50.00
Fiscal year ending March 31, 2027	-				
Fiscal year ending March 31, 2027 (Forecast)		25.00		25.00	50.00

Note: Revisions to the forecast of cash dividends most recently announced: None

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

Note: Revisions to the earnings forecasts most recently announced: None

* **Notes**

(1) Significant changes in the scope of consolidation during the period: None

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) 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

(4) Number of issued shares (common shares)

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

As of June 30, 2026	22,330,598 shares
As of March 31, 2026	22,330,598 shares

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

As of June 30, 2026	111,041 shares
As of March 31, 2026	110,939 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2026	22,219,590 shares
Three months ended June 30, 2025	22,219,419 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 first quarter of the fiscal year ending March 31, 2027: 72,400 Shares the fiscal year ending March 31, 2026: 72,400 Shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm:None

* Proper use of earnings forecasts, and other special matters

The forward-looking statements, such as earnings forecasts, contained in this material are based on the information available to the Company and are reasonable. Judgment is based on certain assumptions, and actual results may differ due to various factors.
For the above earnings forecasts, please refer to "1. (3) Consolidated earnings forecasts and other forward-looking statements Informational description.

Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	6,831	6,694
Notes and accounts receivable - trade, and contract assets	3,423	3,003
Securities	1,998	-
Merchandise and finished goods	989	1,029
Land and buildings for sale in lots	5,219	7,174
Other	2,101	1,739
Allowance for doubtful accounts	(2)	(2)
Total current assets	20,561	19,639
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	41,771	41,643
Machinery, equipment and vehicles, net	12,587	13,223
Land	31,439	31,642
Construction in progress	1,869	1,856
Other, net	1,004	1,039
Total property, plant and equipment	88,671	89,406
Intangible assets	616	578
Investments and other assets		
Investment securities	15,017	17,367
Long-term loans receivable	30	28
Retirement benefit asset	4,387	4,363
Deferred tax assets	206	207
Other	823	810
Allowance for doubtful accounts	(13)	(13)
Total investments and other assets	20,452	22,763
Total non-current assets	109,739	112,748
Total assets	130,301	132,388

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	6,386	4,557
Short-term borrowings	5,793	5,895
Current portion of bonds payable	6,000	6,000
Income taxes payable	744	630
Provision for bonuses	631	1,037
Provision for bonuses for directors (and other officers)	37	-
Other	9,000	8,166
Total current liabilities	28,593	26,288
Non-current liabilities		
Long-term borrowings	30,730	32,133
Deferred tax liabilities	4,719	5,390
Retirement benefit liability	1,112	1,082
Long-term deferred contribution for construction	165	227
Leasehold and guarantee deposits received	2,494	2,532
Other	257	279
Total non-current liabilities	39,479	41,645
Total liabilities	68,072	67,933
Net assets		
Shareholders' equity		
Share capital	10,090	10,090
Capital surplus	7,074	7,074
Retained earnings	37,662	38,288
Treasury shares	(213)	(213)
Total shareholders' equity	54,614	55,239
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	6,947	8,563
Remeasurements of defined benefit plans	666	651
Total accumulated other comprehensive income	7,614	9,214
Total net assets	62,228	64,454
Total liabilities and net assets	130,301	132,388

Quarterly consolidated statement of income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Operating revenue	9,514	10,142
Operating expenses		
Operating expenses and cost of sales of transportation	6,891	7,191
Selling, general and administrative expenses	1,288	1,313
Total operating expenses	8,179	8,505
Operating profit	1,335	1,637
Non-operating income		
Interest income	1	5
Dividend income	129	199
Share of profit of entities accounted for using equity method	0	1
Miscellaneous income	59	47
Total non-operating income	190	253
Non-operating expenses		
Interest expenses	103	130
Miscellaneous expenses	12	13
Total non-operating expenses	115	143
Ordinary profit	1,410	1,747
Extraordinary income		
Gain on revision of retirement benefit plan	1,071	-
Total extraordinary income	1,071	-
Extraordinary losses		
Loss on retirement of non-current assets	9	27
Total extraordinary losses	9	27
Profit before income taxes	2,472	1,719
Income taxes - current	517	599
Income taxes - deferred	228	(63)
Total income taxes	746	536
Profit	1,726	1,183
Profit attributable to owners of parent	1,726	1,183

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Profit	1,726	1,183
Other comprehensive income		
Valuation difference on available-for-sale securities	(146)	1,615
Remeasurements of defined benefit plans, net of tax	(719)	(15)
Total other comprehensive income	(865)	1,600
Comprehensive income	860	2,783
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	860	2,783
Comprehensive income attributable to non-controlling interests	-	-

(Notes on segment information, etc.)

I. The three months of the previous fiscal year (April 1, 2025 ~ June 30, 2025)

1. Information on operating revenues and amounts of profits or losses for each reported segment

(Millions of yen)

	Reportable segments						Adjustment amount (Note 1)	Quarterly consolidated statements of income (Note 2)
	Transportation	Retailing	Real-estate business	Leisure services	Other business	Total		
Operating revenue								
(1) Operating revenue to external customers	5,353	2,196	1,024	581	357	9,514	-	9,514
(2) Internal operating revenue or transfers between segments	98	21	72	9	612	814	(814)	-
Total	5,452	2,217	1,096	591	970	10,328	(814)	9,514
Segment Profit	673	74	483	18	56	1,305	30	1,335

Note: 1. The amount of adjustment for segment profit is the elimination of inter-segment transactions.

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

II. The three months of the current fiscal year (April 1, 2026 ~ June 30, 2026)

1. Information on operating revenues and amounts of profits or losses for each reported segment

(Millions of yen)

	Reportable segments						Adjustment amount (Note 1)	Quarterly consolidated statements of income (Note 2)
	Transportation	Retailing	Real-estate business	Leisure services	Other business	Total		
Operating revenue								
(1) Operating revenue to external customers	5,476	2,157	1,577	608	322	10,142	-	10,142
(2) Internal operating revenue or transfers between segments	100	19	73	11	619	825	(825)	-
Total	5,577	2,176	1,651	620	941	10,968	(825)	10,142
Segment Profit	483	108	929	42	62	1,626	11	1,637

Note: 1. The amount of adjustment for segment profit is the elimination of inter-segment transactions.

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