SENKO Group Holdings Co., Ltd.

Financial Summary for the Third Quarter of the Fiscal Year Ending March 31, 2021

Key Points of Financial Results Announced



(1) About the Third Quarter of the Fiscal Year Ending March 31, 2021

- Revenue and profits increased during the October and December period, and cumulative profits through to the Third Quarter also increased (down ¥3.1 bn. in revenue, up ¥0.22 bn. in operating profit, up ¥0.43 bn. in ordinary profit)
- During the October and December period, up ¥5.5 bn. in revenue, up ¥0.92 bn. in operating profit, and up ¥0.82 bn. in ordinary profit

(2) About the Forecast of Operating Results for FY ending March 31, 2021

 Amended based on recent business performance trends, future outlook and other factors, with operating revenue of ¥578 bn., operating profit of ¥21.0 bn. and ordinary profit of ¥21.3 bn. planned

1. Summary of Operating Results for the Third Quarter of FY Ending March 31, 2021



(Millions of yen, '						<u>yen, %)</u>	(Reference	e)	
FY 3/20 3Q			FY 3/21 3Q		YoY Change		Change		
	(Previous FY)	Margin	(Current FY)	Margin	Change	%	1Q	2Q	3Q
Operating revenue	427,741	_	424,603	_	-3,137	-0.7	-3,790	-4,831	5,484
Operating profit	17,177	4.0	17,400	4.1	222	1.3	-763	62	923
Ordinary profit	17,233	4.0	17,663	4.2	430	2.5	-787	399	818
Profit attributable to owners of parent	10,879	2.5	11,605	2.7	725	6.7	-615	-89	1,429

2. Summary of Operating Results for the Third Quarter of FY Ending March 31, 2021 [Operating revenue] **SENKO**



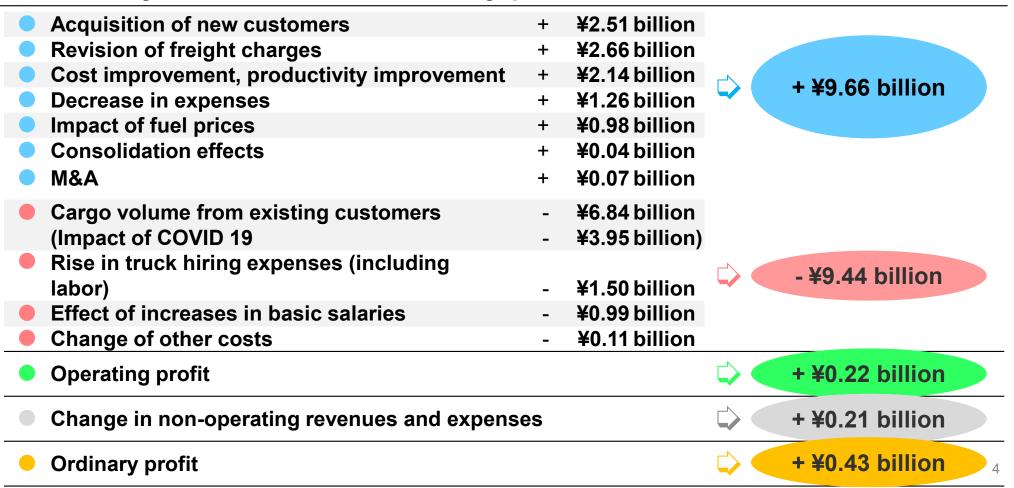
Year-on-year decrease in revenue of ¥3.1 billion 0.7% decrease

ACQUISITION OF NEW CUSTOMERS	+ ¥18.6 BILLION
 REVISION OF FREIGHT CHARGES 	+ ¥2.7 BILLION
 CONSOLIDATION EFFECTS 	+ ¥3.3 BILLION
M&A	+ ¥1.0 BILLION
CARGO VOLUME FROM EXISTING CUSTOMERS	- ¥28.7 BILLION
(IMPACT OF COVID 19	- ¥14.9 BILLION)

3. Summary of Operating Results for the Third Quarter of FY Ending March 31, 2021 [Profit]



Year-on-year increase in ordinary profit ¥0.43 billion 2.5% increase



4. Impact of COVID 19



(Billions of yen)

			Impact in Value on 3Q				
		1Q	2Q	3Q	Cumulative		
Logiotico	Operating Revenue	-6.97	-4.50	-3.00	-14.50		
Logistics	Operating Profit	-1.82	-1.12	-0.72	-3.66		
Trading &	Operating Revenue	0.10	0.10	0.50	0.70		
Commerce	Operating Profit	0.04	-0.02	0.13	0.15		
Others	Operating Revenue	-0.70	-0.34	-0.10	-1.10		
Others	Operating Profit	-0.34	-0.08	-0.02	-0.44		
Total	Operating Revenue	-7.60	-4.70	-2.60	-14.90		
iotai	Operating Profit	-2.12	-1.22	-0.61	-3.95		

* Extraordinary losses by Covid 19 (cumulative 3Q)

-0.32

5. Summary of Operating Revenue in Each Business Area for the Third Quarter of FY Ending March 31, 2021



(Billion of yen, %)

		FY 3/20 FY 3/21 YoY Change				١	oY Change	Breakdow	n		
			FY 3/21 3Q		ige					Change in cargo	jo volume, etc.
			(current term)	Change	%	Acquisition of new customers	Price revision	Consolidation effect	M&A		Impact of Covid 19
	Food Logistics	62.0	59.6	-2.4	-3.9	1.7	0.4	_	_	-4.5	-2.9
	Chain Store Logistics	56.0	60.6	4.6	8.1	4.1	0.4	0.4	_	-0.4	-0.2
	Fashion Logistics	36.9	36.9	0.0	0.0	3.5	0.3	_	_	-3.9	-3.7
	Others	15.4	15.2	-0.2	-1.2	2.0	0.1	0.5	_	-2.8	-2.4
	Retail Product Logistics	170.3	172.3	2.0	1.2	11.3	1.3	0.9	-	-11.6	-9.2
	Housing Logistics	48.4	44.2	-4.2	-8.7	1.1	0.4	_	1	-5.8	-2.9
	Chemicals Logistics	57.5	53.6	-3.9	-6.8	2.5	0.6	0.6	1	-7.6	-2.4
	Others	21.6	20.0	-1.7	-7.7	1.1	0.1	1.3	ı	-4.2	_
	Logistics	297.9	290.1	-7.8	-2.6	16.1	2.5	2.8	ı	-29.1	-14.5
	Trading & Commerce	118.0	121.2	3.2	2.7	1.7	0.2	0.1	ı	1.3	0.7
	Others	11.9	13.3	1.4	11.9	0.8	_	0.5	10.0	-0.9	-1.1
	Total	427.7	424.6	-3.1	-0.7	18.6	2.7	3.3	10.0	-28.7	-14.9

^{*} Customer and new consolidated company operations are being re-evaluated to revise classifications.

^{*} Global logistics revenue included in the above

Global Logistics	27	29	2.6	9.6
Composition (%)	6.2	6.9		

^{*} Global logistics include revenue of non-consolidated subsidiaries

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Global Logistics	29	30	1.3	4.5		

6. Summary of Operating Results by Segment for the Third Quarter of FY Ending March 31, 2021



(1) Logistics

(Millions of yen, %, PT) (F

(Reference)

	FYE March 30, 2020	FY 3/21	YoY Change		
	3Q	3Q	Change	%	
	(Actual)	(Actual)	9	70	
Operating revenue	297,850	290,084	-7,765	-2.6	
Operating profit	14,867	15,702	834	5.6	
Operating profit ratio	5.0	5.4	0.4		

YoY Change					
1Q 2Q 3Q					
-4,797	-3,333	365			
-539	290	1,083			

Revenue decreased due to the spread of Covid 19 causing a significant reduction in the volume of housing, chemicals as well as cold chain logistics despite an increase in cargo volume for chain stores such as discount stores, drug stores, however profits increased as a result of efforts made for sales expansion, reductions in expenses, cost improvements and productivity improvements.

6. Summary of Operating Results by Segment for the Third Quarter of FY Ending March 31, 2021



(2) Trading & Commerce

(Millions of yen, %, PT)

(Reference)

	FYE March 30, 2020	FY 3/21	YoY Change		
	3Q (Actual)	3Q (Actual)	Change	%	
Operating revenue	117,974	121,180	3,206	2.7	
Operating profit	1,583	2,412	829	52.4	
Operating profit ratio	1.3	2.0	0.7		

YoY Change						
1Q 2Q 3Q						
1,508	-1,877	3,575				
346	119	364				

Revenue and profits increased due to greater sales of household paper items, promoting revisions of sales prices and greater sales of daily necessities following the increase in need for home deliveries.

6. Summary of Operating Results by Segment for the Third Quarter of FY Ending March 31, 2021



(3) Others

(Millions of yen, %, PT) (Re

	FYE March 30, 2020	FY 3/21	YoY Change	
	3Q (Actual)	3Q (Actual)	Change	%
Operating revenue	11,916	13,337	1,420	11.9
Operating profit	1,247	-209	-1,457	-
Operating profit ratio	10.5	-1.6	-12.1	

YoY Change							
1Q 2Q 3Q							
-502	382	1,540					
-638	-294	-525					

Revenue increased with efforts such as making Procare Co., Ltd. a subsidiary, however profits decreased following the significant reduction in the number of people using hotels, gyms, day-care services and restaurants due to significant impact of Covid 19.

7. About M&A for the FY Ending March 31, 2021



	Company Name	Consolidation Timing
Logistics	UACJ Logistics Corporation	January 2021
	SENKO Nagase Logistics Co., Ltd.	January 2021
Trading & Commerce	AZFIT Co., Ltd.	April 2021
Other	Procare Co., Ltd.	October 2020
	Terauchi Co., Ltd.	January 2021

8. Amendment to Forecast of Full Year Operating Results for the FY Ending March 31, 2021



(Millions of yen, %)

	(A) Previous	(B) Previous FY	(C) Current FY	Amended Forecast (C-B)		YoY Change (C-A)		
	FY Actual	Forecast	Forecast	Change	%	Change	%	
Operating revenue	570,030	585,000	578,000	-7,000	-1.2	7,970	1.4	
Operating profit	20,656	20,200	21,000	800	4.0	344	1.7	
Ordinary profit	20,744	20,000	21,300	1,300	6.5	556	2.7	
Profit attributable to owners of parent	12,081	11,400	13,000	1,600	14.0	919	7.6	

About operating revenue

Revised downward due to factors such as consolidation timing of household paper wholesaler AZFIT Co., Ltd. shifted to the next term

About profit

Revised upward due to recovery in physical quantity and cost improvements performing better than expected, and expected to exceed previous forecasts

9. Causes of Changes in Operating Revenue, Operating Profit [Full-Year] **SENKO**



(Billions of yen)

	Previous Plan		Currer	nt Plan	Difference		
	Operating revenue	Operating profit	Operating revenue	Operating profit	Operating revenue	Operating profit	
Acquisition of new customers	29.5	3.71	28.3	3.61	-1.1	-0.10	
Revision of freight charges	3.4	3.36	3.5	3.45	0.1	0.09	
Cost improvement, productivity improvement	-	2.26	-	2.66	-	0.40	
Decrease in expenses	-	1.59	ı	1.59	-		
Impact of fuel prices	•	0.72	•	0.98	•	0.26	
New consolidation effects	4.3	0.07	4.4	0.07	0.1		
M & A	17.0	0.23	10.4	0.25	-6.6	0.02	
Cargo volume from existing customers	-39.1	∆ 8.80	-38.6	∆ 8.95	0.5	-0.15	
(Impact of Covid 19)	(-24.5)	(-5.62)	(-22.1)	(-5.02)	(2.4)	(0.60)	
Rise in truck hiring expenses (including labor)	-	-2.19	-	△ 2.10	-	0.09	
Effect of increases in basic salaries	-	-1.31	-	△ 1.31	-		
Change in other costs	-	-0.09	-	0.10	-	0.19	
Total	15.0	-0.45	8.0	0.35	-7.0	0.80	

10. Forecast of Operating Revenue in Each Business Area [Full-Year]



(Billion of yen, %)

				(B) Previous		Current - F (C-		YoY Change (C-A)	
			Actual	Plan	Plan	Change	%	Change	%
		Food Logistics	80.4	78.3	78.0	-0.3	-0.4	-2.4	-3.0
		Chain Store Logistics	74.3	81.5	80.7	-0.8	-1.0	6.3	8.5
		Fashion Logistics	48.7	47.8	48.8	1.0	2.0	0.1	0.1
		Others	20.6	24.1	23.6	-0.5	-2.0	3.0	14.4
	Retail Product Logistics		224.1	231.7	231.1	-0.6	-0.3	7.0	3.1
	Н	ousing Logistics	63.3	57.2	58.6	1.4	2.5	-4.7	-7.4
	Ch	emicals Logistics	76.7	72.8	72.8	0.0	0.0	-3.9	-5.1
		Others	28.6	29.6	28.0	-1.7	-5.6	-0.7	-2.4
	Lo	gistics	392.7	391.3	390.4	-0.9 -0.2		-2.3	-0.6
	Trading & Commerce		161.3	169.8	164.1	-5.8	-3.4	2.7	1.7
Others		16.0	23.9	23.5	-0.3	-1.5	7.5	47.2	
	Total		570.0	585.0	578.0	-7.0	-1.2	8.0	1.4
	Globa	I Logistics	36.0	39.7	40.1	0.4	1.0	4.1	11.3

11. Summary of Forecast of Operating Results by Segment [Full-Year]



(Millions of yen, %, PT)

		(A)	(B)	(C)	Current - Previous (C-B)		YoY Change (C-A)	
		Previous Actual	Previous Plan	Current Plan	Change	%	Change	%
	Operating revenue	392,728	391,310	390,410	-900	-0.2	-2,318	-0.6
Logistics	Operating profit	17,847	17,700	18,770	1,070	6.0	923	5.2
	Operating profit ratio	4.5	4.5	4.8	0.3		0.3	
	Operating revenue	161,314	169,810	164,060	-5,750	-3.4	2,746	1.7
Trading & Commerce	Operating profit	2,119	2,870	3,010	140	4.9	891	42.0
	Operating profit ratio	1.3	1.7	1.8	0.1		0.5	
Others	Operating revenue	15,987	23,880	23,530	-350	-1.5	7,543	47.2
	Operating profit	1,419	650	210	-440	-67.7	-1,209	-85.2
	Operating profit ratio	8.9	2.7	0.9	-1.8		-8.0	

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