



# Financial Results Presentation for Q2, Fiscal Year Ending December 2024

August 9, 2024

NIPPON EXPRESS HOLDINGS, INC.

Investor Relations Promotion Group Corporate Planning Division

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# Financial Results for Q2, FY2024 Executive Summary

## Financial Results for Q2, FY2024

	Results	Vs. Q2, FY2023
↗ Revenues	¥1,249.8 billion	+¥118.0 billion +10.4 %
↘ Consolidated Segment Income (Business Income)	¥25.5 billion	¥(16.7) billion (39.6 %)
Business profit ratio	2.0 %	
↘ Operating Income	¥19.2 billion	¥(21.1) billion (52.4 %)
↘ Profit Attributable to Owners of Parent	¥11.4 billion	¥(14.0) billion (55.0 %)

\* ↗ indicates an increase of +5% or more; ↘ indicates a decrease of -5% or more;  
→ indicates a change of +/-5% or less

- ✓ While global logistics demand appears to be recovering from a low, and we are seeing a long-awaited trend toward recovery in Q2. In addition, the addition of cargo-partner (CP) resulted in an increase in sales.
- ✓ With the exception of ocean cargo transportation from overseas, forwarding business gross profit unit price fell while volume for infectious disease-related materials declined and personnel expenses rose by a wide margin, resulting in lower profit for business income and every profit measure below.
- ✓ The large year on year decline in operating income was mainly due to an impairment loss associated with the integration of special combined delivery business in Q1.

# Financial Results Forecast for FY2024 Executive Summary

## Forecast for FY2024

	Forecast	Vs, FY2023
↗ Revenues	¥2,570.0 billion	+¥330.9 billion +14.8 %
↘ Consolidated Segment Income (Business Income)	¥70.0 billion	¥(11.2) billion (13.9 %)
Business profit ratio	2.7%	
↗ Operating Income	¥65.0 billion	+¥4.9 billion +8.2%
↗ Profit Attributable to Owners of Parent	¥40.0 billion	+¥2.9 billion +8.0%
ROE	4.9%	+0.1pt
ROIC (Business Profit Before Taxes)	4.5%	-1.1pt

\* ↗ indicates an increase of +5% or more; ↘ indicates a decrease of -5% or more;  
→ indicates a change of +/-5% or less

- ✓ Based on a comprehensive consideration of the current situation and future outlook, we revised revenues upward and operating income and every profit measure below downward.
- ✓ Amid signs of recovery in logistics demand, profitability in the forwarding business recovered in June and continued to recover in July onward.
- ✓ At the same time, Japan Segment revisions were larger, reflecting a weak recovery in demand for domestic logistics and likely ongoing sluggishness for the foreseeable future.

# 1. Financial Results for Q2, FY2024

## 2. Forecast for FY2024

## 3. Business Plan 2028 Initiatives

## 4. Return to Shareholders

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# 1-A. Financial Results Highlights for Q2, FY2024

(100 million yen, %) (rounded down to 100 million yen)

Item	Current-Year Results (Jan-Jun 2024)	Prior-Year Results (Jan-Jun 2023)	Difference YoY	Difference YoY (%)	1H Forecast (Announced May 13)	Difference	Difference (%)
Revenues	12,498	11,318	1,180	10.4	12,000	498	4.2
Consolidated Segment Income (Business Income)	255	422	(167)	(39.6)	350	(94)	(27.1)
Business profit ratio	2.0	3.7	-	-	2.9	-	-
Operating Income	192	403	(211)	(52.4)	340	(147)	(43.5)
Profit Attributable to Owners of Parent	114	254	(140)	(55.0)	230	(115)	(50.3)

[Reference] cargo-partner Jan-Jun results (within Europe; before consolidation): Revenues ¥127.3 billion; Business income ¥0.5 billion

# 1-A. Financial Results Highlights for Q2, FY2024

(100 million yen, %) (rounded down to 100 million yen)

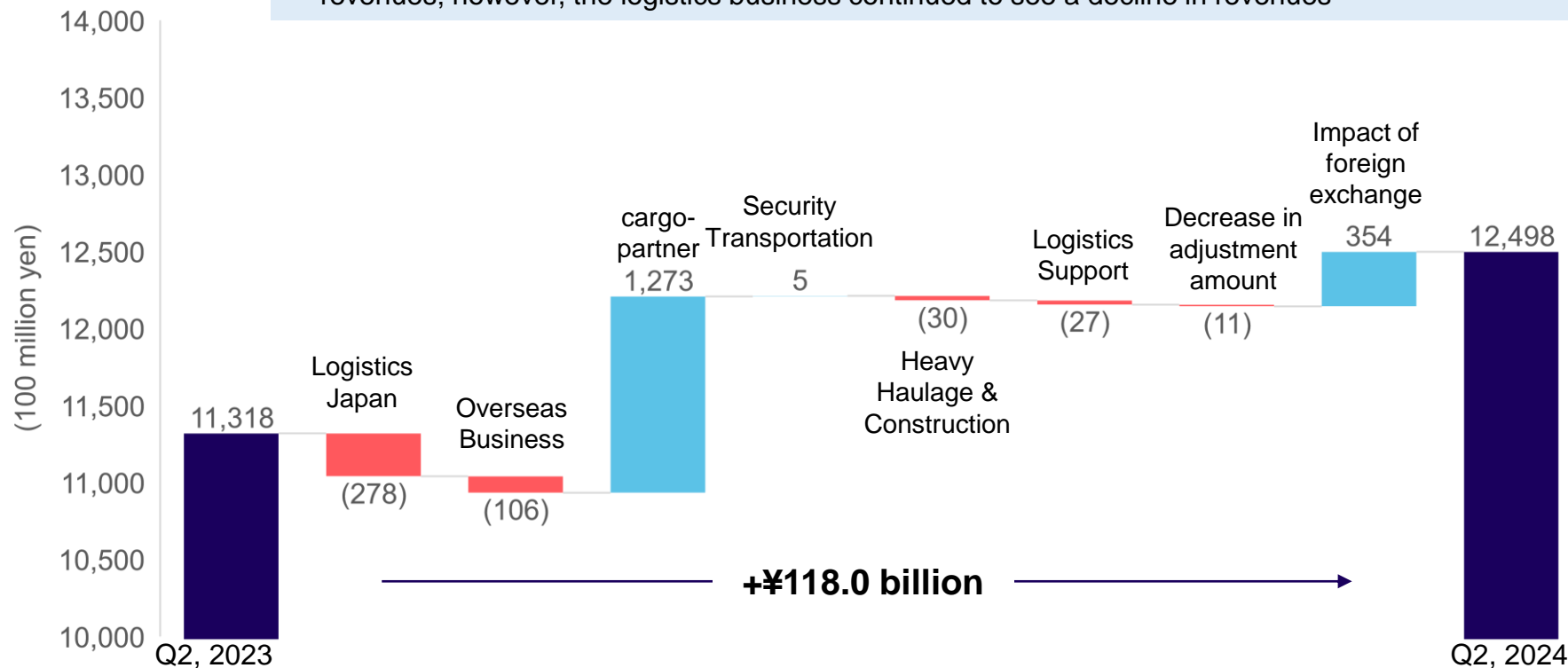
Segment	Item	Current-Year Results (Jan-Jun 2024)	Prior-Year Results (Jan-Jun 2023)	Difference YoY	Difference YoY (%)	1H Forecast (Announced May 13)	Difference	Difference (%)
Japan	Revenues	6,124	6,402	(278)	(4.3)	5,930	194	3.3
	Segment income (Business Income)	155	231	(76)	(32.8)	190	(34)	(18.0)
Americas	Revenues	783	740	43	5.8	750	33	4.5
	Segment income (Business Income)	26	52	(25)	(49.2)	35	(8)	(23.5)
Europe	Revenues	2,373	943	1,430	151.5	2,130	243	11.5
	Segment income (Business Income)	51	49	2	4.7	65	(13)	(20.3)
East Asia	Revenues	817	773	43	5.7	750	67	9.0
	Segment income (Business Income)	13	25	(12)	(47.3)	20	(6)	(31.5)
South Asia & Oceania	Revenues	724	719	4	0.7	710	14	2.0
	Segment income (Business Income)	20	49	(28)	(58.6)	30	(9)	(32.3)
Overseas Segment Total	Revenues	4,699	3,178	1,521	47.9	4,340	359	8.3
	Segment income (Business Income)	112	177	(64)	(36.5)	150	(37)	(24.9)
Security Transportation	Revenues	344	338	5	1.8	340	4	1.4
	Segment income (Business Income)	17	17	(0)	(0.9)	15	2	13.7
Heavy Haulage & Construction	Revenues	228	258	(30)	(11.7)	230	(1)	(0.7)
	Segment income (Business Income)	16	30	(13)	(45.2)	25	(8)	(34.2)
Logistics Support	Revenues	2,063	2,090	(27)	(1.3)	2,200	(136)	(6.2)
	Segment income (Business Income)	52	65	(12)	(19.2)	70	(17)	(24.7)

[Reference] cargo-partner Jan-Jun results (within Europe, before consolidation): Revenues ¥127.3 billion; Business income ¥0.5 billion

# 1-B. Breakdown of Revenues and Operating Income

## Revenues

- ✓ The consolidation of CP and the weakening of the yen contributed significantly to the increase in revenues; however, the logistics business continued to see a decline in revenues





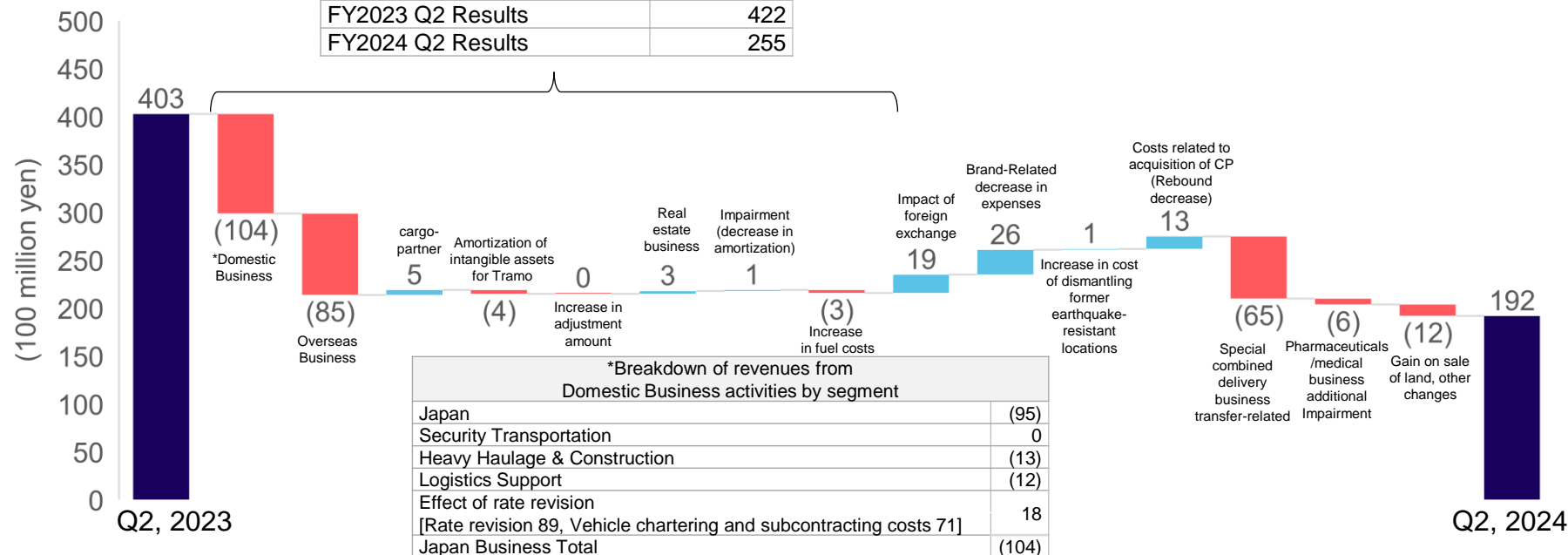
# 1-B. Breakdown of Revenues and Operating Income

## Operating income

- ✓ Profit decreased in domestic and overseas logistics businesses due to lower gross profit per unit in the international forwarding business, etc.
- ✓ We recorded an impairment loss of 6.5 billion yen in Q1 due to the transfer of the special combined delivery business.

### Business Income: ¥(16.7) billion

Business Profit	
FY2023 Q2 Results	422
FY2024 Q2 Results	255



# 1-C. Financial Results for Q2, FY2024    Q2, FY2024 vs. Q1, FY2024

(100 million yen, %) (rounded down to 100 million yen)

Item	FY2024 Q2 Results	FY2024 Q1 Results	Difference	Difference (%)
Revenues	6,322	6,176	146	2.4
Consolidated Segment Income (Business Income)	136	118	17	15.0
Business profit ratio	2.2	1.9	-	-
Operating Income	157	34	122	353.2
Profit Attributable to Owners of Parent	106	8	97	1,191.4

# 1-C. Financial Results for Q2, FY2024

# Q2, FY2024 vs. Q1, FY2024 (by Segment)

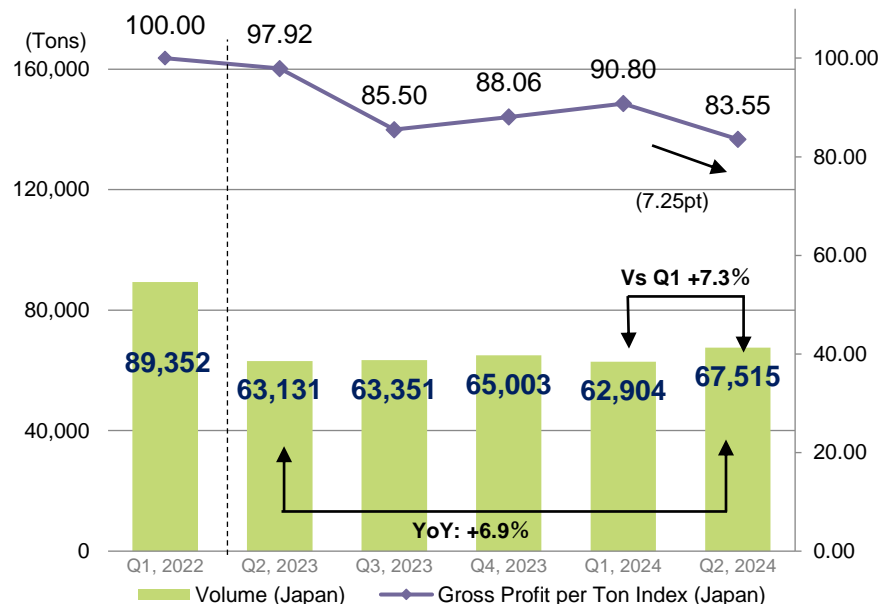
(100 million yen, %) (rounded down to 100 million yen)

Segment	Item	FY2024 Q2 Results	FY2024 Q1 Results	Difference	Difference (%)
Japan	Revenues	3,069	3,054	14	0.5
	Segment income (Business Income)	92	63	29	45.9
Americas	Revenues	413	370	43	11.8
	Segment income (Business Income)	16	10	5	52.7
Europe	Revenues	1,244	1,129	115	10.2
	Segment income (Business Income)	20	31	(11)	(35.4)
East Asia	Revenues	444	373	70	18.9
	Segment income (Business Income)	9	4	4	105.6
South Asia & Oceania	Revenues	377	347	29	8.6
	Segment income (Business Income)	10	10	0	2.8
Overseas Segment Total	Revenues	2,479	2,220	259	11.7
	Segment income (Business Income)	56	56	(0)	(0.9)
Security Transportation	Revenues	168	176	(7)	(4.1)
	Segment income (Business Income)	3	13	(10)	(76.0)
Heavy Haulage & Construction	Revenues	122	106	16	15.2
	Segment income (Business Income)	8	7	0	12.6
Logistics Support	Revenues	983	1,079	(96)	(8.9)
	Segment income (Business Income)	28	24	4	18.5

# 1-D. Air Forwarding Gross Profit: Japan Segment

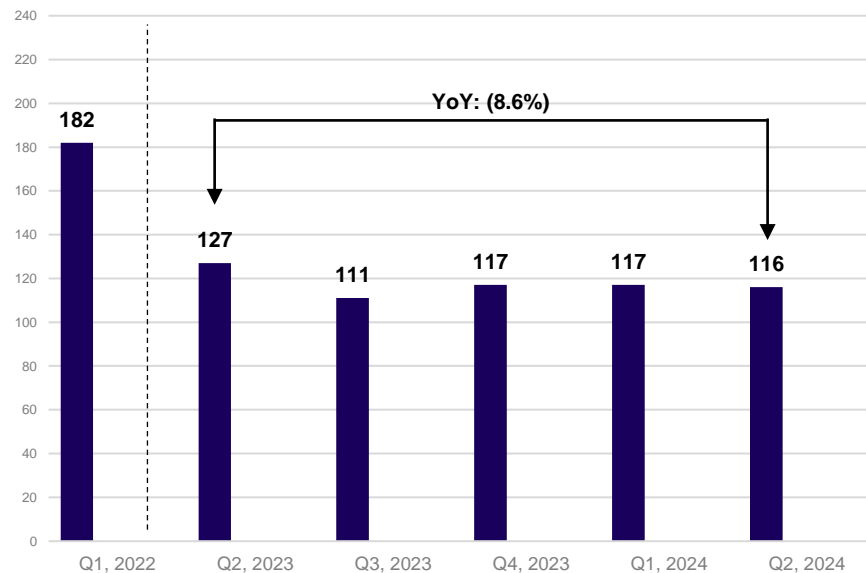
- ✓ Gross profit per ton fell by 7.9 points due to increased spot purchases for space in connection with higher volumes amid rising air freight rates.

Air Export Freight Volume and Gross Profit per Unit



Air Forwarding Gross Profit

Unit: 100 million yen



\*Figures represent the change in each quarter, indexing gross profit per ton in Q1, 2022 at 100. (See Supplementary Materials on P.19 regarding trends since Q1, 2022)

\*Q2, FY2024 gross profit indicator: Numerical correction 83.55 (corrected) - 82.94 (before correction)

\*Gross profit indicator trend difference compared to the QoQ : Numerical correction (7.25pt) (corrected) - (7.9pt) (before correction)

\*Air forwarding gross profit: Net sales minus air forwarding costs (international)

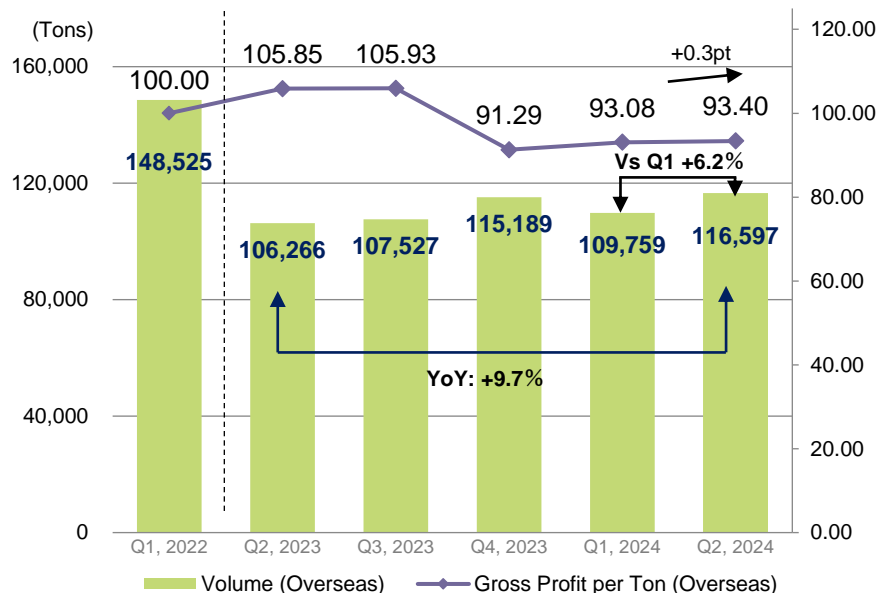
\*Q2, FY2024 gross profit : Numerical correction 116 (corrected) - 115 (before correction)

\*Air forwarding gross profit amount compared to YoY : Numerical correction (8.6%) (corrected) - (9.4%) (before correction)

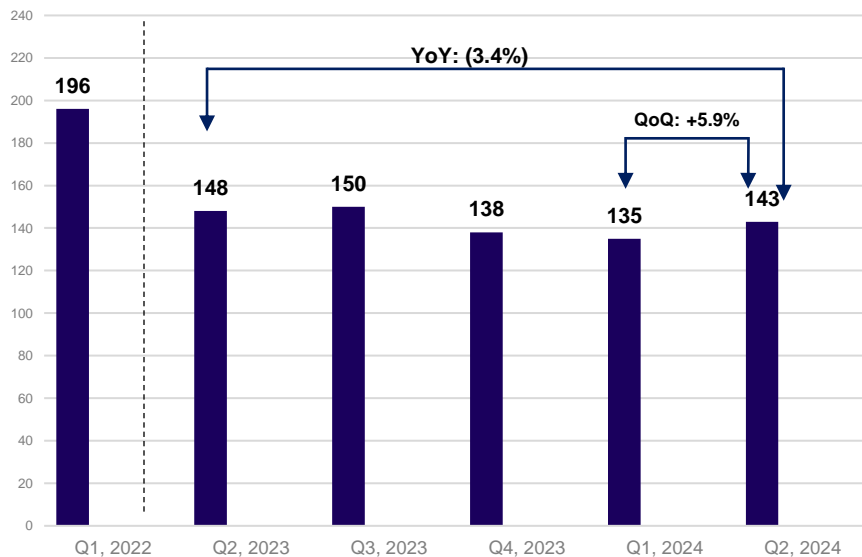
# 1-D. Air Forwarding Gross Profit: Overseas Segment

✓ Overall gross profit per ton remained at essentially the same level as in Q1, improving by 0.3 points.

Air Export Freight Volume and Gross Profit per Unit



Air Forwarding Gross Profit Unit: 100 million yen



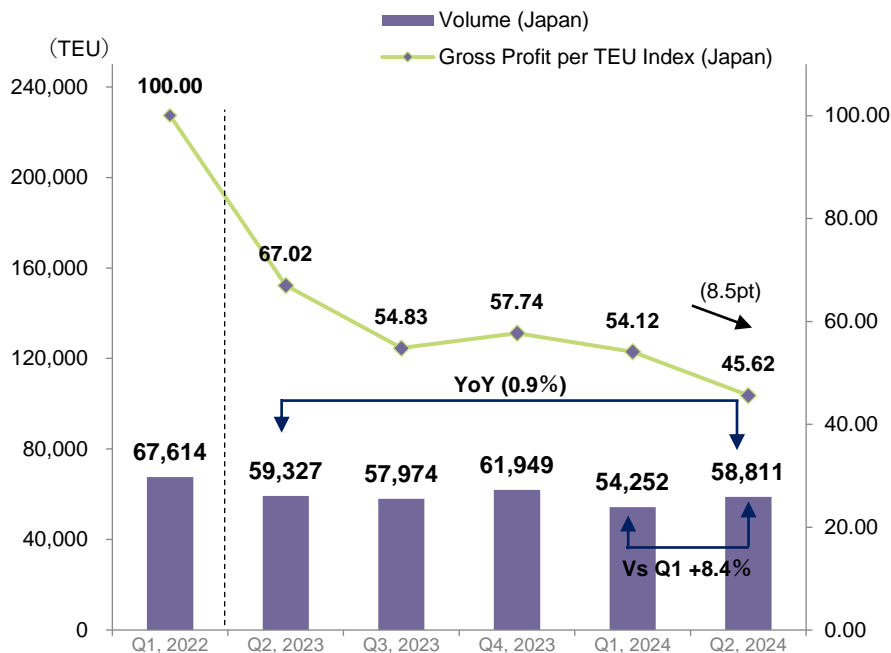
\*Air forwarding gross profit: Net sales minus air forwarding costs (international)

\*Figures represent the change in each quarter, indexing gross profit per ton in Q1, 2022 at 100. (See Supplementary Materials on P.19 regarding trends since Q1, 2022)

\*Calculated by converting into yen using the average exchange rate for each quarter. \*Calculations exclude cargo-partner results.

# 1-F. Ocean Forwarding Gross Profit: Japan/Overseas

- ✓ Gross profit per TEU from Japan decreased by 8.5 points due to a time lag in price pass-through caused by a sharp rise in ocean freight rates in May.
- ✓ Amid upward trends in freight rates, gross profit per TEU from overseas rose 6.9 points.

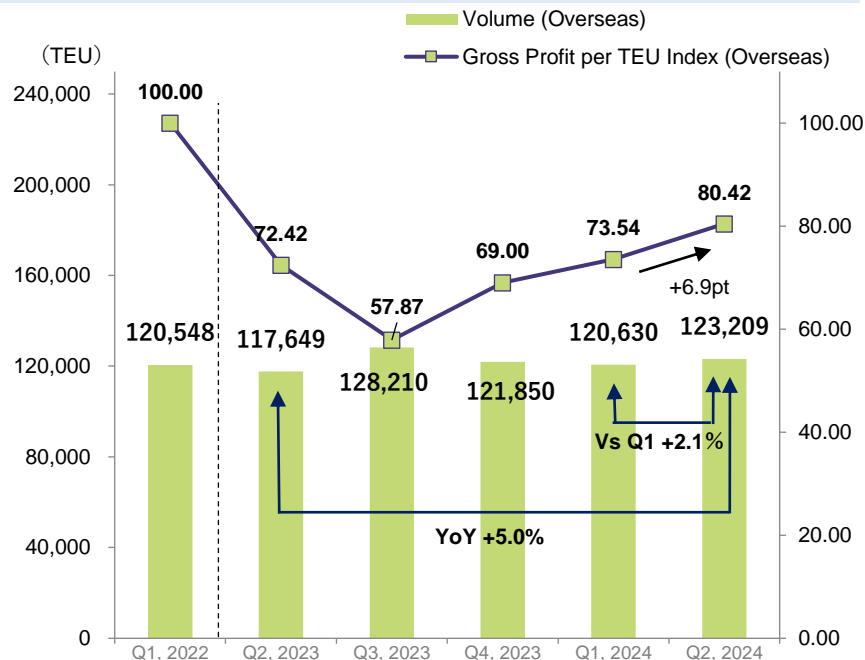


\*Figures represent the change in each quarter, indexing gross profit per TEU in Q1, 2022 at 100.

(See Supplementary Materials on P.19 regarding trends since Q1, 2022)

\*Overseas segment total is calculated by converting into yen using the average exchange rate for each quarter.

\*Volume includes non-NVOCC. \*Calculations exclude cargo-partner results.



\*We changed the method for counting ocean forwarding volume originating from Japan in Q1, FY2024

\*As of June 2024, we revised certain extraction methods to identify gross profit per unit aggregated from NVOCC Japan.

# 1-F. Income and Expenses by Business

(100 million yen) (rounded down to 100 million yen)

Segment			Q1	Q2	Q2 Cumulative	Q2 vs q1
Logistics Japan	Air Forwarding	Revenues	447	444	891	-3
		Operating Income	30	17	48	-13
	Ocean Forwarding	Revenues	398	442	841	43
		Operating Income	30	44	74	14
	Logistics	Revenues	2,454	2,336	4,791	-117
		Operating Income	82	52	135	-30
	Other (HQ,Real estate, etc.)	Revenues	25	38	64	12
		Operating Income	-68	-73	-141	-4
Results by Organization Total (Japanese Standards)		Revenues	3,327	3,262	6,589	-64
		Operating Income	74	41	116	-33
Consolidated Results (IFRS)		Revenue	3,054	3,069	6,124	14
		Segment Income	63	92	155	29
Logistics Overseas	Air Forwarding	Revenues	547	628	1,176	80
		Operating Income	28	29	58	0
	Ocean Forwarding	Revenues	362	410	773	48
		Operating Income	11	17	28	6
	Logistics	Revenues	741	788	1,530	46
		Operating Income	48	50	99	2
	Other (HQ, etc.)	Revenues	51	51	102	0
		Operating Income	-46	-45	-92	0
	Cargo Partner社	Revenues	770	916	1,687	146
		Operating Income	1	5	6	3
Results by Organization Total (Local Standards)		Revenues	2,474	2,796	5,271	322
		Operating Income	43	56	100	12
Consolidated Results (IFRS)		Revenue	2,220	2,479	4,699	259
		Segment Income	56	56	112	0
Logistics Total (Local Standards)		Revenues	5,801	6,058	11,860	257
		Operating Income	118	98	216	-20
Consolidated Results (IFRS)		Revenue	5,275	5,549	10,824	274
		Segment Income	119	148	268	28

## Quarterly Trend Analysis (Logistics Japan)

Air: Despite an increase in air export volume, gross profit per unit declined 7.9 points compared with Q1. In addition, outsourcing costs and labor costs also increased, resulting in a decrease in gross profit. Import volume decreased compared with Q1 due to sluggish precision equipment-related volume, resulting in an overall decrease in profit.

Ocean: Despite an increase in ocean export volume, Nippon Express NVOCC gross profit per unit decreased by 8.5 points compared with Q1, resulting in a decline in gross profit. On the other hand, an increase in the number of overseas moves resulted in increased sales and profits.

Logistics: Profit decreased due to an increase in labor costs and a negative rebound from the busy moving season. Although further rate revisions increased sales, the impact on profits was limited due to rising outsourcing costs.

**Logistics Japan: The actual profit fell short of the forecast of an increase of 6.3 billion yen by 3.4 billion yen.**

## Quarterly Trend Analysis (Logistics Overseas)

Air: Gross profit improved compared with Q1 as air export gross profit per unit was level with Q1 and volume increased. Operating income remained at the same level as the first quarter due to increase in outsourcing costs due to the handling of fresh produce from the Americas and other factors.

Ocean: Overall increase in profits, as NVOCC unit price improved by 6.9 points compared with Q1; ocean export increased due to an increase in volume, while ocean import performance was steady.

Logistics: Profit increased in the Americas due to strong warehousing and distribution business volume for apparel and automobile-related. Profit decreased in Europe due to sluggish cargo movement of consumables related to electrical and electronic components. Other, East and South Asia performance remained at the same level as Q1.

CP: Air export saw growth in e-commerce handled from China; ocean export to Europe (to Eastern Europe) remained strong. Warehousing and distribution processing saw higher revenues and profits overall, mainly due to a new hub in the U.K.

**Logistics Overseas: The actual profit fell short of the forecast of an increase of 3.6 billion yen by 3.7 billion yen.**

\*Notes related to preparation of this document are shown on the next page (p. 15).

# 1-F. Income and Expenses by Business (Results by Organization)

(100 million yen) (rounded down to 100 million yen)

Segment			Q1	Q2	Q2 Cumulative	Q2 vs q1	
Americas	Air Forwarding	Revenues	99	112	212	13	
		Operating profit	2	3	6	1	
	Ocean Forwarding	Revenues	72	81	154	9	
		Operating profit	1	2	3	1	
	Logistics	Revenues	217	229	447	12	
		Operating profit	7	11	18	4	
	Other (HQ, etc.)	Revenues	0	0	0	-0	
		Operating profit	-1	-2	-4	-0	
			Revenues	389	424	814	35
			Operating profit	8	15	23	6
Europe	Air Forwarding	Revenues	158	167	326	8	
		Operating income	5	3	8	-1	
	Ocean Forwarding	Revenues	95	100	195	5	
		Operating profit	-4	-3	-7	1	
	Logistics	Revenues	280	300	581	19	
		Operating profit	28	24	52	-3	
	Other (HQ, etc.)	Revenues	39	39	78	-0	
		Operating profit	-7	-4	-11	2	
			Revenues	574	607	1,181	33
			Operating profit	21	20	41	-1

## ◆ Notes related to preparation

\*This document summarizes the financial results of each Group company or branch office unit. Financial results are classified by major category (air, ocean, logistics, other).

\* The "Logistics" category of Logistics Japan segment includes domestic air transportation and coastal shipping.

\*In some cases, common expenses, etc. are allocated on a branch-by-branch basis in a simplified manner. The Company has not made any detailed adjustments to these expenses.

Segment			Q1	Q2	Q2 Cumulative	Q2 vs q1	
East Asia	Air Forwarding	Revenues	148	184	333	36	
		Operating profit	8	9	18	1	
	Ocean Forwarding	Revenues	104	132	236	27	
		Operating profit	4	6	11	2	
	Logistics	Revenues	131	141	272	10	
		Operating income	5	6	12	1	
	Other (HQ, etc.)	Revenues	0	0	0	0	
		Operating profit	-15	-15	-30	0	
			Revenues	384	458	843	74
			Operating income	2	8	10	5
South Asia & Oceania	Air Forwarding	Revenues	140	163	303	22	
		Operating Income	12	12	25	-0	
	Ocean Forwarding	Revenues	90	96	187	5	
		Operating Income	9	11	20	1	
	Logistics	Revenues	112	116	229	3	
		Operating Income	7	7	15	0	
	Other (HQ, etc.)	Revenues	11	12	23	0	
		Operating Income	-21	-23	-45	-1	
			Revenues	355	388	744	32
			Operating Income	8	7	16	-0
cargo partner			Revenues	770	916	1,687	146
			Operating Income	1	5	6	3
Logistics Overseas Total		Revenues	2,474	2,796	5,271	322	
		Operating Income	43	56	100	12	



1. Financial Results for Q1, FY2024
- 2. Forecast for FY2024**
3. Business Plan 2028 Initiatives
4. Return to Shareholders

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## 2-A. Forecast for FY2024

(100 million yen, %) (rounded down to 100 million yen)

Item	1H Results	2H Forecasts	Full-Year Forecast	Prior-Full-Year Results	Difference YoY	Difference YoY (%)	Full-Year Forecast (Announced May 13)	Difference	Difference (%)
Revenues	12,498	13,201	25,700	22,390	3,309	14.8	25,000	700	2.8
Segment Income (Business Income)	255	444	700	812	(112)	(13.9)	850	(150)	(17.6)
Business profit ratio	2.0	3.4	2.7	3.6	-	-	3.4	-	-
Operating Income	192	457	650	600	49	8.2	820	(170)	(20.7)
Profit Attributable to Owners of Parent	114	285	400	370	29	8.0	550	(150)	(27.3)
Overseas Revenues	4,699	5,170	9,870	6,424	3,445	53.6	8,960	910	10.2
ROE	-	-	4.9	4.8	-	-	6.7	-	-
ROIC (Business Profit Before Taxes)	-	-	4.5	5.6	-	-	5.6	-	-

[Reference] cargo-partner full-year forecasts (within Europe; before consolidation): Revenues: ¥257.7 billion; business income: ¥1.8 billion yen (excludes amortization of intangible assets of approximately ¥3.0 billion to be posted in Q4)

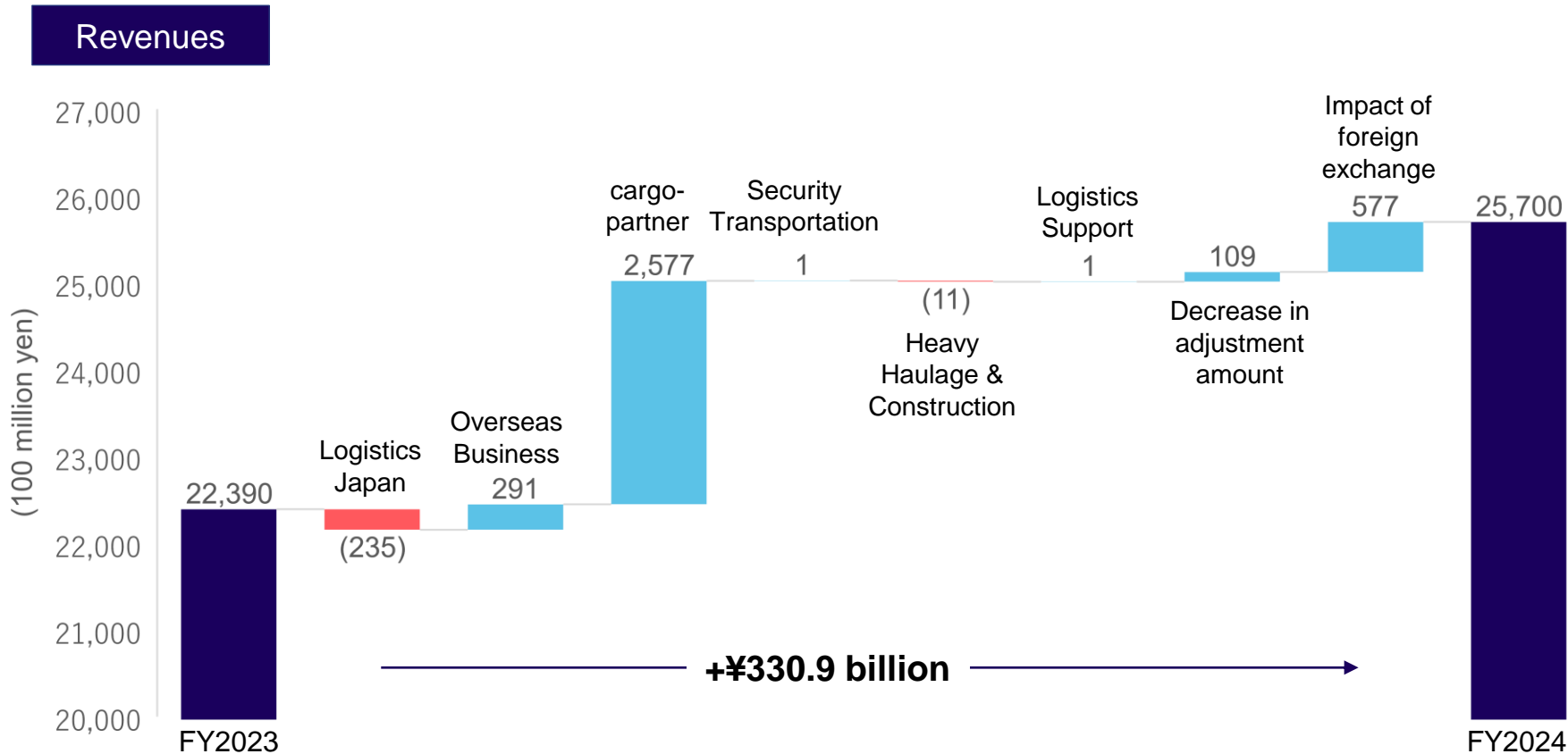
## 2-A. Forecast for FY2024 (by Segment)

(100 million yen, %) (rounded down to 100 million yen)

Segment	Item	Full-Year Forecast	Prior-Year Results	Difference YoY	Difference YoY (%)	Previous Forecast Announced May 13	Difference	Difference (%)
Japan	Revenues	12,330	12,565	(235)	(1.9)	12,130	200	1.6
	Segment income (Business Income)	420	485	(65)	(13.5)	510	(90)	(17.6)
Americas	Revenues	1,640	1,512	127	8.4	1,530	110	7.2
	Segment income (Business Income)	75	92	(17)	(19.0)	80	(5)	(6.3)
Europe	Revenues	4,780	1,926	2,853	148.1	4,320	460	10.6
	Segment income (Business Income)	85	98	(13)	(13.7)	100	(15)	(15.0)
East Asia	Revenues	1,850	1,576	273	17.3	1,610	240	14.9
	Segment income (Business Income)	35	37	(2)	(7.0)	50	(15)	(30.0)
South Asia & Oceania	Revenues	1,600	1,408	191	13.6	1,500	100	6.7
	Segment income (Business Income)	65	83	(18)	(22.1)	80	(15)	(18.8)
Overseas Segment Total	Revenues	9,870	6,424	3,445	53.6	8,960	910	10.2
	Segment income (Business Income)	260	312	(52)	(16.7)	310	(50)	(16.1)
Security Transportation	Revenues	680	678	1	0.2	680	-	-
	Segment income (Business Income)	30	33	(3)	(11.4)	30	-	-
Heavy Haulage & Construction	Revenues	500	511	(11)	(2.2)	500	-	-
	Segment income (Business Income)	60	65	(5)	(8.0)	60	-	-
Logistics Support	Revenues	4,260	4,258	1	0.0	4,450	(190)	(4.3)
	Segment income (Business Income)	120	138	(18)	(13.3)	130	(10)	(7.7)

[Reference] cargo-partner full-year forecasts (within Europe; before consolidation): Revenues: ¥257.7 billion; business income: ¥1.8 billion yen (excludes amortization of intangible assets of approximately ¥3.0 billion to be posted in Q4)

# 2-B. Forecast for FY2024 Breakdown of Revenues and Operating Income

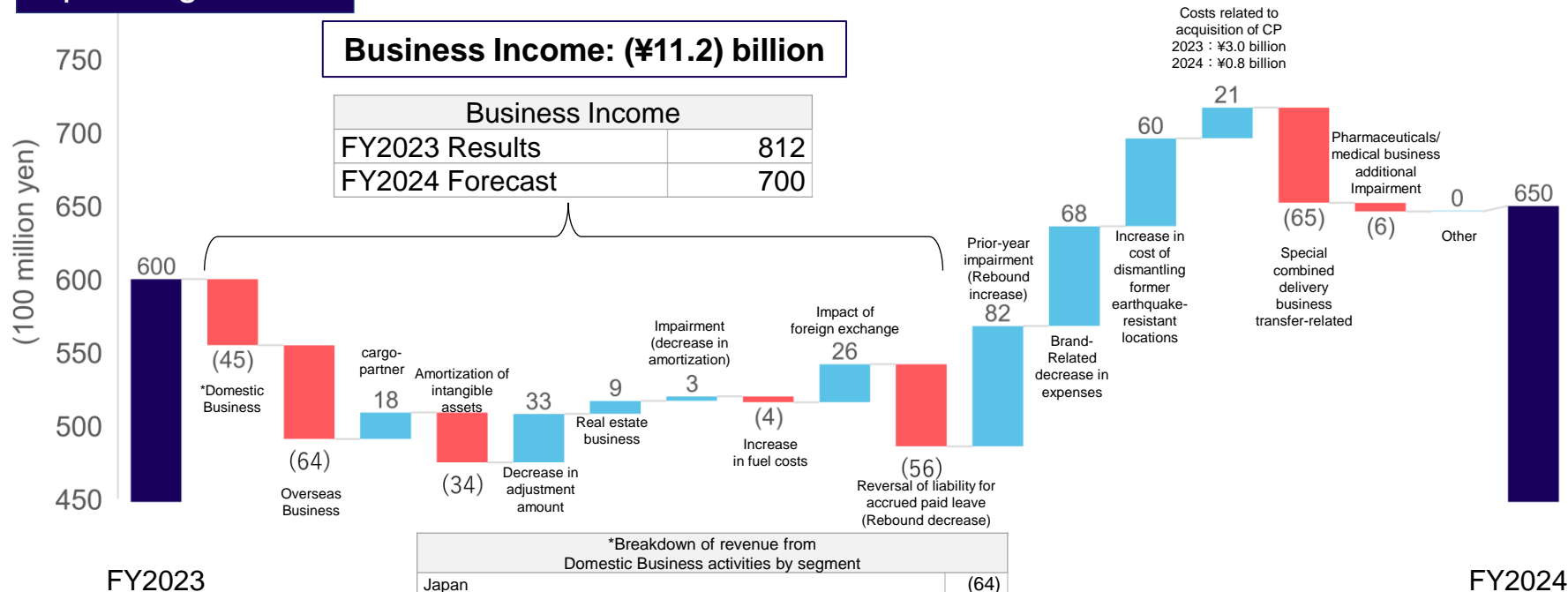


## 2-B. Forecast for FY2024 Breakdown of Revenues and Operating Income

### Operating income

**Business Income: (¥11.2) billion**

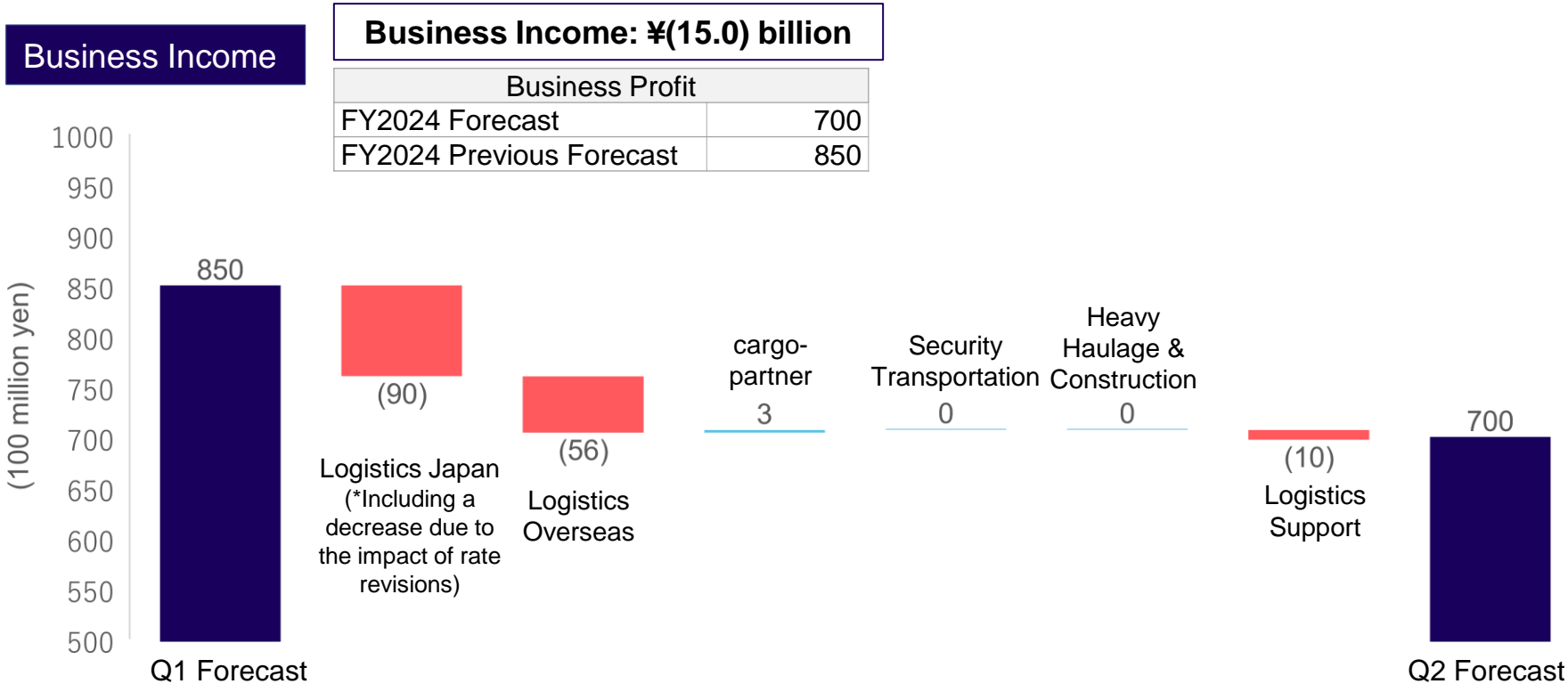
Business Income	
FY2023 Results	812
FY2024 Forecast	700



\*Breakdown of revenue from Domestic Business activities by segment

*Breakdown of revenue from Domestic Business activities by segment	
Japan	(64)
Security Transportation	(5)
Heavy Haulage & Construction	(5)
Logistics Support	(18)
Effect of rate revision	48
[Rate revision 195, Vehicle chartering and subcontracting costs 146]	
Japan Business Total	(45)

## 2-D. Financial Results Forecast for FY2023 (vs. Previous Forecast) Breakdown of Business Income



1. Financial Results for Q1, FY2024
2. Forecast for FY2024
- 3. Business Plan 2028 Initiatives**
4. Return to Shareholders

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# 3-A. Business Plan 2028 Basic Policy

## Major Strategies and Policies in Business Plan 2028

### Basic Policy

- Improve global competitiveness and achieve business growth under groupwide optimization.
- Increase competitiveness and profitability of businesses and enhance financial value through well-balanced strategic policies and a well-defined business portfolio and division of roles.
- Practice sustainability management that contributes solutions to social issues and creates sustainable societies. Transform ourselves into a corporate group that is chosen by customers, society, shareholders, and employees.

### Revenues

FY2023  
¥2,239  
billion

FY2028  
¥3,000  
billion

### Business Income

FY2023  
¥81.2  
billion

FY2028  
¥150  
billion

### ROE

FY2023  
4.8%

FY2028  
Over 10%

Accelerate Growth  
in the Global Market

Rebuild Businesses  
in Japan

### Overseas sales

FY2023  
¥585.5  
billion

FY2028  
¥1,200 billion  
M&A ¥370 billion

Sustainability Management  
Promotion

### Business Profit Ratio

FY2023  
3.9%

FY2028  
5.9%

(Logistics Japan)



## 3-B. Global Business Growth Priority Industries

(100 million yen, %) (rounded down to 100 million yen)

Priority Industry	2024 Jan-Jun Results	2024 Targets	Progress Toward Targets	2028 Targets
<b>Technology</b> Core Domain: Electric & Electronics Growth, Pursuit Domains: Industrial Machinery	1,477	3,295	44.8 %	4,000
<b>Mobility</b> Core Domain: Automobile Growth, Pursuit Domains: Construction & Agricultural Machinery, Train, Airplane	1,268	2,260	56.1 %	2,600
<b>Lifestyle</b> Core Domain: Apparel Growth, Pursuit Domains: Furniture, Jewelry, Cosmetics	732	1,295	56.6 %	1,600
<b>Healthcare</b> Growth, Pursuit Domains: Pharmaceuticals, Medical Devices	509	945	53.8 %	1,300
<b>Semiconductor</b> Growth, Pursuit Domains: Semiconductors	269	516	52.2 %	1,000

\*Results: Total of Nippon Express Co., Ltd. and four overseas regions (excluding CP and Tramo)

\*Semiconductor overseas total results for January-June 2024 : Numerical correction ¥26.9 billion (corrected) - ¥26.0 billion (before correction)

\*Semiconductor progress toward target for January-June 2024 : Numerical correction 52.2% (corrected) - 50.4%(before correction)

Forward-looking figures shown on this page represent current targets and plans, and are not guaranteed results. These forward-looking figures may differ significantly from actual results due to various risks and uncertainties. Nippon Express Holdings, Inc. is under no obligation to update said information due to subsequent changes in circumstances.

## 3-C. Global Business Growth Major KPIs and Policies

(kilotons, Thousand TEU %)

Expand Forwarding Sales	2024 Jan-Jun Results	2023 Jan-Jun Results	YoY%	2028 Targets
Air Cargo Forwarding Volume	442kt	342kt	29.2%	1,300kt
Ocean Forwarding Volume	440thousand TEU	350thousand TEU	25.7%	1,400thousand TEU

\*Forwarding volume (2023 Jan-Jun Results) does not include CP

\*Air forwarding volume YoY% : Numerical correction 29.2% (corrected) - 36.4%(before correction)

\*Year-on-year change excluding CP: Air forwarding +4.2%  
Ocean forwarding +1.8%

cargo-partner (Share)	2024 Jan-Jun Results	2023 Jan-Jun Results (Ref.)	YoY%
Air Cargo Forwarding Volume	85kt	63kt	35.2%
Ocean Forwarding Volume	84thousand TEU	82thousand TEU	1.4%

(100 million yen, %) (rounded down to 100 million yen)

Strengthen Logistics Solutions Offerings	2024 Jan-Jun Results	2023 Jan-Jun Results	YoY%	2028 Targets
Warehousing and distribution processing sales	2,299	2,233	3.0%	5,900

\*Warehousing and distribution does not include CP

# 3-D. Rebuild Businesses in Japan

Rebuild Businesses in Japan  
KPI: Japan Logistics  
Segment  
Improvement of business  
income margin  
(3.9% → 5.9%)

Transform into a more  
customer-oriented company  
(sales growth)

[Continue to Enhance Domestic  
Businesses in Japan]

- Strengthen business expertise
- Reform or replace businesses
- Improve the productivity of business operations

Continued reform and business  
infrastructure review (in-house  
company system, etc.)

[Improve Warehouse Operations Quality and Productivity]

- Logistics Boot Camp: Education program for core personnel to promote improved productivity in warehouse operations  
Current FY Participants: 19
- Logistics Academy: Training program for logistics center managers  
Current FY Participants: 75

[Rate Revisions]

FY2024 1H results (revenues): Approximately ¥8.4 billion;  
significant increase YoY

[Maximize Leverage of Company Strengths, Reduce  
Outsourcing Cost Ratio]

FY2024 1H results

Company-owned vehicle utilization rate: -0.6 points YoY

\*Decrease due to difference in business days; actual results level YoY

Outsourcing cost ratio: 41.0% (-0.1 points YoY)

- Excluding the impact of the decline in unit sales prices in the forwarding business, the outsourcing cost ratio declined by about 1.0 points, indicating that cost control is functioning

[Consistent Efficiency Improvements, Including Use of IT  
Tools and DX]

RPA uptime target: 120,000 hours/month (monthly average)

FY2024 1H results: 116,151 hours/month (monthly average)

## Enhancement of Human Capital to Foster Innovation

KPI	2023 Results	2024 1H Results	2024 Targets	2028 Targets
<b>Post-career assignments (No. of post-career)</b>	35	60	More than 120	More than 120
<b>No. of participants in global human resources development training</b>	883	575	More than 1,000	More than 1,000
<b>Rate of men taking child care leave*1</b>	34.6%	48.7%	More than 50.0%	More than 70.0%
<b>Ratio of female managers*1</b>	3.05%	3.24%	More than 4.0%	More than 8.0%
<b>Employment rate of persons with disabilities*2</b>	2.34%	2.47%	More than 2.5%	More than 2.7%

\*1 Six major companies in Japan

\*2 NIPPON EXPRESS HOLDINGS Inc. and the total of the Group's applicable certified companies (calculated based on the Act to Facilitate the Employment of Persons with Disabilities).

## 3-F. Main Initiatives Toward Achieving Business Plan Goals

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### ■ Accelerate growth in the global market

- Expand end-to-end solutions, beginning with account management
- PMI with cargo-partner
- Establish a strong presence in the Indian market

### ■ Rebuild our businesses in Japan

- Introduce an in-house company system
- Split off of Heavy Haulage & Construction (company split)

1. Financial Results for Q1, FY2024
2. Forecast for FY2024
3. Business Plan 2028 Initiatives
- 4. Return to Shareholders**

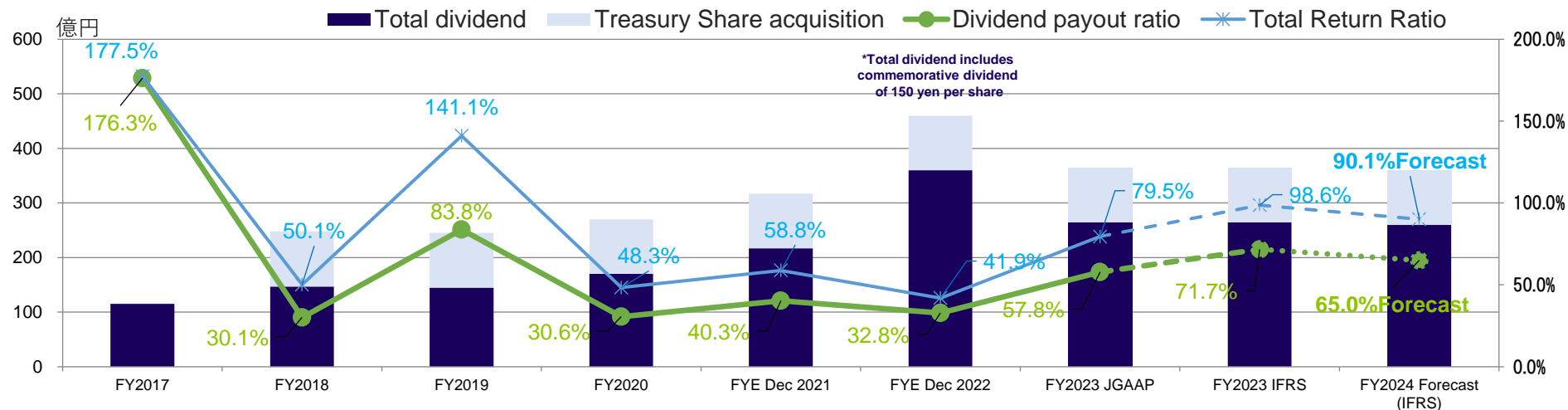
Capital Policies and Key Indicators

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# 4. Capital Policies and Key Indicators

## Business Plan 2028 Target

- ROE Over 10%
- Total return ratio: Over 55% (cumulative total FY2024-FY2028)
- Dividend payout ratio: Over 40%
- Equity ratio: Target 35%



Dividend per Share (Full-Year)	120	155	155	185	240	400 (including 150 yen commemorative dividend)	300	Forecast	300
ROE	1.2 (JGAAP)	9.2 (JGAAP)	3.2 (JGAAP)	10.0 (JGAAP)	8.9 (JGAAP)	15.9 (JGAAP)	5.9/4.8 (JGAAP/IFRS)	Forecast	4.9 (IFRS)

\*The difference between IFRS ROE and Japanese GAAP ROE is that gains on sales of marketable securities are not recorded in the PL under IFRS.



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