

Results for the First Half of Fiscal Year Ending March 31, 2025

November 22, 2024

1H FY03/25 results generally in line with our forecast;

First year of Phase 2 of the Seventh Medium-Term Business Plan (NN7) off to a solid start

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I. Results for the First Half of the Fiscal Year Ending March 31, 2025

1H FY03/25 Results

Net sales and operating income both increased, and profit attributable to owners of parent expanded due to sales of policy shareholdings

(Millions of yen)

	1H FY03/24	1H FY03/25		vs. Initial Plan		YoY	
		Initial Plan	Results	Change	Percentage	Change	Percentage
Net sales	82,359	91,500	93,452	+1,952	102.1%	+11,092	113.5%
Operating income	4,125	4,550	4,543	-6	99.9%	+418	110.1%
Ordinary income	4,815	4,900	4,974	+74	101.5%	+158	103.3%
Profit attributable to owners of parent	3,641	7,000	7,743	+743	110.6%	+4,101	212.6%

1H FY03/25 Results by Segment

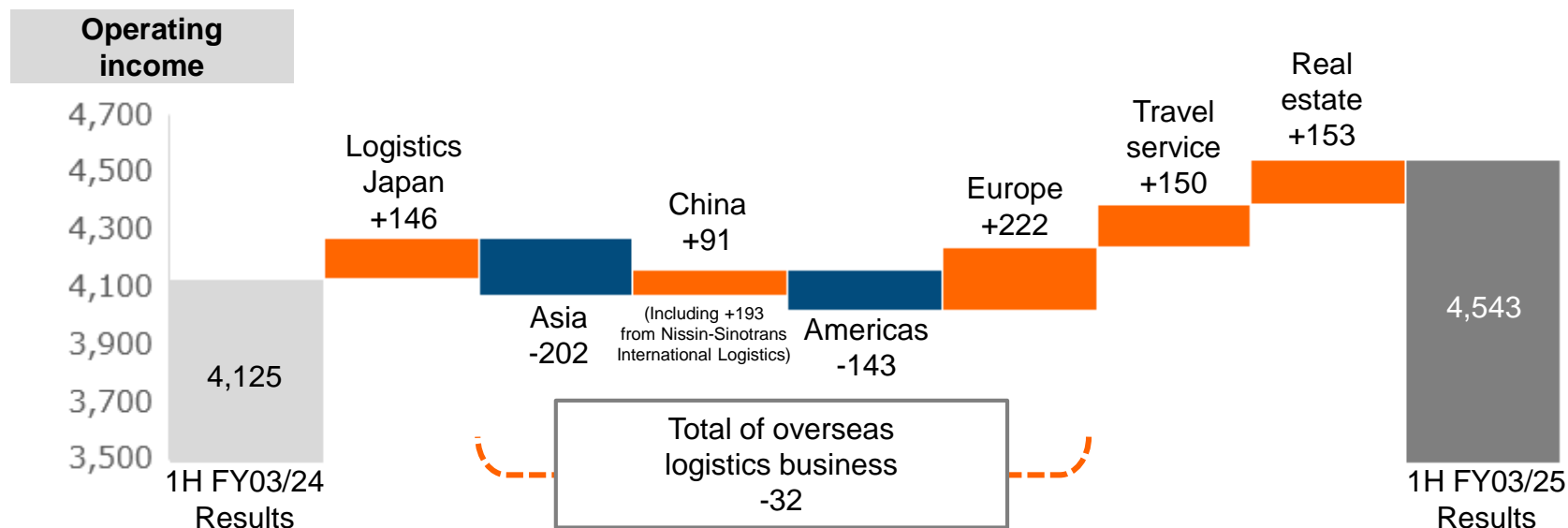
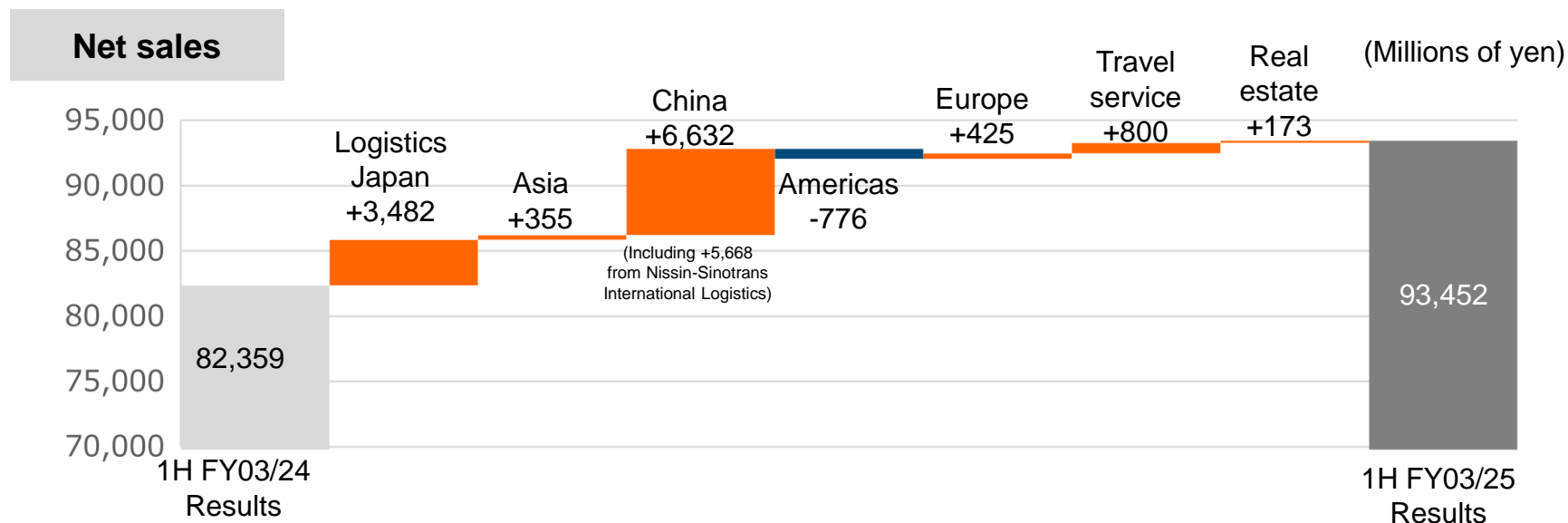
The logistics business performed well in Japan, while the travel service business and the real estate business recorded growth in net sales and operating income

(Millions of yen)

Business			1H FY03/24	1H FY03/25	YoY	
					Change	Percentage
Net sales	Logistics	Domestic	47,140	50,622	+3,482	107.4%
		Overseas	31,067	37,704	+6,636	121.4%
	Travel service		3,529	4,330	+800	122.7%
	Real estate		623	796	+173	127.8%
	Total		82,359	93,452	+11,092	113.5%
Operating income	Logistics	Domestic	1,947	2,094	+146	107.5%
		Overseas	1,524	1,492	-32	97.9%
	Travel service		260	410	+150	157.7%
	Real estate		392	546	+153	139.2%
	Total		4,125	4,543	+418	110.1%

Note: Figures are internal estimates for the purpose of explaining earnings by segment in a simplified manner.

1H FY03/25: YoY Change by Segment



Note: Figures are internal estimates for the purpose of explaining earnings by segment in a simplified manner.

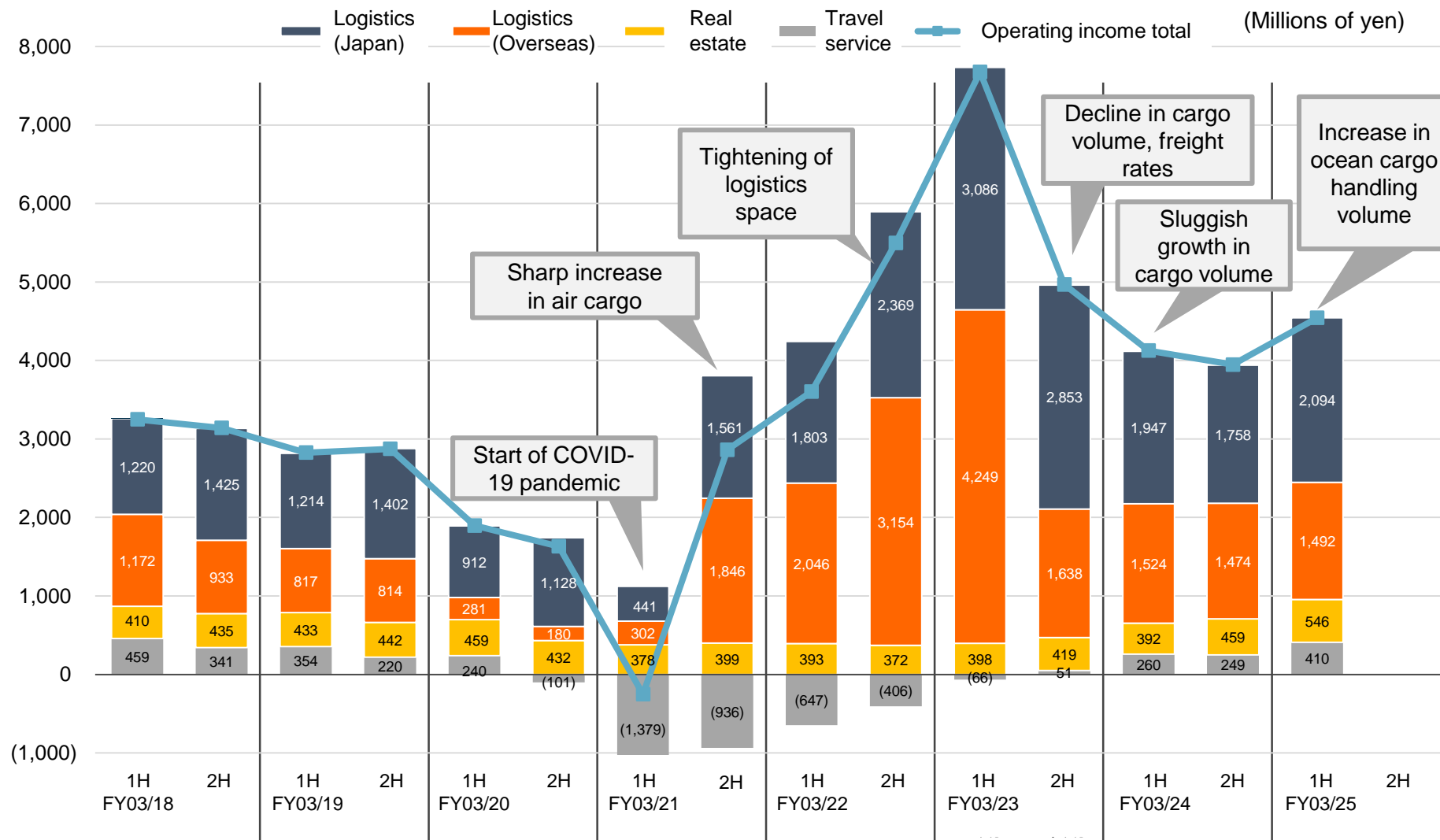
1H FY03/25 Results:

Factors behind YoY Changes in Operating Income

Business	Region	YoY Change (Millions of yen)	Summary
Logistics	Japan	+146	<ul style="list-style-type: none"> In ocean cargo, export and import handling volumes were firm In air cargo, export handling volume for foods and import handling volume for pharmaceuticals were strong
	Asia	-202	<ul style="list-style-type: none"> In Malaysia, warehousing operations were robust; in India, domestic transportation operations for motorcycles were strong In Thailand and Vietnam, air exports of automobile-related cargo were sluggish
	China	+91	<ul style="list-style-type: none"> The new consolidation of Nissin-Sinotrans International Logistics Co., Ltd. contributed to earnings Lingering effects of the economic slowdown and price competition depressed air and ocean cargo handling volume
	Americas	-143	<ul style="list-style-type: none"> In Mexico, air exports of completed vehicles and domestic transportation operations were strong In the US and Canada, automobile-related cargo movement was sluggish
	Europe	+222	<ul style="list-style-type: none"> In Poland, warehouse storage handling remained firm In Austria, US-bound air exports of machinery, equipment, and foods were robust
Travel service		+150	<ul style="list-style-type: none"> Handling of business travel was strong, and domestic and overseas group travel drove earnings
Real estate		+153	<ul style="list-style-type: none"> Profit-generating real estate for lease in the Keihin area delivered contributions

Operating Income by Segment

In the logistics business, handling expanded mainly for ocean cargo; in the travel service business, operating income recovered to levels before the COVID-19 pandemic

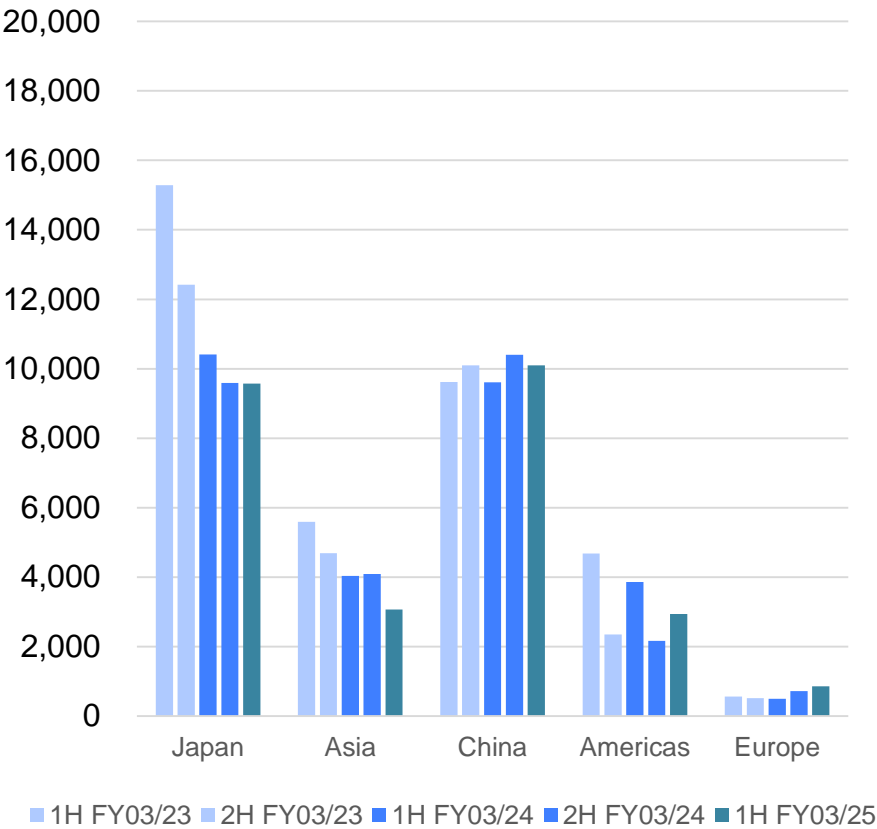


Air Cargo Volume (Exports/Imports)

Although it remains in a downtrend, air cargo volume showed some signs of bottoming out amid resurgent demand

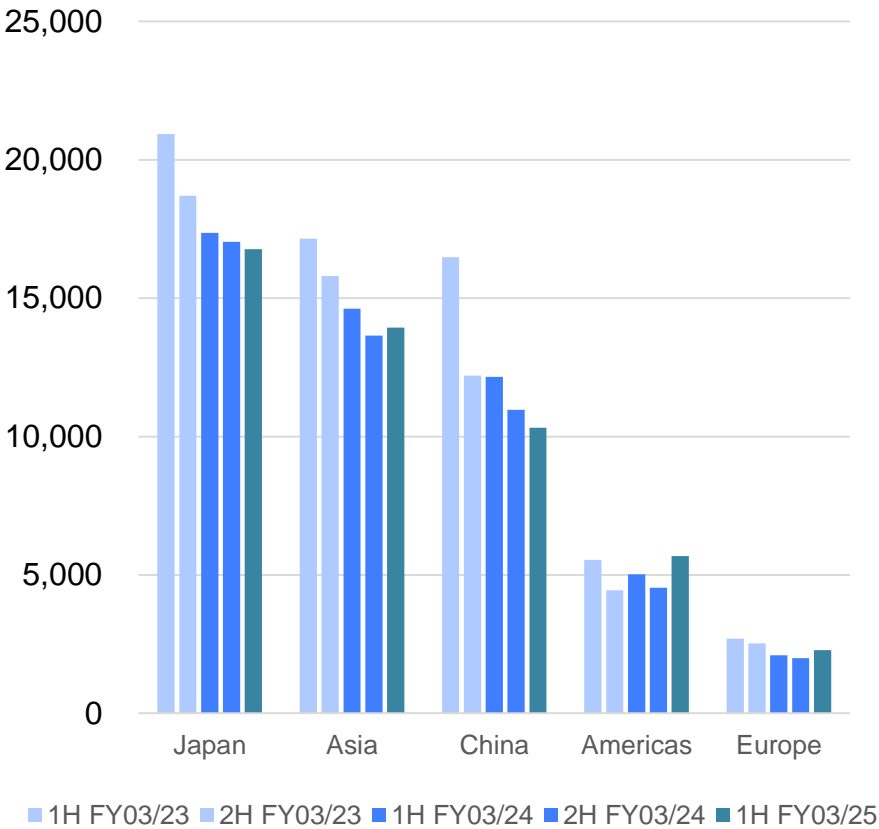
Air Exports

(Tons)



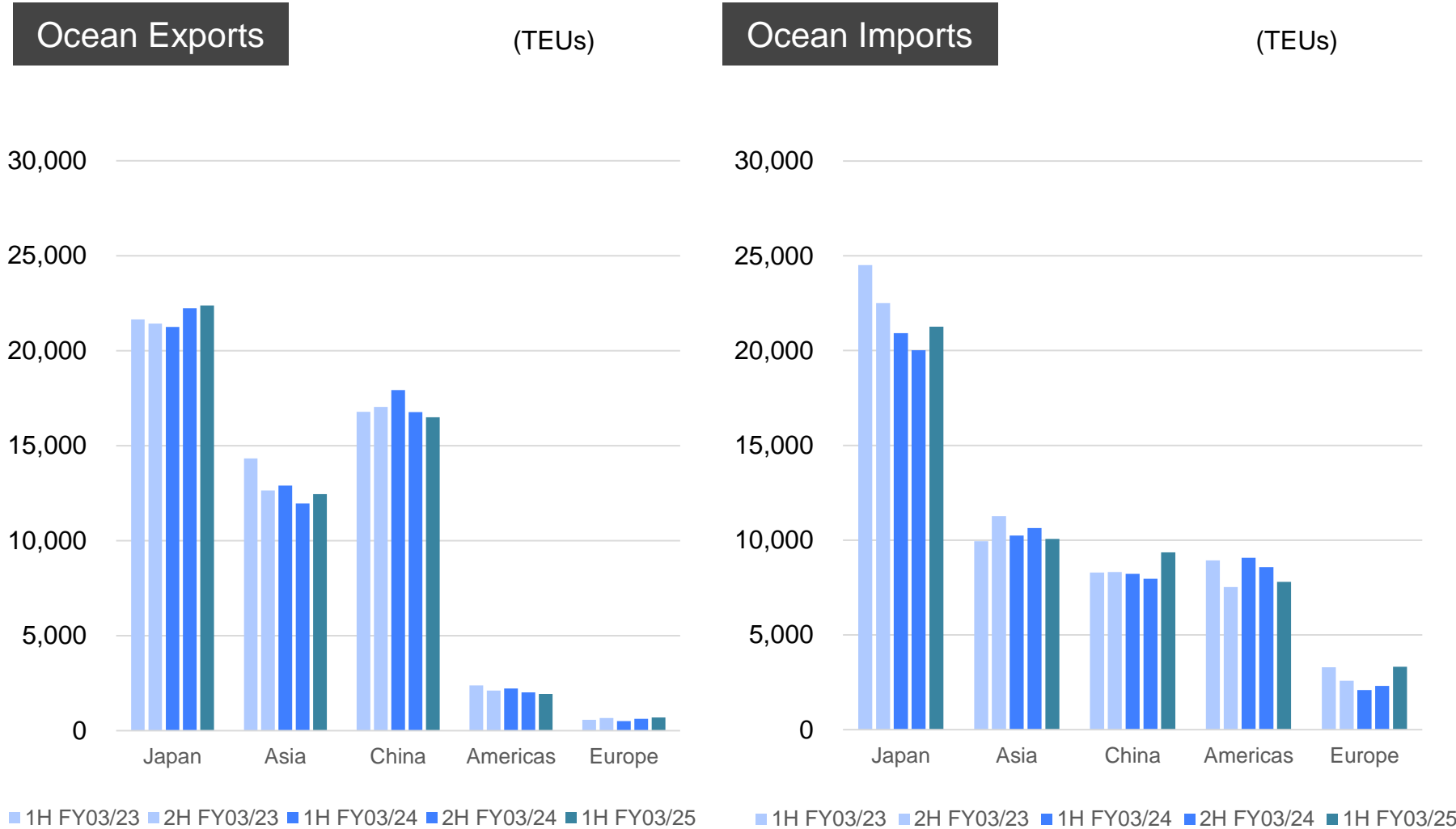
Air Imports

(Transactions)



Ocean Cargo Volume (Exports/Imports)

Ocean cargo volume rose in Japan for exports and imports, and was strong overseas as well



II. Full-Year Plan for the Fiscal Year Ending March 31, 2025

FY03/25: Full-Year Plan

In the first year of Phase 2 of NN7, we expect performance to be in line with our forecast, and look for YoY growth in net sales and profits

(Millions of yen)

	FY03/24 Full-year Results	FY03/25 Full-year Plan	YoY	
			Change	Percentage
Net sales	169,934	183,000	+13,065	107.7%
Operating income	8,073	9,100	+1,026	112.7%
Ordinary income	9,463	9,800	+336	103.6%
Profit attributable to owners of parent	8,649	10,300	+1,650	119.1%
Forex rate	JPY151/USD	JPY151/USD	-	-

NN7: Quantitative Targets

Quantitative targets

Phase 1: FY03/23–FY03/24

(FY03/24 results)

Net sales: **¥169.9 billion**
 Operating income: **¥8.0 billion**
 Ordinary income: **¥9.4 billion**
 Profit attributable to
 owners of parent: **¥8.6 billion**
 ROE: **9.7%**

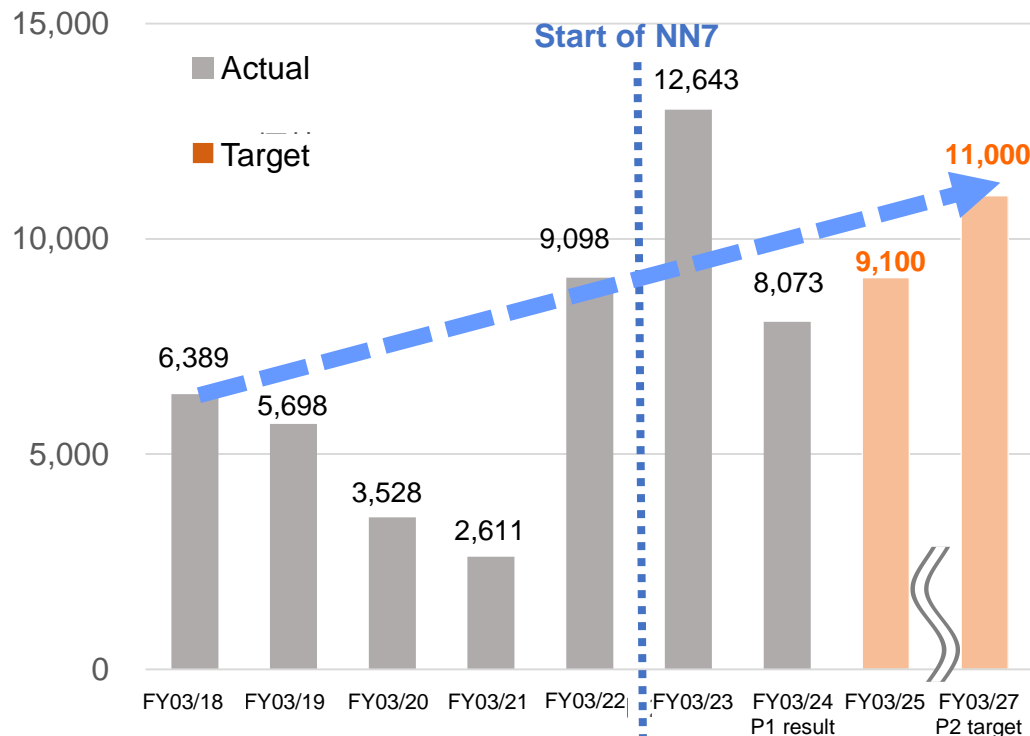
Phase 2: FY03/25–FY03/27

(FY03/27 targets)

Net sales: **¥220.0 billion**
 Operating income: **¥11.0 billion**
 Ordinary income: **¥11.5 billion**
 Profit attributable to
 owners of parent: **¥9.8 billion**
 ROE: **About 10.0%**

(Millions of yen)

Notes on quantitative targets of NN7 (operating income)



[Reference] Depreciation and EBITDA in previous fiscal years

(Millions of yen)

	FY03/18	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY03/24
Depreciation	2,681	2,609	5,062	5,311	5,878	5,571	6,415
EBITDA	9,900	9,527	9,592	10,014	16,147	19,661	16,303

* EBITDA = Ordinary income + Depreciation + Interest paid

FY03/25: Full-Year Plan by Segment

In the logistics business, we expect performance to remain strong in Japan and also recover overseas; we look for growth in net sales and operating income across all segments

(Millions of yen)

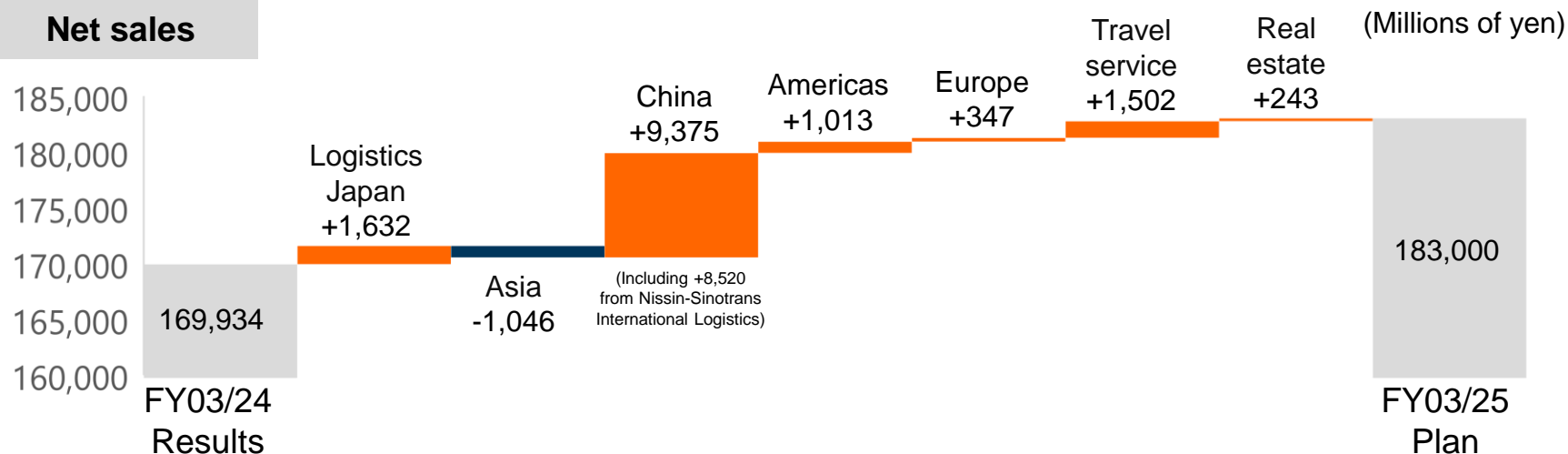
Business			FY03/24 Results	FY03/25 Plan	YoY	
					Change	Percentage
Net sales	Logistics	Domestic	94,767	96,400	+1,632	101.7%
		Overseas	66,711	76,400	+9,689	114.5%
	Travel service		7,098	8,600	+1,502	121.2%
	Real estate		1,356	1,600	+243	117.9%
	Total		169,934	183,000	+13,065	107.7%
Operating income	Logistics	Domestic	3,713	4,000	+287	107.7%
		Overseas	2,998	3,300	+302	110.1%
	Travel service		509	700	+190	137.3%
	Real estate		851	1,100	+248	129.1%
	Total		8,073	9,100	+1,026	112.7%
	Operating margin		4.8%	5.0%	-	-

Note: Figures are internal estimates for the purpose of explaining earnings by segment in a simplified manner.

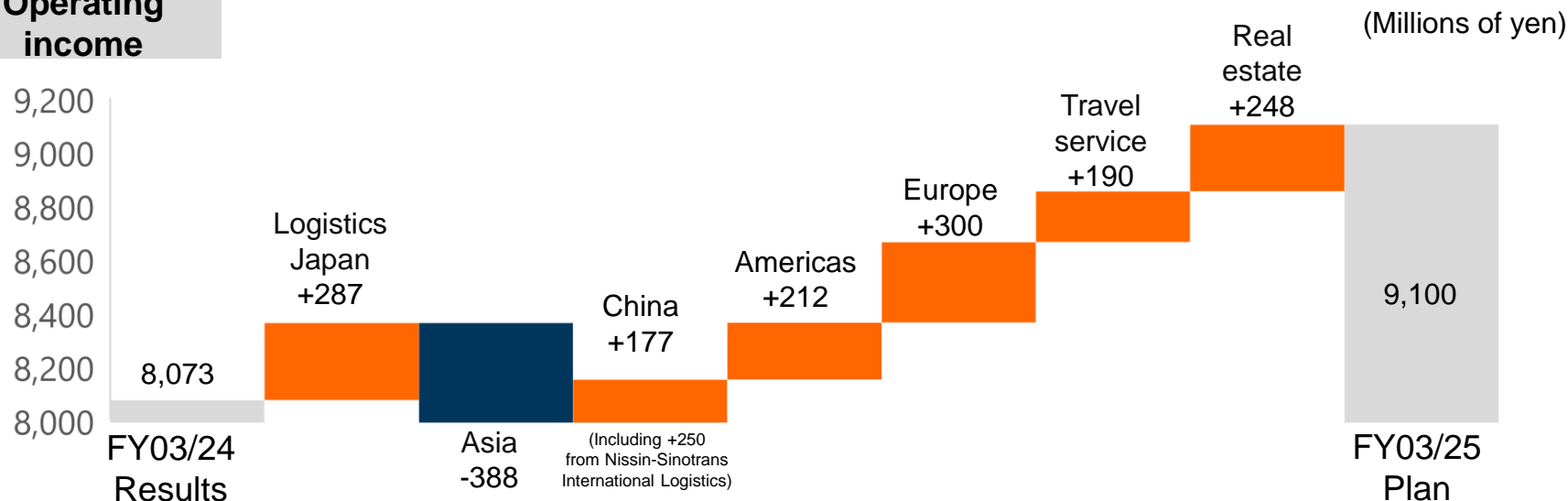
FY03/25 Plan versus FY03/24 Results

In the logistics business, we expect continued strong performance in Japan, and a recovery in cargo movement in the Americas

Net sales



Operating income



FY03/25 Plan:

Factors behind YoY Changes in Operating Income

Business	Region	YoY Change (Millions of yen)	Summary
Logistics	Japan	+287	<ul style="list-style-type: none"> Steady cargo movement mainly in ocean cargo; warehousing operations to also see contributions from the start of e-commerce-related cargo handling Growth investments in Phase 1 of NN7 expected to generate profits
	Asia	-388	<ul style="list-style-type: none"> Performance to hold firm in Malaysia, and domestic transportation operations to remain robust in India Sluggish recovery of automobile-related cargo in Thailand, alongside an expected decline in air cargo handling in Vietnam
	China	+177	<ul style="list-style-type: none"> Nissin-Sinotrans International Logistics Co., Ltd., which became a consolidated subsidiary, to contribute for the full year Weak handling volume due to delayed economic recovery and intensified competition
	Americas	+212	<ul style="list-style-type: none"> Automobile-related cargo to recover in the US Handling of storage battery and EV-related cargo to expand
	Europe	+300	<ul style="list-style-type: none"> In Poland, warehousing business to remain strong, driving earnings New projects to expand through sales capability enhancement
Travel service		+190	<ul style="list-style-type: none"> Handling of group travel to remain steady
Real estate		+248	<ul style="list-style-type: none"> Profit-generating real estate for lease in the Keihin area to deliver contributions over the full year

III. Progress in Phase 2 of NN7

NN7: Basic Policy and Key Measures

Basic policy	As a “Supply Chain Logistics Provider,” we will take on challenges in new business areas, deepen core businesses, and engage in ESG management		
	Further cultivation of core businesses	ESG management	Businesses in new domains
Key measures	<ul style="list-style-type: none"> Promote business portfolio strategy Promote DX Create new business domains Promote ESG management 		

(Millions of yen)	FY03/22	FY03/24	FY03/27 Targets
Net sales	192,699	169,934	220,000
Operating income	9,098	8,073	11,000
ROE	9.4%	9.7%	About 10.0%
*Forex rate: JPY145/USD			
Phase 1: FY03/23–FY03/24			Phase 2: FY03/25–FY03/27

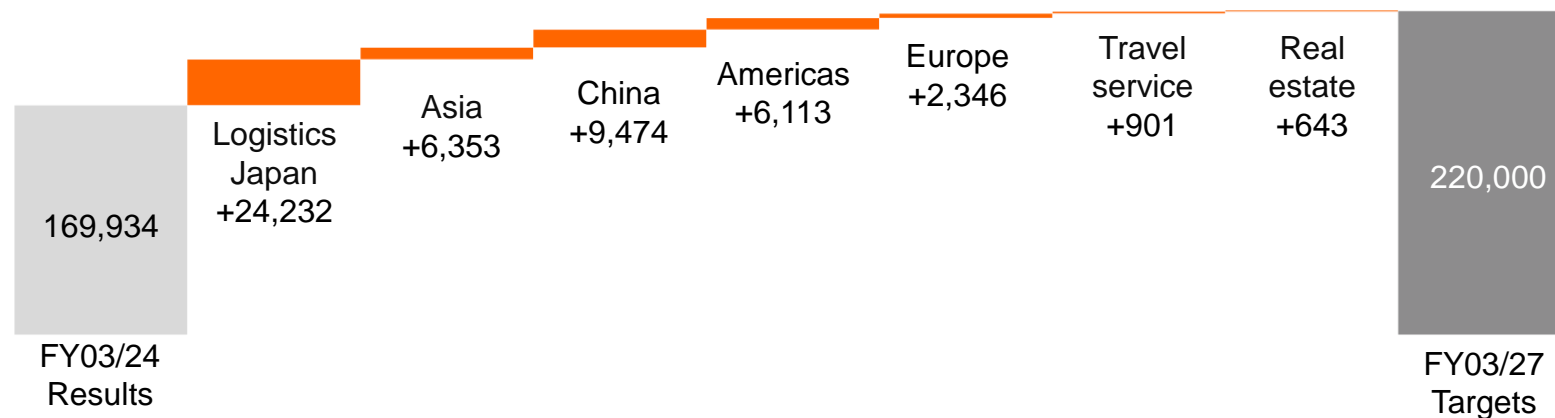
NN7: Business Strategy by Region

(Billions of yen)		Quantitative targets		Phase 2 Plan
		FY03/24 results	FY03/27 targets	
		Upper: Net sales		
		Lower: Operating income		
Logistics	Japan	94.7	119.0	• Expand business by investing in growth areas (Kobe, Kumamoto, Hokkaido, etc.) • Expand businesses related to LIBs (EV batteries) • Begin full-scale operation at Kanagawa Pier Warehouse and Kitakanto Logistics Center
		3.7	4.3	
	Americas	18.8	25.0	
		0.9	1.2	
	Europe	8.6	11.0	• Strengthen warehousing business in Poland • Expand new businesses (foods, machinery, and equipment)
		(0)	0.5	
	Asia	21.6	28.0	• Strengthen domestic transportation business in India • Expand automobile-related warehouses in Malaysia
		1.3	1.8	
	China	17.5	27.0	• Expand earnings of Nissin-Sinotrans International Logistics Co., Ltd., which has become a consolidated subsidiary • Expand sales to non-Japanese companies
		0.6	1.3	
Travel service		7.0	8.0	• Strengthen handling of group travel
		0.5	0.7	
Real estate		1.3	2.0	• Generate profit from leased real estate in the Keihin area, etc.
		0.8	1.2	
Total		169.9	220.0	
		8.0	11.0	

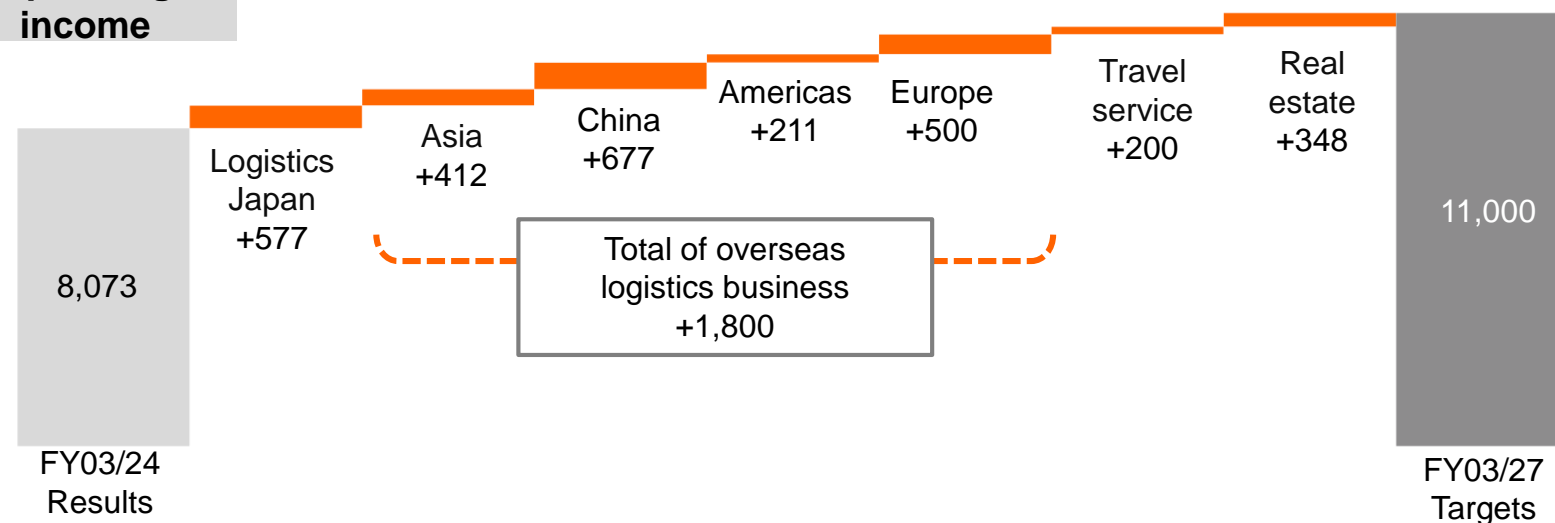
NN7: Phase 2 Plan Quantitative Targets

Net sales

(Millions of yen)



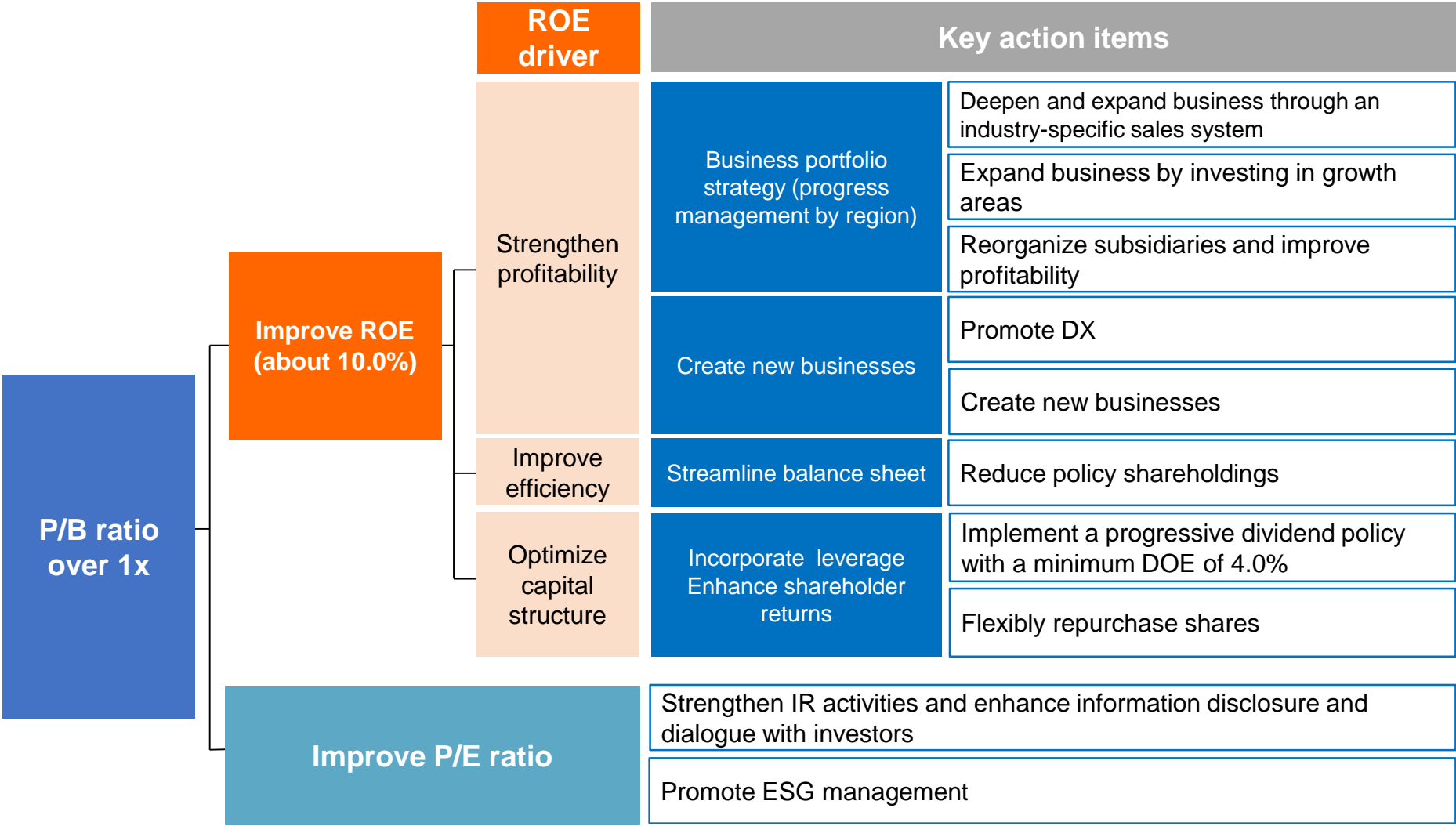
Operating income



Note: Figures are internal estimates for the purpose of explaining earnings by segment in a simplified manner.

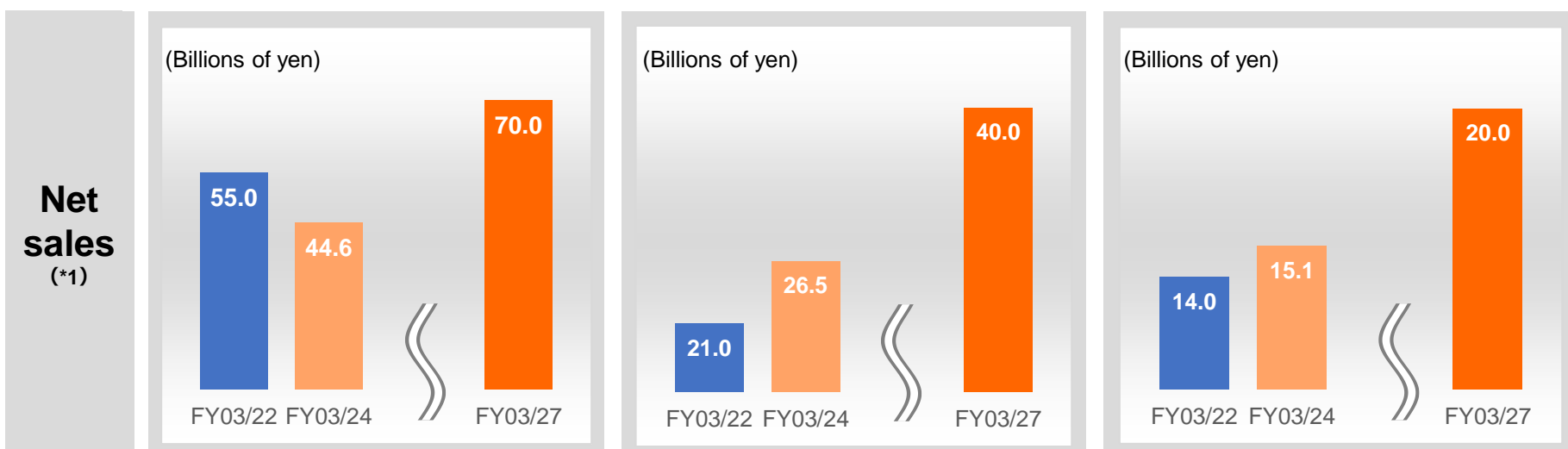
NN7: Initiatives to Enhance Corporate Value

Aim for a P/B ratio of over 1x by investing in growth, expanding new businesses, and increasing capital efficiency



NN7: Deepen and Expand Business through an Industry-specific Sales Organization

	Mobility	Chemicals and Hazardous Materials	Foods
Phase 1	Started construction of Kitakanto Logistics Center	Commenced operation of Kanagawa Pier Warehouse	Optimized operation of existing facilities Improved profitability
Phase 2	<p>Complete Kitakanto Logistics Center construction and commence operation</p> <p>Develop new EV-related logistics business, taking advantage of DX solutions such as "LiBerth" (*2)</p> <p>Strengthen motorcycle transportation operations in Asia</p>	<p>Secure stable revenue from Kanagawa Pier Warehouse</p> <p>Construct new warehouses and commence operations (Kobe, Kumamoto, Hokkaido)</p> <p>Build supply chain network for logistics of hazardous materials in Japan</p>	<p>Develop refrigerated logistics bases in the Americas and Asia</p> <p>Expand food storage facilities and refrigerated logistics equipment in Japan</p>

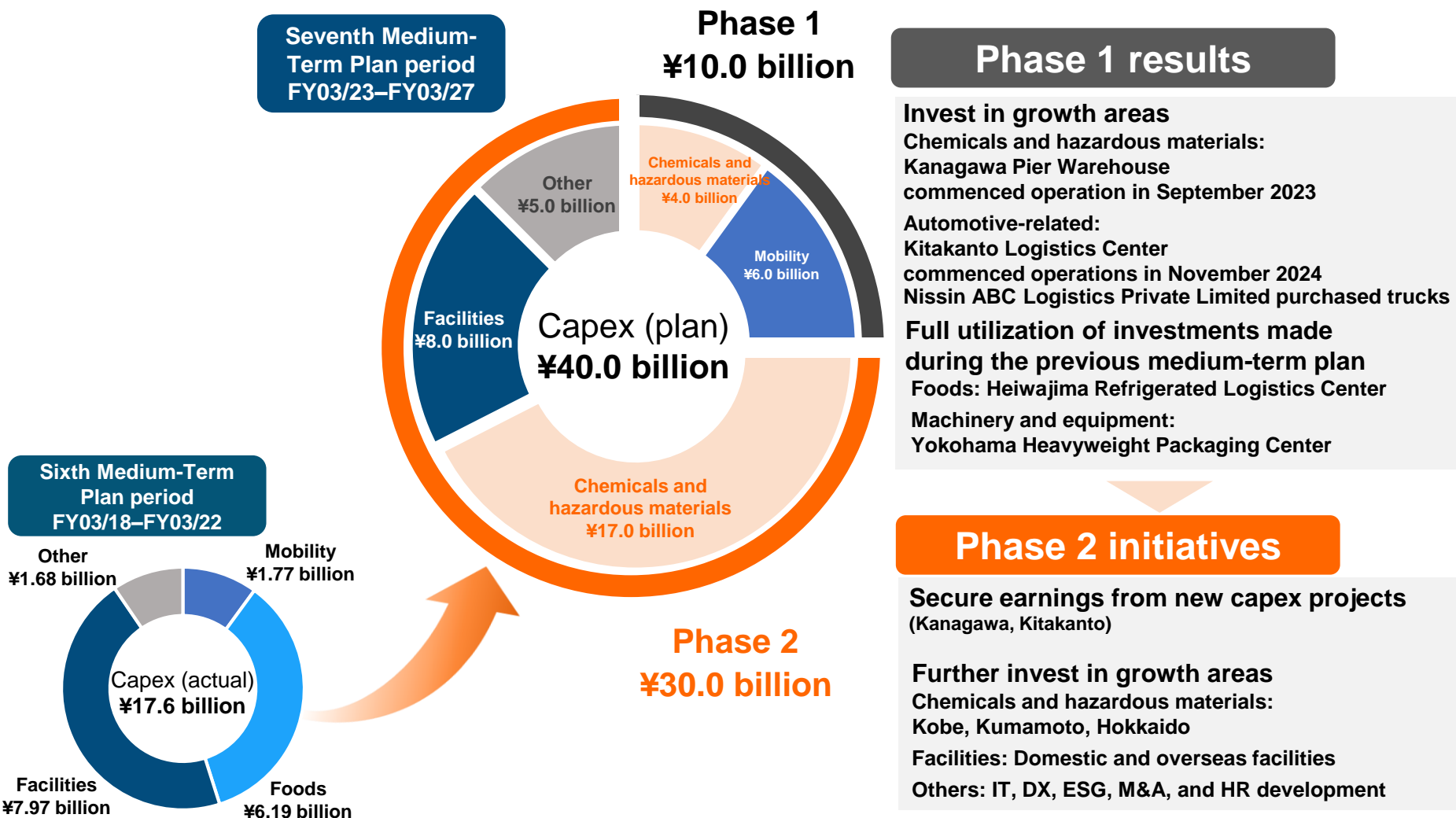


(*1) Above figures are drawn based on internal estimates.

(*2) A newly coined term that combines "lithium-ion batteries (LIBs)" and "berth" (docking station).

NN7: Expand Business by Investing in Growth Areas

Accelerate investments in growth areas, with a focus on core businesses, to expand business



Note: Above figures are drawn based on internal estimates

Transform business models and operations to generate new profits

Phase 1 results

Promote DX

Forward ONE

- Added new functions to digital forwarding service Forward ONE
- Developed a pharmaceutical transportation service in collaboration with partner companies through the returnable case service HACO Lab.



Create new businesses

- Developed arterial and reverse logistics solution services for lithium-ion batteries (LIBs)
- Started new business proposal system



Phase 2 initiatives

Promote DX

- Expand Forward ONE services to increase earnings
- Propose HACO Lab. reverse logistics system
Create added value through a combination of logistics and additional services by deepening collaboration with container manufacturers

Create new businesses

- Generate profits from LIB logistics services through LIB containers, LIB boxes, and ancillary services
- Create new logistics-related businesses that meet customer needs

Enhance shareholder returns and increase capital efficiency

Capital policy

(1) Shareholder return policy

Dividend target: Progressive dividend policy with a minimum DOE of 4.0%
 Share buybacks: Acquire approx. ¥16.0 billion by FY03/25
 Treasury stock cancellation:
 In principle, the portion exceeding 5% of the total number of issued shares will be cancelled every fiscal year

(2) Reduce policy shareholdings

Aim to reduce approx. ¥20.0 billion by FY03/27, including deemed shareholdings

Capital policy progress

Total during NN7 period: **approx. ¥16.0 billion**

Share buybacks

FY03/24 Acquired **approx. ¥2.0 billion**
 FY03/25 Acquire **approx. ¥14.0 billion**

Maintain flexible approach thereafter

Total during NN7 period: **approx. ¥20.0 billion**

Reduce policy shareholdings

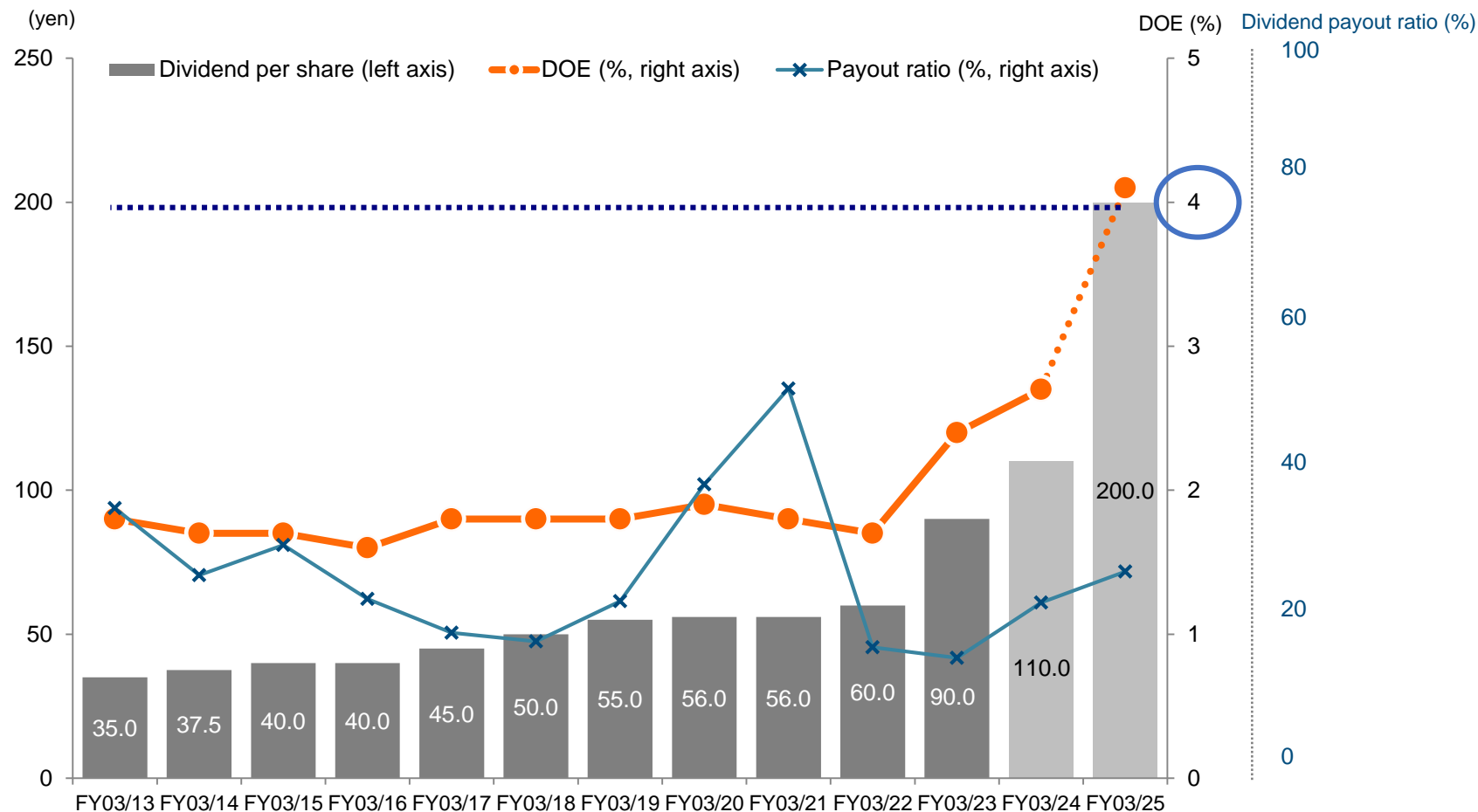
FY03/24 Reduced **approx. ¥8.0 billion**
 FY03/25 Reduced **approx. ¥8.5 billion**
 Through FY03/27 Plan to reduce **approx. ¥3.5 billion**

Reduce consolidated net asset ratio

Maintain financial soundness by implementing appropriate capital policies under the credit rating of A- (from R&I) obtained in November 2023

NN7: Shareholder Returns

Strengthen shareholder returns through the adoption of a progressive dividend policy



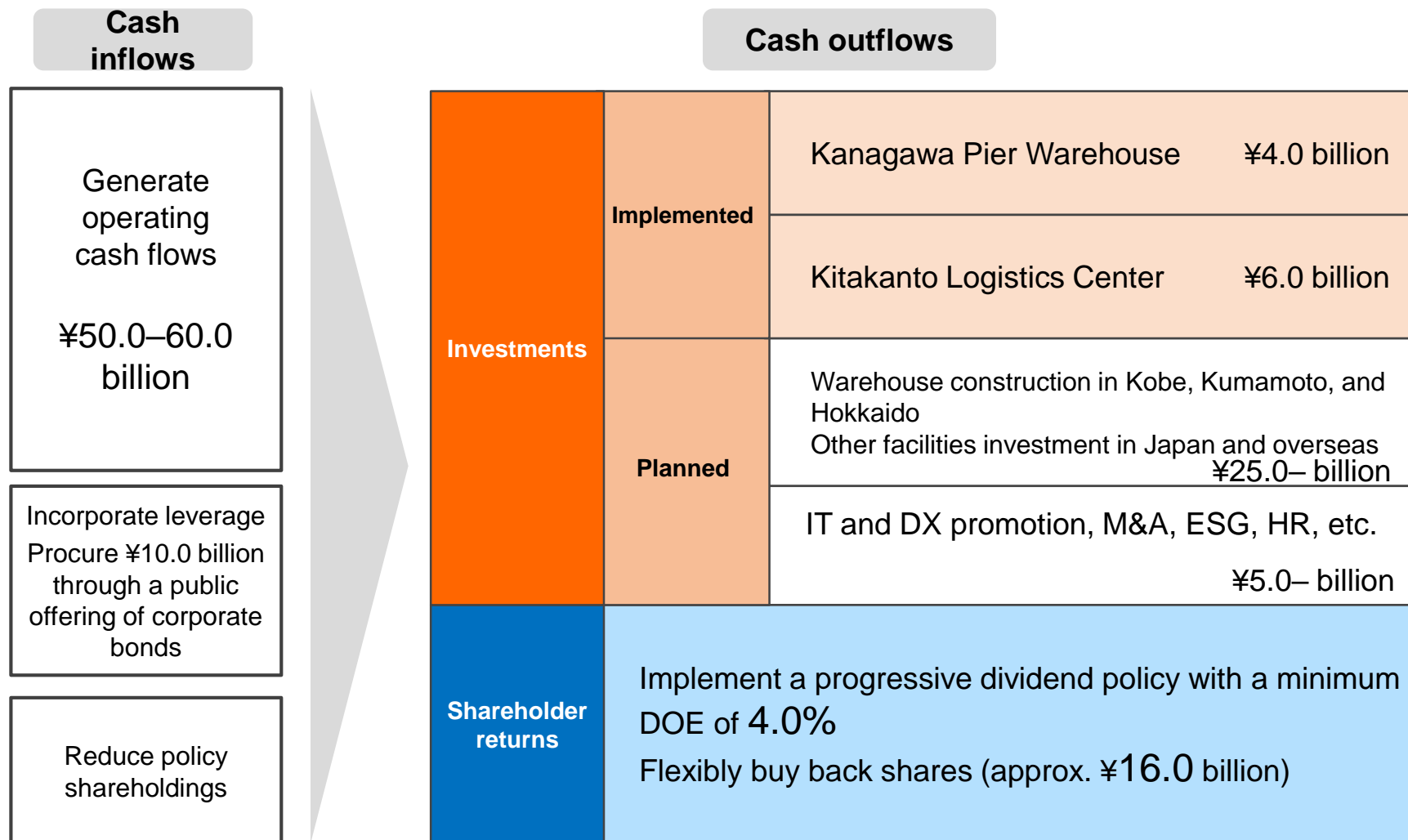
Note:

Figures adjusted to account for the 1-for-5 reverse stock split of common stock effective October 1, 2017

Inclusion in the “Nikkei Progressive and High Dividend Stock Index” (July 2024): Selected as one of 30 domestic listed companies continuing to pay progressive dividends

NN7: Cash Allocation (Capex and Shareholder Returns)

Generate operating cash flows (¥50.0–60.0 billion) and allocate them to growth investments and shareholder returns

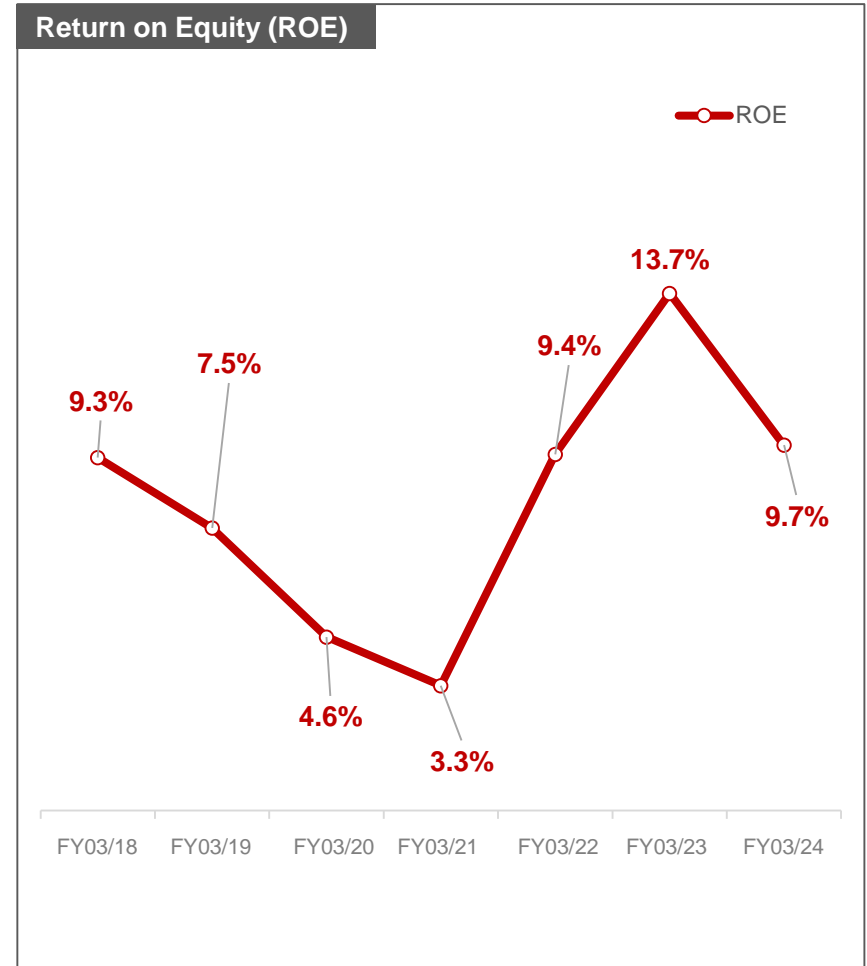
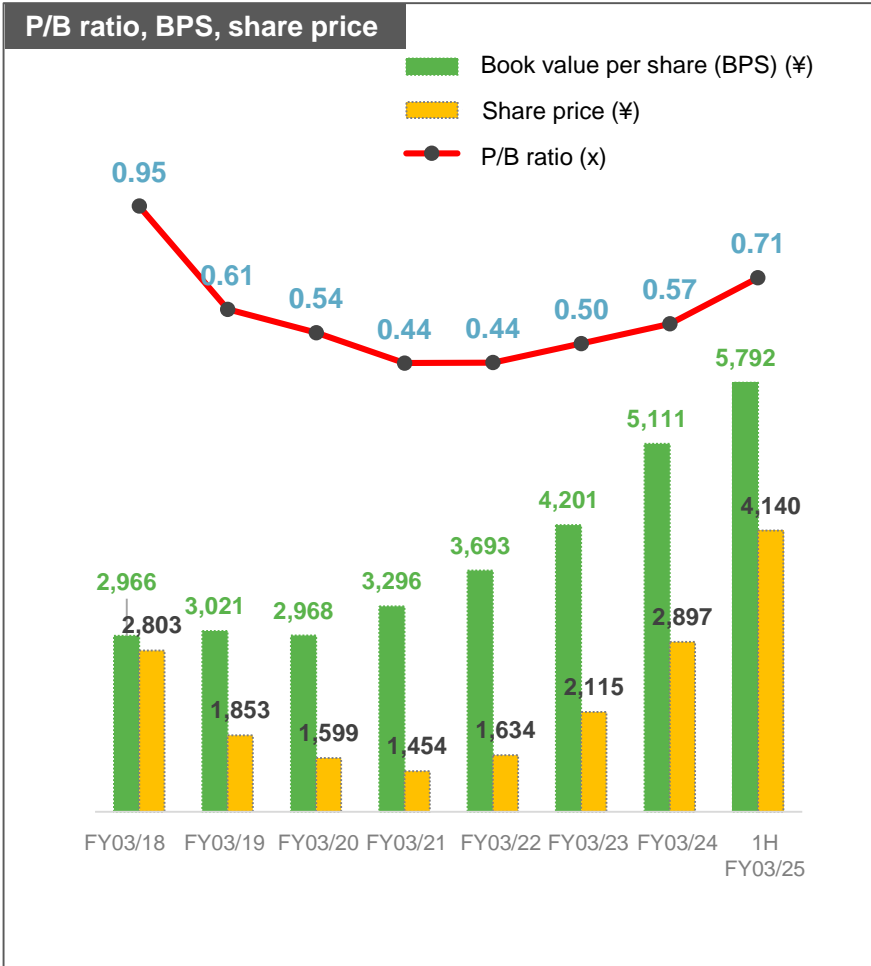


Achieve Management

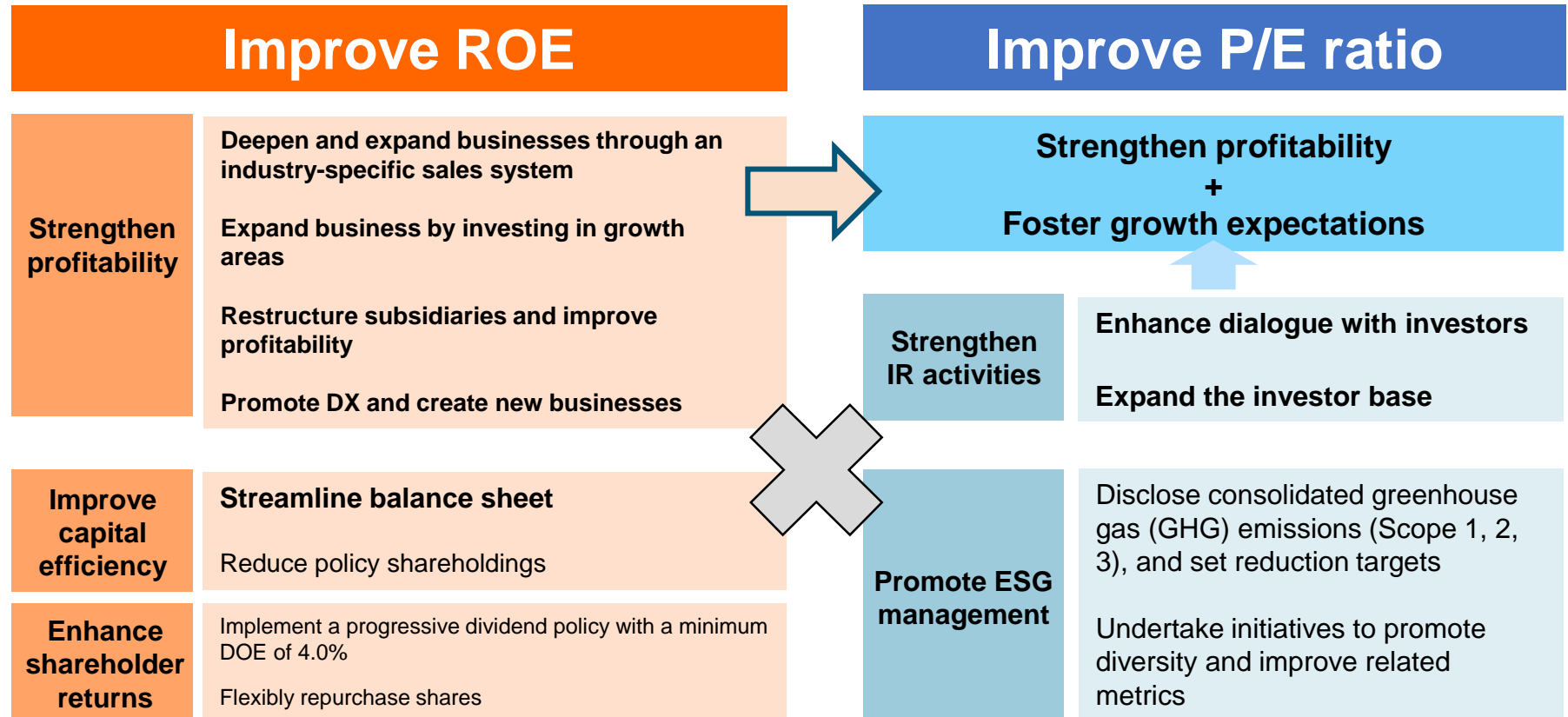
Focused on Capital Costs and Share Price (1)

Current analysis of corporate value enhancement

Exhibiting growth toward a P/B ratio of over 1x



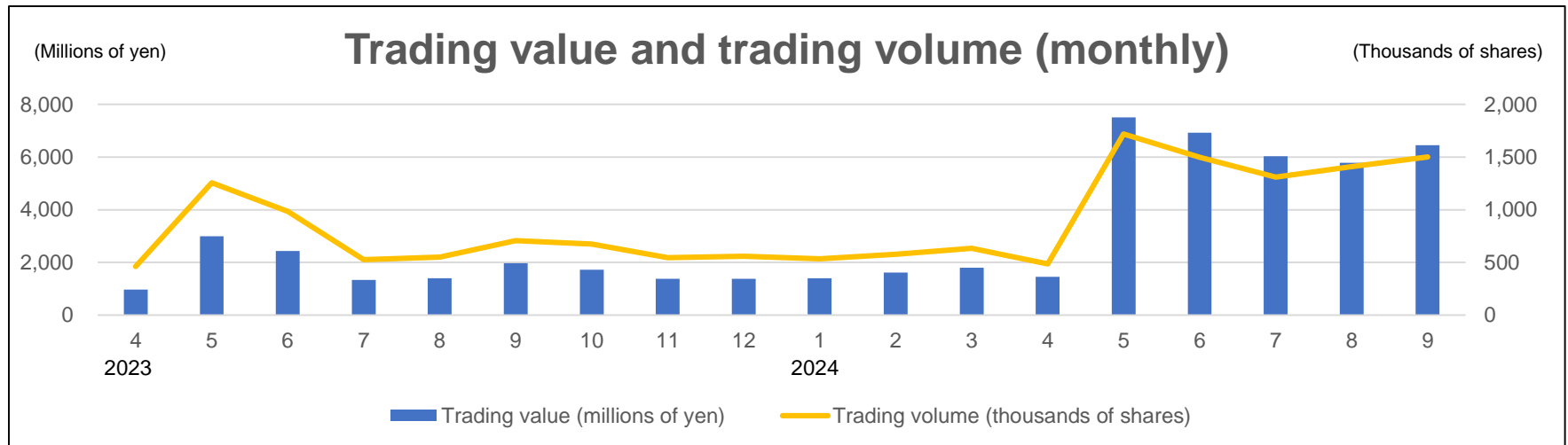
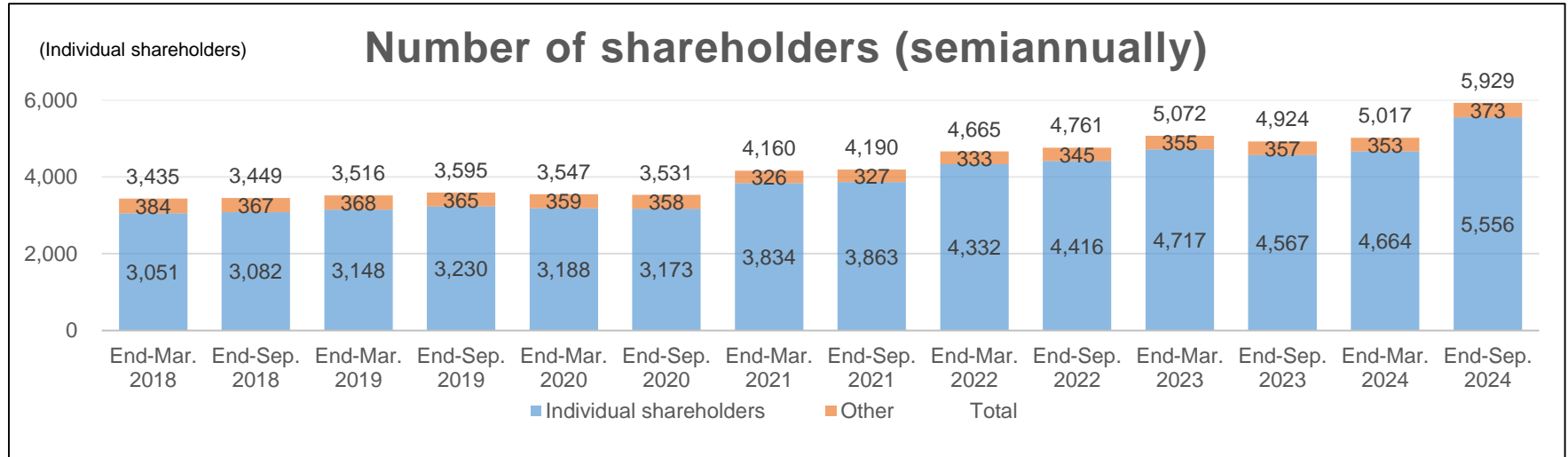
Measures to achieve a P/B ratio of over 1x



Early realization of a P/B ratio of over 1x



Achieve Management Focused on Capital Costs and Share Price (3)

The uptrends in the number of shareholders and trading volume have significantly improved liquidity



Promote ESG Management

Enhance corporate value in ESG areas by promoting climate change initiatives and human capital management

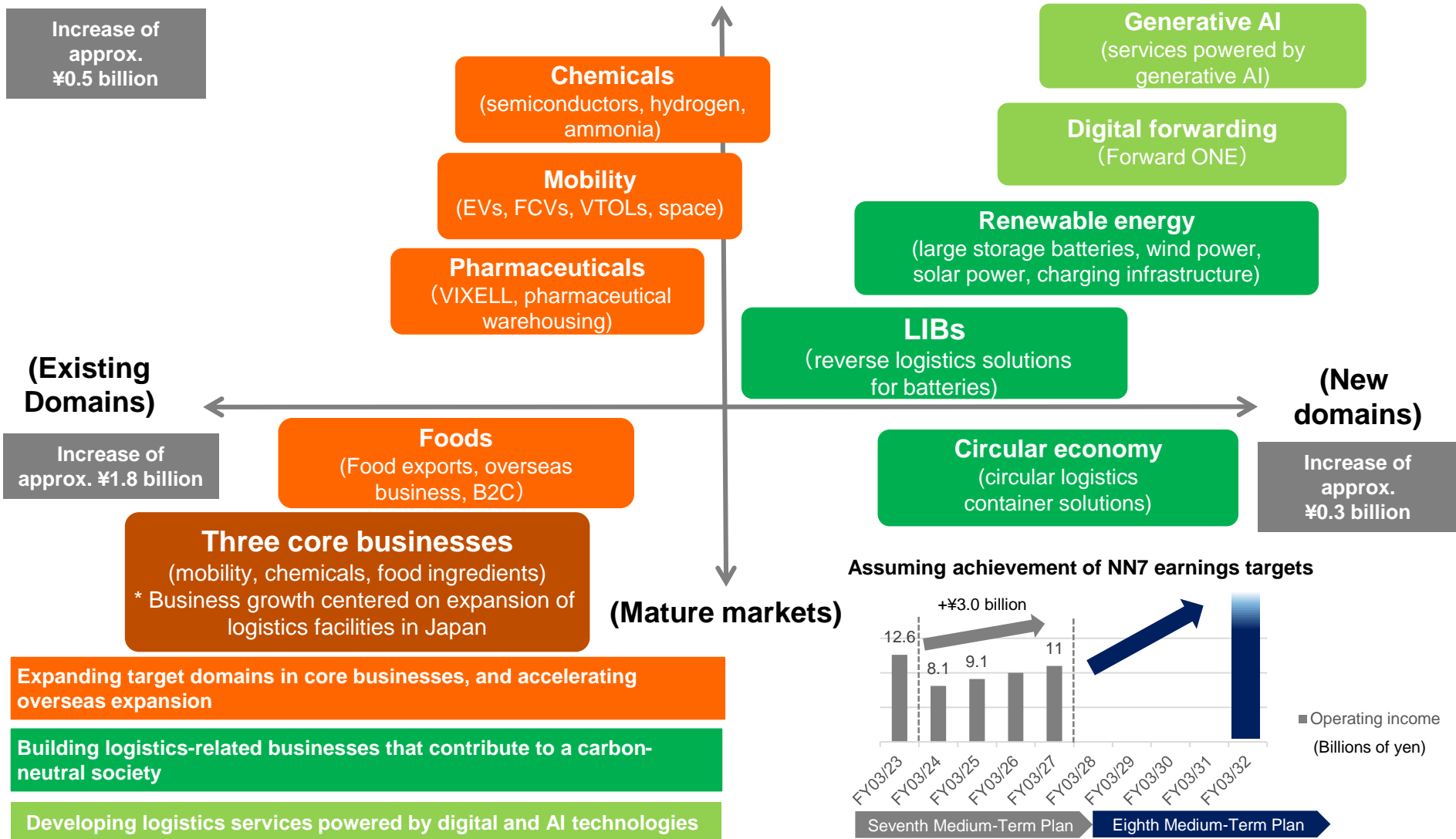
Materiality	Major initiatives	Achievements and outcomes
Natural capital Realize a decarbonized society and contribute to an environmentally conscious, circulating society	Set reduction targets for consolidated greenhouse gas (GHG) emissions	<ul style="list-style-type: none"> Set 21.6% reduction target for consolidated GHG emissions by FY03/31 (vs. FY03/23)
	Switch to renewable energy	<ul style="list-style-type: none"> Renewable energy adoption rate of approx. 36% (non-consolidated) Installed solar power generation equipment at Malaysian subsidiary (first such installation overseas; reduces subsidiary GHG emissions by 30%)
Human capital Respect all people and build an environment where individuals can bring out their best abilities	Develop human resources and their capabilities	<ul style="list-style-type: none"> Expanded rank-based training programs Introduced IT Passport training to develop DX talent
	Respect diversity and promote the advancement of women in the workplace	<ul style="list-style-type: none"> Ratio of female managers of 9.4% (early achievement of 10% target) Appointed two female operating officers Expanded systems to support a balance between work and care duties (childcare or nursing care) Developed work environment through diversity training
	Improve employee engagement	<ul style="list-style-type: none"> Fostered a sense of participation in management through the introduction of the restricted stock for employees (RS) Strengthened human resources and organizational capabilities by using engagement tools
Social and relationship capital Create a company that is fair, valuable, and hopeful to all stakeholders	Enhance disclosure of sustainability information	<ul style="list-style-type: none"> Expanded the volume of non-financial information disclosed in integrated reports and on the company website
	Improve third-party ESG evaluations	<ul style="list-style-type: none"> Selected as a constituent of an ESG investment index Improved climate change assessment <div>  FTSE Blossom Japan Sector Relative Index  </div>

IV. Achievement of NN7 Goals, and Strategies for Further Growth Beyond NN7

Ten Initiatives in Growth Areas

Concurrently moving forward in new and existing business domains through ambidextrous management

Graph at bottom right:
Breakdown of Seventh Medium-Term Plan
(+¥3.0 billion)



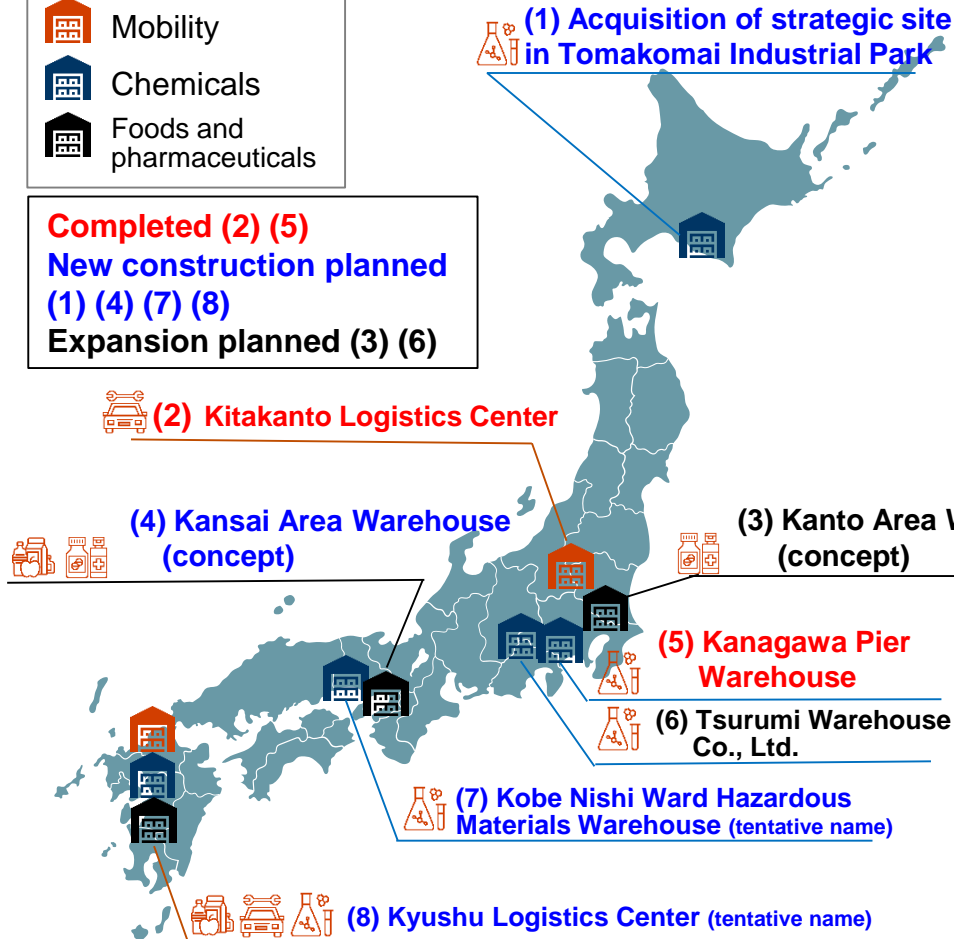
Ten Initiatives in Growth Areas

Expanding target domains in core businesses, and accelerating overseas expansion


Japan

-  Mobility
-  Chemicals
-  Foods and pharmaceuticals


Completed (2) (5)
New construction planned
 (1) (4) (7) (8)
Expansion planned (3) (6)




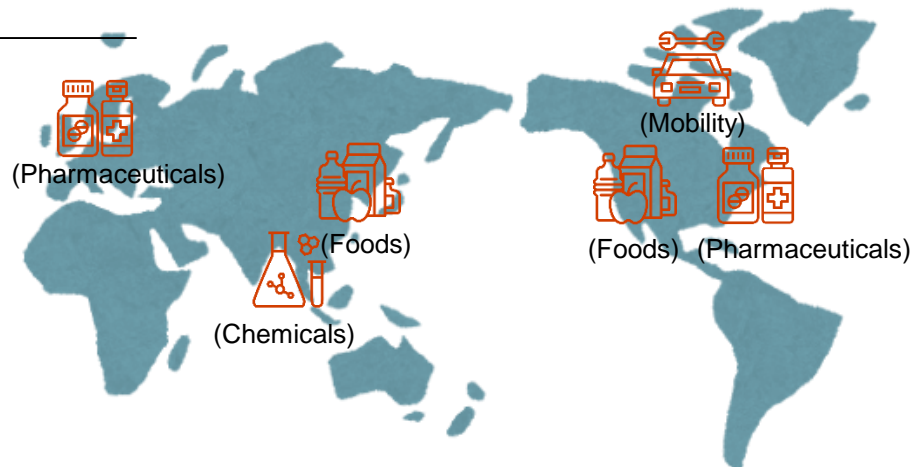
Overseas

 **Mobility**
 Domains: EVs, FCVs, VTOLs
 Overseas: US, Canada

 **Foods**
 Domains: Food exports and imports
 Overseas: US, Vietnam

 **Chemicals**
 Domains: Hydrogen, ammonia
 Overseas: Southeast Asia

 **Pharmaceuticals**
 Domains: Pharmaceutical warehousing, transportation network
 Overseas: EU, US



Kitakanto Logistics Center

Opened in November 1, 2024

Location: Haga No. 2 Industrial Park
Haga-machi, Haga-gun, Tochigi Prefecture

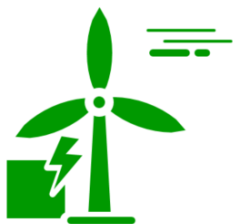
Facilities: General distribution warehouse, bonded warehouse, constant-temperature area

Site area: 46,180.53 sqm

Total floor area: 24,534.10 sqm

Building logistics-related businesses that contribute to a carbon-neutral society

Renewable energy



Large storage batteries, home-use storage batteries, wind and solar power generation, charging infrastructure

In cargo for the renewable energy market, which is poised for dramatic growth, provide one-stop solutions for international intermodal transportation, customs clearance, installation, parts management, and maintenance and servicing.

LIBs



Reverse logistics solutions for batteries



LiBerth
リバース

Provide safe and flexible logistics infrastructure functions spanning everything from collection and diagnosis to storage and dismantling of used LIBs

Circular economy



Circular logistics container solutions



HACO Lab.
ハコラボ

Help customers advance decarbonization initiatives by providing various logistics solutions that enable the circulation of logistics containers

Developing logistics services powered by digital and AI technologies



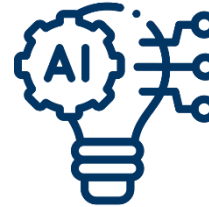
Digital forwarding

Forward ONE

Build services with Forward ONE at the center of the forwarding business

- (1) Vessel movement tracking and delay notifications
- (2) Progress management for customs clearance and shipping operations
- (3) Chat functionality
- (4) Multilingual support

More than 1,500 system users



Generative AI

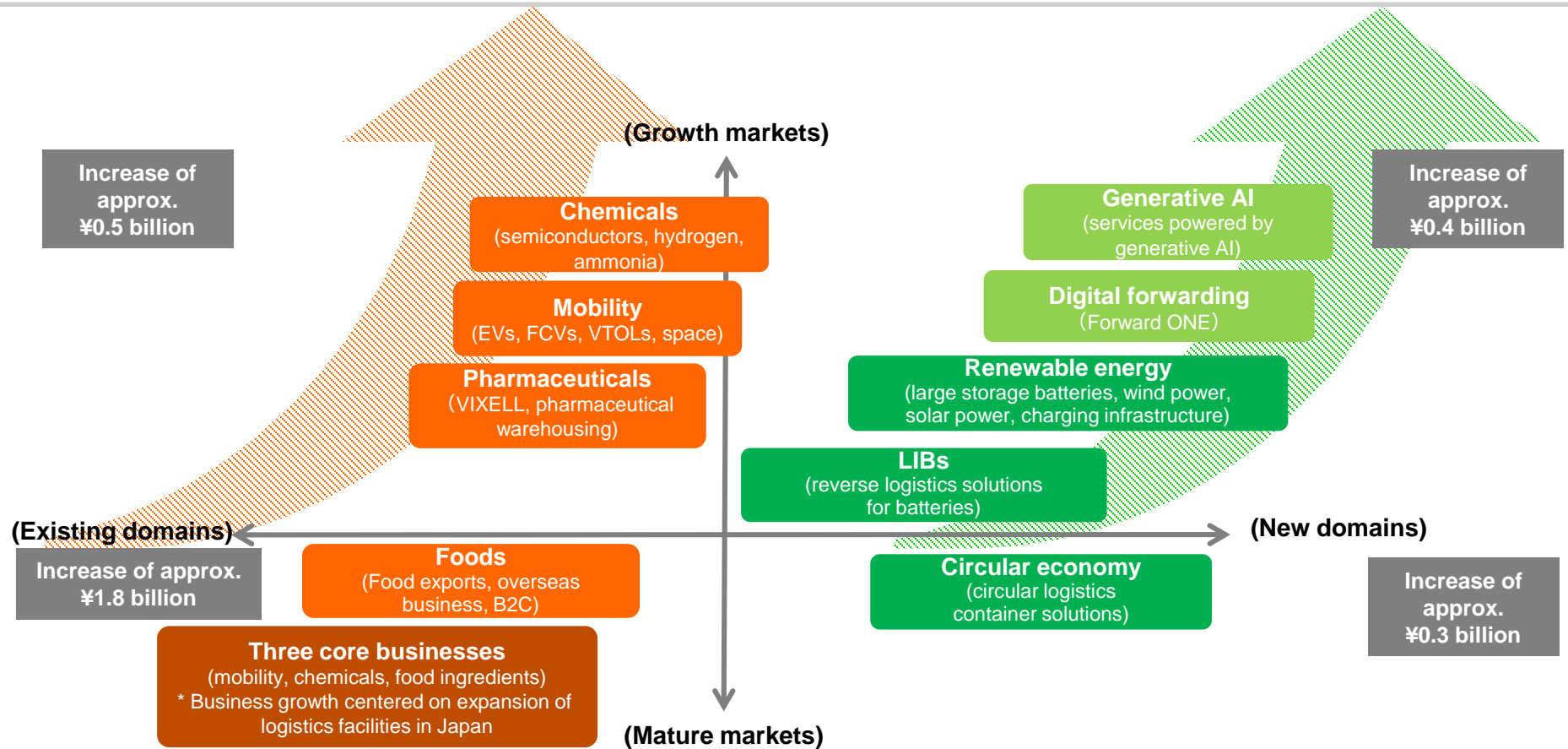
Generative AI-powered service
Nissin AI based Platform

(tentative name)

Build services that maximize the use of generative AI and leverage the strengths and expertise of our team members

- (1) Generative AI x logistics expertise
 - Provide AI-powered concierge services tailored for each industry
- (2) Generative AI x customs clearance
 - Utilize generative AI to semi-automate customs clearance processes

Ten Initiatives in Growth Areas



Concurrently moving forward in new and existing business domains through ambidextrous management

Results for the First Half of the Fiscal Year Ending March 31, 2025

The logistics business performed well in Japan, while the travel service business and the real estate business recorded growth in net sales and operating income

Full-Year Plan for the Fiscal Year Ending March 31, 2025

We expect performance in all segments to be in line with our forecast, and look for YoY growth in net sales and profits

Progress in Phase 2 of NN7

We aim for a P/B ratio of over 1x by promoting growth investments and strategies

Achievement of NN7 Goals, and Strategies for Further Growth Beyond NN7

We aim to drive growth by expanding three core business domains and creating new businesses

For inquiries regarding these materials or investor relations in general,
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