



We Find the Way

**Financial Results Presentation for
Fiscal Year Ended December 2022**

February 14, 2023

**NIPPON EXPRESS HOLDINGS, INC.
Investor Relations Promotion Group
Corporate Planning Division**

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Financial Results Highlights (Executive Summary)

• Financial Results for FY2022 and Forecast for FY2023

Financial Results for FY2022 (JGAAP)			Financial Results Forecast for FY2023 (JGAAP)		
		Vs. FYE Dec 2021		Vs. FYE Dec 2021	Vs. Business Plan Targets 2023
↗ Revenues	¥2,619.7 billion	+¥282.5 billion + 12.1%	↘ Revenues	¥2,450.0 billion	¥(169.7) billion (6.5%) +¥50.0 billion + 2.1%
↗ Operating Income	¥128.7 billion	+¥31.6 billion + 32.6%	↘ Operating Income	¥110.0 billion	¥(18.7) billion (14.5%) — billion — %
Operating Income Margin	4.9%	—	Operating Income Margin	4.5%	— Target: 4.6%
↗ Profit	¥109.8 billion	+¥43.6 billion +65.9 %	↘ Profit	¥75.0 billion	¥(34.7) billion (31.7%) +¥3.0 billion + 4.2%
ROE	※ 15.9%	—	ROE	10.0%	— Target: 10.0%

• ↗ indicates a change of +5% or more; ↘ indicates a change of -5% or more; → indicates a change of +/-5% or less

※ February 28, 2023 : ROE for the fiscal year ended December 2022" "has been revised due to" "Revisions of Summary of Financial Results for the Fiscal Year Ended December 2022 [Japanese GAAP] (Consolidated)"

FY2022 Results

- **Revenues and profit increased**, mainly due to steady growth in international freight business in both Japan and overseas regions.
Revenues and profit decreased in the fourth quarter due to a reactionary decline in overseas and international logistics businesses as the supply-demand balance in the forwarding business eased in the fourth quarter.
- Japan posted higher revenues and profit for the full year, but higher revenues and lower profit in the fourth quarter.
(This result was due to a decrease in gross profit due to a decline in transaction handled and sluggish transportation demand in Japan, despite higher unit freight rates in air forwarding compared to the previous year.)
- Overseas, both revenues and profit increased for the full year, mainly due to high freight rates maintained in the forwarding business in the Americas and Europe.
In East Asia and South Asia, revenues and profit increased for the full year; however, revenues and profit declined in the fourth quarter due to the impact of a reactionary decline in the easing of the supply-demand balance in the forwarding business, etc.

FY2023 Forecast

- We **expect revenues and profit to decrease** due to a reactionary decline in connection with the positive impact of infections on business and a slowdown in the growth rate of the global economy stemming from an easing in supply and demand in the forwarding business.
- We **expect to achieve our operating income target of 110 billion yen** for the final year of our business plan, mainly by executing our growth strategy for our core businesses and enhancing domestic businesses in Japan.

Shareholder Returns

- We paid an interim dividend of 250 yen and forecast a year-end dividend of 150 yen for an annual dividend of 400 yen per share for FY2022
- We forecast an interim dividend of 150 yen and a year-end dividend of 150 yen for an annual dividend totaling 300 yen per share for FY2023

I. Financial Results for FY2022

Regarding Presentation of Fiscal Year Ended December 2021 (Previous Year) Results

Consolidated statements of income for the fiscal year ended December 2021 represent results of Nippon Express Co., Ltd. Results converted to a 12-month basis (*estimates).

*2021 results have been calculated using simplified methods, including historical elimination ratios. Figures are unaudited and for reference only.

■ Converted 12-month basis

Domestic Business: FYE December 2021 Jan-Dec (12 months)

Overseas Business: FYE December 2021 Jan-Dec (12 months)

	2021				2022			
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
Domestic Business	FYE December 2021 (pro forma)				FY2022			
Overseas Business								

I. Financial Results for FY2022 (JGAAP)

A Financial Results for Jan-Dec, FY2022

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

Item	Full-Year Results (Jan-Dec 2022)	Full-Year Forecast (Announced Nov 9) (Jan-Dec 2022)	Difference	Difference (%)	Prior-Year Results (Jan-Dec 2021) Pro Forma	Difference YoY	Difference YoY (%)
Revenues	26,197	26,500	(302)	(1.1)	23,371	2,825	12.1
Operating Income	1,287	1,300	(12)	(1.0)	970	316	32.6
Operating Income Margin	4.9	4.9	—	—	4.2	—	—
Ordinary Income	1,373	1,380	(6)	(0.5)	1,010	363	35.9
Profit Attributable to Owners of Parent	1,098	*1,340	(241)	(18.1)	661	436	65.9

* We revised profit attributable to owners of parent to 108.0 billion yen, as discussed in *Notice Concerning the Recording of Extraordinary Losses and Revision of Financial Results Forecasts*, published January 18, 2023. The difference compared with full-year results is +1.8 billion yen, or +1.7%.

I. Financial Results for FY2022 (JGAAP)

B Japan and Overseas Results

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

Segment	Item	Full-Year Results (Jan-Dec 2022)	Prior-Year Results (Jan-Dec 2021) Pro Forma	Difference YoY	Difference YoY (%)
Japan Total	Revenues	19,851	18,458	1,392	7.5
	Segment Income	894	733	161	22.0
Overseas Total	Revenues	8,416	6,861	1,554	22.7
	Segment Income	581	392	189	48.1

	Current-Year Results (Jan-Dec 2022)
Overseas Sales Ratio	32.1 %

I. Financial Results for FY2022 (JGAAP)

C Results by Reportable Segment (YoY for Jan-Dec)

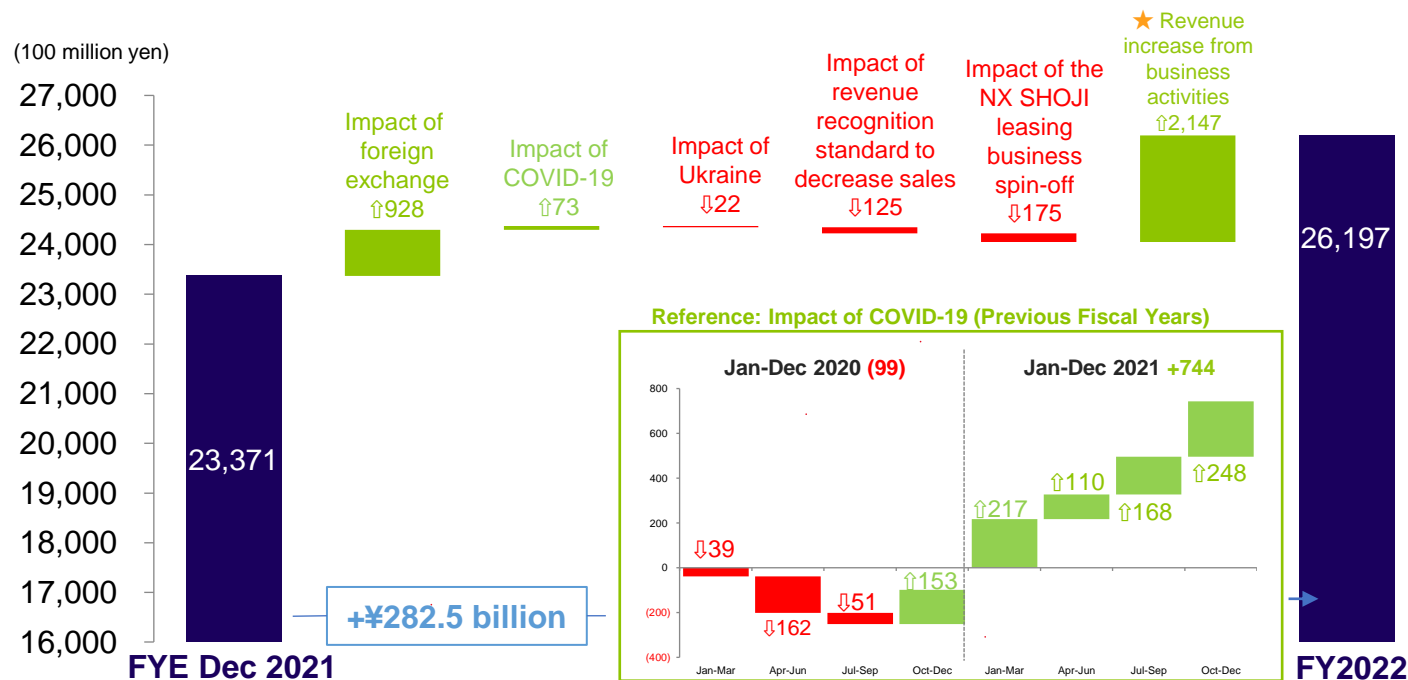
(100 million yen, %) (rounded down to 100 million yen)

Segment	Item	2022 Results (Jan-Mar 2022)	2022 Results (Apr-Jun 2022)	2022 Results (Jul-Sep 2022)	2022 Results (Oct-Dec 2022)	Prior-Year Results (Oct-Dec 2021)	Difference YoY	Difference YoY (%)	2022 Results (Jan-Dec 2022)	Prior-Year Results (Jan-Dec 2021) Pro Forma	Difference YoY	Difference YoY (%)
Japan	Revenues	3,599	3,655	3,691	3,626	3,576	49	1.4	14,572	13,382	1,190	8.9
	Segment Income	209	144	153	151	174	(22)	(13.2)	658	546	111	20.5
Americas	Revenues	326	420	443	429	314	115	36.8	1,620	1,097	523	47.7
	Segment Income	21	30	44	36	18	18	100.3	133	65	67	103.8
Europe	Revenues	483	556	539	577	535	42	7.9	2,156	1,653	503	30.4
	Segment Income	22	38	32	31	31	0	0.2	124	76	47	61.7
East Asia	Revenues	598	626	669	524	776	(251)	(32.4)	2,420	2,247	172	7.7
	Segment Income	30	32	40	19	27	(7)	(27.9)	124	83	40	48.7
South Asia & Oceania	Revenues	617	555	559	486	653	(166)	(25.5)	2,218	1,863	355	19.1
	Segment Income	66	48	52	33	70	(36)	(52.2)	200	166	33	19.9
Security Transportation	Revenues	173	171	170	169	171	(1)	(0.7)	684	688	(3)	(0.5)
	Segment Income	6	0	(0)	3	0	3	—	9	(1)	11	—
Heavy Haulage & Construction	Revenues	82	117	125	119	119	0	0.2	445	453	(8)	(1.8)
	Segment Income	6	15	19	21	19	2	11.4	63	59	3	5.5
Logistics Support	Revenues	1,051	994	975	1,125	1,043	82	7.9	4,148	3,934	213	5.4
	Segment Income	36	48	37	41	37	4	12.1	163	129	34	26.6

I. Financial Results for FY2022 (JGAAP)

D Breakdown of Revenues and Operating Income

1) Revenues



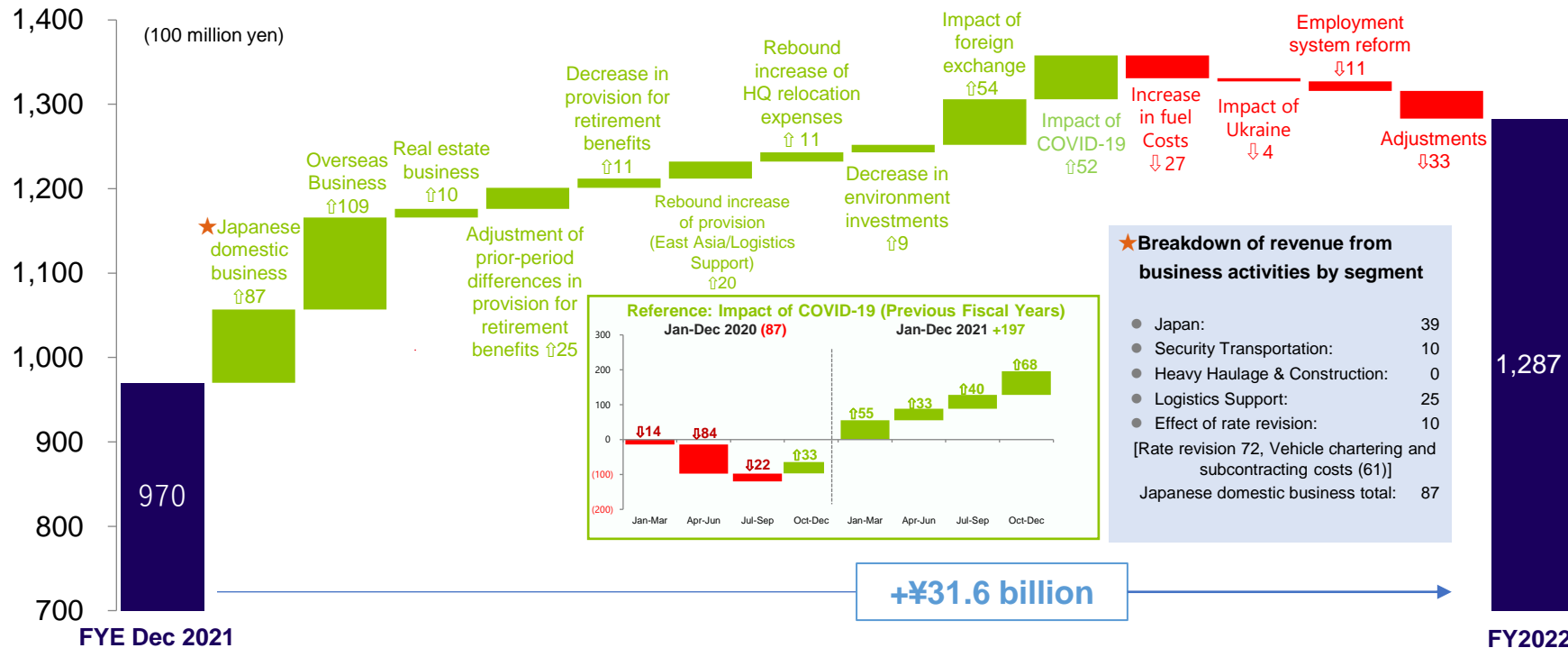
★ Breakdown of revenue from business activities by segment

● Japan:	1,135
● Overseas total:	640
● Security Transportation:	(4)
● Heavy Haulage & Construction:	(10)
● Logistics Support:	508
● Adjustments:	(121)

I. Financial Results for FY2022 (JGAAP)

D Breakdown of Revenues and Operating Income

2) Operating income



I. Segment Overview for FY2022 (JGAAP) Japan Segment

1 Quarterly Results for FY2022 (Oct-Dec Results)

FY2022	FY2022	FYE Dec 2021	Difference	Difference (%)
Revenues (100 million yen)	3,626	3,576	49	1.4%
Operating income				
Operating income margin (100 million yen)	151 [4.2%]	174 [4.9%]	(22) [-]	(13.2%) [-]

2 Quarterly Results

Item	Fiscal Year	Jan-Mar	Apr-Jun	1 H	Jul-Sep	Oct-Dec	2 H	Full Year
Revenues 100 million yen, %	2022	3,599	3,655	7,254	3,691	3,626	7,317	14,572
	2021	3,299	3,266	6,565	3,240	3,576	6,816	13,382
	Difference/ Difference (%)	299 [9.1%]	389 [11.9%]	689 [10.5%]	451 [13.9%]	49 [1.4%]	501 [7.4%]	1,190 [8.9%]
Operating income 100 million yen, %	2022	209	144	353	153	151	304	658
	2021	166	115	282	89	174	264	546
	Difference/ Difference (%)	42 [25.3%]	28 [25.1%]	71 [25.2%]	63 [71.0%]	(22) [(13.2%)]	40 [15.4%]	111 [20.5%]
Operating income margin (%)	2022	5.8	4.0	4.9	4.2	4.2	4.2	4.5
	2021	5.1	3.5	4.3	2.8	4.9	3.9	4.1

October-December 2022 Highlights

Air and ocean export freight forwarding saw a decline in volume due to a drop in demand and other factors; however, unit freight rates were higher than the previous year. In Japan, revenues increased and profit decreased due to a slowdown in consumption caused by the weak yen and food price hikes, a decrease in volume due to the spread of COVID-19 infections in China and other factors, and an increase in overhead costs, including utility expenses.

Special Factors

- Impact of fuel unit cost: [operating income] (23) [year]
- Cost increase associated with employee system reform: [operating income] (10) [year]
- Impact of COVID-19: [revenues] +68 [year]
[operating income] +34 [year]
- Impact of Ukraine: [revenues] (13) [year]
[operating income] (1) [year]
- Adjustment of prior-period differences for provision for retirement benefits: [operating income] +21 [year]
- Impact of provision for retirement benefits: [operating income] +10 [year]
- Environment investments: [operating income] +9 [year]
- Real estate business: [operating income] +10 [year]
- HQ relocation expenses: [operating income] +11 [Oct-Dec]
- Change in accounting treatment: *Minor impact on consolidated results

I. Segment Overview for FY2022 (JGAAP) The Americas Segment

1 Quarterly Results for FY2022 (Oct-Dec Results)

FY2022	FY2022	FYE Dec 2021	Difference	Difference (%)
Revenues (100 million yen)	429	314	115	36.8%
Operating income				
Operating income margin (100 million yen)	36 [8.5%]	18 [5.8%]	18 [-]	100.3% [-]

2 Quarterly Results

Item	Fiscal Year	Jan-Mar	Apr-Jun	1 H	Jul-Sep	Oct-Dec	2 H	Full Year
Revenues 100 million yen, %	2022	326	420	747	443	429	873	1,620
	2021	230	267	497	285	314	599	1,097
	Difference/ Difference (%)	95 [41.6%]	153 [57.4%]	249 [50.1%]	158 [55.6%]	115 [36.8%]	274 [45.8%]	523 [47.7%]
Operating income 100 million yen, %	2022	21	30	51	44	36	81	133
	2021	12	19	32	14	18	33	65
	Difference/ Difference (%)	8 [70.2%]	10 [54.8%]	19 [60.9%]	29 [199.7%]	18 [100.3%]	48 [145.0%]	67 [103.8%]
Operating income margin (%)	2022	6.5	7.2	6.9	10.1	8.5	9.3	8.2
	2021	5.4	7.3	6.4	5.2	5.8	5.6	5.9

October-December 2022 Highlights

Air and ocean export freight forwarding volume declined, but unit freight rates remained high for both. While port congestion began to subside, congestion in inland railway transportation continued, and demand for ocean import freight forwarding continued. Warehousing and distribution processing and automobile transportation remained strong, with revenues and profit rising, despite higher personnel expenses and other costs.

Special Factors

• Impact of foreign exchange (weaker yen):

[revenues] +220 [year]
[operating income] +13 [year]

• Impact of COVID-19:

[revenues] +39 [year]
[operating income] +9 [year]

I. Segment Overview for FY2022 (JGAAP) Europe Segment

1 Quarterly Results for FY2022 (Oct-Dec Results)

FY2022	FY2022	FYE Dec 2021	Difference	Difference (%)
Revenues (100 million yen)	577	535	42	7.9%
Operating income				
Operating income margin (100 million yen)	31 [5.5%]	31 [6.0%]	0 [-]	0.2% [-]

2 Quarterly Results

Item	Fiscal Year	Jan-Mar	Apr-Jun	1 H	Jul-Sep	Oct-Dec	2 H	Full Year
Revenues 100 million yen, %	2022	483	556	1,040	539	577	1,116	2,156
	2021	325	367	693	425	535	960	1,653
	Difference/ Difference (%)	158 [48.6%]	188 [51.3%]	347 [50.1%]	113 [26.7%]	42 [7.9%]	156 [16.3%]	503 [30.4%]
Operating income 100 million yen, %	2022	22	38	60	32	31	64	124
	2021	12	17	29	15	31	47	76
	Difference/ Difference (%)	9 [71.3%]	21 [124.0%]	30 [101.3%]	17 [113.3%]	0 [0.2%]	17 [36.5%]	47 [61.7%]
Operating income margin (%)	2022	4.6	6.8	5.8	6.0	5.5	5.7	5.8
	2021	4.0	4.6	4.3	3.5	6.0	4.9	4.6

October-December 2022 Highlights

While air export freight forwarding volume declined year on year, unit freight rates remained high. Ocean forwarding volume increased overall year on year due to strong demand from North America, and unit freight rates remained high. Revenues increased due to the continued effect of new warehouses, etc. Meanwhile, operating income was flat year on year, despite the negative impact of lower profit from Russian businesses and higher costs due to rising prices.

Special Factors

- Impact of foreign exchange (weaker yen): [revenues] +120 [year]
[operating income] +6 [year]
- Impact of COVID-19: [revenues] +72 [year]
[operating income] +12 [year]
- Impact of Ukraine: [revenues] (8) [year]
[operating income] (2) [year]

I. Segment Overview for FY2022 (JGAAP) East Asia Segment

1 Quarterly Results for FY2022 (Oct-Dec Results)

FY2022	FY2022	FYE Dec 2021	Difference	Difference (%)
Revenues (100 million yen)	524	776	(251)	(32.4%)
Operating income				
Operating income margin (100 million yen)	19 [3.8%]	27 [3.5%]	(7) [-]	(27.9%) [-]

2 Quarterly Results

Item	Fiscal Year	Jan-Mar	Apr-Jun	1 H	Jul-Sep	Oct-Dec	2 H	Full Year
Revenues 100 million yen, %	2022	598	626	1,225	669	524	1,194	2,420
	2021	466	459	926	544	776	1,320	2,247
	Difference/ Difference (%)	132 [28.3%]	166 [36.2%]	298 [32.2%]	125 [23.0%]	(251) [(32.4%)]	(126) [(9.5%)]	172 [7.7%]
Operating income 100 million yen, %	2022	30	32	63	40	19	60	124
	2021	33	17	50	5	27	32	83
	Difference/ Difference (%)	(2) [(7.0%)]	15 [87.6%]	13 [25.6%]	35 [646.0%]	(7) [(27.9%)]	27 [84.2%]	40 [48.7%]
Operating income margin (%)	2022	5.2	5.2	5.2	6.1	3.8	5.1	5.1
	2021	7.1	3.8	5.5	1.0	3.5	2.5	3.7

October-December 2022 Highlights

Air export freight forwarding volume declined due to a reactionary drop from the previous year's spot transportation volume. Ocean export freight forwarding saw an increase in volume year on year due to a recovery in air cargo transportation; however, unit freight rates for both air and ocean continued to decline. Revenues declined and operating income decreased due to lower demand for domestic deliveries in China in connection with the impact of the lockdowns.

Special Factors

• Impact of foreign exchange (weaker yen):

[revenues] +341 [year]
[operating income] +12 [year]

• Impact of COVID-19:

[revenues] (80) [year]
[operating income] (7) [year]

• Allowances:

[operating income] +12 [year]

I. Segment Overview for FY2022 (JGAAP) South Asia & Oceania Segment

1 Quarterly Results for FY2022 (Oct-Dec Results)

FY2022	FY2022	FYE Dec 2021	Difference	Difference (%)
Revenues (100 million yen)	486	653	(166)	(25.5%)
Operating income				
Operating income margin (100 million yen)	33 [6.9%]	70 [10.7%]	(36) [-]	(52.2%) [-]

2 Quarterly Results

Item	Fiscal Year	Jan-Mar	Apr-Jun	1 H	Jul-Sep	Oct-Dec	2 H	Full Year
Revenues 100 million yen, %	2022	617	555	1,172	559	486	1,046	2,218
	2021	394	383	778	431	653	1,084	1,863
	Difference/ Difference (%)	222 [56.4%]	171 [44.6%]	393 [50.5%]	128 [29.8%]	(166) [(25.5%)]	(38) [(3.5%)]	355 [19.1%]
Operating income 100 million yen, %	2022	66	48	114	52	33	85	200
	2021	36	29	66	30	70	100	166
	Difference/ Difference (%)	29 [78.8%]	18 [63.7%]	47 [72.1%]	21 [71.8%]	(36) [(52.2%)]	(14) [(14.7%)]	33 [19.9%]
Operating income margin (%)	2022	10.7	8.7	9.8	9.3	6.9	8.2	9.0
	2021	9.4	7.7	8.5	7.0	10.7	9.3	9.0

October-December 2022 Highlights

Air export freight forwarding volume declined due to a reactionary drop from the previous year's spot volume to Japan. Ocean export freight forwarding volume declined, partly due to customers returning to carriers following the stabilization in supply of ocean cargo transportation space. Warehousing and distribution processing remained firm; however, air and ocean freight unit costs continued to decline, resulting in lower revenues and profit.

Special Factors

• Impact of foreign exchange (weaker yen):

[revenues] +245 [year]
[operating income] +20 [year]

• Impact of COVID-19:

[revenues] (37) [year]
[operating income] +1 [year]

I. Segment Overview for FY2022 (JGAAP) Security Transportation Segment

1 Quarterly Results for FY2022 (Oct-Dec Results)

FY2022	FY2022	FYE Dec 2021	Difference	Difference (%)
Revenues (100 million yen)	169	171	(1)	(0.7%)
Operating income				
Operating income margin (100 million yen)	3 [2.2%]	0 [0.1%]	3 [-]	- % [-]

2 Quarterly Results

Item	Fiscal Year	Jan-Mar	Apr-Jun	1 H	Jul-Sep	Oct-Dec	2 H	Full Year
Revenues 100 million yen, %	2022	173	171	344	170	169	340	684
	2021	174	171	345	171	171	342	688
	Difference/ Difference (%)	(1) [(0.8%)]	0 [0.1%]	(1) [(0.4%)]	(0) [(0.5%)]	(1) [(0.7%)]	(2) [(0.6%)]	(3) [(0.5%)]
Operating income 100 million yen, %	2022	6	0	6	(0)	3	3	9
	2021	(3)	0	(2)	0	0	0	(1)
	Difference/ Difference (%)	9 [- %]	(0) [(38.5%)]	9 [- %]	(1) [- %]	3 [- %]	2 [- %]	11 [- %]
Operating income margin (%)	2022	3.7	0.3	2.0	(0.4)	2.2	0.9	1.4
	2021	(1.7)	0.4	(0.7)	0.3	0.1	0.2	(0.2)

October-December 2022 Highlights

Despite gains in financial institution outsourcing services, ATM loading services, etc., revenues declined due to fewer scheduled flights by metropolitan and regional banks, a decrease in CSD services volume, and a decline in spot revenues compared with the previous year in connection with reminting. Profit increased due to personnel expense reductions and the recording of impairment loss in the year-ago period.

Special Factors

- Impact of fuel unit cost: [operating income] (4) [year]
- Cost increase associated with employee system reform: [operating income] (1) [year]
- Impact of COVID-19: [revenues] +1 [year]
[operating income] +0 [year]
- Adjustment of prior-period differences in provision for retirement benefits: [operating income] +2 [year]
- Impact of provision for retirement benefits: [operating income] +1 [year]

I. Segment Overview for FY2022 (JGAAP) Heavy Haulage & Construction Segment

1 Quarterly Results for FY2022 (Oct-Dec Results)

FY2022	FY2022	FYE Dec 2021	Difference	Difference (%)
Revenues (100 million yen)	119	119	0	0.2%
Operating income				
Operating income margin (100 million yen)	21 [17.8%]	19 [16.0%]	2 [-]	11.4% [-]

October-December 2022 Highlights

New large-scale construction projects, mainly related to wind power generation and other industrial machinery, offset the decline in thermal power and SDM. Profit increased year on year due in part to the acquisition of follow-on construction work for wind power-related projects.

2 Quarterly Results

Item	Fiscal Year	Jan-Mar	Apr-Jun	1 H	Jul-Sep	Oct-Dec	2 H	Full Year
Revenues 100 million yen, %	2022	82	117	199	125	119	245	445
	2021	95	123	219	114	119	234	453
	Difference/ Difference (%)	(13) [(13.8%)]	(5) [(4.8%)]	(19) [(8.7%)]	10 [9.5%]	0 [0.2%]	11 [4.7%]	(8) [(1.8%)]
Operating income 100 million yen, %	2022	6	15	22	19	21	41	63
	2021	9	16	25	14	19	33	59
	Difference/ Difference (%)	(3) [(33.8%)]	(0) [(3.7%)]	(3) [(15.0%)]	4 [34.2%]	2 [11.4%]	7 [21.2%]	3 [5.5%]
Operating income margin (%)	2022	7.9	13.2	11.0	15.6	17.8	16.7	14.1
	2021	10.2	13.1	11.8	12.7	16.0	14.4	13.2

Special Factors

• Impact of COVID-19:

[revenues] +2 [year]
[operating income] +1 [year]

I. Segment Overview for FY2022 (JGAAP) Logistics Support Segment

1 Quarterly Results for FY2022 (Oct-Dec Results)

FY2022	FY2022	FYE Dec 2021	Difference	Difference (%)
Revenues (100 million yen)	1,125	1,043	82	7.9%
Operating income				
Operating income margin (100 million yen)	41 [3.7%]	37 [3.5%]	4 [-]	12.1% [-]

2 Quarterly Results

Item	Fiscal Year	Jan-Mar	Apr-Jun	1 H	Jul-Sep	Oct-Dec	2 H	Full Year
Revenues 100 million yen, %	2022	1,051	994	2,046	975	1,125	2,101	4,148
	2021	1,263	797	2,060	830	1,043	1,874	3,934
	Difference/ Difference (%)	(211) [(16.8%)]	197 [24.8%]	(14) [(0.7%)]	144 [17.4%]	82 [7.9%]	227 [12.1%]	213 [5.4%]
Operating income 100 million yen, %	2022	36	48	84	37	41	78	163
	2021	51	17	69	22	37	59	129
	Difference/ Difference (%)	(15) [(29.2%)]	30 [172.1%]	15 [22.0%]	14 [64.1%]	4 [12.1%]	18 [31.8%]	34 [26.6%]
Operating income margin (%)	2022	3.5	4.8	4.1	3.8	3.7	3.7	3.9
	2021	4.1	2.2	3.4	2.7	3.5	3.2	3.3

October-December 2022 Highlights

Contributing factors to the increase in revenues and profits included higher unit sales prices in the petroleum business, increased handling of LS business volume, including export packaging, and a rebound increase from last year's provision for NX Shoji losses.

Special Factors

• Impact of COVID-19:

[revenues] +6 [year]
[operating income] +1 [year]

• Impact of revenue recognition standard:

[revenues] (125) [prior year, Jan-Mar]

• Impact of leasing business spin-off

[revenues] (175) [prior year, Jan-Mar]

• Allowances:

[operating income] +7 [year]

• Impact of Ukraine:

[revenues] (1) [year]
[operating income] (0) [year]

II. Financial Results Forecast for FY2023 (JGAAP)

A Forecast for FY2023

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

Item	Full-Year Forecast (Jan-Dec 2023)	Prior-Year Results (Jan-Dec 2022)	Difference YoY	Difference YoY (%)	2023 Business Plan Targets	Difference Vs. Plan	Difference Vs. Plan (%)
Revenues	24,500	26,197	(1,697)	(6.5)	24,000	500	2.1
Operating Income	1,100	1,287	(187)	(14.5)	1,100	—	—
Operating Income Margin	4.5	4.9	—	—	4.6	—	—
Ordinary Income	1,140	1,373	(233)	(17.0)	—	—	—
Profit Attributable to Owners of Parent	750	1,098	(348)	(31.7)	720	30	4.2
Overseas Sales	7,027	8,416	(1,389)	(16.5)	7,200	(173)	(2.4)

II. Financial Results Forecast for FY2023 (JGAAP)

B Financial Results Forecast for FY2023 1H, 2H

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

Item	1H Forecast (Jan-Jun 2023)	Prior Year 1H Results (Jan-Jun 2022)	Difference YoY	Difference YoY (%)	2H Forecasts (Jul-Dec 2023)	Prior Year 2H Results (Jul-Dec 2022)	Difference YoY	Difference YoY (%)
Revenues	12,240	12,989	(749)	(5.8)	12,260	13,208	(948)	(7.2)
Operating Income	530	677	(147)	(21.8)	570	609	(39)	(6.5)
Operating Income Margin	4.3	5.2	—	—	4.6	4.6	—	—
Ordinary Income	550	716	(166)	(23.3)	590	656	(66)	(10.1)
Profit Attributable to Owners of Parent	360	946	(586)	(62.0)	390	151	238	157.5
Overseas sales	3,532	4,184	(652)	(15.6)	3,495	4,231	(736)	(17.4)

II. Financial Results Forecast for FY2023 (JGAAP)

C Japan and Overseas Results Forecast

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

Segment	Item	Forecast (Jan-Dec 2023)	Prior-Year Results (Jan-Dec 2022)	Difference YoY	Difference YoY (%)
Japan Total	Revenues	19,436	19,851	(415)	(2.1)
	Segment Income	846	894	(48)	(5.4)
Overseas Total	Revenues	7,027	8,416	(1,389)	(16.5)
	Segment Income	396	581	(185)	(31.9)
		Forecast (Jan-Dec 2023)			
Overseas Sales Ratio		28.7%			

II. Financial Results Forecast for FY2023 (JGAAP)

D Forecasts by Reportable Segment (Jan-Dec)

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

Segment	Item	Full-Year Forecast (Jan-Dec 2023)	Prior-Year Results (Jan-Dec 2022)	Difference YoY	Difference YoY (%)	2023 Business Plan Targets	Difference Vs. Plan	Difference Vs. Plan (%)
Japan	Revenues	14,054	14,572	(518)	(3.6)	13,730	324	2.4
	Segment Income	620	658	(38)	(5.8)	658	(38)	(5.8)
Americas	Revenues	1,581	1,620	(39)	(2.5)	1,210	371	30.7
	Segment Income	113	133	(20)	(15.0)	72	41	56.9
Europe	Revenues	1,813	2,156	(343)	(15.9)	1,860	(47)	(2.5)
	Segment Income	90	124	(34)	(27.6)	87	3	3.4
East Asia	Revenues	2,031	2,420	(389)	(16.1)	2,310	(279)	(12.1)
	Segment Income	89	124	(35)	(28.4)	89	—	—
South Asia & Oceania	Revenues	1,602	2,218	(616)	(27.8)	1,820	(218)	(12.0)
	Segment Income	104	200	(96)	(48.1)	142	(38)	(26.8)
Security Transportation	Revenues	690	684	5	0.8	690	—	—
	Segment Income	24	9	14	142.2	11	13	118.2
Heavy Haulage & Construction	Revenues	470	445	24	5.5	530	(60)	(11.3)
	Segment Income	56	63	(7)	(11.1)	61	(5)	(8.2)
Logistics Support	Revenues	4,222	4,148	73	1.8	3,820	402	10.5
	Segment Income	146	163	(17)	(10.6)	120	26	21.7

II. Financial Results Forecast for FY2023 (JGAAP)

E Forecasts by Reportable Segment 1H, 2H

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

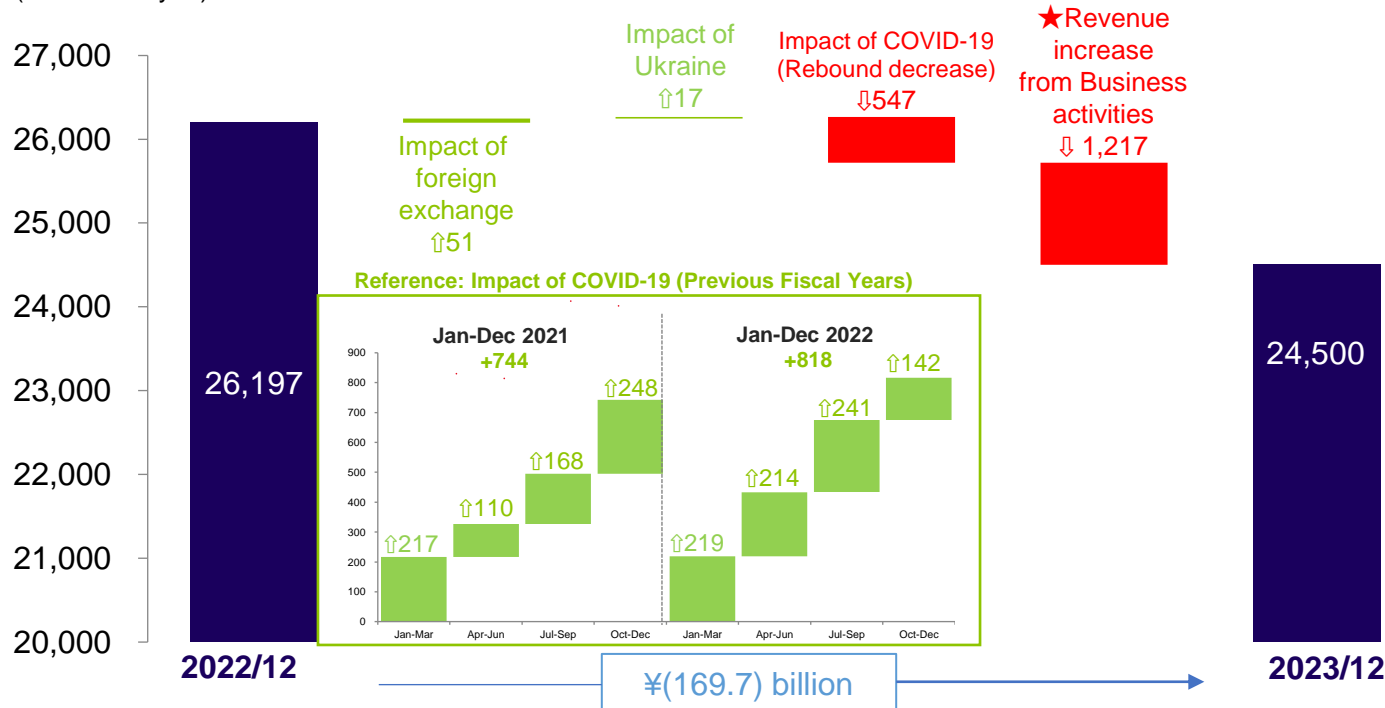
Segment	Item	1H Forecast (Jan-Jun 2023)	Prior Year 1H Results (Jan-Jun 2022)	Difference YoY	Difference YoY (%)	2H Forecasts (Jul-Dec 2023)	Prior Year 2H Results (Jul-Dec 2022)	Difference YoY	Difference YoY (%)
Japan	Revenues	6,943	7,254	(311)	(4.3)	7,111	7,317	(206)	(2.8)
	Segment Income	306	353	(47)	(13.5)	314	304	9	3.0
Americas	Revenues	787	747	39	5.3	794	873	(79)	(9.1)
	Segment Income	53	51	1	3.0	60	81	(21)	(26.4)
Europe	Revenues	921	1,040	(119)	(11.5)	892	1,116	(224)	(20.1)
	Segment Income	39	60	(21)	(35.2)	51	64	(13)	(20.5)
East Asia	Revenues	994	1,225	(231)	(18.9)	1,037	1,194	(157)	(13.2)
	Segment Income	40	63	(23)	(37.2)	49	60	(11)	(19.0)
South Asia & Oceania	Revenues	830	1,172	(342)	(29.2)	772	1,046	(274)	(26.2)
	Segment Income	52	114	(62)	(54.6)	52	85	(33)	(39.3)
Security Transportation	Revenues	345	344	0	0.2	345	340	4	1.3
	Segment Income	13	6	6	91.8	11	3	7	251.4
Heavy Haulage & Construction	Revenues	260	199	60	30.1	210	245	(35)	(14.5)
	Segment Income	27	22	4	22.7	29	41	(12)	(29.3)
Logistics Support	Revenues	2,135	2,046	88	4.3	2,087	2,101	(14)	(0.7)
	Segment Income	70	84	(14)	(17.4)	76	78	(2)	(3.4)

II. Financial Results Forecast for FY2023 (JGAAP)

F Breakdown of Revenues and Operating Income

1) Revenues

(100 million yen)



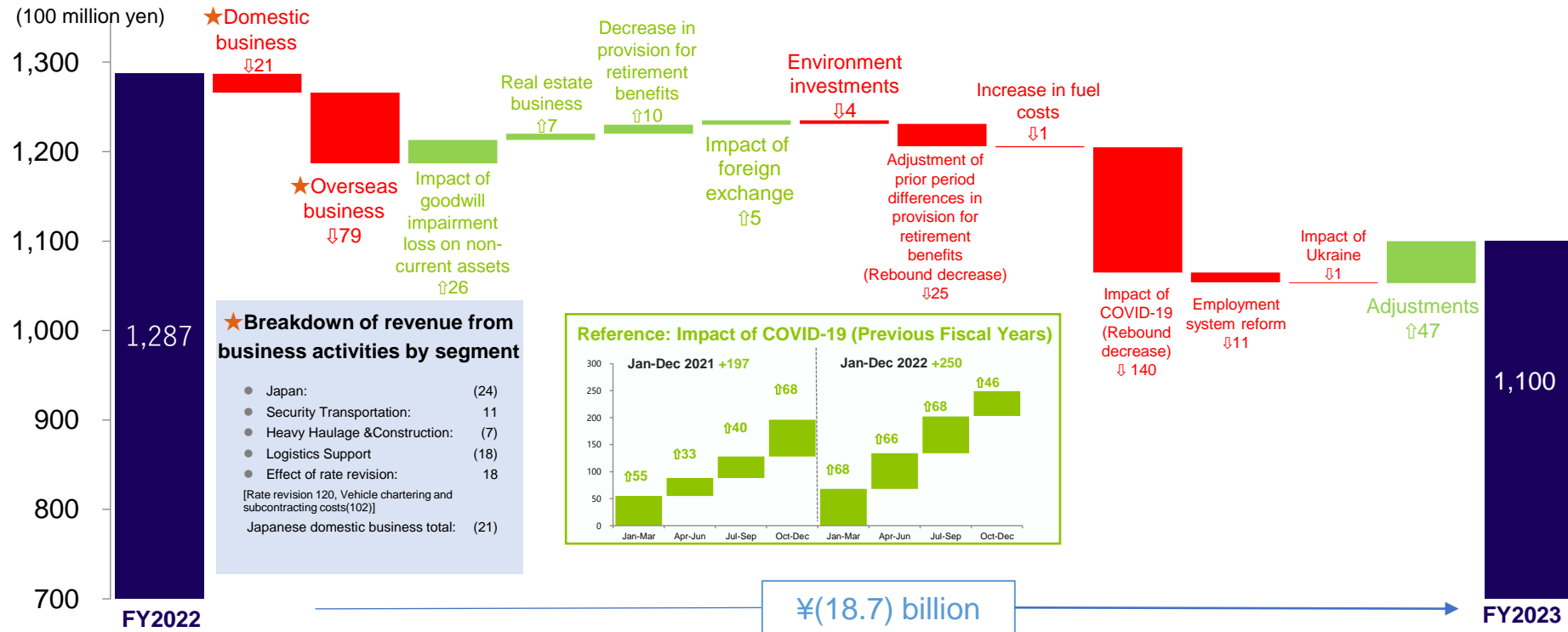
★Breakdown of revenue from business activities by segment

● Japan:	(485)
● Overseas total:	(931)
● Security Transportation:	5
● Heavy Haulage & Construction:	17
● Logistics Support:	69
● Adjustments:	107

II. Financial Results Forecast for FY2023 (JGAAP)

F Breakdown of Revenues and Operating Income

2) Operating income



II. Segment Overview Financial Results Forecasts for FY2023 (JGAAP)

1 Japan Segment

Full-Year Forecast

Item	FYE Dec 2023	Vs. FYE Dec 2021		
		FY2022	Difference	Progress (%)
Revenues	14,054	14,572	(518)	(3.6)
Operating income*	620 [4.4]	658 [4.5]	(38)	(5.8)

2 The Americas Segment

Full-Year Forecast

Item	FYE Dec 2023	Vs. FYE Dec 2021		
		FY2022	Difference	Progress (%)
Revenues	1,581	1,620	(39)	(2.5)
Operating income*	113 [7.1]	133 [8.2]	(20)	(15.0)

(100 million yen, %) * Figures in brackets indicate operating income margin [%]

Overview

We expect unit freight rates for international logistics to continue to decline, but volume should recover beginning in the second half of the year. Similarly, domestic businesses should see a recovery in volume beginning in the second half of the year, and we intend to secure profits through rate revisions and other measures.

Special Factors

- Impact of fuel unit cost: [operating income] (1)
- Cost increase associated with employee system reform: [operating income] (9)
- Impact of COVID-19: [revenues] (43)
- Environment investments: [operating income] (29)
- Real estate business: [operating income] (4)
- Impact of Ukraine: [operating income] +7
- Adjustment of prior-period differences in provision for retirement benefits (rebound increase): [revenues] +9
- Decrease in depreciation and amortization due to impairment: [operating income] +0
- Decrease in provision for retirement benefits: [operating income] (21)
- Decrease in depreciation and amortization due to impairment: [operating income] +18
- Decrease in provision for retirement benefits: [operating income] +8

Overview

While we expect freight rates to decline for air and ocean forwarding, we will aim to increase volume, particularly in the automotive and semiconductor industries. Demand for forwarding to inland regions should continue for a certain extent. At the same time, we forecast lower revenues and profit due to higher expenses associated with soaring personnel expenses.

Special Factors

- Impact of foreign exchange (weaker yen): [revenues] +11
- Impact of COVID-19: [operating income] +0
- Decrease in depreciation and amortization due to impairment: [revenues] (10)
- Decrease in depreciation and amortization due to impairment: [operating income] (6)
- Decrease in depreciation and amortization due to impairment: [operating income] +3

II. Segment Overview Financial Results Forecasts for FY2023 (JGAAP)

3 Europe Segment

Full-Year Forecast

Item	FYE Dec 2023	Vs. FYE Dec 2021		
		FY2022	Difference	Progress (%)
Revenues	1,813	2,156	(343)	(15.9)
Operating income*	90 [5.0]	124 [5.8]	(34)	(27.6)

4 East Asia Segment

Full-Year Forecast

Item	FYE Dec 2023	Vs. FYE Dec 2021		
		FY2022	Difference	Progress (%)
Revenues	2,031	2,420	(389)	(16.1)
Operating income*	89 [4.4]	124 [5.1]	(35)	(28.4)

(100 million yen, %) * Figures in brackets indicate operating income margin [%]

Overview

We expect freight rates to decline for air and ocean forwarding. While we will make efforts to increase volume, particularly in the automotive and apparel industries, we forecast revenues and profit to decline.

Special Factors

- Impact of foreign exchange (weaker yen): [revenues] +45
[operating income] +2
- Impact of COVID-19: [revenues] (156)
[operating income] (32)
- Impact of Ukraine: [revenues] +6
[operating income] (1)

Overview

We forecast a volume recovery in air and ocean forwarding volume due to recovery from the impact of COVID-19; however, freight rates are likely to decline. We expect revenues and profit to decrease.

Special Factors

- Impact of foreign exchange (weaker yen): [revenues] (12)
[operating income] (0)
- Impact of COVID-19: [revenues] (123)
[operating income] (21)

II. Segment Overview Financial Results Forecasts for FY2023 (JGAAP)

5 South Asia & Oceania Segment

Full-Year Forecast

Item	FYE Dec 2023	Vs. FYE Dec 2021		
		FY2022	Difference	Progress (%)
Revenues	1,602	2,218	(616)	(27.8)
Operating income*	104 [6.5]	200 [9.0]	(96)	(48.1)

6 Security Transportation Segment

Full-Year Forecast

Item	FYE Dec 2023	Vs. FYE Dec 2021		
		FY2022	Difference	Progress (%)
Revenues	690	684	5	0.8
Operating income*	24 [3.5]	9 [1.4]	14	142.2

(100 million yen, %) * Figures in brackets indicate operating income margin [%]

Overview

We expect freight rates to decline for air and ocean forwarding. We will aim to increase volume, mainly for semiconductor- and automobile-related, but we forecast lower revenues and profit.

Special Factors

- Impact of foreign exchange (weaker yen): [revenues] +6
[operating income] +2
- Impact of COVID-19: [revenues] (225)
[operating income] (52)

Overview

We expect to see fewer scheduled flights, including the discontinuation of transportation to clearinghouses. However, we forecast sales at the same level year on year as we acquire outsourcing services contracts for financial institutions, etc. We forecast operating income to increase due to the reactionary positive impact related to one-time expenses recorded in the previous year and the effect of improved operational efficiencies.

Special Factors

- Adjustment of prior-period differences in provision for retirement benefits (rebound increase): [operating income] (2)
- Decrease in depreciation and amortization due to impairment: [operating income] +4
- Decrease in provision for retirement benefits: [operating income] +1
- Cost increase associated with employee system reform: [operating income] (1)

II. Segment Overview Financial Results Forecasts for FY2023 (JGAAP)

7 Heavy Haulage & Construction Segment

Full-Year Forecast

Item	FYE Dec 2023	Vs. FYE Dec 2021		
		FY2022	Difference	Progress (%)
Revenues	470	445	24	5.5
Operating income*	56 [11.9]	63 [14.1]	(7)	(11.1)

8 Logistics Support Segment

Full-Year Forecast

Item	FYE Dec 2023	Vs. FYE Dec 2021		
		FY2022	Difference	Progress (%)
Revenues	4,222	4,148	73	1.8
Operating income*	146 [3.5]	163 [3.9]	(17)	(10.6)

(100 million yen, %) * Figures in brackets indicate operating income margin [%]

Overview

In addition to continued large-scale industrial machinery projects related to our wind power-related business and IT equipment volume, etc., we expect to secure road infrastructure work, including bridges and civil engineering, leading to higher revenues year on year. We forecast profit to decrease due to a decline in wind power-related business profit, which provided a large contribution to profit in the previous year.

Special Factors

• Impact of COVID-19: [revenues] +7
[operating income] +1

Overview

Amid continuing global crude oil price volatility, we expect the petroleum business to see lower revenues and profit due to lower unit prices and margins. The LS business should see firm results for automotive-related product and industrial machinery volume.

Special Factors

• Impact of COVID-19: [revenues] +3
[operating income] +1

III. Challenges of the Business Plan

A NX Group Business Plan 2023 KPIs of Growth Strategy for Core Businesses

Item Revenues	Japan*1					Overseas				
	2022 Jan-Dec Results	2021 Jan-Dec Results	Difference YoY (%)	2022 Jan-Dec Targets	Difference (%)	2022 Jan-Dec Results	2021 Jan-Dec Results	Difference (%)	2022 Jan-Dec Targets	Difference (%)
Electric and Electronics Industry	¥118.3 billion	¥112.3 billion	5%	¥116.0 billion	2%	¥208.3 billion	¥186.5 billion	12%	¥174.0 billion	20%
Automotive Industry	¥92.8 billion	¥85.4 billion	9%	¥100.0 billion	(7%)	¥131.7 billion	¥108.1 billion	22%	¥110.0 billion	20%
Apparel Industry	¥16.7 billion	¥15.5 billion	8%	¥18.0 billion	(7%)	¥114.7 billion	¥78.7 billion	46%	¥77.0 billion	49%
Pharmaceutical/Medical Industry	¥19.4 billion	¥15.9 billion	22%	¥22.0 billion	(12%)	¥41.9 billion	¥24.1 billion	74%	¥30.0 billion	40%
Semiconductor-Related Industries	¥53.5 billion	¥28.5 billion	88%	¥37.8 billion	42%	¥23.9 billion	¥16.7 billion	43%	¥18.0 billion	33%

Item	2022 Jan-Dec Results	2021 Jan-Dec Results	Difference YoY(%)	Jan-Dec 2022 Forecast	Difference (%)
Ocean Forwarding Business*2	760,000 TEU	750,000 TEU	1%	950,000 TEU	(20%)
Air Forwarding Business*2	870,000 t	970,000 t	(11%)	1,100,000 t	(21%)

Item Revenues	2022 Jan-Dec Results	2021 Jan-Dec Results	Difference YoY(%)	Jan-Dec 2022 Forecast	Difference (%)
Non-Japanese Customer Accounts (GAM・GTA*3)	¥113.1 billion	¥74.0 billion	53%	¥79.2 billion	43%

*1 Japan results, KPI figures are for non-consolidated Nippon Express.

*2 Results, differences (%) rounded to the nearest whole number

*3 GAM is an abbreviation for global account management.

III. Challenges of the Business Plan

A NX Group Business Plan 2023 KPIs of Growth Strategy for Core Businesses

Expanding Volume and Lower Utilization Costs

Ocean Forwarding

- Strengthen purchasing power through the NX Global Ocean Network (NGO)
- Focus on Intra-Asia and pursue economies of scale
- Execute pricing strategy based on analysis of market data, etc.
- Pursue growth strategy based on the NITTSU services

Air Forwarding

- Expand volume in trade lanes, which are less commonly handled and have a large market size
- Pursue a best mix of reduced costs for contracted freight through global purchasing and flexible purchasing in local deals Improve consolidation efficiency through better aggregation and forwarding functions, etc.
- Build strategic partnerships with specific carriers

Establishing an Online Platform

- Enhance traceability functions
- Develop online quotation function
- Integrate functions

► Expand the Logistics Solution Business

(provide optimal solutions by making full use of various transportation modes, networks, IT systems, etc.)

III. Challenges of the Business Plan

B Sales by Business: FY2022 (Jan-Dec)

Millions of yen,%

Nippon Express Co., Ltd. Results by Business	Results	Difference		Progress (%)	
		Vs. FYE Dec 2021	Vs. FY2020	Vs. FYE Dec 2021	Vs. FY2020
Railway utilization business	67,067	(1,761)	(5,891)	(2.6)	(8.1)
Small-lot shipment business	37,714	(3,346)	(4,149)	(8.1)	(9.9)
Chartered truck business	180,629	(2,155)	(1,798)	(1.2)	(1.0)
Marine transportation business	193,051	59,301	103,933	44.3	116.6
Harbor transportation business	69,415	1,292	7,478	1.9	12.1
Air transportation business	337,677	46,697	147,481	16.0	77.5
Warehousing and storage business	156,463	12,936	17,236	9.0	12.4
In-factory business	63,069	5,740	10,418	10.0	19.8
Moving and relocation business	57,407	6,097	7,088	11.9	14.1
Other	196,874	(7,717)	(11,759)	(3.8)	(5.6)
Total	1,359,372	117,085	27,037	9.4	24.8

International Logistics/Exports	Results	Difference		Progress (%)	
		Vs. FYE Dec 2021	Vs. FY2020	Vs. FYE Dec 2021	Vs. FY2020
Ocean transportation (export)	131,243	41,817	76,586	46.8	140.1
Air transportation (export)	236,437	45,875	141,911	24.1	150.1

(Millions of yen, rounded down)

Domestic Business

In the fourth quarter, the warehousing and in-factory businesses remained firm, while the railway utilization and motor transportation business saw a recovery in cargo movement across certain industries. However, the recovery was generally weak and cargo movement was sluggish.

Railway Utilization Business

Volume for automobile-related cargo was firm; however, transportation volume remained sluggish due to price hikes in beverages and other products beginning in October. In addition, snow damage in December caused a decline in transaction volume, resulting in a year-on-year decrease in revenues.

Small-Lot Shipment Business

Despite a recovery in volume for electrical precision products due to year-end demand, transportation volume for chemical components, machinery parts, and petroleum products remained sluggish, resulting in a continued decline in revenues.

Chartered Truck Business

In the fourth quarter, cargo movement for automobiles exceeded the previous year; however, cargo movement for agricultural products, steel, and beverages remained sluggish. As a result, revenues declined compared with the previous two years.

Warehousing and Storage Business

Storage volume increased due to the start of new storage operations, resulting in an increase in revenue for a second consecutive fiscal year.

In-Factory Business

In addition to volume for new e-commerce related transport, the business continued to perform solidly as in the previous fiscal year due to an increase in retail-related volume.

Moving and Relocation Business

Domestic moving and relocation revenues declined due to a drop in corporate demand caused by a decrease in transfers. However, overall revenues increased compared to 2021 and 2020 due to a recovery in office relocation demand and international moving service (import/export) volume.

International Logistics

Air and ocean export freight business volume decreased year on year, but revenues increased compared to 2021 and 2020 due to high unit freight rates.

III. Challenges of the Business Plan

C Strategy to Enhance Domestic Businesses in Japan

Major Initiatives

I. Improve Profits

- ◆ Pursued daily cost controls, continuing to leverage company strengths to fullest and reduce outsourcing cost ratios
 - The utilization ratio of company-owned vehicles for cumulative Jan-Dec 2022 increased +0.5 points year on year
 - Revenues increased for the fiscal year ended December 2022 (+9.4% year on year); outsourcing cost ratio decreased 2.0 points
 - We will continue to improve the margin ratio by leveraging company strengths and company-owned vehicles.

II. Improve Productivity

- ◆ Raise overall level of warehouse operations
 - In 2022, 18 individuals participated in Logistics Boot Camp, a core human resources development program to promote productivity improvement in warehouse operations; the series of lecture sessions have been completed
 - For the 18 locations in question, we pursued improvements based on data analysis, the Theory of Constraints (TOC), and thought processes through the NX Research Institute and Consulting Rojitan to generate positive outcomes in each area
 - We made progress in upgrading and networking 375 distribution centers (294 sections) and in-factory sections (189 sections) with responsibility for on-site operations (operations in plants and distribution centers in customer facilities); we held liaison meetings, deployed best practices of operations in highly profitable models, and implemented training for distribution center staff
- ◆ Automate, streamline office work
 - As of the end of FY2022, self-driven initiatives to automate (RPA) at branches and sections resulted in a cumulative reduction of 91,858 hours (annualized) nationwide (compared to 54,115 hours reduced in the previous year)
 - We intend to expand efforts further by linking the RPA discussed above with RPA managed centrally from the head office IT department

III. Deepen Integration of Land, Sea, and Air

- ◆ Pursue cross-mode sales
 - We won 663 contracts by approaching existing customers (Q4 cumulative total)
 - Propose seamless transportation between overseas and domestic markets by leveraging the strengths of the NX Group

IV. Strengthen Network Transportation Products

- ◆ Increased sales of Protect BOX
 - Expand revenues further sales through new equipment tailored to customer needs. Jan-Dec 2022: 31,916 units (+45% of previous year)
- ◆ Increased sales of railroad containers, air cargo containers
 - NX Train is now on sale and have been well received by customers; load rate of approximately 90%.
 - We are pursuing modal shift proposals for decarbonization as a transportation mode that will be effective in solving issues surrounding the future of logistics. We are also building backup transport systems in the event of natural disasters.
- ◆ Structural reform of the moving & relocation business
 - Adopted NPS (Net Promoter Score) as a KPI, aiming for quality improvement as the primary goal. Strive to achieve NPS target of 50 points in sales, arrival/departure operations, and favorable recommendations. Stand Q4 cumulative average NPS 53 points (+2 points year on year)
 - Remote quotation system (Remomi®) usage: Q4 cumulative +10.1% year on year; usage rate +3%
- ◆ Strengthen and pursue arrow delivery business
 - Improved profitability through more efficient and streamlined operations and stronger coordination within the NX Group.

III. Challenges of the Business Plan

D Progress in FYE December 2022 Back Office Cost Reductions (as of December 31, 2022)

Enhancing Japanese Domestic Businesses	Item	FY2019 Results [YoY]	FY2020 Results [YoY]	FYE Dec 2021 Results (Apr-Dec) [YoY]	FY2022 Results (Jan-Dec) [YoY]	FY2022 Targets (Jan-Dec) [YoY]	FY2022 Cumulative (Results)	FY2022 Cumulative (Target)	FY2023 (Forecast)	FY2023 Cumulative (Forecast)	FY2023 Cumulative (Target)
Further reorganization of organizations streamlining of administrative departments	Further branch back office personnel reassignments	-¥1.10 billion [-124 employees]	-¥1.40 billion [-156 employees]	—	—						
	Reassign HQ employees	—	-¥0.82 billion [-91 employees]	-¥0.04 billion [-4 employees]	-¥0.38 billion [-42 employees]	-¥0.36 billion [-40 employees]	-¥3.74 billion [-417 employees]	-¥3.73 billion [-415 employees] FY2023 Target Progress: 83%	-¥0.98 billion [-109 employees]	-¥4.7 billion [-526 employees]	-¥4.5 billion [-500 employees]
Back office process reform	Overtime [back office personnel]	-¥1.10 billion	-¥1.32 billion	+¥0.55 billion	+¥0.27 billion	-¥0.69 billion					
	Personnel dispatching cost [back office]	+¥0.15 billion	-¥1.04 billion	-¥0.20 billion	+¥0.91 billion	-¥0.90 billion	-¥1.78 billion	-¥4.55 billion FY2023 Target Progress: 36%	-¥1.49 billion	-¥3.3 billion	-¥5.0 billion
Total	Total	-¥2.05 billion	-¥4.58 billion	+¥0.31 billion	+¥0.8 billion	-¥1.95 billion	-¥5.52 billion	-¥8.28 billion FY2023 Target Progress: 58%	-¥2.47 billion	-¥8.0 billion	-¥9.5 billion

* Figures for results and targets related to "Further reorganization of organizations/ streamlining of administrative departments" indicate the scale and approximate amounts for measures that are to be implemented.

III. Challenges of the Business Plan

E Pursuing RPA and NX-OCR

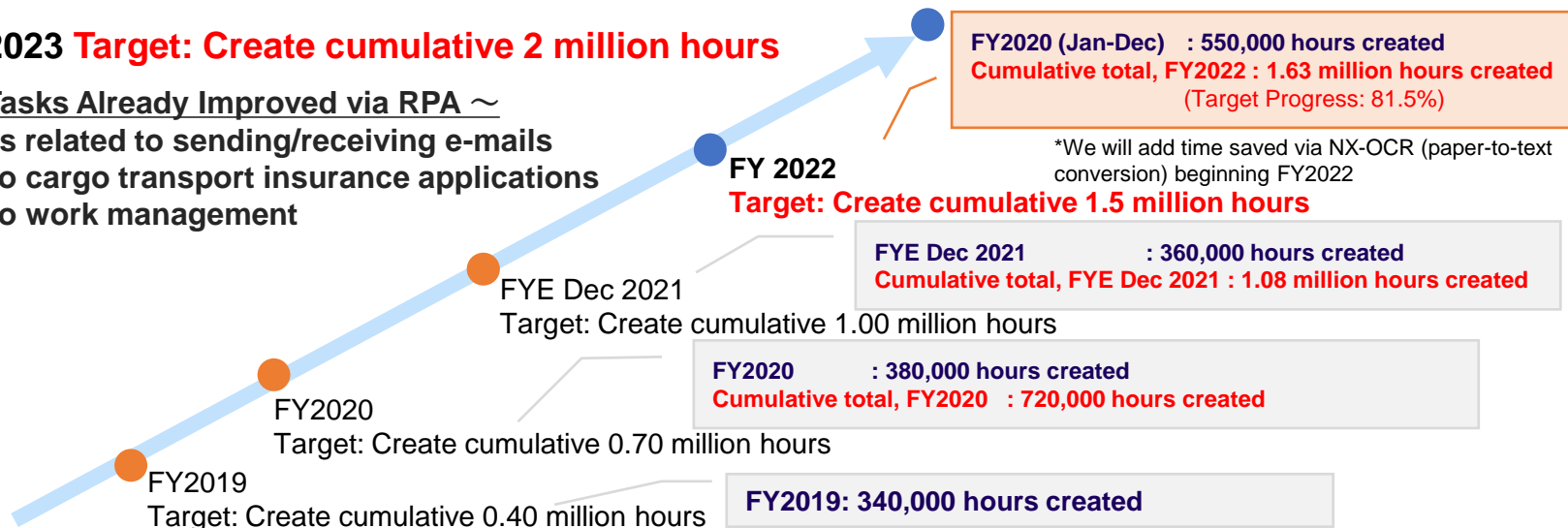
Why Adopt RPA?

To create more time for more value-added tasks, such as creative planning and sales activities.
⇒ Improve productivity and quality, reduce costs, and foster the potential of creating new businesses.

FY2023 Target: Create cumulative 2 million hours

~ Examples of Tasks Already Improved via RPA ~

- ☐ Incidental tasks related to sending/receiving e-mails
- ☐ Tasks related to cargo transport insurance applications
- ☐ Tasks related to work management

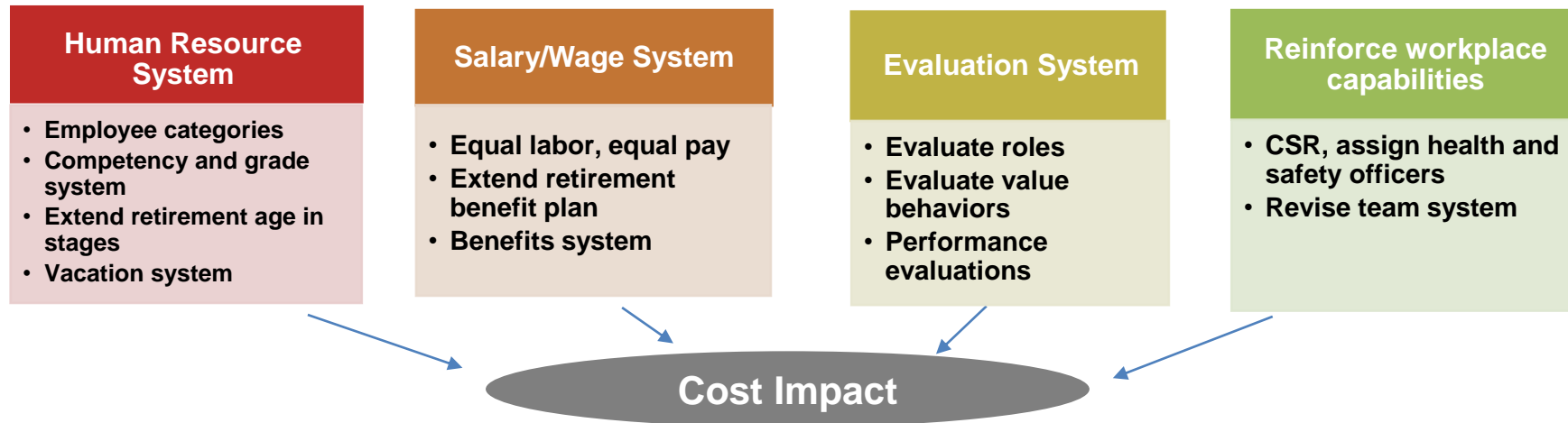


Measures to Promote RPA Adoption

- (1) Have RPA masters identify of new projects and encourage horizontal adoption
- (2) Adopt RPA and NX-OCR using domestic business trainees
- (3) Utilize various advanced technologies, including voice recognition and natural language processing
- (4) Support RPA development at group companies in Japan and overseas
- (5) Review operating procedures

III. Challenges of the Business Plan

F Impact of Employee System Reform (as of December 31, 2022)



	FY2019	FY2020	FYE Dec 2021	FY2022	FY2023	FY2023 Cumulative
Projected (at the time of the 2019 business plan)	¥10.0 billion increase					¥20.0 billion increase
Forecast		¥1.0 billion increase	¥1.4 billion increase (9-Month Forecast)	¥1.1 billion increase	¥1.12 billion increase	¥9.33 billion increase
Results	¥4.8 billion increase	¥0.94 billion increase	¥1.3 billion increase (9-Month Results)	¥1.1 billion increase (Jan-Dec Results)		

III. Challenges of the Business Plan

G Business Structure Reform Project

～ Reform and Strengthen Businesses ～

(1) Logistics Division Reform

Optimize and improve functions of SCM by customer. Make a positive contribution to customers, designing optimal logistics solutions by mobilizing the collective strength of the NX Group

(2) Railway Utilization Business Reform

Rebuild the NX-brand railway utilization business as a sustainable means of transportation conscious of the decarbonization era; provide market-oriented, high-value-added services, as well as safe and reliable transportation

(3) Small-Lot Shipment Business Reform

Improve profitability by integrating NX Transport and Small-Lot Shipments business and strengthen business by leveraging alliances, etc.

(4) Coastal Shipping Business Reform

Establish the NX Group coastal shipping brand as a brand that covers all ports in Japan and contributes solutions to social issues. Reorganize shipping routes and develop new products with a view to forming alliances with other shipping companies

(5) Integrated Business Reform

- Business Focus: Strengthen competitiveness and enhance total logistics solutions
- Sales Focus: Provide one-stop total solutions to customers
- Area Focus: Maximize earnings based on area market characteristics

(6) M&A Strategy

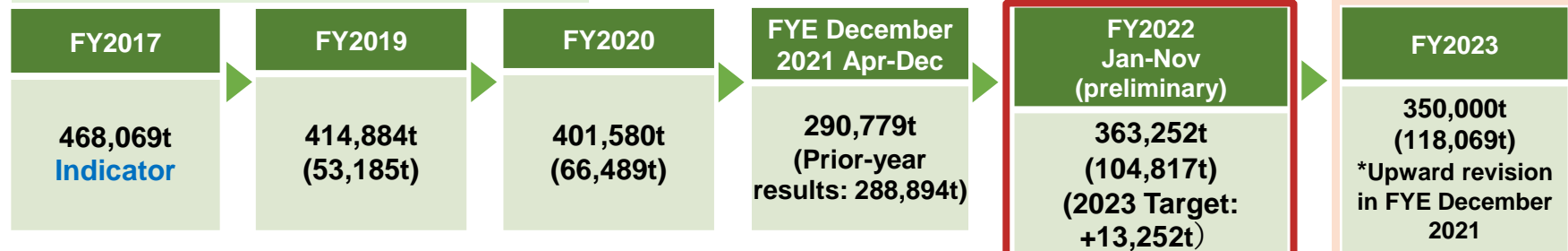
Strengthen competitiveness of forwarding business from Asia (main battlefield) and enhance our ability to respond to market needs in each region tied to industries and businesses
Strengthen M&A Structure

Summary: Concentrate management resources in Tokyo, Nagoya, and Osaka + Combine Strengthened Businesses ► Business Expansion

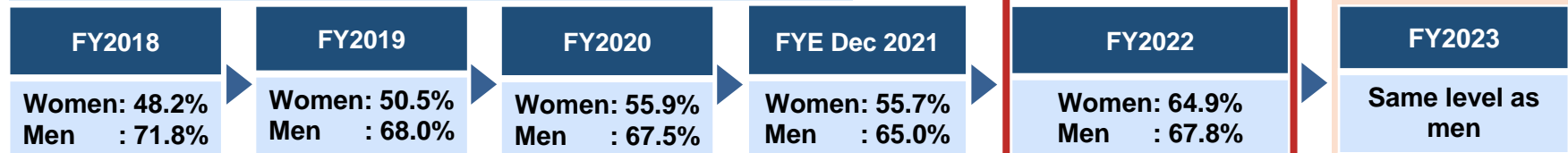
III. Challenges of the Business Plan

H ESG Management

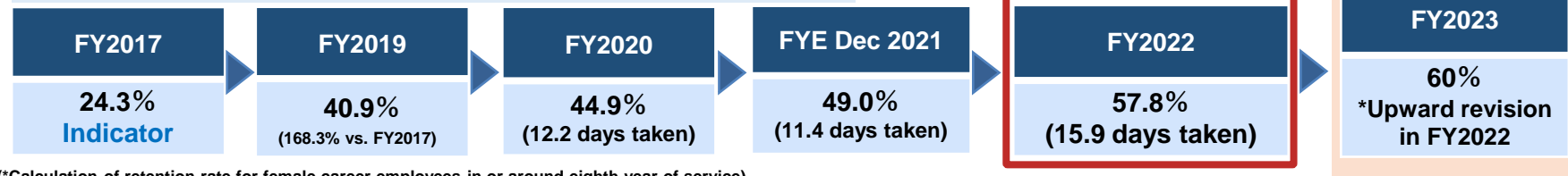
CO2 emissions reductions vs. FY2017



Promote diversity -rate of women in continuing service-*



Working-style innovations -rate of annual paid leave taken-



(*Calculation of retention rate for female career employees in or around eighth year of service)

III. Challenges of the Business Plan

~ FY2023

Numerical Targets

Revenues, operating income (margin), net income, overseas revenues,
ROE, FWD volume
By Segment (Logistics, Heavy Haulage & Construction, Security
Transportation, Logistics Support)

NX Group Business Plan 2023 Overview

Growth Strategy of Core Businesses

- Growth in global markets
- Concentrate management resources in major cities in Japan

Strategy to Enhance Domestic Businesses in Japan

- Improve profitability of specialized businesses
- Improve sales and administrative productivity
- Engage in dramatic reform of low-profit businesses

Efforts to Implement Our Long-Term Vision

- Inorganic Growth Strategy
- Exercise ESG-oriented business management to realize sustainable development
- Reinforce functions to support challenges

Accelerate Reform Through a Holding Company Structure

- Restructure Business Portfolios
 - Restructure group businesses
- Strengthen Specialized Businesses
 - Strengthen businesses by spinning off the security transportation business (NX Cash Logistics)
- Inorganic Growth
 - Strengthen M&A overseas
- Strengthen Governance
 - Evolve global management functions
- Brand Strategy
 - Global penetration and strengthening of the NX Group brand

2037 Long-Term Vision
A logistics company with a strong
presence in the global market

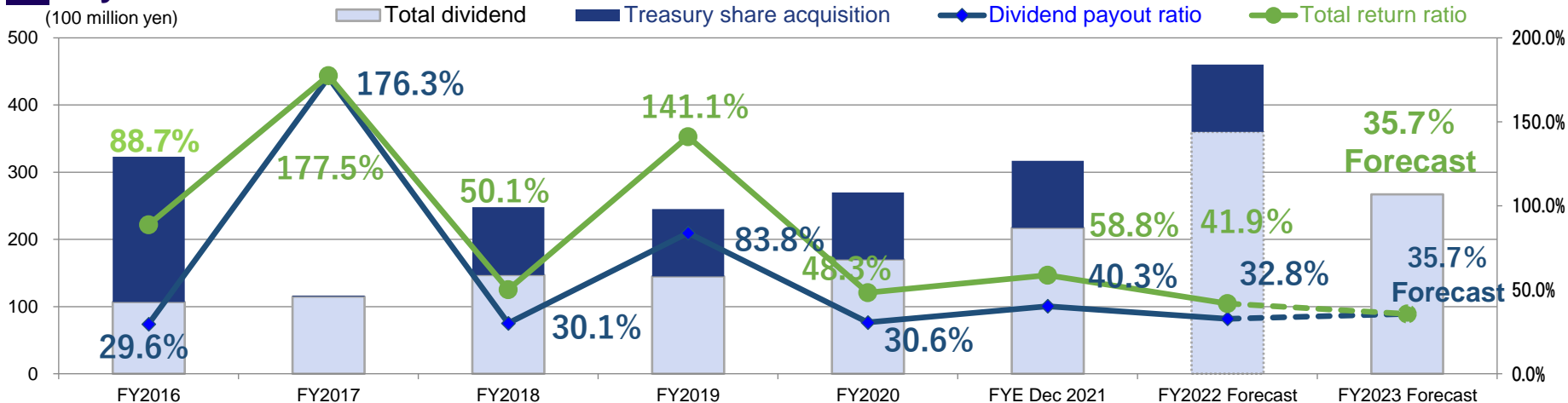
This fiscal year is the final year of our business plan. Toward completing this plan successfully, we must strengthen our engagement in our growth strategy for our core businesses and strategy to enhance domestic businesses in Japan, in particular.

IV. Return to Shareholders

A Capital Policies

- ROE 10%
- Dividend payout ratio 30% or more
- Total return ratio: Over 50% (cumulative total FY2019-FY2023)
- Equity ratio: Target 35%

B Key Indicators



Dividend per Share (Full-Year)	11	*120	155	155	185	240	400	300 (Forecast)
ROE	6.9	1.2	9.2	3.2	10.0	8.9	※ 15.9	10.0 (Forecast)

*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.

※ February 28, 2023 : ROE for the fiscal year ended December 2022* "has been revised due to" "Revisions of Summary of Financial Results for the Fiscal Year Ended December 2022 [Japanese GAAP] (Consolidated)"

Supplemental Documents

The information presented in this document provides data trends for each category. However, the data used is pre-close data and may differ from figures presented in our financial reports.

Please be aware that this document has been produced to provide a better understanding of current business conditions.

Appendix 1: Special Factors (Changes Due to External Environmental and Other Factors)

Variable factors	Impact on consolidated results (Jan-Dec 2022 results)	Impact on consolidated results (Jan-Dec 2023 forecast)
Impact of change in unit fuel price	<p>Operating income ¥(2.79) billion (cost increase)</p> <p>Unit price per ℓ [Prior period 12-month average]</p> <p>Light oil : ¥115.80 [¥102.10]</p> <p>Gasoline : ¥154.60 [¥139.00]</p> <p>Heavy oil : ¥81.70 [¥62.50]</p>	<p>Operating income ¥(0.13) billion (cost increase)</p> <p>Unit price per ℓ [Prior period 12-month average]</p> <p>Light oil : ¥115.20 [¥115.80]</p> <p>Gasoline : ¥148.10 [¥154.60]</p> <p>Heavy oil : ¥85.80 [¥81.70]</p>
Impact of foreign exchange	<p>Revenues +¥92.85 billion</p> <p>Operating income +¥5.41 billion</p> <p>12-month avg. foreign exchange rate* [January-December] [prior-period 12-month avg.]</p> <p>USD : ¥131.43 [¥109.80]</p> <p>EUR : ¥138.04 [¥129.80]</p> <p>HKD : ¥16.78 [¥14.10]</p> <p>RMB : ¥19.48 [¥17.00]</p> <p>* 12-month foreign exchange rate avg. is for reference. For the preparation of financial reports, average quarterly rates are applied to the quarterly results on a local currency basis.</p>	<p>Revenues +¥5.10 billion</p> <p>Operating Income +¥0.53 billion</p> <p>12-month avg. foreign exchange rate* [January-December] [prior-period 12-month avg.]</p> <p>USD : ¥132.70 [¥131.40]</p> <p>EUR : ¥141.47 [¥138.00]</p> <p>HKD : ¥17.02 [¥16.70]</p> <p>RMB : ¥19.01 [¥19.40]</p> <p>* 12-month foreign exchange rate avg. is for reference. For the preparation of financial reports, average quarterly rates are applied to the quarterly results on a local currency basis.</p>

Appendix 1: Special Factors (Changes Due to External Environmental and Other Factors)

Variable factors	Impact on consolidated results (Jan-Dec 2022 results)	Impact on consolidated results (Jan-Dec 2023 forecast)
Change due to employee system reform (same pay for same work, impact of extended retirement age)	Operating income ¥(1.11) billion [Japan: ¥(1.02) billion, Security Transportation: ¥(0.13) billion, Heavy Haulage & Construction: +¥0.04 billion Logistics Support: ¥(0.00) billion]	Operating income ¥(1.12) billion [Japan: ¥(0.90) billion, Security Transportation: ¥(0.13) billion, Heavy Haulage & Construction: ¥(0.09) billion]
Impact of COVID-19	<p>Revenues: +¥7.35 billion Operating income +¥5.29 billion</p> <ul style="list-style-type: none"> • Japan: Revenues +¥6.84 billion Operating income +¥3.41 billion • The Americas: Revenues +¥3.98 billion Operating income +¥0.91 billion • Europe: Revenues +¥7.23 billion Operating income +¥1.28 billion • East Asia: Revenues ¥(8.01) billion Operating income ¥(0.79) billion • South Asia: Revenues: ¥(3.78) billion Operating income +¥0.11 billion • Security Transportation: Revenues +¥0.11 billion Operating income +¥0.09 billion • Heavy Haulage and Construction: Revenues +¥0.29 billion Operating income +¥0.12 billion • Logistics Support: Revenues +¥0.68 billion Operating Income +¥0.12 billion 	<p>Revenues: ¥(54.77) billion Operating income: ¥(14.00) billion</p> <ul style="list-style-type: none"> • Japan: Revenues ¥(4.30) billion Operating Income ¥(2.97) billion • The Americas: Revenues ¥(1.09) billion Operating income ¥(0.68) billion • Europe: Revenues ¥(15.61) billion Operating income ¥(3.27) billion • East Asia: Revenues ¥(12.30) billion Operating income ¥(2.11) billion • South Asia: Revenues ¥(22.51) billion Operating Income ¥(5.25) billion • Security Transportation: Revenues +¥0.01 billion Operating Income +¥0.03 billion • Heavy Haulage and Construction: Revenues +¥0.72 billion Operating income +¥0.14 billion • Logistics Support: Revenues +¥0.31 billion Operating Income +¥0.12 billion

Appendix 1: Special Factors (Changes Due to External Environmental and Other Factors)

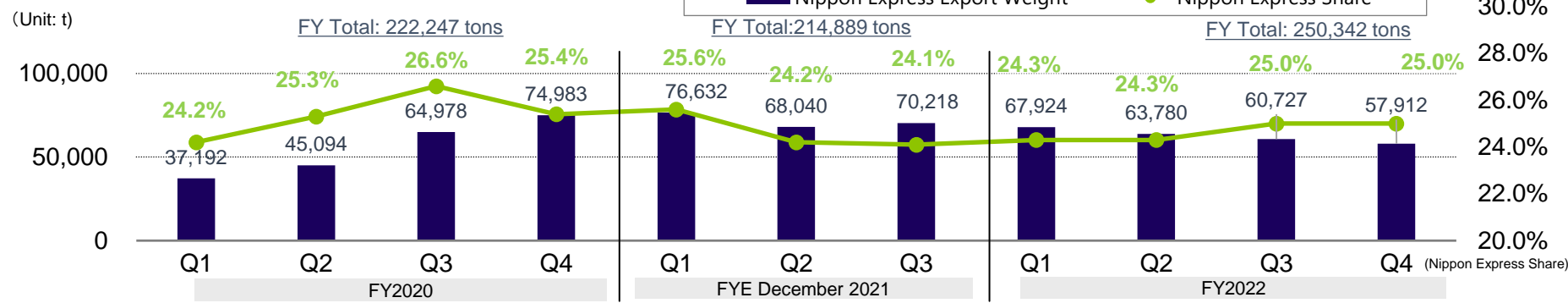
Variable factors	Impact on consolidated results (Jan-Dec 2022 results)	Impact on consolidated results (Jan-Dec 2023 forecast)
Adjustment of prior-period differences in provision for retirement benefits	Operating income +¥2.51 billion ・Japan: Operating Income +¥2.18 billion ・Security Transportation: Operating Inc +¥0.25 billion ・Heavy Haulage and Construction: Operating income +¥0.08 billion	Operating income ¥(2.51) billion ・Japan: Operating Income ¥(2.18) billion ・Security Transportation: Operating Income ¥(0.25) billion ・Heavy Haulage and Construction: Operating Income ¥(0.08) billion
Decrease in provision for retirement benefits	Operating income +¥1.16 billion ・Japan: Operating Income +¥1.00 billion ・Security Transportation: Operating income +¥0.11 billion ・Heavy Haulage and Construction: Operating Income +¥0.03 billion	Operating income +¥1.00 billion ・Japan: Operating income +¥0.86 billion ・Security Transportation: Operating income +¥0.10 billion ・Heavy Haulage and Construction: Operating Income +¥0.03 billion
Impact of Ukraine	Revenues ¥(2.29) billion Operating income ¥(0.46) billion ・Japan: Revenues ¥(1.31) billion Operating Income ¥(0.13) billion ・Europe: Revenues ¥(0.83) billion Operating income ¥(0.29) billion ・Heavy Haulage and Construction: Revenues ¥(0.01) billion Operating income ¥(0.00) billion ・Logistics Support: Revenue ¥(0.12) billion Operating income ¥(0.02) billion	Revenues +¥1.72 billion Operating income ¥(0.10) billion ・Japan: Revenues +¥0.94 billion Operating income +¥0.02 billion ・Europe: Revenues +¥0.66 billion Operating income ¥(0.15) billion ・Heavy Haulage and Construction: Revenues +¥0.01 billion Operating Income +¥0.00 billion ・Logistics Support: Revenues +¥0.09 billion Operating income +¥0.01 billion
Environment investments	Operating income: +¥0.97 billion	Operating income ¥(0.41) billion

Appendix 1: Special Factors (Changes Due to External Environmental and Other Factors)

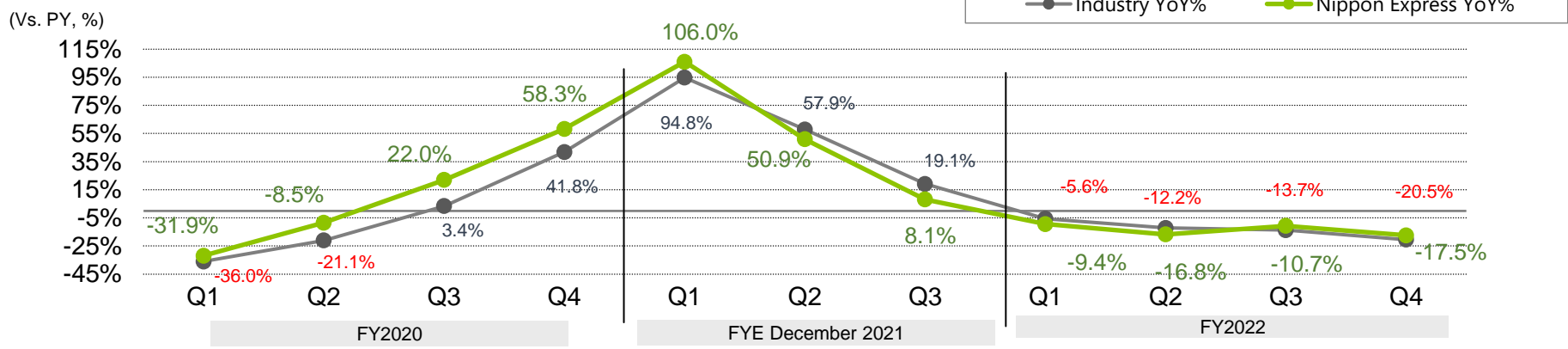
Variable factors	Impact on consolidated results (Jan-Dec 2022 results)	Impact on consolidated results (Jan-Dec 2023forecast)
Impact of impairment loss on non-current assets and goodwill (increase in income)		<p>Operating Income</p> <p>+¥2.66 billion</p> <p>Japan: +¥1.85 billion</p> <p>The Americas: +¥0.35 billion</p> <p>Security Transportation: +¥0.45 billion</p>
Impact of revenue recognition standard to decrease sales	<p>Revenues</p> <p>¥(12.52) billion</p> <p>Logistics Support Revenues: ¥(12.52) billion [Q1]</p>	
Spin off leasing business of NX Shoji	<p>Revenues</p> <p>¥(17.51) billion</p> <p>Logistics Support Revenues: ¥(17.51) billion [Q1]</p>	
Rebound increase of HQ relocation expenses	<p>Operating income</p> <p>+¥1.18 billion [Q4]</p> <p>[Japan: +¥1.18 billion]</p>	

Appendix 2 Forwarding Results: Export Air Freight Weight Originating from Japan

Export Air Freight Weight Originating from Japan



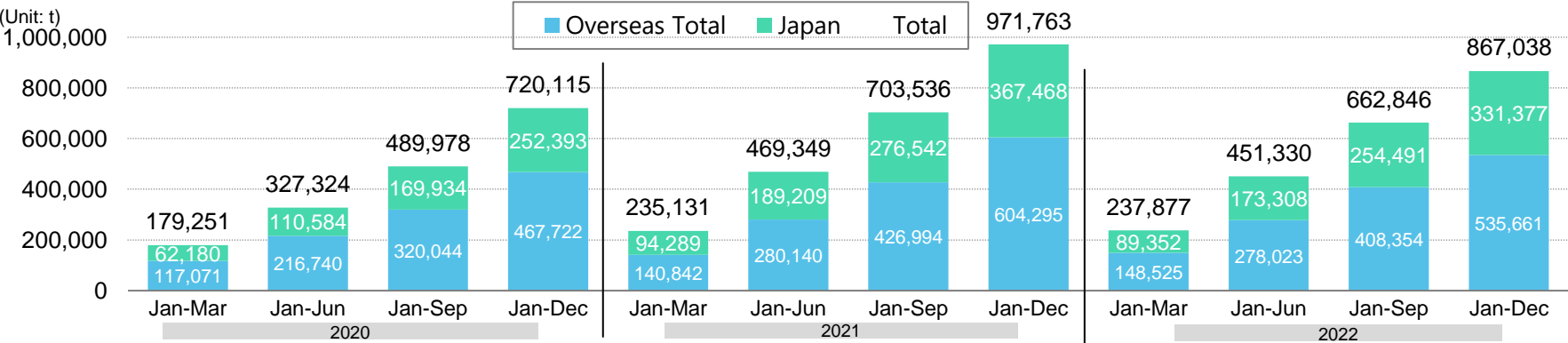
Export Air Freight Originating From Japan, YoY



Appendix 2 Forwarding Results: Export Freight (Air Freight Forwarding)

(Unit:t/chargeable)

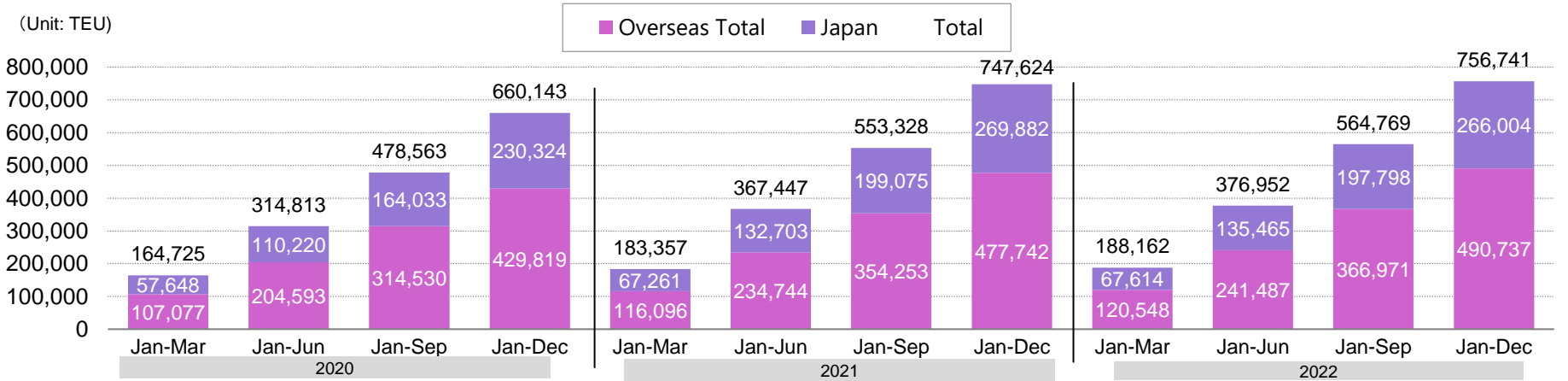
Originating Region	2020					2021					2022				
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Full Year	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Full Year	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Full Year
Japan (consolidated)	58,841	45,579	55,874	78,048	238,343	89,719	90,527	82,178	85,592	348,017	84,660	79,228	76,158	71,592	311,637
Japan (excluding consolidated)	3,339	2,825	3,475	4,411	14,050	4,570	4,392	5,154	5,334	19,451	4,692	4,728	5,026	5,294	19,740
Japan Total	62,180	48,404	59,350	82,459	252,394	94,289	94,919	87,333	90,926	367,468	89,352	83,956	81,184	76,886	331,377
Americas	19,739	15,838	15,070	20,003	70,651	23,273	20,980	19,757	20,417	84,427	20,740	20,437	18,164	16,234	75,575
Europe	24,166	18,954	20,721	28,205	92,045	26,206	28,074	28,724	35,410	118,414	31,119	27,195	26,786	32,972	118,072
East Asia	35,441	34,266	33,277	56,424	159,407	44,272	43,429	49,093	58,539	195,334	43,656	40,191	43,470	36,549	163,866
South Asia & Oceania	37,725	30,611	34,236	43,046	145,618	47,091	46,814	49,280	62,935	206,120	53,010	41,675	41,912	41,552	178,148
Overseas Total	117,071	99,669	103,304	147,678	467,721	140,842	139,298	146,854	177,301	604,295	148,525	129,498	130,331	127,307	535,661
Total Weight	179,251	148,074	162,654	230,137	720,115	235,131	234,217	234,187	268,227	971,763	237,877	213,453	211,515	204,193	867,038



Appendix 2 Forwarding Results: Export Freight (Ocean Transportation)

(Unit: TEU)

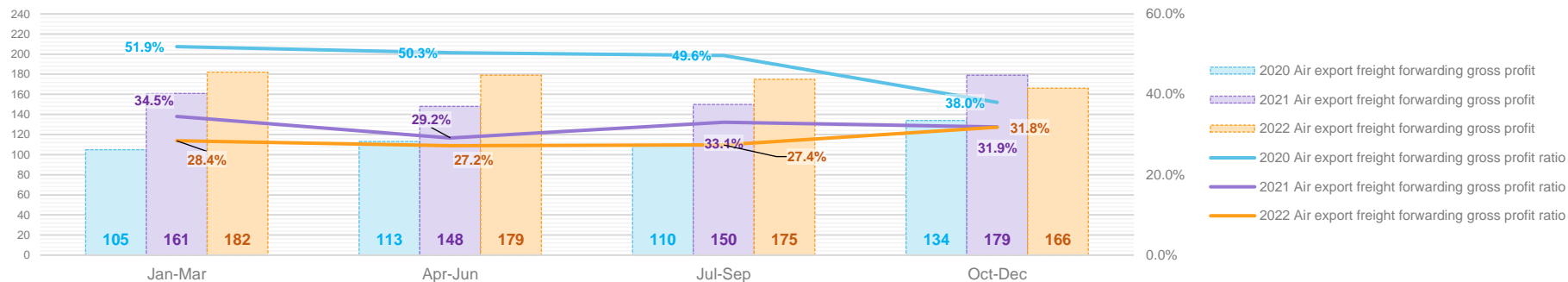
Originating Region	2020					2021					2022				
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Full Year	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Full Year	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Full Year
Japan	57,648	52,572	53,813	66,291	230,324	67,261	65,442	66,373	70,807	269,882	67,614	67,851	62,333	68,206	266,004
Americas	9,794	9,191	9,322	9,208	37,514	11,223	13,391	11,155	10,117	45,886	10,106	11,429	10,261	8,991	40,787
Europe	13,193	10,656	11,072	13,545	48,465	13,667	15,025	13,926	14,077	56,695	15,308	14,917	14,208	15,077	59,510
East Asia	52,033	52,497	53,609	55,447	213,586	52,959	54,801	57,770	57,009	222,539	53,150	54,639	58,511	57,854	224,154
South Asia & Oceania	32,057	25,172	35,933	37,099	130,261	38,247	35,431	36,658	42,287	152,623	41,984	39,955	42,504	41,843	166,286
Overseas Total	107,077	97,516	109,937	115,289	429,827	116,096	118,648	119,509	123,489	477,742	120,548	120,940	125,484	123,766	490,737
Total Weight	164,725	150,088	163,750	181,580	660,152	183,357	184,089	185,882	194,296	747,624	188,162	188,791	187,816	191,972	756,741



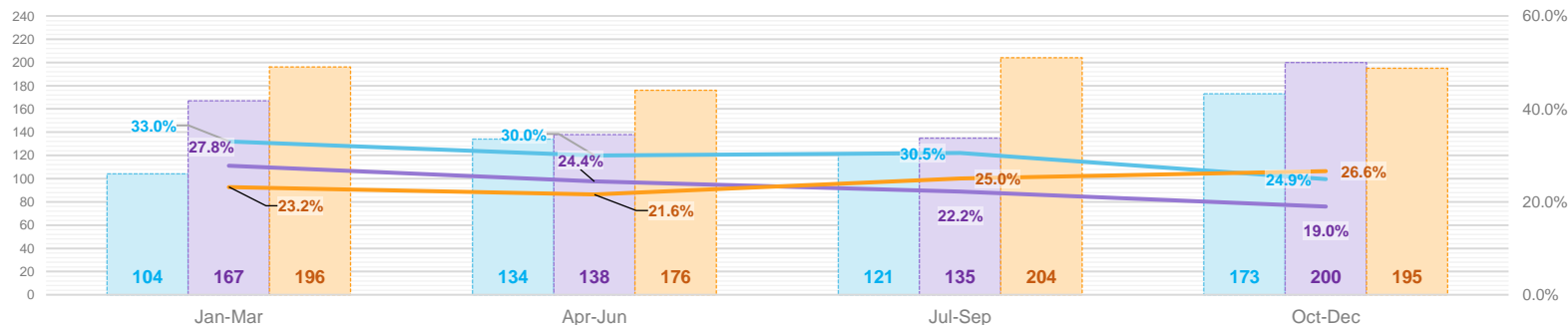
Appendix 2 Air Forwarding Results: Japan and Overseas Segment Air Export Freight Forwarding Business Gross Profit and Gross Profit Margin by Quarter

Japan Segment

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



Overseas Segment Total



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

Gross profit margin: Ratio of gross profit from international air export freight forwarding to net sales from air export freight forwarding

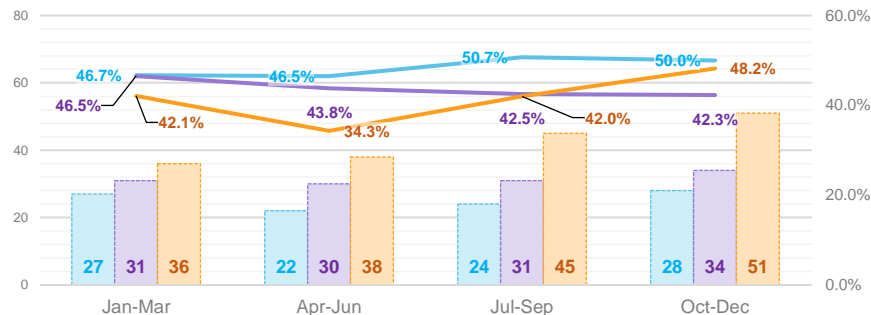
*Figures for the overseas segment total are based on the monthly reported figures for each country.

*Gross profit of overseas segment total is converted into yen based on the average exchange rate for each quarter.

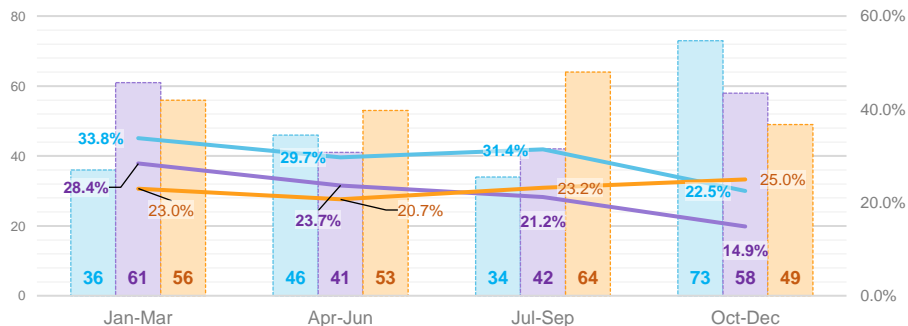
*Due to an error in the monthly reported figures for an overseas segment (Europe), gross profit and gross profit margin for air export freight forwarding from 2020 through the third quarter of 2022 have been revised.

Appendix 2 Air Forwarding Results: Air Export Freight Forwarding Business Gross Profit and Gross Profit Margin by Overseas Segment by Quarter

The Americas Segment



East Asia Segment



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

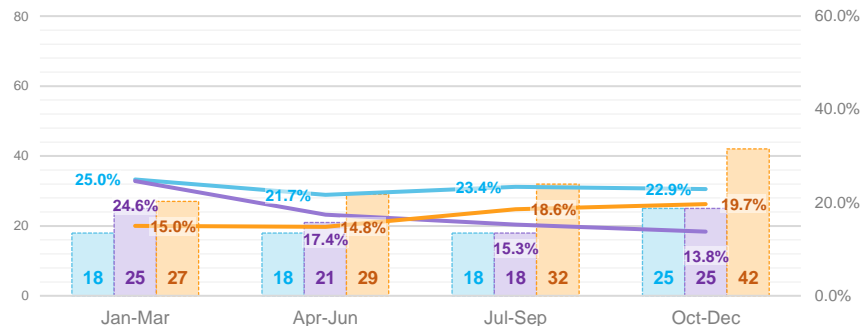
Gross profit margin: Ratio of gross profit from international air export freight forwarding to net sales from air export freight forwarding

*Figures for the overseas segment total are based on the monthly reported figures for each country.

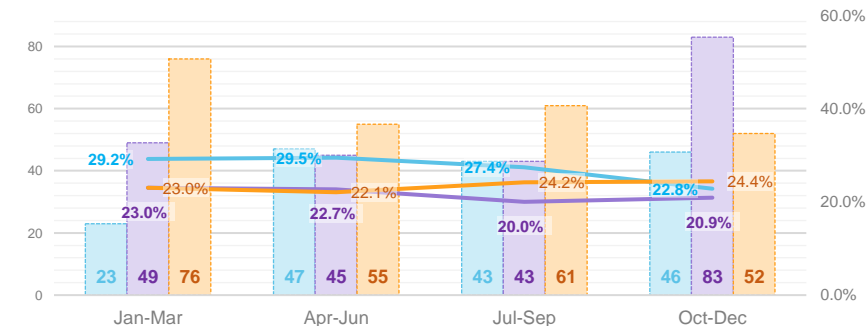
*Gross profit of overseas region total is converted into yen based on the average exchange rate for each quarter.

*Due to an error in the monthly reported figures for the Europe segment, gross profit and gross profit margin for air export freight forwarding from 2020 through the third quarter of 2022 have been revised.

Europe Segment



South Asia & Oceania Segment



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

Appendix 2 Forwarding Results: (Consolidated) Forwarding Costs by Quarter

Consolidated forwarding costs

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

Item	2020 Jan-Mar	2020 Apr-Jun	2020 Jul-Sep	2020 Oct-Dec	2021 Jan-Mar	2021 Apr-Jun	2021 Jul-Sep	2021 Oct-Dec	2022 Jan-Mar	2022 Apr-Jun	2022 Jul-Sep	2022 Oct-Dec
Railway	113	96	96	116	107	107	108	119	100	94	94	106
Air transportation	320	432	395	758	748	798	792	1,243	1,097	1,122	1,074	901
Ocean transportation	173	153	161	186	270	324	437	533	555	617	614	480
Forwarding Cost Total	607	683	653	1,062	1,126	1,231	1,339	1,896	1,753	1,834	1,784	1,488

Appendix 3: Nippon Express FY2022 Results

A. Revenues

(Unit: Millions of yen,%)

			Jan-Dec 2022		Jan-Dec 2021		Change	
				% of Sales		% of Sales	Amount	Ratio
Revenues	Railway utilization business		67,067	4.9	68,828	5.5	(1,761)	(2.6)
	Automotive	Small-lot shipment business	37,714	2.8	41,060	3.3	(3,346)	(8.1)
		Chartered truck business	180,629	13.3	182,785	14.7	(2,155)	(1.2)
		Total	218,344	16.1	223,846	18.0	(5,501)	(2.5)
	Ocean transportation	Marine transportation business	193,051	14.2	133,750	10.8	59,301	44.3
		Harbor transportation business	69,415	5.1	68,122	5.5	1,292	1.9
		Total	262,467	19.3	201,873	16.3	60,594	30.0
		(Export)	[131,243]	–	[89,426]	–	41,817	46.8
		(Import)	[66,222]	–	[54,397]	–	11,825	21.7
		(Domestic and other)	[65,001]	–	[58,049]	–	6,951	12.0
	Air transportation	Total	337,677	24.8	290,980	23.4	46,697	16.0
		(Export)	[236,437]	–	[190,562]	–	45,875	24.1
		(Import)	[32,795]	–	[32,340]	–	455	1.4
		(Domestic and other)	[68,444]	–	[68,077]	–	366	0.5
	Warehousing and storage business		156,463	11.5	143,527	11.6	12,936	9.0
	In-factory business		63,069	4.6	57,328	4.6	5,740	10.0
	Moving and relocation business		57,407	4.2	51,309	4.1	6,097	11.9
	Security transportation business		67,573	5.0	67,667	5.4	(94)	(0.1)
	Heavy haulage and construction business		56,247	4.2	59,054	4.9	(2,807)	(4.8)
	Other businesses		73,054	5.4	77,869	6.3	(4,815)	(6.2)
	Total		1,359,372	100.0	1,242,286	100.0	117,085	9.4

Appendix 3: Nippon Express FY2022 Results

B. Operating expenses

(Unit: Millions of yen,%)

			Jan-Dec 2022		Jan-Dec 2021		Change	
				% of Sales		% of Sales	Amount	Ratio
Operating expenses	Total personnel expenses		251,430	18.5	260,681	21.0	(9,251)	(3.5)
	Forwarding costs	Railway forwarding costs	36,138	2.7	37,532	3.0	(1,393)	(3.7)
		Ocean forwarding costs	98,169	7.2	56,532	4.6	41,636	73.7
		Air forwarding costs	174,600	12.8	135,029	10.9	39,571	29.3
		Total	308,909	22.7	229,094	18.4	79,814	34.8
	Vehicle chartering and subcontracting costs		476,574	35.1	460,387	37.1	16,186	3.5
	Depreciation and amortization		35,307	2.6	33,010	2.7	2,297	7.0
	Facility usage charges		95,095	7.0	91,468	7.4	3,626	4.0
	Other		143,173	10.5	134,481	10.8	8,692	6.5
	Total		1,310,490	96.4	1,209,123	97.3	101,366	8.4

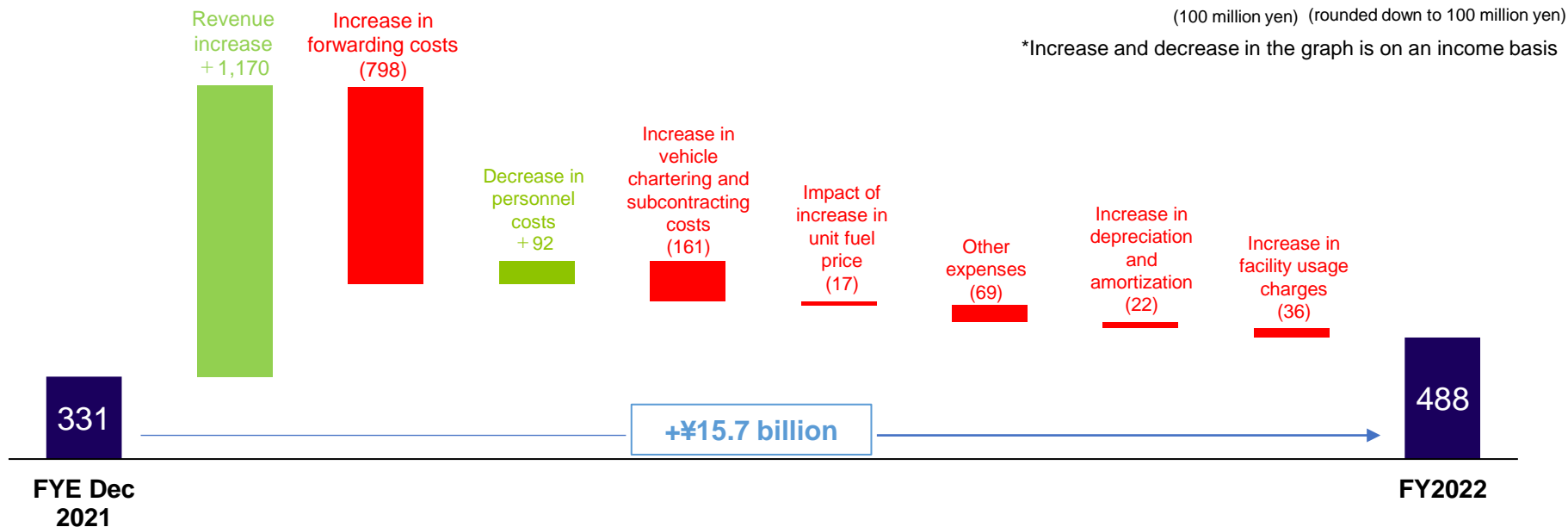
C. Profits

(Unit: Millions of yen,%)

			Jan-Dec 2022		Jan-Dec 2021		Change	
				% of Sales		% of Sales	Amount	Ratio
Operating Income			48,881	3.6	33,162	2.7	15,718	47.4

Appendix 3: Nippon Express FY2022 Jan-Dec Results

Non-Consolidated Profit Factors



Expense Detail (Jan-Dec Results)	
Increase in vehicle chartering and subcontracting costs +161 [+3.5%]	
Vehicle chartering cost	(37) [(2.0)%]
Subcontracting cost	+156 [+6.1%]
Personnel dispatching cost	+42 [+34.5%]

Appendix 3: Nippon Express FY2023 Jan-Dec Forecasts

A. Revenues

(Unit: Millions of yen,%)

			Jan-Dec 2023 Forecast		Jan-Dec 2022		Change	
				% of Sales		% of Sales	Amount	Ratio
Revenues	Railway utilization business		67,600	5.4	67,067	4.9	532	0.8
	Automotive	Small-lot shipment business	38,000	3.1	37,714	2.8	285	0.8
		Chartered truck business	181,700	14.7	180,629	13.3	1,070	0.6
		Total	219,700	17.7	218,344	16.1	1,355	0.6
		Ocean transportation	Marine transportation business	176,700	14.3	193,051	14.2	(16,351)
	Harbor transportation business		69,500	5.6	69,415	5.1	84	0.1
	Total		246,200	19.9	262,467	19.3	(16,267)	(6.2)
	(Export)		[117,500]	—	[131,243]	—	(13,743)	(10.5)
	(Import)		[65,000]	—	[66,222]	—	(1,222)	(1.8)
	(Domestic and other)		[63,700]	—	[65,001]	—	(1,301)	(2.0)
	Air transportation	Total	287,900	23.2	337,677	24.8	(49,777)	(14.7)
		(Export)	[188,200]	—	[236,437]	—	(48,237)	(20.4)
		(Import)	[31,100]	—	[32,795]	—	(1,695)	(5.2)
		(Domestic and other)	[68,600]	—	[68,444]	—	155	0.2
	Warehousing and storage business		163,200	13.2	156,463	11.5	6,736	4.3
	In-factory business		67,800	5.5	63,069	4.6	4,730	7.5
	Moving and relocation business		56,300	4.5	57,407	4.2	(1,107)	(1.9)
	Security transportation business		0	0.0	67,573	5.0	(67,573)	(100.0)
Heavy haulage and construction business		58,000	4.7	56,247	4.2	1,752	3.1	
Other businesses		73,300	5.9	73,054	5.4	245	0.3	
Total		1,240,000	100.0	1,359,372	100.0	(119,372)	(8.8)	

Appendix 3: Nippon Express FY2023 Jan-Dec Forecasts

B. Operating expenses

(Unit: Millions of yen,%)

			Jan-Dec 2023 Forecast		Jan-Dec 2022		Change	
				% of Sales		% of Sales	Amount	Ratio
Operating expenses	Total personnel expenses		209,300	16.9	251,430	18.5	(42,130)	(16.8)
	Forwarding costs	Railway forwarding costs	36,300	2.9	36,138	2.7	161	0.4
		Ocean forwarding costs	87,700	7.1	98,169	7.2	(10,469)	(10.7)
		Air forwarding costs	141,900	11.4	174,600	12.8	(32,700)	(18.7)
		Total	265,900	21.5	308,909	22.7	(43,009)	(13.9)
	Vehicle chartering and subcontracting costs		466,600	37.6	476,574	35.1	(9,974)	(2.1)
	Depreciation and amortization		33,700	2.7	35,307	2.6	(1,607)	(4.6)
	Facility usage charges		94,600	7.6	95,095	7.0	(495)	(0.5)
	Other		125,900	10.2	143,173	10.5	(17,273)	(12.1)
	Total		1,196,000	96.5	1,310,490	96.4	(114,490)	(8.7)

C. Profits

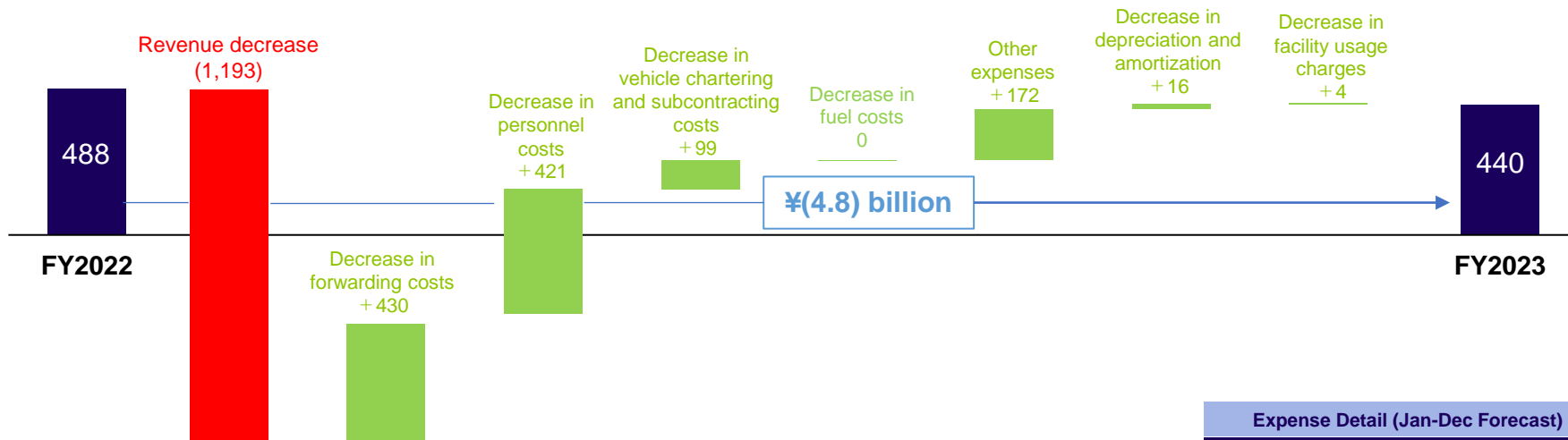
(Unit: Millions of yen,%)

	Jan-Dec 2023 Forecast		Jan-Dec 2022		Change	
		% of Sales		% of Sales	Amount	Ratio
Operating Income	44,000	3.5	48,881	3.6	(4,881)	(10.0)

Appendix 3: Nippon Express FY2023 Jan-Dec Forecasts Non-Consolidated Profit Factors

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

*Increase and decrease in the graph is on an income basis



Revenue decrease of (1193)
includes spin-off of the security
transportation business [(675)]

Expense Detail (Jan-Dec Forecast)	
Decrease in vehicle chartering and subcontracting costs (99) [(2.1)%]	
Vehicle chartering cost	+15 [+0.9%]
Subcontracting cost	(112) [(4.1)%]
Personnel dispatching cost	(3) [(2.0)%]

Appendix 4: Voluntary Adoption of International Financial Reporting Standards (IFRS)

- **Purpose**

To engage in global management through unified group accounting standards and to improve comparability of financial information in the capital markets

- **Disclosure Schedule**

Fiscal year end		Disclosures	Accounting Standards Applied
FY2022	Year End	Financial statements* Consolidated financial statements	Japanese GAAP
		Annual Securities Report	IFRS
FY2023	1st Quarter - 3rd Quarter	Quarterly financial results Quarterly report	IFRS
	Year End	Financial statements Consolidated financial statements Annual Securities Report	IFRS

***Financial statements and forecasts for the fiscal year ending December 31, 2023 will be disclosed under Japanese GAAP today. Statements and forecasts under IFRS standards will be disclosed at a later date.**



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