

DISCLAIMER: You may use this for reference purposes only, fully understanding that it may include inaccurate translations. It is your sole responsibility if you rely not on the Japanese original but on this translation.

# Overview of Major Operating Warehouses and Balance Sheet

March 27, 2026

A packaging specialist trading company

Securities Code: 7504



**KOHSOKU  
CORPORATION**

# Recent Major Warehouse Expansion



The most recent major operating warehouses and the current warehouse operation schedule are as follows. As of the end of September 2025, total floor area was 66,000 sqm, and with many leased properties included, there remains substantial room for growth investment, including the acquisition of new company-owned properties and the relocation of existing leased properties to company-owned properties.

Through the conversion of leased warehouses to company-owned properties and further expansion of floor space, we will work to build a more stable logistics framework and improve logistics efficiency, while steadily increasing utilization rates. Please refer to the next page of the material for details regarding the relationship between business expansion and utilization rates.

Location	Ownership type	Warehouse area	FY03/26 3Q	FY03/26 4Q	FY03/27 1Q	FY03/27 2Q	FY03/27 3Q	FY03/27 4Q	FY03/28 1Q	FY03/28 2Q
Chiba Prefecture	Leased	approx. 5,000 sqm	Commenced operations in November 2025							
Kanagawa Prefecture	Leased	approx. 5,000 sqm	Scheduled to commence operations in April 2026							
Iwate Prefecture (Morioka sales office)	Company-owned	approx. 10,000 sqm (approx. 5,000 sqm before relocation)	Scheduled to commence operations in February 2027							
Osaka Prefecture (Western Japan sales office)	Company-owned	approx. 11,000 sqm (approx. 3,000 sqm before relocation)	Scheduled to commence operations in January 2027							

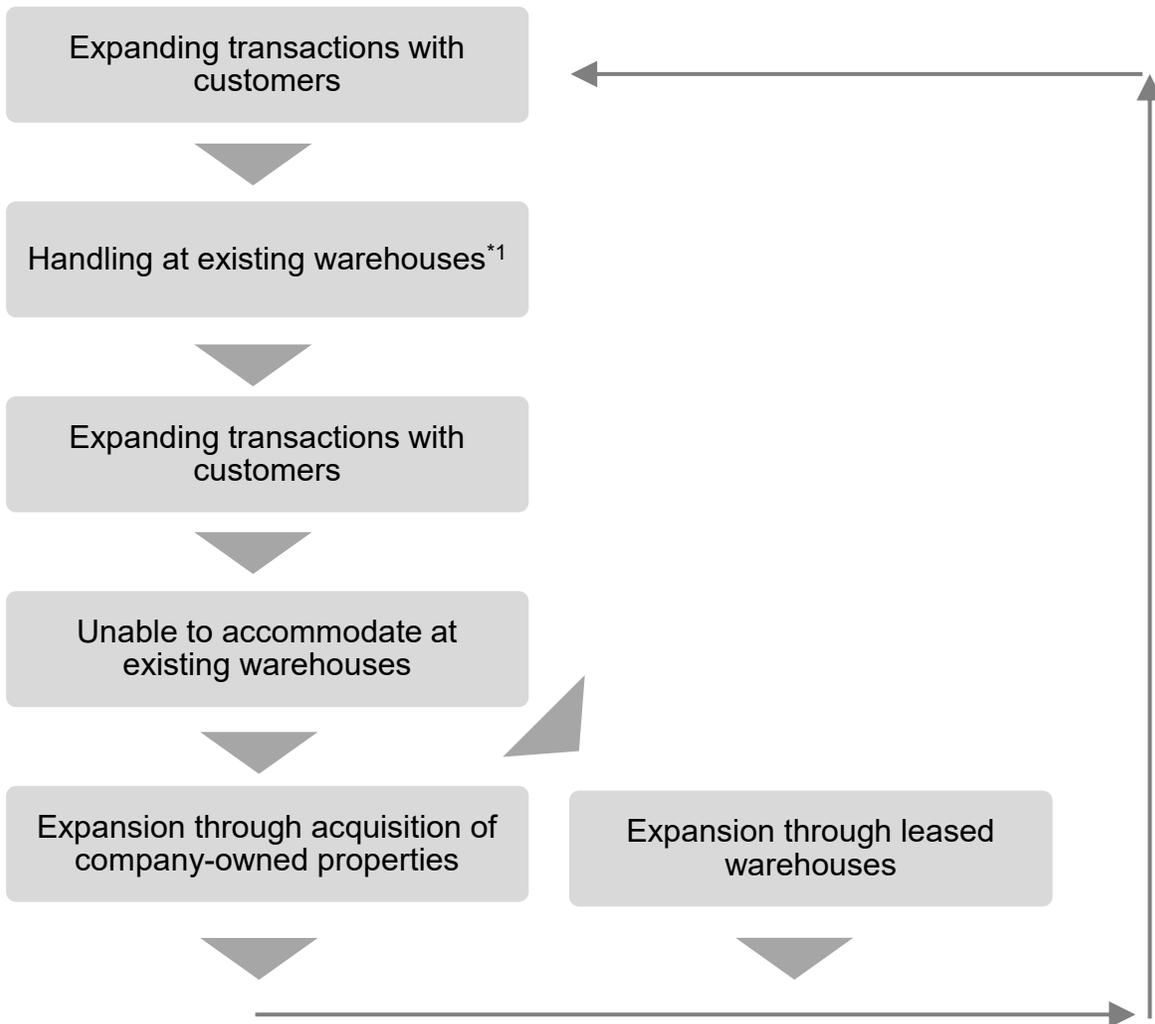
Overview of our standalone warehouses in operation as of the end of September 2025

Company-owned properties: total floor area 80,000 sqm  
Leased properties: total floor area 66,000 sqm

\*Please note that this does not represent a net increase in total floor area from the warehouses in operation as of the end of September 2025, as it includes transfers and consolidation from previously leased warehouses, such as those located in Chiba Prefecture mentioned above.

\*Please refer to page 6 of the material for an overview of the acquisition of the Western Japan sales office.

## Flow of Warehouse Expansion and Increasing Utilization Rates



## Supplement

The flow from expanding transactions with customers to the expansion of our warehouse floor space is as shown on the left. Warehouses are expanded as needed, and their utilization rates and efficiency are steadily increased.

\*1

### Handling at existing warehouses

• We maintain appropriate inventory levels and review storage space as needed in relation to monthly sales, striving to effectively utilize existing warehouses and enhance asset efficiency by improving inventory turnover.

### Choice between acquiring company-owned properties and leasing warehouses

We select properties after examining profitability in relation to acquisition costs and will continue to promote the conversion to company-owned properties, aiming to improve warehouse efficiency and achieve further sustainable growth over the medium to long term.

# Overview of the Balance Sheet



The overview of the balance sheet as of the end of December 2025, together with future utilization policies, is as follows.

As there remains significant room for expansion in business scale and net sales, we will continue to steadily allocate the cash we generate to growth investments and, when necessary, utilize interest-bearing debt to further improve capital efficiency, expand our business scale, and increase EPS.

(Millions of Yen)

## Current Situation and Future Utilization Policy

### Assets

• As of the end of December 2025, in addition to cash and deposits of ¥4.6 billion (equivalent to 0.4 months of monthly sales), the Company holds ¥3.7 billion in held-to-maturity securities, representing a portion of standby funds that are being managed. In addition to gradually converting these bonds into cash (with ¥400 million planned for the first half of FY03/27), we plan to generate at least ¥1.0 billion from non-operating assets during FY03/27 through measures such as the sale of real estate following the relocation of existing sites, and allocate these funds to growth investments.

### Liabilities

• Based on liquidity levels and other factors, we will continue to utilize interest-bearing debt as appropriate.  
Please refer to the next page of the material for details on the increased capacity to utilize interest-bearing debt resulting from the accumulation of net assets.

### Future utilization policy

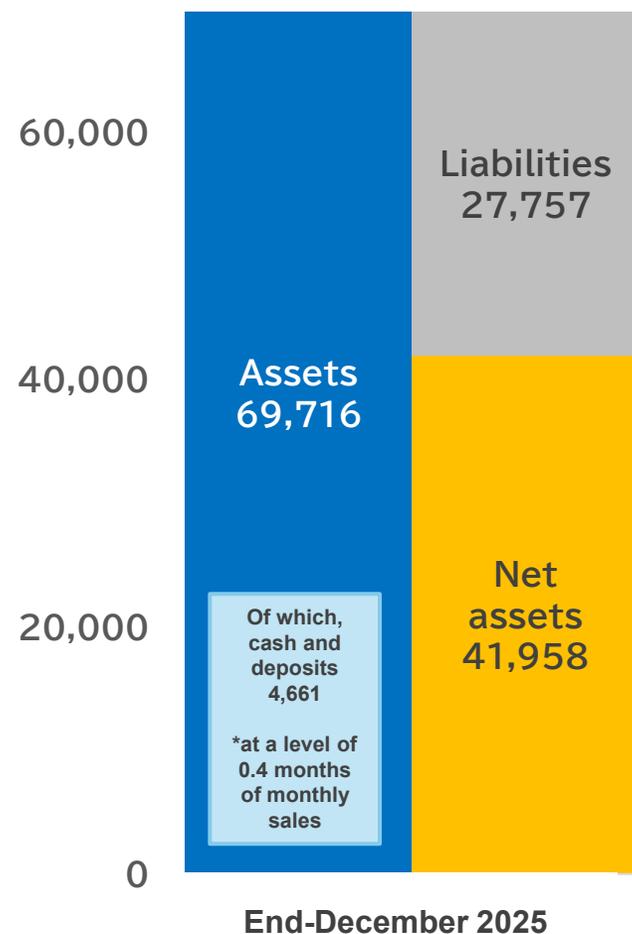
We will continue to allocate the cash we generate to capital investment for steady growth, shareholder returns, and M&A.

Reference: Major capital investment plans going forward

In FY03/27, land acquisition for the Morioka sales office and construction of company-owned property (total investment of ¥2.5 billion).

Amount already paid in FY03/26: ¥1.3 billion; remaining amount to be paid in FY03/27: ¥1.2 billion

As described on page 2 of the material, we also have many leased properties, and after examining factors such as profitability, we select real estate and continue to promote the conversion to company-owned properties, striving for sustainable growth over the medium to long term.



\*Monthly sales ratio is calculated based on average monthly sales based on actual sales

# Reference: Scope for Utilizing Interest-Bearing Debt

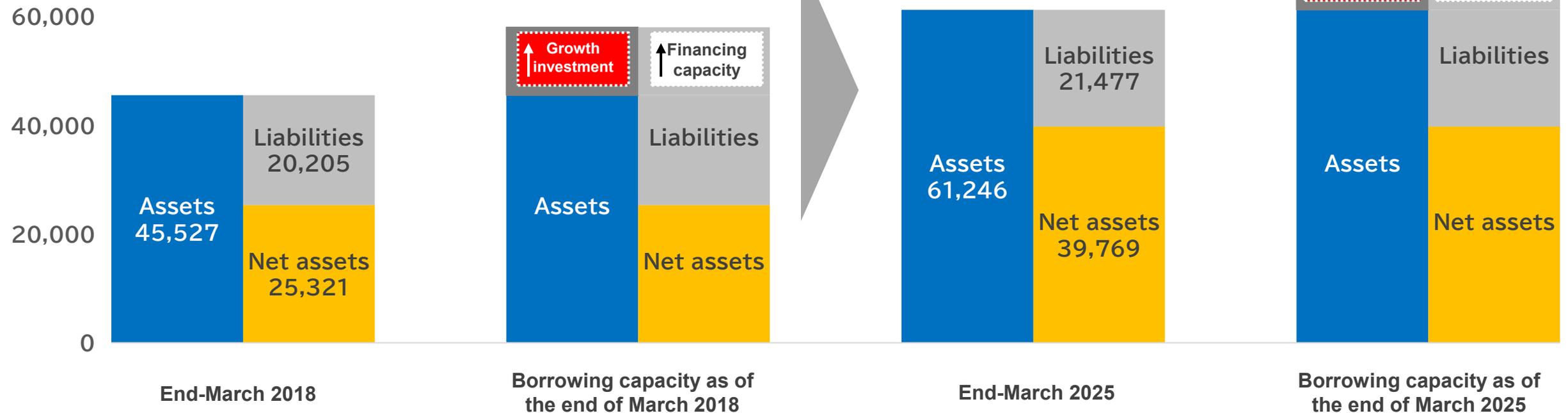


The following presents an illustrative view of the balance sheets as of the end of March 2018, before the start of the Company's current Medium-Term Management Plan, and as of the end of March 2025. As a result of the increase in net assets from the accumulation of profits, borrowing capacity has also increased significantly compared with previous levels. We are in a position to allocate more funds to capital investments and M&A projects for sustainable growth.

Before the start of Medium-Term Management Plan Phase 1 (FY03/19–)  
End-March 2018

At the end of year 4 of Medium-Term Management Plan Phase 2  
End-March 2025

(Millions of Yen)



## Exterior



## Overview of Western Japan Sales Location (in Osaka)

### 1. Reason for acquisition

To strengthen shipping and inventory-holding capacity in response to business expansion in Western Japan

### 2. Summary of acquired assets

(1) Location: Nagaotanimachi, Hirakata, Osaka

(2) Acquisition date: June 2025

(3) Capital investment: ¥3.201 billion (land and buildings)

(4) Total floor area: approx. 11,000 sqm

(5) Planned operational start date: FY03/27

\*Currently leased by the Company to another company

### 3. Future outlook

The Company factored this acquisition's anticipated impact on consolidated FY03/26 financial results into the earnings forecast disclosed on May 9, 2025. It projects full-scale operations at this logistics location will begin in FY03/27.



## **Initiatives to Enhance Corporate Value**

In addition to summarizing our current efforts regarding "Action to Implement Management that is Conscious of Cost of Capital and Stock Price" we have also compiled and posted answers to frequently asked questions from institutional investors and others.

<https://www.kohsoku.com/investment/initiatives-to-enhance-corporate-value.html>

## **IR email distribution service**

We will send you the latest timely disclosure and other information related to our IR via your registered email address.

<https://www.kohsoku.com/investment/mail.html>

## **Disclaimer**

This document has been carefully prepared to ensure accuracy; however, its completeness is not guaranteed.

Forward-looking statements contained in this document are based on information and assumptions available at the time of its creation. Actual results may differ from the forecasts due to various factors, and the projected figures may be changed without prior notice.

Please be advised that the use of information in this document is at your own discretion and responsibility.

## **About this document**

Numerical figures in this document are rounded down to the nearest display unit, and percentages are rounded to the nearest unit.



**A packaging specialist trading company**

# **KOHSOKU CORPORATION**

Investor relations website:

<https://www.kohsoku.com/investment/>