



February 14, 2024

To Whom It May Concern

Name of the Company	NIPPON EXPRESS HOLDINGS, INC.
Name of Representative	Mitsuru Saito, Chairman and Representative Director (Code: 9147 Tokyo Stock Exchange Prime Market)
Contact	Miki Tomita, General Manager, Corporate Communication Division (TEL. 03-5801-1000)

**Notice Concerning Final Agreement for the Business Integration of the Nippon Express Co., Ltd. Special Combined Delivery Services Business and Meitetsu Transportation Co., Ltd. (Subsidiary Stock Transfer and Company Split)**

At a meeting held February 14, 2024, the Nippon Express Holdings, Inc. Board of Directors resolved to execute a final agreement (“Final Agreement”) for the business integration (“Integration”) of the special combined delivery service business (“Combined Delivery Services Business” or “Target Business”) of consolidated subsidiary Nippon Express Co., Ltd. (“NX”) and NX subsidiary, NX Transport Co., Ltd. (“Target Company”), with Meitetsu Transportation Co., Ltd. (“Meitetsu Transportation”). The Final Agreement will be signed with the Meitetsu Transportation parent company, Nagoya Railroad Co., Ltd. (“Nagoya Railroad”).

**1. Background and Purpose of Final Agreement**

NX and Meitetsu Transportation signed a capital and business alliance agreement on December 25, 2015. Since that time, the companies have collaborated in the Combined Delivery Services Business. Specifically, the two business groups have maintained their independent transportation networks while improving operational efficiencies through mutual use of their respective networks via shared pickups and deliveries in certain regions, as well as the shared use of facilities, etc.

At the same time, rising energy prices, chronic labor shortages for truck drivers, changes in laws concerning work-style reform, etc., have combined in recent years to cause rising labor and outsourcing costs. Further, total domestic freight volume is likely to decline due to a decreasing population in Japan and changes to the industrial structure. Accordingly, the industry does not

expect meaningful increases in total freight volume for the combined delivery services market in the future.

Given this environment, the companies in question determined that the further mutual use of business resources, expertise, and other management resources of the two groups will be essential in solving issues and improving service levels in response to changes in the business environment. As announced in *Notice Concerning the Commencement of Discussions for Stronger Capital and Business Alliance Between Nippon Express Co., Ltd. and Meitetsu Transportation Co., Ltd.*, published May 22, 2023, the aforementioned companies entered into talks to strengthen the existing capital and business alliance. Subsequently, the companies concluded a basic agreement as announced in *Notice of Execution of Memorandum of Understanding to Integrate the Nippon Express Co., Ltd. Special Combined Delivery Service Business With Meitetsu Transportation Co., Ltd. (Corporate Split Involving Subsidiary Company)*, published August 9, 2023.

Since the signing of the aforementioned basic agreement, Nippon Express Holdings, Inc. has been in discussions with Nagoya Railroad regarding the Integration. The two companies reached a Final Agreement to implement said Integration, which will be formalized based on today's Board of Director resolution.

Under this Integration, Meitetsu Transportation will integrate the Combined Delivery Services Business of the two groups, expanding the mutual transportation network of the groups, conducting joint development and use of information systems, conducting the joint development of new transportation services, and other initiatives leveraging the management resources of the two groups. This new arrangement aims to address issues and improve service levels in a changing business environment while expanding and solidifying the Combined Delivery Services Businesses of each group.

## 2. Overview

The parties will conduct the Integration via stock transfer of all Target Company-issued stock owned by NX to Meitetsu Transportation ("Transfer"). NX will become the absorption-type split company with Meitetsu Transportation becoming the absorption-type split successor company, succeeding the Target Business via absorption-type split ("Target Business Split"). As a result of this Integration, Target Company will cease to be a consolidated subsidiary of Nippon Express Holdings, Inc.

Payment in consideration for the Integration will be in the form of cash for said Transfer, while Target Business Split consideration will consist of common shares of Meitetsu Transportation stock. After the completion of the Integration, Nagoya Railroad will own 60% of Meitetsu Transportation common shares, with NX owning the remaining 40%.

### 3. Overview of Subsidiaries

(1) Name	Nippon Express Co., Ltd.
(2) Address	2 Kanda-izumicho, Chiyoda-ku, Tokyo 101-0022, Japan
(3) Representative name and title	Shinjiro Takezoe, representative director and president
(4) Business lines	General logistics and businesses related to automobile transportation, railway transportation, ocean cargo transportation, ship transportation, air cargo transportation, warehousing, travel, customs clearance, heavy haulage and plant transportation/construction, special transportation, information processing and analysis, etc.
(5) Paid-in capital	70,175 million yen
(6) Date established	October 1, 1937
(7) Number of shares issued and outstanding	90,270,089 shares
(8) Fiscal year end	December
(9) Major shareholders and ownership ratios	Nippon Express Holdings, Inc. 100%
(10) Financial position and operating results for the most-recent fiscal year (ended December 31, 2022) (Millions of yen, except where noted)	
Net assets	341,760
Total assets	928,329
Net assets per share (yen)	3,772.22
Revenues	1,359,372
Operating income	48,881
Ordinary Income	62,727
Net income	67,217
Basic earnings per share (yen)	741.92

#### 4. Overview of Transfer

Nippon Express Holdings, Inc. plans to transfer all shares of Target Company owned by NX to Meitetsu Transportation on April 1, 2024.

##### (1) Overview of Target Company (subsidiary subject to transfer)

(1) Name	NX Transport Co., Ltd.		
(2) Address	2 Kanda-izumicho, Chiyoda-ku, Tokyo 101-0022, Japan		
(3) Representative name and title	Fumio Utsumi, representative director and president		
(4) Business lines	Road freight transportation business, cargo transportation business, warehousing business, etc.		
(5) Paid-in capital	410.08 million yen		
(6) Date established	March 21, 1930		
(7) Major shareholders and ownership ratios	Nippon Express Co., Ltd. 100%		
(8) Relationship with Nippon Express Holdings, Inc.	Equity relationship	Wholly owned subsidiary of NX, a consolidated subsidiary of Nippon Express Holdings, Inc.	
	Personnel relationships	Not applicable.	
	Business relationships	Not applicable.	
(9) Operating results and financial position for the most-recent fiscal year (Millions of yen, except where noted)			
Fiscal year end	FYE March 2021	FYE December 2021	FYE December 2022
Net assets	5,306	5,276	5,006
Total assets	18,820	18,207	17,629
Net assets per share (yen)	1,294,258.64	1,286,923.97	1,221,036.24
Revenues	44,762	33,867	45,057
Operating income (loss)	(158)	258	42
Ordinary income (loss)	(84)	312	94
Profit (loss)	(93)	150	(115)
Basic earnings (loss) per share (yen)	(22,724.65)	36,804.22	(28,255.39)
Dividend per share (yen)	43,810.00	36,803.90	0.00

Note: The fiscal year ended December 31, 2021, represents a nine-month period from April 1, 2021, to December 31, 2021, due to a change in fiscal year-end.

(2) Overview of share transfer

(1) Name	Meitetsu Transportation Co., Ltd.	
(2) Address	2-12-8 Aoi, Higashi-ku, Nagoya, Aichi	
(3) Representative name and title	Takuo Yoshikawa, representative director and president	
(4) Business lines	Comprehensive logistics-related business, mainly freight forwarding	
(5) Paid-in capital	100 million yen	
(6) Date established	June 1, 1943	
(7) Number of shares issued and outstanding	5 shares	
(8) Fiscal year end	March	
(9) Major shareholders and ownership ratios	Nagoya Railroad Co., Ltd.	80%
	Nippon Express Co., Ltd.	20%
(10) Financial position and operating results for the most-recent fiscal year (ended March 31, 2023) (Millions of yen, except where noted)		
Net assets		26,804
Total assets		87,498
Net assets per share (yen)		5,360,805,703.60
Revenues		58,334
Operating income		304
Ordinary Income		658
Net income		484
Basic earnings per share (yen)		96,897,912.20

Note: Due to a reverse stock split dated June 16, 2022, at a ratio of 1 share per 1,296,305 shares of common stock, the calculation of net assets per share and basic earnings per share are based on the assumption that the reverse stock split in question was conducted at the beginning of the relevant fiscal year.

(3) Number of shares transferred, transfer price, and status of shares held before and after transfer

(1) Number of shares held before the transfer	Common stock: 4,100 shares (Number of voting rights: 4,100) (Percentage of voting rights held: 100%)
(2) Number of shares to be transferred	Common stock: 4,100 shares (Number of voting rights: 4,100)
(3) Transfer price	Information not disclosed due to a confidentiality agreement signed among the parties.
(4) Number of shares held after the transfer	Common stock: 0 shares (Number of voting rights: 0) (Percentage of voting rights held: 0%)

Note: While the transfer price is undisclosed due to an agreement among the parties, the transfer price is fair and reasonable as calculated by an expert.

5. Overview of Target Business Split

(1) Target Business Split details

Combined Delivery Services Business operated by NX

(2) Target Business revenues for the most-recent fiscal year

	Small-lot shipment business (a)	FY2022 results (b)	Ratio (a/b)
Revenues	37,714 million yen	1,359,372 million yen	2.8%

Small-lot shipment business revenues include sales other than for the Combined Delivery Services Business.

Target Business revenues are assumed to be a portion of the above revenues.

(3) Overview of the counterparty

Overview of share transfer in 4. (2), above.

(4) Details of allotment in connection with absorption-type split

Upon completion of the absorption-type company split related to Target Business, Meitetsu Transportation will issue 5 shares of common stock as consideration, all of which will be allotted to NX. As of today, NX holds 1 share of Meitetsu Transportation common stock (voting right ownership: 20%) and Nagoya Railroad holds 4 shares of Meitetsu Transportation common stock. Meitetsu Transportation intends to conduct a 3-for-1 stock split prior to the effective date of the absorption-type company split related to the Target Business. After the absorption-type company

split takes effect, NX will hold 8 shares of Meitetsu Transportation common stock (voting rights ownership: 40%) and Nagoya Railroad will hold 12 shares of Meitetsu Transportation common stock.

#### 6. Schedule

(1)	Date of Final Agreement signing for Integration	February 14, 2024
(2)	Effective date of Transfer	April 1, 2024 (tentative)
(3)	Effective date of Target Business Split	January 1, 2025 (tentative)

The transaction is contingent on the completion of notifications of the business combination to the Fair Trade Commission and other agencies, examinations by relevant agencies (including examinations based on foreign laws), etc.

#### 7. Future Outlook

Nippon Express Holdings, Inc. expects the impact of this matter on the company's consolidated and non-consolidated financial results for the fiscal year ending December 31, 2024, to be immaterial. Nippon Express Holdings, Inc. will announce any matters that should be publicly announced in prompt manner.

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