



Financial Results Presentation
for Q1, Fiscal Year Ending
December 2024

May 13, 2024

NIPPON EXPRESS HOLDINGS, INC.

Investor Relations Promotion Group Corporate Planning Division

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Financial Results for Q1, FY2024 Executive Summary

Financial Results for Q1, FY2024

	Results	Vs. Q1, FY2023
↗ Revenue	¥617.6 billion	+¥39.5 billion +6.8 %
↘ Consolidated Segment Income (Business Income)	¥11.8 billion	¥(9.0) billion (43.4 %)
Business profit ratio	1.9%	
↘ Operating Income	¥3.4 billion	¥(20.8) billion (85.7%)
↘ Profit Attributable to Owners of Parent	¥0.8 billion	¥(12.4) billion (93.8 %)

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

- ✓ The addition of cargo-partner (CP) increased group revenue; however, the forwarding business saw a decline in gross profit per unit due to the easing of supply and demand, and the effect on profit was smaller in relation to the increase in revenue
- ✓ Domestic logistics remained sluggish as overall cargo movement failed to recover despite an increase in volume among certain industries, including the automobile industry
- ✓ We recorded 6.5 billion yen in impairment loss during the current fiscal year associated with the integration of the special combined delivery business (impacting operating income and all other profit measures)

Financial Results Forecast for FY2024 Executive Summary

Financial Results Forecast for FY2024

	Forecast	Vs, FY2023
↗ Revenue	¥2,500.0 billion	+¥260.9 billion +11.7 %
→ Consolidated Segment Income (Business Income)	¥85.0 billion	+¥3.7 billion +4.6 %
Business profit ratio	3.4%	
↗ Operating Income	¥82.0 billion	+¥21.9 billion +36.4 %
↗ Profit Attributable to Owners of Parent	¥55.0 billion	+¥17.9 billion +48.4 %
ROE	6.7%	+1.9 pt
ROIC (Business Profit Before Taxes)	5.6%	± 0.0 pt

✓ Although logistics demand is like to be sluggish generally, we have not changed our forecasts, announced on February 14, that domestic and overseas logistics demand will recover beginning in the second half of the year, leaving revenues and profit at each stage below operating income unchanged

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

1. Financial Results for Q1, FY2024

2. Forecast for FY2024

3. Business Plan 2028 Initiatives

4. Return to Shareholders

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I-A. Financial Results Highlights for Q1, FY2024 (Jan-Mar)

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

Item	Current-Year Results	Prior-Year Results	Difference	Progress (%)
Revenues	6,176	5,780	395	6.8
Consolidated Segment Income (Business Income)	118	209	(90)	(43.4)
Business profit ratio	1.9	3.6	-	-
Operating income	34	243	(208)	(85.7)
Profit Attributable to Owners of Parent	8	133	(124)	(93.8)

[Reference] cargo-partner Jan-Mar results (figures for Europe, before consolidation): Revenues ¥58.8 billion; Business income ¥0.1 billion

1-A. Financial Results Highlights for Q1, FY2024 (Jan-Mar)

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

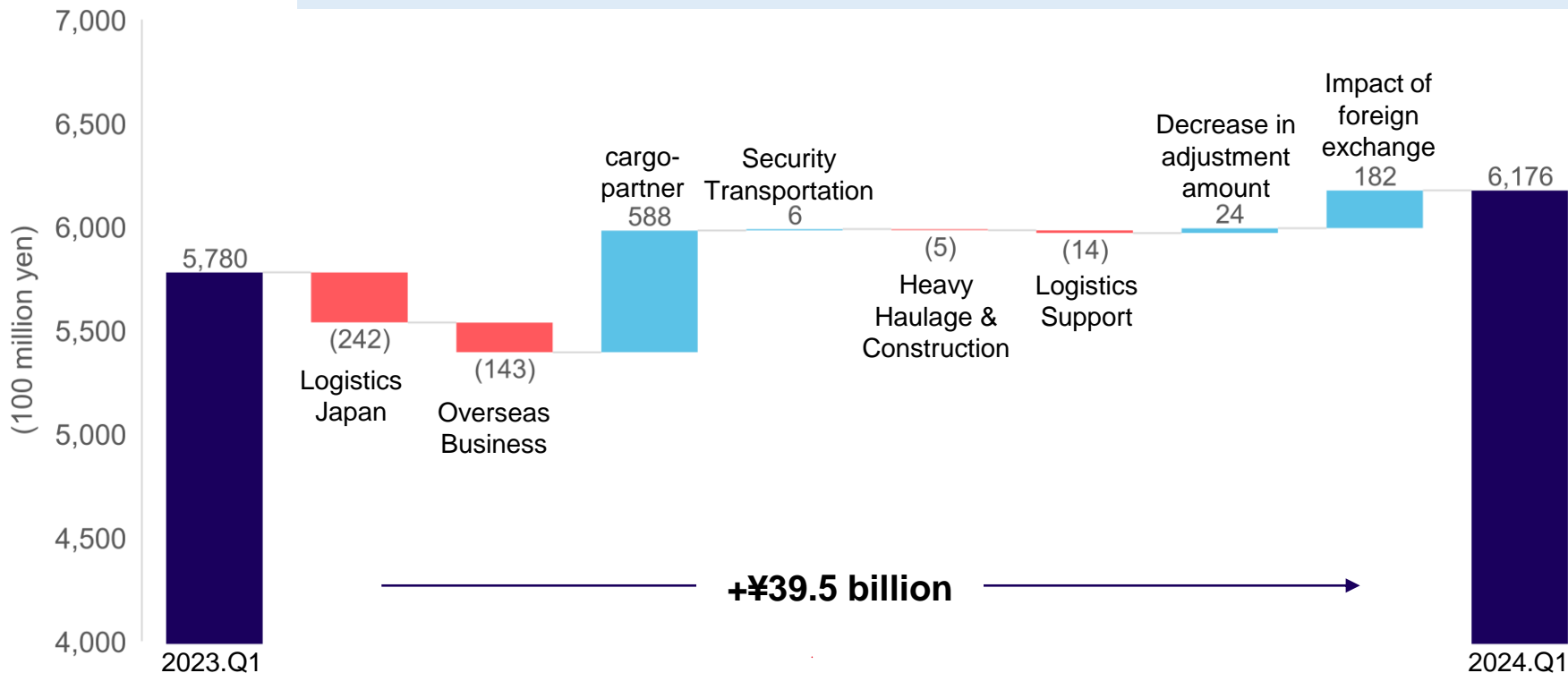
Segment	Item	Current-Year Results	Prior-Year Results	Difference	Progress (%)
Japan	Revenues	3,054	3,297	(242)	(7.4)
	Segment income (Business Income)	63	113	(49)	(44.0)
Americas	Revenues	370	371	(1)	(0.4)
	Segment income (Business Income)	10	28	(17)	(62.6)
Europe	Revenues	1,129	449	679	151.0
	Segment income (Business Income)	31	21	9	46.4
East Asia	Revenues	373	391	(18)	(4.7)
	Segment income (Business Income)	4	15	(10)	(70.5)
South Asia & Oceania	Revenues	347	379	(32)	(8.5)
	Segment income (Business Income)	10	30	(20)	(66.7)
Security Transportation	Revenues	176	169	6	3.9
	Segment income (Business Income)	13	12	0	6.5
Heavy Haulage & Construction	Revenues	106	111	(5)	(5.1)
	Segment income (Business Income)	7	8	(1)	(13.7)
Logistics Support	Revenues	1,079	1,094	(14)	(1.3)
	Segment income (Business Income)	24	32	(8)	(26.0)

[Reference] cargo-partner Jan-Mar results (figures for Europe, before consolidation): Revenues ¥58.8 billion; Business income ¥0.1 billion

1-B. Breakdown of Revenues and Operating Income

Revenue

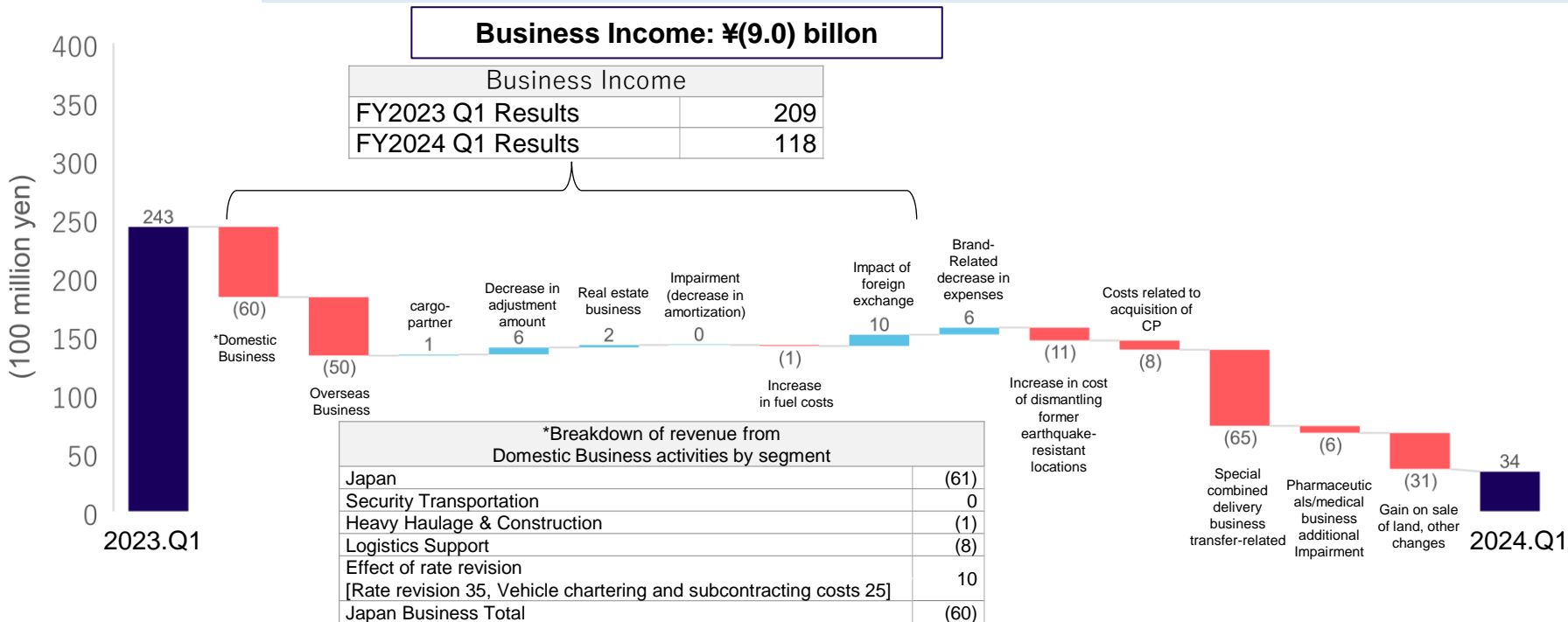
✓ The consolidation of CP and the weakening of the yen contributed significantly to the increase in revenues; however, the logistics business continued to see a decline in revenues



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 the current period due to the transfer of the special combined delivery business



1-C. Financial Results for Q1, FY2024 Q1, FY2024 vs. Q4, FY2023

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

Item	Current-Year Results	FY2023 Q4 Results	Difference	Progress (%)
Revenues	6,176	5,636	539	9.6
Consolidated Segment Income (Business Income)	118	208	(90)	(43.2)
Business profit ratio	1.9	3.7	-	-
Operating income	34	86	(51)	(59.9)
Profit Attributable to Owners of Parent	8	65	(57)	(87.4)

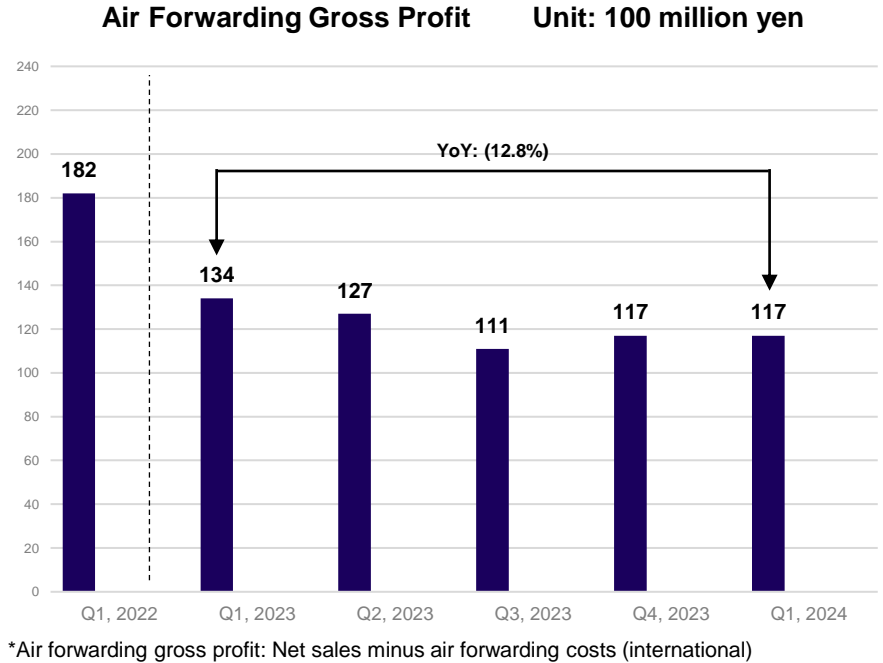
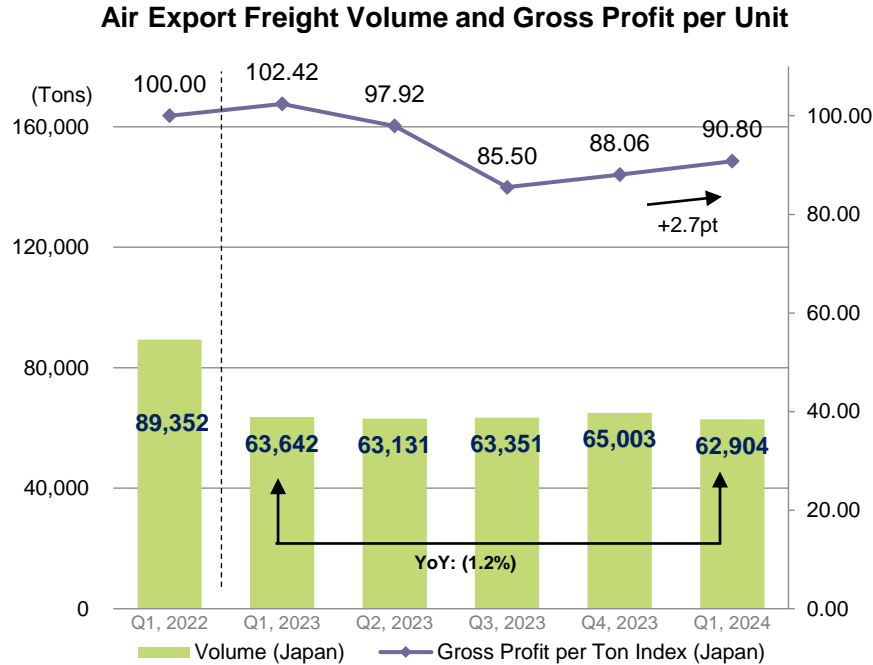
1-C. Financial Results for Q1, FY2024 Q1, FY2024 vs. Q4, FY2023 (by Segment)

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

Segment	Item	FY2024 Q1 Results	FY2023 Q4 Results	Difference	Progress (%)
Japan	Revenues	3,054	3,132	(77)	(2.5)
	Segment income (Business Income)	63	156	(93)	(59.6)
Americas	Revenues	370	386	(16)	(4.3)
	Segment income (Business Income)	10	18	(8)	(43.6)
Europe	Revenues	1,129	515	614	119.2
	Segment income (Business Income)	31	23	8	35.8
East Asia	Revenues	373	425	(51)	(12.1)
	Segment income (Business Income)	4	5	(1)	(20.0)
South Asia & Oceania	Revenues	347	345	1	0.5
	Segment income (Business Income)	10	13	(3)	(27.8)
Overseas Segment Total	Revenues	2,220	1,672	547	32.8
	Segment income (Business Income)	56	61	(4)	(7.9)
Security Transportation	Revenues	176	170	5	3.0
	Segment income (Business Income)	13	2	10	393.7
Heavy Haulage & Construction	Revenues	106	112	(6)	(5.6)
	Segment income (Business Income)	7	15	(7)	(50.7)
Logistics Support	Revenues	1,079	1,149	(69)	(6.0)
	Segment income (Business Income)	24	41	(17)	(42.5)

1-D. Air Forwarding Gross Profit: Japan Segment

✓ Margin per ton improved 2.7 points due to tighter space control relative to demand and lower fuel surcharges

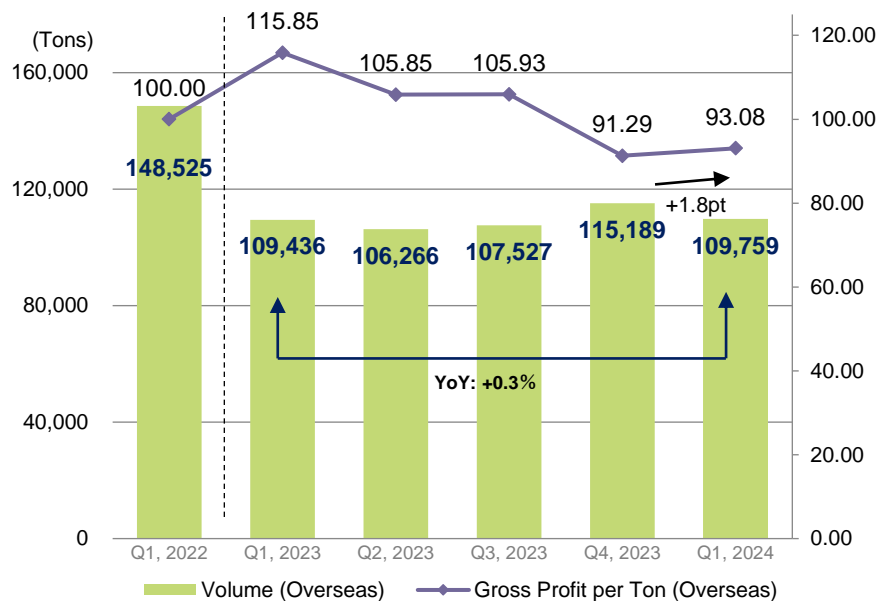


*Figures represent the change in each quarter, indexing gross profit per ton in Q1, 2022 at 100. (See Supplementary Materials on P.19 regarding trends since Q1, 2022)

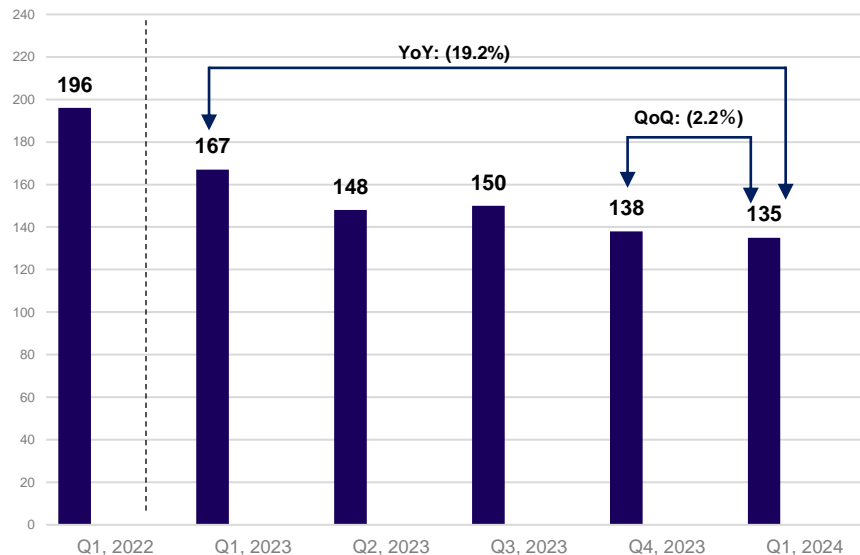
1-D. Air Forwarding Gross Profit: Overseas Segment

✓ East Asia improved beginning in Q4 of the previous year due to strengthened space control, etc.; overall gross profit per ton improved by 1.8 points

Air Export Freight Volume and Gross Profit per Unit



Air Forwarding Gross Profit Unit: 100 million yen



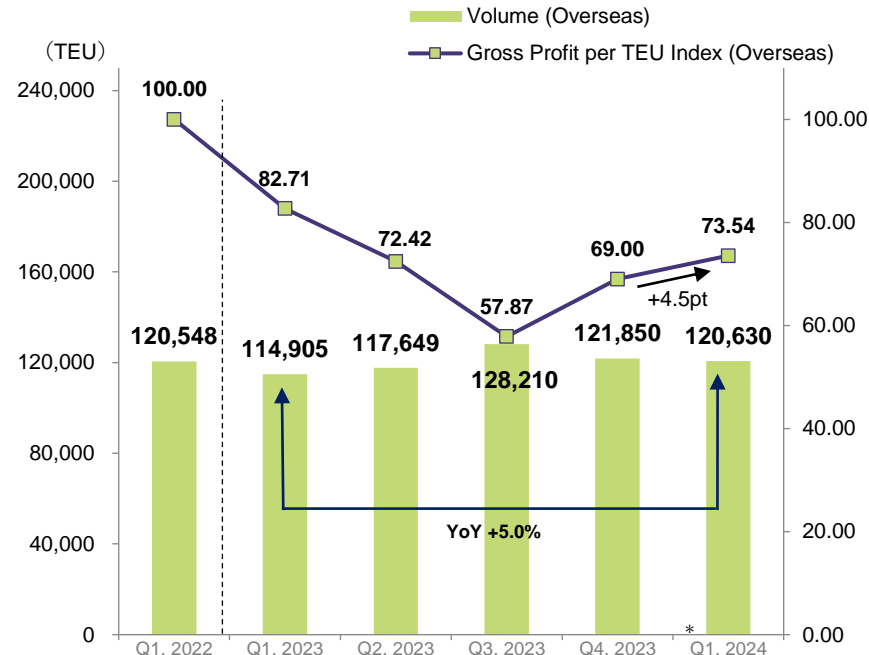
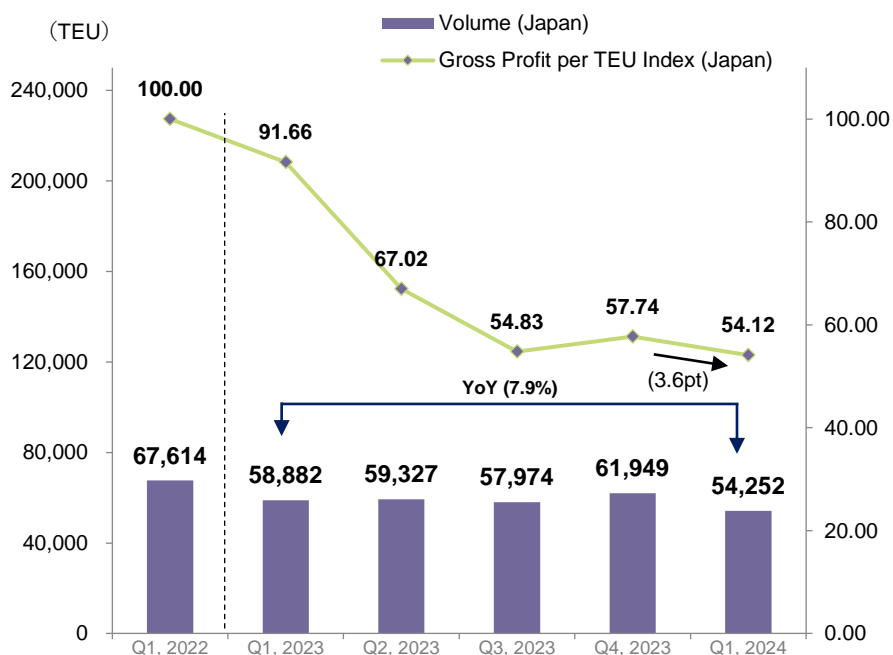
*Air forwarding gross profit: Net sales minus air forwarding costs (international)

*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-E. Ocean Forwarding Gross Profit: Japan/Overseas

- ✓ Gross profit per TEU from Japan declined 3.6 points due to the impact of a time lag in transferring certain costs, etc., in connection with the application of peak season surcharges (PSS) related to canal navigation restrictions, etc.
- ✓ Amid upward trends in freight rates, gross profit per TEU from overseas rose 4.5 points



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

*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-NVOC. *Calculations exclude cargo-partner results.

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

- | | |
|---|-------|
| A. Forecast for FY2024 | P.15 |
| B. Forecast for FY2024 (by Segment) | P.16- |
| C. Breakdown of Revenues and Operating Income | P.18- |

2-A. Forecast for FY2024

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

Item	Q1 Results	Q2 Forecast	1H Forecast	2H Forecast	Full-Year Forecast	Prior-Year Results	Difference YoY	Difference YoY (%)
Revenues	6,176	5,823	12,000	13,000	25,000	22,390	2,609	11.7
Segment income (Business Income)	118	231	350	500	850	812	37	4.6
Business profit ratio	1.9	4.0	2.9	3.8	3.4	3.6	-	-
Operating income	35	305	340	480	820	600	219	36.4
Profit Attributable to Owners of Parent	8	221	230	320	550	370	179	48.4
Overseas Revenues	2,220	2,119	4,340	4,620	8,960	6,424	2,535	39.5
ROE	-	-	-	-	6.7	4.8	-	-
ROIC (Business Profit Before Taxes)	-	-	-	-	5.6	5.6	-	-

[Reference] cargo-partner full-year forecasts (within Europe; before consolidation):

Revenues: ¥221.0 billion; business income: ¥1.5 billion yen (excludes amortization of intangible assets of approximately ¥3.0 billion to be posted in Q4)

2-B. 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 February 14	Difference	Difference (%)
Japan	Revenues	12,130	12,565	(435)	(3.5)	12,330	(200)	(1.6)
	Segment income (Business Income)	510	485	24	5.0	520	(10)	(1.9)
Americas	Revenues	1,530	1,512	17	1.1	1,530	-	-
	Segment income (Business Income)	80	92	(12)	(13.6)	85	(5)	(5.9)
Europe	Revenues	4,320	1,926	2,393	124.2	4,190	130	3.1
	Segment income (Business Income)	100	98	1	1.5	90	10	11.1
East Asia	Revenues	1,610	1,576	33	2.1	1,610	-	-
	Segment income (Business Income)	50	37	12	32.9	55	(5)	(9.1)
South Asia & Oceania	Revenues	1,500	1,408	91	6.5	1,500	-	-
	Segment income (Business Income)	80	83	(3)	(4.2)	85	(5)	(5.9)
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	4,450	4,258	191	4.5	4,450	-	-
	Segment income (Business Income)	130	138	(8)	(6.1)	130	-	-

[Reference] cargo-partner full-year forecasts (within Europe; before consolidation):

Revenues: ¥221.0 billion; business income: ¥1.5 billion yen (excludes amortization of intangible assets of approximately ¥3.0 billion to be posted in Q4)

2-B. Forecast for FY2024 (by Segment) First Half/Second Half

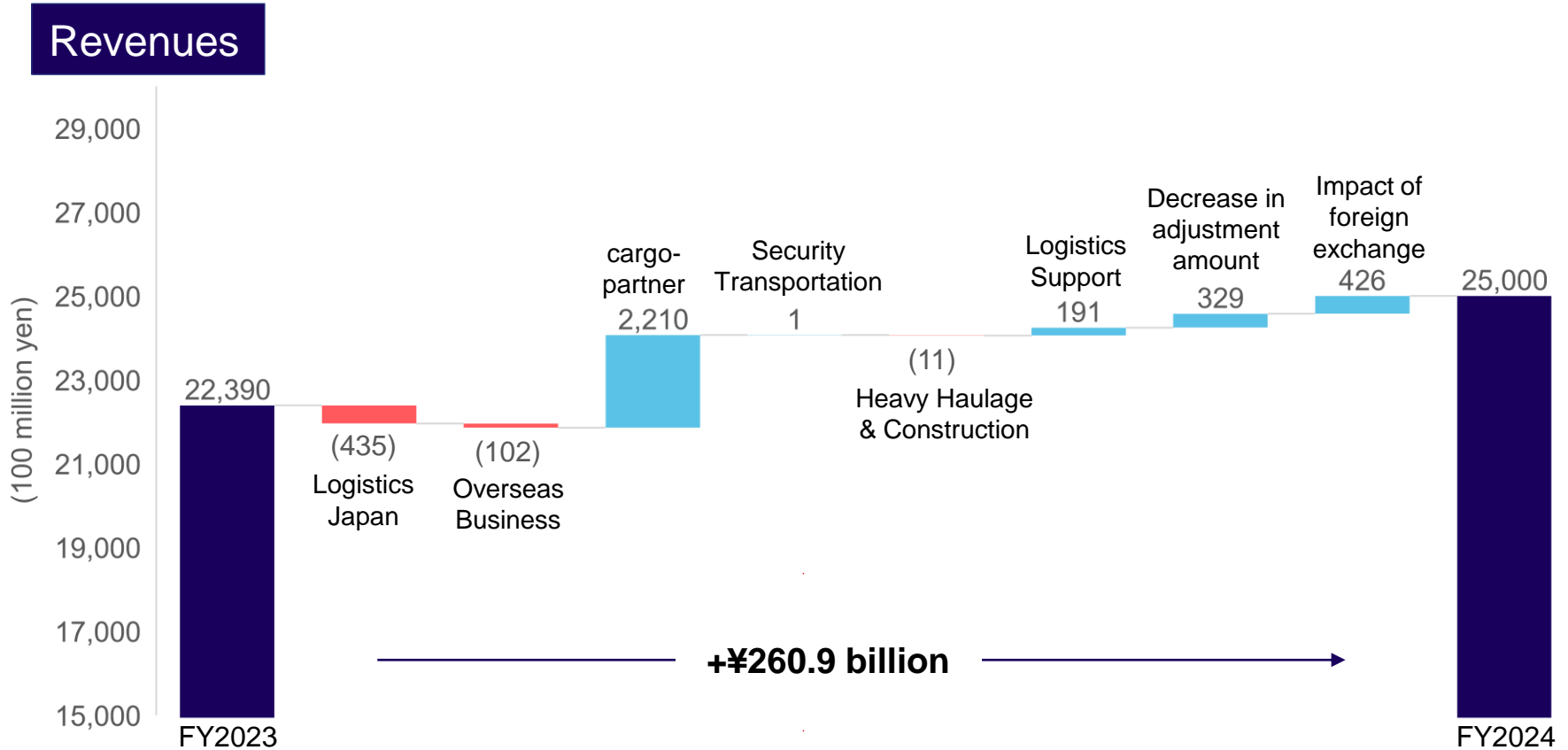
(100 million yen, %) (rounded down to 100 million yen)

Segment	Item	Q1 Results	Q2 Forecast	1H Forecast	Prior Year 1H Results	Difference YoY	2H Forecasts	Prior Year 2H Results	Difference YoY
Japan	Revenues	3,054	2,875	5,930	6,402	(472)	6,200	6,163	36
	Segment income (Business Income)	63	126	190	231	(41)	320	253	66
Americas	Revenues	370	379	750	740	9	780	772	7
	Segment income (Business Income)	10	24	35	52	(17)	45	39	5
Europe	Revenues	1,129	1,000	2,130	943	1,186	2,190	982	1,207
	Segment income (Business Income)	31	33	65	49	15	35	49	(14)
East Asia	Revenues	373	376	750	773	(23)	860	802	57
	Segment income (Business Income)	4	15	20	25	(5)	30	11	18
South Asia & Oceania	Revenues	347	362	710	719	(9)	790	688	101
	Segment income (Business Income)	10	19	30	49	(19)	50	34	15
Security Transportation	Revenues	176	163	340	338	1	340	340	(0)
	Segment income (Business Income)	13	1	15	17	(2)	15	16	(1)
Heavy Haulage & Construction	Revenues	106	123	230	258	(28)	270	252	17
	Segment income (Business Income)	7	17	25	30	(5)	35	35	(0)
Logistics Support	Revenues	1,079	1,120	2,200	2,090	109	2,250	2,167	82
	Segment income (Business Income)	24	45	70	65	4	60	73	(13)

[Reference] cargo-partner full-year forecasts (within Europe; before consolidation)

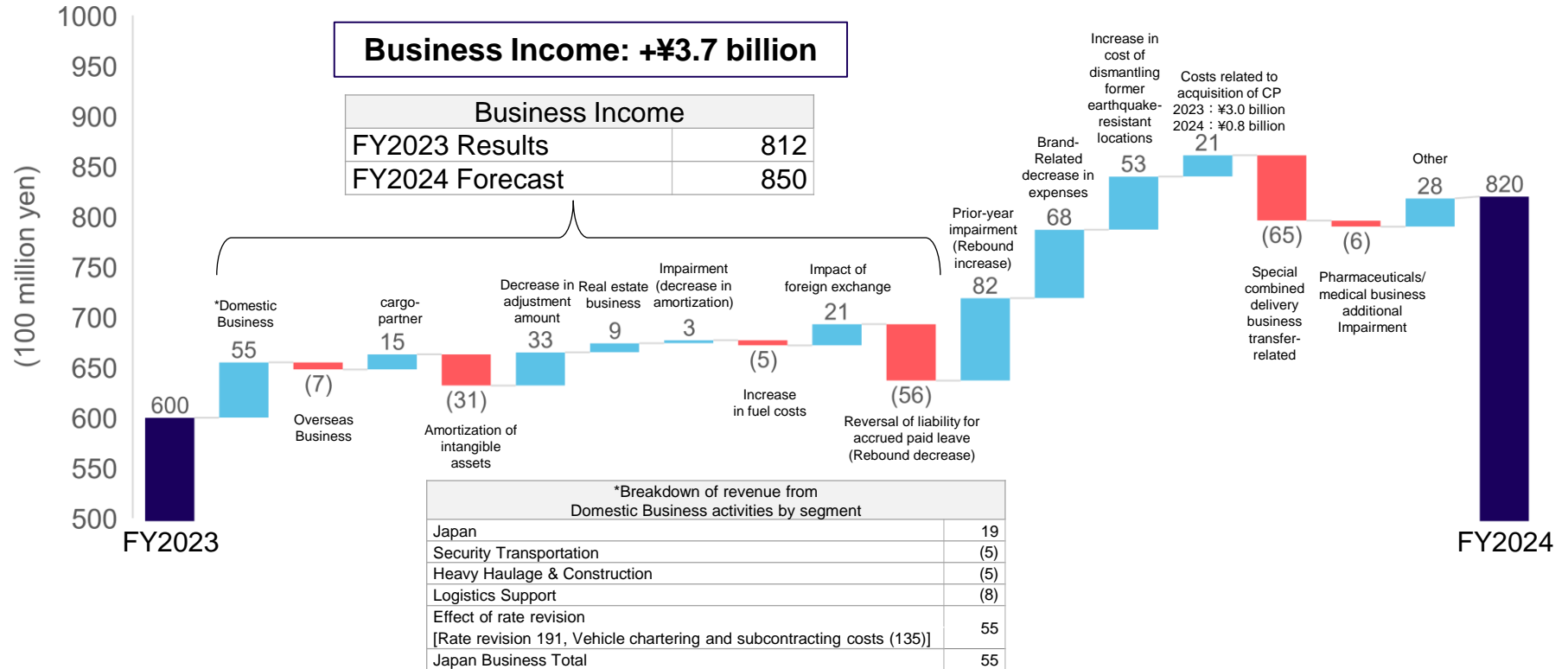
First Half: Revenues: ¥112.3 billion; business income: ¥0.6 billion yen Second Half: Revenues: ¥108.7 billion; business income: ¥0.9 billion
(excludes amortization of intangible assets of approximately ¥3.0 billion to be posted in Q4)

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



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

Operating 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.

Revenue

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-Mar Results	2024 Targets	Progress Toward Targets	2028 Targets
Technology Core Domain: Electric & Electronics Growth, Pursuit Domains: Industrial Machinery	716	3,295	21.7 %	4,000
Mobility Core Domain: Automobile Growth, Pursuit Domains: Construction & Agricultural Machinery, Train, Airplane	628	2,260	27.8 %	2,600
Lifestyle Core Domain: Apparel Growth, Pursuit Domains: Furniture, Jewelry, Cosmetics	351	1,295	27.1 %	1,600
Healthcare Growth, Pursuit Domains: Pharmaceuticals, Medical Devices	245	945	25.9 %	1,300
Semiconductor Growth, Pursuit Domains: Semiconductors	127	516	24.6 %	1,000

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

3-C. Global Business Growth Major KPIs and Policies

Expand Forwarding Sales	2024 Jan-Mar Results	2023 Jan-Mar Results	YoY%	2028 Targets
Air Cargo Forwarding Volume	215,000 t	173,000 t	24.4%	1,300,000 t
Ocean Cargo Forwarding Volume	215,000 TEU	173,000 TEU	24.2%	1,400,000 TEU

cargo-partner (Share)	2024 Jan-Mar Results	2023 Jan-Mar Results (Ref.)	YoY%
Air Forwarding Volume	42,000 t	29,000 t	43.0%
Ocean Forwarding Volume	40,000 TEU	40,000 TEU	2.3%

(Rounded down to 100 million yen)

Strengthen Logistics Solutions Offerings	2024 Jan-Mar Results	2023 Jan-Mar Results	YoY%	2028 Targets
Warehousing and distribution processing sales	¥113.5 billion	¥110.7 billion	2.6%	¥590 billion

*Warehousing and distribution does not include CP

3-D. Global Business Growth Major Initiatives in Overseas Regions

Conduct PMI with cargo-partner

Establish a position as a leader in the NX Group Eastern European business

- Create group synergies
- Expand existing and new global customers
- Reduce costs through the functional integration of bases in Europe, China, and the U.S.

Establish a Strong Presence in the Indian Market

Develop the potential of Indian subcontinent as a new region

- Extend our domestic Japanese logistics business structure to India, capturing growth in the Indian economy
- Develop a global supply chain originating in India
- Strengthen the global logistics function of the Indian subcontinent
- Expand strategically and strengthen trade lanes from India to the Middle East and Africa

Europe

- Expand business in the Middle East, Africa, Northern Europe, and Eastern Europe
- Conduct PMI with acquired companies
- Expand the forwarding business through transatlantic lanes
- Expand the lifestyle-related logistics business leveraging Italy as a base of operations

East Asia

- Expand forwarding volume in the automobile industry
- Grow the contract logistics business in the semiconductor and healthcare industries
- Capture business from the transfer of production bases to ASEAN; capture business from Chinese companies planning to expand overseas as global brands

South Asia & Oceania

- Expand business in the Indian subcontinent and Indian Ocean rim
- Grow forwarding volume for Europe and the U.S. through intra-Asia trade lanes
- Grow the warehousing and trucking businesses by capturing market growth in each country in the region (e.g., respond to the China Plus One movement)

The Americas

- Expand the forwarding business through transatlantic and Latin American Lanes
- Expand the U.S. domestic and cross-border trucking business
- Grow contract logistics sales in the automobile and pharmaceutical industries

3-E. 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 of core personnel to promote improved productivity in warehouse operations
Scheduled participants this FY: 15
- Logistics Academy: Training program for logistics center managers
Scheduled participants this FY: 100

[Rate Revisions]

FY2024 Q1 results (revenues): ¥3.2 billion
Significant increase YoY

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

FY2024 Q1 Results

Company-owned vehicle utilization rate: -1.2 points YoY
*Decrease due to difference in business days; actual results level YoY

Outsourcing cost ratio: 40.8% (+0.7% YoY)

- At the same time, outsourcing costs excluding the decline in forwarding business sales unit prices, etc., were level year on year, demonstrating the effect of cost controls

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

RPA uptime target: 120,000 hours/month (monthly average)
FY2024 Q1 results: 114,988 hours/month

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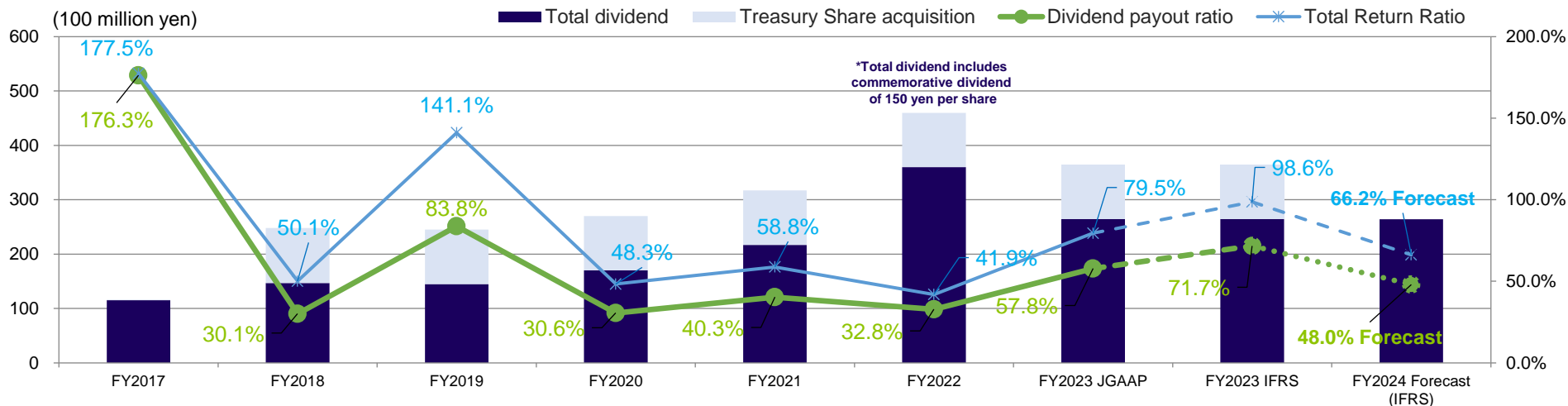
Capital Policies and Key Indicators

P.27

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	6.8 (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.

*The Company conducted a ten-for-one reverse stock split effective October 1, 2017. The amounts of dividends from FY2017 onwards reflect this reverse split.



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