

## Summary of Consolidated Earnings Report for the Second Quarter of the Fiscal Year Ending December 31, 2024 (IFRS)

August 9, 2024

Company name: NIPPON EXPRESS HOLDINGS, INC. Listed stock exchanges: Tokyo

Code: 9147 URL <https://www.nipponexpress-holdings.com/en/> (English)  
<https://www.nipponexpress-holdings.com/ja/> (Japanese)

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Scheduled date for release of Quarterly Financial Report: August 9, 2024

Scheduled date of dividend payment: September 6, 2024

Availability of supplementary briefing material on quarterly financial results: Available

Schedule of annual financial results briefing session: Available (for institutional investors and analysts)

(Millions of yen, rounded down)

### 1. Consolidated Financial Results for the Six Months Ended June 30, 2024 (January 1, 2024 to June 30, 2024)

#### (1) Consolidated Business Results (%: compared with the previous period)

	Revenue		Operating profit		Income before tax		Profit attributable to owners of parent		Total comprehensive income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Six Months Ended June 30, 2024	1,249,893	10.4	19,224	(52.4)	21,074	(49.0)	11,439	(55.0)	60,679	5.7
Six Months Ended June 30, 2023	1,131,866	(13.1)	40,382	(67.0)	41,347	(67.0)	25,447	(70.7)	57,408	(54.9)

	Basic earnings per share	Diluted earnings per share
	¥	¥
Six Months Ended June 30, 2024	130.64	-
Six Months Ended June 30, 2023	285.80	-

#### (2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
	¥ million	¥ million	¥ million	%
As of June 30, 2024	2,211,854	853,992	835,625	37.8
As of December 31, 2023	2,109,251	817,806	800,062	37.9

(Note) During the six months ended June 30, 2024, the Company finalized the provisional accounting treatment for the business combination. The Company conducted a comparison with the previous consolidated fiscal year and posted an amount to reflect the revised calculation.

### 2. Dividends Information

	Annual dividend per share				
	First Quarter	Second Quarter	Third Quarter	Year End	Yearly
	¥	¥	¥	¥	¥
Fiscal Year Ended December 31, 2023	-	150.00	-	150.00	300.00
Fiscal Year Ending December 31, 2024	-	150.00			
Fiscal Year Ending December 31, 2024 (Forecast)			-	150.00	300.00

(Note) Revision of dividend projection from recently announced figures: No

3. Forecast of Consolidated Financial Results for Fiscal Year Ending December 31, 2024  
(January 1, 2024 to December 31, 2024)

(%: compared with the previous period)

	Revenue		Operating profit		Income before tax		Profit attributable to owners of parent		Basic earnings per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
Full year	2,570,000	14.8	65,000	8.2	62,000	1.3	40,000	8.0	461.89

(Note) Revision of consolidated results forecast from recently announced figures: Yes

\*Notes

(1) Changes in significant subsidiaries in the scope of consolidation during the period No

(2) Changes in accounting policies, changes in accounting estimates

1) Change in accounting policies required under IFRS: No

2) Any changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

(3) Total number of issued shares (common stock)

1) Total number of issued shares at end of period (including treasury shares)	As of June 30, 2024	90,599,225 shares	As of December 31, 2023	90,599,225 shares
2) Total number of treasury shares at end of period	As of June 30, 2024	3,998,808 shares	As of December 31, 2023	2,659,642 shares
3) Average number of shares during period	Fiscal Year Ended June 30, 2024	87,566,224 shares	Fiscal Year Ended June 30, 2023	89,037,614 shares

(Note) The Company introduced an Executive Compensation BIP (Board Incentive Plan) Trust. Company shares owned by the Trust were included the treasury shares at the end of the period under review.

Number of shares owned by the Executive Compensation BIP Trust:

As of June 30, 2024: 130,567 shares As of December 31, 2023: 96,519 shares

(These figures are included the total number of treasury shares at end of period, above.)

\* This consolidated earnings report is not subject to audit by a certified public accountant or independent financial statement auditor.

\* Explanation for the appropriate use of financial forecasts and other special notes

• This document contains a revised consolidated earnings forecast compared with the forecast announced on February 14, 2024.

• The forward-looking statements and other results forecasts stated herein are based on information available at the time this report was prepared, as well as certain assumptions considered reasonable. Accordingly, actual business performance may differ significantly from forecasts due to a number of factors. Please refer to 1. *Qualitative Information on Interim Financial Results*, (3) *Explanation of Consolidated Financial Results Forecasts and Other Forward-Looking Information* on page 3 for financial forecast assumptions and the use of the forecasts.

• We plan to hold a briefing session online for institutional investors and analysts on August 9, 2024. The materials to be distributed at that meeting will be posted on our corporate website.

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## 1. Qualitative Information on Interim Financial Results

During the six months ended June 30, 2024, the Company finalized the provisional accounting treatment for the business combination. The Company conducted a comparison with the previous consolidated fiscal year and posted an amount to reflect the revised calculation.

### (1) Explanation of Business Results

During the six months ended June 30, 2024, the direction of the global economy continued to be uncertain. Domestic demand remained firm in the U.S. and certain emerging economies, while consumer spending in other countries and regions began to show positive signs, including a temporary reprieve in prices and an increase in real wages. However, downside risks remained due to fluctuations in energy prices stemming from geopolitical tensions in the Middle East, trade disruptions due to regional divisions, and other factors.

Amid these economic conditions, the situation in the logistics industry remained unstable. Demand for freight forwarding in international logistics is recovering due to developments including the expansion of cross-border e-commerce originating in China. At the same time, however, certain geopolitical risks have emerged and are impacting cargo transport directly, including disruptions stemming from the avoidance of navigation through the Suez Canal in response to instability in the Red Sea. Cargo movement in domestic logistics was lackluster in general, affected by weakening consumer confidence in response to recent soaring prices. The logistics industry as a whole continues to face demands to respond to rising logistics cost pressures that include labor shortages and high fuel costs.

In addition to continuing geopolitical and economic security risks, the situation in Japan requires close monitoring of trends that include rising procurement costs due to the weakening of the yen.

In response to this business environment, the NX Group reported a year-on-year decrease in consolidated profits for the six months ended June 30, 2024. Despite an increase in revenue due to the addition of the cargo-partner group to the scope of consolidation and a partial recovery in cargo movement, particularly in digital-related goods, the Heavy Haulage & Construction Segment reported lower volume in industrial machinery and wind power generation-related products. Further, each logistics segment experienced sales price declines due to the easing of the tight supply and demand situation in air and ocean transportation.

As a result, the group posted revenues of ¥1,249.8 billion, up ¥118.0 billion, or 10.4%, year on year. Operating income amounted to ¥19.2 billion, down ¥21.1 billion, or 52.4%, year on year. Profit before income taxes amounted to ¥21.0 billion, down ¥20.2 billion, or 49.0%, year on year, while profit attributable to owners of parent amounted to ¥11.4 billion, down ¥14.0 billion, or 55.0%.

### (2) Explanation of Financial Position

#### 1) Assets, Liabilities, and Equity

Total assets as of June 30, 2024 amounted to ¥2,211.8 billion, up ¥102.6 billion, or 4.9%, compared with the end of the previous consolidated fiscal year.

Current assets decreased ¥61.8 billion, or 6.9%, to ¥834.1 billion, while non-current assets increased ¥164.5 billion, or 13.6%, to ¥1,377.6 billion.

The decrease in current assets was mainly due to a decrease in cash and cash equivalents.

The increase in non-current assets was mainly due to an increase in goodwill and intangible assets.

Current liabilities amounted to ¥665.6 billion, up ¥74.5 billion, or 12.6%, compared with the end of the previous consolidated fiscal year. Non-current liabilities amounted to ¥692.1 billion, down ¥8.1 billion, or 1.2%.

The increase in current liabilities was mainly due to an increase short-term bonds payable.

The decrease in non-current liabilities was mainly due to a decrease long-term borrowings.

Total equity as of June 30, 2024, amounted to ¥853.9 billion, up ¥36.1 billion, or 4.4%, compared with the end of the previous consolidated fiscal year.

## 2) Cash Flows

Cash and cash equivalents as of June 30, 2024, amounted to ¥218.4 billion, down ¥96.6 billion compared with the end of the previous consolidated fiscal year.

Net cash provided by operating activities amounted to ¥116.2 billion, representing an increase in proceeds of ¥45.9 billion compared to the year-ago period. This result was mainly due to a decrease in income taxes paid.

Net cash used in investing activities amounted to ¥127.6 billion, representing an increase in outlays of ¥98.6 billion compared to the year-ago period. This result was mainly due to an increase in purchase of shares of subsidiaries resulting in change in scope of consolidation.

Net cash used in financing activities amounted to ¥101.9 billion, representing an increase in outlays of ¥15.2 billion compared to the year-ago period. This result was mainly due to an decrease in proceeds from borrowings.

## (3) Explanation of Consolidated Financial Results Forecasts and Other Forward-Looking Information

Based on recent trends in financial results, the Nippon Express Group has made the following revisions to consolidated financial results forecasts for the fiscal year ending December 31, 2024, published originally on February 14, 2024.

For more related to consolidated financial results forecasts, see 3. *Reference Materials: Financial Results Forecast, FY2024*.

### 1) Revisions to Financial Results Forecasts

Revisions to Forecasts of Consolidated Financial Results for the Fiscal Year Ending December 31, 2024  
(January 1, 2024 to December 31, 2024) (Millions of yen, rounded down)

	Revenue	Operating income	Income before income taxes	Profit attributable to owners of parent	Basic earnings per share
Previously announced forecast (A) (February 14, 2024)	¥ million 2,500,000	¥ million 82,000	¥ million 79,000	¥ million 55,000	¥ 625.43
Revised forecast (B)	2,570,000	65,000	62,000	40,000	461.89
Difference (B-A)	70,000	(17,000)	(17,000)	(15,000)	
Difference (%)	2.8	(20.7)	(21.5)	(27.3)	

## 2) Reasons for Revision to Financial Results Forecasts

Given the signs of a recovery in international freight volume, we forecast revenues to outperform our original forecast of financial results for the fiscal year ending December 31, 2024. At the same time, we forecast operating income, profit before income taxes, and profit attributable to owners of parent to underperform our previous forecast due to high logistics costs and increased personnel expenses. Accordingly, we have made the revisions to financial results forecasts as described above.

### \*Note Regarding Financial Results Forecasts

Results forecasts and other forward-looking statements in this document have been prepared according to judgments based on information available at the time. These statements contain elements of risk and uncertainties. Accordingly, results may differ from forecasts.

2. Condensed Interim Consolidated Financial Statement  
(1) Condensed Interim Consolidated Statement of Financial Position

(Unit: Millions of yen)

	FY2023 (As of December 31, 2023)	Second Quarter of FY2024 (as of June 30, 2024)
Assets		
Current assets		
Cash and cash equivalents	315,076	218,462
Trade and other receivables	424,054	469,562
Inventories	10,680	10,231
Income taxes receivable	20,771	898
Other financial assets	88,139	81,861
Other current assets	36,941	48,141
Subtotal	895,663	829,158
Assets held for sale	428	5,037
Total current assets	896,091	834,195
Non-current assets		
Property, plant and equipment	536,693	533,357
Investment property	68,529	69,298
Goodwill and intangible assets	74,586	182,287
Right-of-use assets	354,021	397,241
Investments accounted for using equity method	42,185	42,398
Other financial assets	113,273	126,653
Deferred tax assets	16,429	18,229
Other non-current assets	7,438	8,194
Total non-current assets	1,213,159	1,377,659
Total assets	2,109,251	2,211,854

(Unit: Millions of yen)

	FY2023 (As of December 31, 2023)	Second Quarter of FY2024 (as of June 30, 2024)
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	214,044	216,842
Bonds and borrowings	61,782	110,643
Lease liabilities	111,730	118,230
Other financial liabilities	84,385	77,092
Income taxes payable	7,628	11,841
Provisions	10,419	13,375
Other current liabilities	101,100	117,626
Subtotal	591,092	665,651
Liabilities directly associated with assets held for sale	-	29
Total current liabilities	591,092	665,681
Non-current liabilities		
Bonds and borrowings	255,975	195,882
Lease liabilities	304,896	354,362
Other financial liabilities	19,123	19,832
Retirement benefit liability	93,864	90,679
Provisions	10,832	15,453
Deferred tax liabilities	8,135	8,565
Other non-current liabilities	7,524	7,404
Total non-current liabilities	700,352	692,180
Total liabilities	1,291,444	1,357,862
Equity		
Share capital	70,175	70,175
Capital surplus	23,267	23,081
Treasury shares	(20,542)	(30,894)
Other components of equity	92,625	140,492
Retained earnings	634,536	632,771
Total equity attributable to owners of parent	800,062	835,625
Non-controlling interests	17,743	18,366
Total equity	817,806	853,992
Total liabilities and equity	2,109,251	2,211,854



(2) Condensed Interim Consolidated Statement of Profit or Loss and Condensed Interim Consolidated Statement of Comprehensive Income  
Condensed interim consolidated statement of profit or loss

	(Unit: Millions of yen)	
	Six months ended June 30, 2023 (January 1, 2023 to June 30, 2023)	Six months ended June 30, 2024 (January 1, 2024 to June 30, 2024)
Revenue	1,131,866	1,249,893
Cost of sales	1,017,867	1,143,774
Gross profit	113,999	106,119
Selling, general and administrative expenses	71,749	80,609
Other income	9,266	7,183
Other expenses	12,161	14,632
Share of profit (loss) of investments accounted for using equity method	1,027	1,163
Operating profit	40,382	19,224
Finance income	4,019	6,565
Finance costs	3,054	4,714
Income before tax	41,347	21,074
Income tax expense	16,011	9,370
Operating income	25,335	11,703
Profit attributable to		
Owners of parent	25,447	11,439
Non-controlling interests	(111)	264
Profit from continuing operations	25,335	11,703
Earnings per share		
Basic earnings per share (yen)	285.80	130.64

# Condensed interim consolidated statement of comprehensive income

(Unit: Millions of yen)

	Six months ended June 30, 2023 (January 1, 2023 to June 30, 2023)	Six months ended June 30, 2024 (January 1, 2024 to June 30, 2024)
Profit	25,335	11,703
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Equity instruments measured at fair value through other comprehensive income	7,263	5,952
Share of other comprehensive income of investments accounted for using equity method	20	3
Total of items that will not be reclassified to profit or loss	7,284	5,955
Items that may be reclassified to profit or loss		
Fair value of effective portion of cash flow hedges	26	2
Exchange differences on translation of foreign operations	22,859	42,897
Share of other comprehensive income of investments accounted for using equity method	1,902	120
Total of items that may be reclassified to profit or loss	24,788	43,020
Total other comprehensive income after tax	32,073	48,976
Comprehensive income:	57,408	60,679
Comprehensive income attributable to		
Owners of parent	56,751	59,307
Non-controlling interests	657	1,372
Comprehensive income:	57,408	60,679

(3) Condensed Interim Consolidated Statement of Changes in Equity  
Six Months Ended June 30, 2023 (January 1, 2023 to June 30, 2023)

(Unit: Millions of yen)

	Equity attributable to owners of parent						
	Share capital	Capital surplus	Retained earnings	Treasury shares	Other components of equity		
					Financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations	Fair value of effective portion of cash flow hedges
Balance as of January 1, 2023	70,175	22,928	598,423	(10,604)	46,676	30,480	10
Profit			25,447				
Other comprehensive income					7,260	22,092	26
Comprehensive income:	-	-	25,447	-	7,260	22,092	26
Purchase of treasury shares				(4,690)			
Disposal of treasury shares		(0)		77			
Dividends			(13,390)				
Share-based compensation transactions		(88)					
Changes in ownership interests in subsidiaries		-	(0)				
Transfer from other components of equity to retained earnings			71		(71)		
Total transactions with owners	-	(88)	(13,318)	(4,613)	(71)	-	-
Balance as of June 30, 2023	70,175	22,840	610,552	(15,217)	53,865	52,573	36

	Equity attributable to owners of parent			Non-controlling interests	Total equity
	Other components of equity		Total		
	Share of other comprehensive income of investments accounted for using equity method	Total			
Balance as of January 1, 2023	(1,577)	75,590	756,513	22,636	779,150
Profit		-	25,447	(111)	25,335
Other comprehensive income	1,923	31,303	31,303	769	32,073
Comprehensive income:	1,923	31,303	56,751	657	57,408
Purchase of treasury shares		-	(4,690)		(4,690)
Disposal of treasury shares		-	77		77
Dividends		-	(13,390)	(1,326)	(14,716)
Share-based compensation transactions		-	(88)		(88)
Changes in ownership interests in subsidiaries		-	(0)	(56)	(56)
Transfer from other components of equity to retained earnings		(71)	-		-
Total transactions with owners	-	(71)	(18,092)	(1,382)	(19,475)
Balance as of June 30, 2023	346	106,822	795,172	21,911	817,083

Six Months Ended June 30, 2024 (January 1, 2024 to June 30, 2024)

(Unit: Millions of yen)

	Equity attributable to owners of parent				Other components of equity		
	Share capital	Capital surplus	Retained earnings	Treasury shares	Financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations	Fair value of effective portion of cash flow hedges
Balance as of January 1, 2024	70,175	23,267	634,536	(20,542)	42,014	50,149	(3)
Profit (loss)			11,439				
Other comprehensive income					5,954	41,786	2
Comprehensive income:	-	-	11,439	-	5,954	41,786	2
Purchase of treasury shares				(10,532)			
Disposal of treasury shares		0		180			
Dividends			(13,205)				
Share-based compensation transactions		(186)					
Changes in ownership interests in subsidiaries		-	-				
Transfer from other components of equity to retained earnings			0		(0)		
Total transactions with owners	-	(186)	(13,205)	(10,351)	(0)	-	-
Balance as of June 30, 2024	70,175	23,081	632,771	(30,894)	47,969	91,935	(0)

	Equity attributable to owners of parent			Non-controlling interests	Total equity
	Other components of equity		Total		
	Share of other comprehensive income of investments accounted for using equity method	Total			
Balance as of January 1, 2024	464	92,625	800,062	17,743	817,806
Profit (loss)		-	11,439	264	11,703
Other comprehensive income	124	47,867	47,867	1,108	48,976
Comprehensive income:	124	47,867	59,307	1,372	60,679
Purchase of treasury shares		-	(10,532)		(10,532)
Disposal of treasury shares		-	180		180
Dividends		-	(13,205)	(580)	(13,785)
Share-based compensation transactions		-	(186)		(186)
Changes in ownership interests in subsidiaries		-	-	(169)	(169)
Transfer from other components of equity to retained earnings		(0)	-		-
Total transactions with owners	-	(0)	(23,743)	(750)	(24,493)
Balance as of June 30, 2024	588	140,492	835,625	18,366	853,992

#### (4) Condensed Interim Consolidated Statement of Cash Flows

	(Unit: Millions of yen)	
	Six months ended June 30, 2023 (January 1, 2023 to June 30, 2023)	Six months ended June 30, 2024 (January 1, 2024 to June 30, 2024)
Net cash provided by (used in) operating activities		
Income before income taxes	41,347	21,074
Depreciation and amortization	71,616	89,106
Losses (gains) on sales and valuation of investment securities	(10)	173
Loss (gain) on sale of property, plant and equipment	(866)	(132)
Impairment losses (reversal of impairment losses)	-	7,141
Increase (decrease) in provision for bonuses	112	(1,306)
Increase (decrease) in retirement benefit liability	(435)	(1,325)
Interest and dividend income	(2,774)	(3,589)
Interest expenses	2,791	4,203
Share of loss (profit) of investments accounted for using equity method	(1,027)	(1,163)
Decrease (increase) in trade receivables	95,437	17,469
Decrease (increase) in inventories	3,921	515
Increase (decrease) in trade payables	(48,901)	(22,635)
Increase (decrease) in consumption taxes payable	(29,501)	235
Other	(22,671)	(6,459)
Subtotal	109,036	103,308
Interest and dividends received	2,745	4,434
Interest paid	(2,786)	(3,843)
Income taxes refund (paid)	(38,681)	12,393
Net cash provided by (used in) operating activities	70,313	116,293
Net cash provided by (used in) investing activities		
Payments into time deposits	(8,539)	(7,026)
Proceeds from withdrawal of time deposits	2,565	13,123
Purchase of property, plant and equipment	(21,637)	(25,959)
Purchase of intangible assets	(7,313)	(5,858)
Proceeds from sale of property, plant and equipment	4,719	6,349
Purchase of equity instruments	(425)	(939)
Proceeds from sale of equity financial instruments	244	191
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(103,922)
Collection of loans receivable	104	195
Other	1,207	(3,851)
Net cash provided by (used in) investing activities	(29,075)	(127,699)
Net cash provided by (used in) financing activities		
Proceeds from short-term borrowings	56,366	26,067
Repayments of short-term borrowings	(64,204)	(36,608)
Net increase (decrease) in commercial papers	-	7,000
Proceeds from long-term borrowings	25,000	-
Repayments of long-term borrowings	(32,780)	(10,466)
Repayments of lease liabilities	(51,714)	(63,627)
Dividends paid	(13,373)	(13,190)
Payments for purchase of treasury shares	(4,690)	(10,711)
Other	(1,266)	(383)
Net cash provided by (used in) financing activities	(86,663)	(101,921)
Effect of exchange rate change on cash and cash equivalents	11,446	16,713
Net increase (decrease) in cash and cash equivalents	(33,979)	(96,613)
Cash and cash equivalents at beginning of year	276,679	315,076
Cash and cash equivalents at end of the quarter	242,699	218,462

## (5) Notes to Consolidated Financial Statements

(Notes Regarding Going Concern Assumption)

Not applicable.

(Segment Information, etc.)

[Segment Information]

Six Months Ended June 30, 2023 (January 1, 2023 to June 30, 2023)

Revenues and segment income (loss) by reportable segment

(Unit: Millions of yen)

	Logistics				
	Japan	The Americas	Europe	East Asia	South Asia & Oceania
Revenue					
Revenue from external customers	627,476	62,969	89,065	70,748	64,973
Intersegment sales	12,773	11,122	5,314	6,630	6,988
Total	640,249	74,091	94,380	77,378	71,961
Segment income (business income)	23,186	5,269	4,946	2,596	4,910
Other income					
Other expenses					
Share of profit (loss) of investments accounted for using equity method					
Operating profit					
Finance income					
Finance costs					
Income before income taxes					

	Security Transportation	Heavy Haulage & Construction	Logistics Support	Total	Adjustment (Note)	Amount in condensed quarterly consolidated financial statement
Revenue						
Revenue from external customers	33,498	25,851	157,284	1,131,866	-	1,131,866
Intersegment sales	392	28	51,815	95,066	(95,066)	-
Total	33,890	25,879	209,099	1,226,933	(95,066)	1,131,866
Segment income (business income)	1,721	3,000	6,524	52,155	(9,905)	42,249
Other income						9,266
Other expenses						12,161
Share of profit (loss) of investments accounted for using equity method						1,027
Operating profit						40,382
Finance income						4,019
Finance costs						3,054
Income before income taxes						41,347

(Note) The segment income (business income) adjustment of ¥(9,905) million includes ¥(488) million for the elimination of intersegment income and ¥(9,417) million of corporate expenses that are not attributable to any individual reportable segment. The most significant portion of corporate expenses relates to Company corporate image advertising (as the pure holding company) and our administration of group companies.

Six Months Ended June 30, 2024 (January 1, 2024 to June 30, 2024)  
Revenues and segment income (loss) by reportable segment

(Unit: Millions of yen)

	Logistics				
	Japan	The Americas	Europe	East Asia	South Asia & Oceania
Revenue					
Revenue from external customers	596,518	69,264	232,645	76,017	64,256
Intersegment sales	15,893	9,132	4,746	5,754	8,179
Total	612,412	78,397	237,391	81,772	72,435
Segment income (business income)	15,573	2,678	5,179	1,369	2,031
Other income					
Other expenses					
Share of profit (loss) of investments accounted for using equity method					
Operating profit					
Finance income					
Finance costs					
Income before income taxes					

	Security Transportation	Heavy Haulage & Construction	Logistics Support	Total	Adjustment (Note)	Amount in condensed quarterly consolidated financial statement
Revenue						
Revenue from external customers	34,098	22,822	154,271	1,249,893	-	1,249,893
Intersegment sales	389	22	52,106	96,225	(96,225)	-
Total	34,488	22,844	206,377	1,346,119	(96,225)	1,249,893
Segment income (business income)	1,706	1,644	5,269	35,452	(9,942)	25,510
Other income						7,183
Other expenses						14,632
Share of profit (loss) of investments accounted for using equity method						1,163
Operating profit						19,224
Finance income						6,565
Finance costs						4,714
Income before income taxes						21,074

(Note) The segment income adjustment of ¥(9,942) million includes ¥(468) million for the elimination of intersegment income, and ¥(9,473) million of corporate expenses that are not attributable to any individual reportable segment. The most significant portion of corporate expenses relates to Company corporate image advertising (as the pure holding company) and our administration of group companies.

### 3. Reference Materials

#### Consolidated Reference Materials

##### ○ Reportable Segment Financial Results

(Unit: Millions of yen, %)

(Note) Figures in brackets indicate operating income margin.



○ Summary of Consolidated Statements of Income

(Unit: Millions of yen, %)

			Six Months Ended June 30, 2024		Six Months Ended June 30, 2023		Change	
				% of Sales		% of Sales	Amount	Ratio
Revenues by business	Distribution & transportation business	Motor transportation	197,821	15.8	183,158	16.2	14,663	8.0
		Marine and harbor transportation	197,225	15.8	155,984	13.8	41,240	26.4
		Air transportation	265,942	21.3	225,508	19.9	40,433	17.9
		Warehousing & storage	196,005	15.7	178,193	15.7	17,812	10.0
		Security transportation	33,916	2.7	33,513	3.0	402	1.2
		Heavy haulage & construction	34,694	2.8	37,173	3.3	(2,478)	(6.7)
		Other	158,843	12.7	149,577	13.2	9,265	6.2
	Subtotal		1,084,448	86.8	963,109	85.1	121,338	12.6
	Goods sales business		146,273	11.7	148,527	13.1	(2,253)	(1.5)
	Other		19,171	1.5	20,229	1.8	(1,058)	(5.2)
Total		1,249,893	100.0	1,131,866	100.0	118,026	10.4	
Operating costs	Personnel expenses		234,576	18.8	218,133	19.3	16,443	7.5
	Forwarding costs		260,557	20.8	185,490	16.4	75,067	40.5
	Vehicle chartering and subcontracting costs		247,553	19.8	235,137	20.8	12,415	5.3
	Other		401,086	32.1	379,105	33.5	21,981	5.8
	Total		1,143,774	91.5	1,017,867	89.9	125,907	12.4
Gross profit		106,119	8.5	113,999	10.1	(7,880)	(6.9)	
	Personnel expenses		45,796	3.7	39,001	3.4	6,795	17.4
	Other		34,812	2.8	32,748	2.9	2,063	6.3
	Selling, general and administrative expenses		80,609	6.4	71,749	6.3	8,859	12.3
Segment profit (business profit)		25,510	2.0	42,249	3.7	(16,739)	(39.6)	
	Gain on sales of non-current assets		3,704	0.3	6,348	0.6	(2,644)	(41.7)
	Other		3,479	0.3	2,917	0.3	561	19.3
	Total other income		7,183	0.6	9,266	0.8	(2,082)	(22.5)
	Loss on disposal of non-current assets		3,680	0.3	5,419	0.5	(1,739)	(32.1)
	Other		10,951	0.9	6,741	0.6	4,209	62.4
	Total other expenses		14,632	1.2	12,161	1.1	2,470	20.3
Equity in (earnings) losses of unconsolidated subsidiaries and affiliates		1,163	0.1	1,027	0.1	135	13.2	
Operating income		19,224	1.5	40,382	3.6	(21,158)	(52.4)	
Total finance income		6,565	0.5	4,019	0.4	2,545	63.3	
Total finance costs		4,714	0.4	3,054	0.3	1,660	54.3	
Income before income taxes		21,074	1.7	41,347	3.7	(20,272)	(49.0)	
Income tax expense		9,370	0.7	16,011	1.4	(6,640)	(41.5)	
Profit		11,703	0.9	25,335	2.2	(13,631)	(53.8)	
Profit attributable to								
Owners of parent		11,439	0.9	25,447	2.2	(14,007)	(55.0)	
Non-controlling interests		264	0.0	(111)	(0.0)	376	—	
Profit		11,703	0.9	25,335	2.2	(13,631)	(53.8)	
Total personnel expenses	Operating costs		234,576	18.8	218,133	19.3	16,443	7.5
	Selling, general and administrative expenses		45,796	3.7	39,001	3.4	6,795	17.4
	Total		280,373	22.4	257,134	22.7	23,238	9.0

○ Financial Results Forecast, FY2024

(Unit: Millions of yen, %)

				FY2024	FY2023	Change	
						Amount	Ratio
Revenues	Reportable Segment	Logistics	Japan	1,233,000	1,256,571	(23,571)	(1.9)
			The Americas	164,000	151,291	12,708	8.4
			Europe	478,000	192,655	285,344	148.1
			East Asia	185,000	157,663	27,336	17.3
			South Asia & Oceania	160,000	140,840	19,159	13.6
			Subtotal	2,220,000	1,899,022	320,977	16.9
		Security Transportation	Security Transportation	68,000	67,892	107	0.2
			Heavy Haulage & Construction	50,000	51,111	(1,111)	(2.2)
			Logistics Support	426,000	425,896	103	0.0
			Subtotal	2,764,000	2,443,923	320,076	13.1
		Adjustment		(194,000)	(204,906)	10,906	-
		Total		2,570,000	2,239,017	330,982	14.8
Segment Income (Operating Income)	Reportable Segment	Logistics	Japan	[3.4] 42,000	[3.9] 48,579	(6,579)	(13.5)
			The Americas	[4.6] 7,500	[6.1] 9,262	(1,762)	(19.0)
			Europe	[1.8] 8,500	[5.1] 9,853	(1,353)	(13.7)
			East Asia	[1.9] 3,500	[2.4] 3,763	(263)	(7.0)
			South Asia & Oceania	[4.1] 6,500	[5.9] 8,348	(1,848)	(22.1)
			Subtotal	[3.1] 68,000	[4.2] 79,807	(11,807)	(14.8)
		Security Transportation	Security Transportation	[4.4] 3,000	[5.0] 3,386	(386)	(11.4)
			Heavy Haulage & Construction	[12.0] 6,000	[12.8] 6,520	(520)	(8.0)
			Logistics Support	[2.8] 12,000	[3.3] 13,844	(1,844)	(13.3)
			Subtotal	[3.2] 89,000	[4.2] 103,559	(14,559)	(14.1)
		Adjustment		(19,000)	(22,302)	3,302	-
		Total		[2.7] 70,000	[3.6] 81,256	(11,256)	(13.9)

(Note) Figures in brackets indicate operating income margin.