Consistently Returning to Our Philosophy, We Are Dedicated to Advancing Business Activities that "Protect Lives."

It has been five years since I assumed the position of President of the SHIP HEALTHCARE Group.
Under the unwavering Group philosophy of "SHIP," which embodies the aspirations of our founders, including Chairman FURUKAWA, I have been steering our business activities. Every time I face significant management challenges, I am reminded of the importance of returning to our core philosophy.

——Entering a Super-Aging Society and the Challenges Ahead for Our Business Environment

With the continued progression of a declining birthrate and aging population, social security costs are rising sharply. Meanwhile, the significant decrease in the working-age population is reducing tax revenues, making it increasingly challenging to secure the resources needed for healthcare and eldercare.
As the "baby boom generation" reaches advanced age, demand for healthcare services will increase for some time. However, as the population declines thereafter, we anticipate a contraction in the overall market.
Despite these challenging business conditions, as Chairman FURUKAWA has emphasized, our Group will not avert its focus from "Protecting Lives." In such times, it is crucial to ensure the improvement of working conditions for those engaged in healthcare services while continuing to provide necessary services.

——Looking Back to the Medium-Term Management Plan "SHIP VISION 2024"

The Group has achieved increased revenue and profit in the fiscal year ended in March 2025, the last fiscal year of the medium-term management plan "SHIP VISION 2024" since the last fiscal year. In particular, net sales significantly exceeded the original 630 billion yen. Operating income fell short of our original plan due to a challenging business environment. The Group considers that securing rising trend in profits can be sufficient results despite the aggressive growth investment including capital investment for logistics hub in Medical Supply Business and upfront costs associated with the opening of the new facility in Lifecare Business based on the steady accumulation of profits including execution of several large-scale projects in Total Pack Produce Business as planned.

——Current Challenges to Address

Given that our business activities are aimed at "Protecting Lives," expanding both the quality and quantity of our services remains a significant challenge for the future.
In recent years, the wave of Digital Transformation (DX) has also reached the healthcare services industry. Responding to this trend is critical to enhance the scope and impact of our "Protecting Lives" initiatives. To address this, we will actively recruit talent with IT-related skills and expertise, while also accelerating the development of digital talent within our existing workforce.

——Formulation of the New Medium-Term Management Plan "SHIP VISION 2030"

The Group formulated five-year medium-term management plan "SHIP VISION 2030" and have started new efforts. The medium-term management plan targets a "five-year Compound Annual Growth Rate CAGR 5% in net sales," "Operating profit margin 4%" and "ROE 12%." Our basic policy is to achieve "Portfolio Management through the Optimization of Group Management Resources." Furthermore, we optimize in the base of the Group which realizes the consolidated net sales of 1 trillion yen, which is the target in the long term, support the business contents after the realization of the target from every aspect.
We promote policies including "Creating new business," "Reorganization and integration" and "Expansion of the field of growth" with emphasis for constructing new business portfolio based on the above. In particular, for new business creation, we will broaden the scope of our solutions under "Creating environments for medical professionals." while actively advancing initiatives in the growing "Well-Being" field to foster environments where people can live better lives.

——Business Model Evolution and Future Growth

Our Group has leveraged the innovative capabilities of Total Pack Produce Business to expand other business

areas. Moving forward, we will continue to position Total Pack Produce Business as the core of our Group and cultivate it into an even more profitable operation. Furthermore, connecting the expanding Medical Supply Business with Total Pack Produce Business will remain a critical priority. By addressing this challenge, we will strengthen a cyclical model that begins with the abundant data obtained from Medical Supply Business.
In addition, we aim to foster a corporate culture where all Group employees look beyond their immediate business areas, taking a comprehensive view of the Group portfolio and collaborating both horizontally and vertically.
Placing “life” as our highest priority, we must maintain a proactive approach and respond flexibly to the sustainability challenges society demands in every era. Balancing these aspects in management is a vital responsibility as President.

——Embracing Our Group Philosophy and Demonstrating Our Presence

To support a society where people can live better and achieve greater Well-Being, it is essential to co-create with a diverse array of stakeholders, including medical professionals such as doctors, private companies and government agencies. Going forward, we see ourselves playing the role of a “connector”—a kind of adhesive that brings these stakeholders together effectively. To do this, it is important to expand our capabilities and build our network. By continuing to leverage our unique “consulting expertise” and “producing capabilities,” we aim to grow our management resources while maximizing synergies within the Group. As the third-generation president of our Group, I am determined to confidently pass the baton to the next generation, ensuring a legacy of success.
Please look forward to our Group’s greater achievements in the future.

OHASHI Futoshi
President