



We Find the Way

Financial Results Presentation for Q1, Fiscal Year Ending December 2022

May 12, 2022

NIPPON EXPRESS HOLDINGS, INC.

Investor Relations Promotion Group

Corporate Planning Division

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I. Financial Results for Q1, 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 Q1, FY2022

A Financial Results for Jan-Mar, FY2022

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

Overview (Consolidated, Key Consolidated Business Indicators)

Item	Current-Year Results (Jan-Mar 2022)	Prior-Year Results (Jan-Mar 2021) * Pro Forma	Difference YoY	Difference YoY (%)	1H Forecast	Difference	Progress (%)
Revenues	6,431	5,738	692	12.1	12,900	6,468	49.9
Operating Income	358	283	74	26.4	600	241	59.7
Operating Income Margin	5.6	4.9	—	—	4.7	—	—
Ordinary Income	361	273	87	32.0	615	253	58.8
Profit Attributable to Owners of Parent	213	121	92	75.9	860	646	24.8

*We posted ¥6.8 billion in overseas segment net income representing Jan-Mar 2021 results to retained earnings in connection with the change in fiscal year end.

I. Financial Results for Q1, FY2022

B Japan and Overseas Results (not including adjustments)

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

Segment	Item	Current-Year Results (Jan-Mar 2022)	Prior-Year Results (Jan-Mar 2021) * Pro Forma	Difference YoY	Difference YoY (%)
Japan Total	Revenues	4,906	4,832	73	1.5
	Segment Income	258	225	33	14.7
Overseas Total	Revenues	2,026	1,417	608	42.9
	Segment Income	140	95	44	46.8

	Current-Year Results (Jan-Mar 2022)
Overseas Sales Ratio	31.5%

I. Financial Results for Q1, FY2022

C Financial Results for Jan-Mar, FY2022

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

Segment	Item	Current-Year Results (Jan-Mar 2022)	Prior-Year Results (Jan-Mar 2021) * Pro Forma	Difference YoY	Difference YoY (%)
Japan	Revenues	3,599	3,299	299	9.1
	Segment Income	209	166	42	25.3
Americas	Revenues	326	230	95	41.6
	Segment Income	21	12	8	70.2
Europe	Revenues	483	325	158	48.6
	Segment Income	22	12	9	71.3
East Asia	Revenues	598	466	132	28.3
	Segment Income	30	33	(2)	(7.0)
South Asia & Oceania	Revenues	617	394	222	56.4
	Segment Income	66	36	29	78.8
Security Transportation	Revenues	173	174	(1)	(0.8)
	Segment Income	6	(3)	9	—
Heavy Haulage & Construction	Revenues	82	95	(13)	(13.8)
	Segment Income	6	9	(3)	(33.8)
Logistics Support	Revenues	1,051	1,263	(211)	(16.8)
	Segment Income	36	51	(15)	(29.2)

I. Financial Results for Q1, FY2022

*Reference (Quarterly Results)

D Reference: Performance by Segment (Oct-Dec 2021 vs. Jan-Mar 2022)

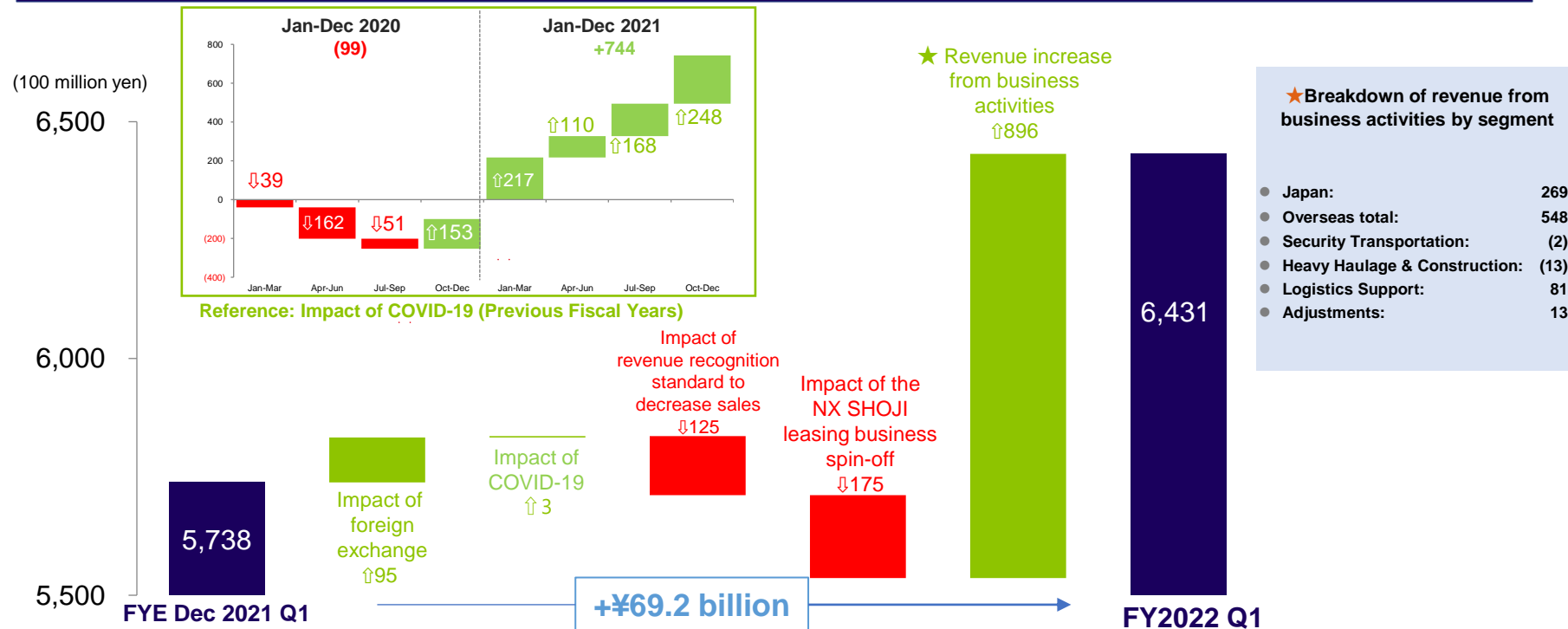
(100 million yen, %) (rounded down to 100 million yen)

Segment	Item	Current-Year Results (Jan-Mar 2022)	Prior-Year Results (Oct-Dec 2021)	Difference YoY	Difference YoY (%)
Japan	Revenues	3,599	3,576	22	0.6
	Segment Income	209	174	34	19.9
Americas	Revenues	326	314	12	4.0
	Segment Income	21	18	3	16.7
Europe	Revenues	483	535	(51)	(9.6)
	Segment Income	22	31	(9)	(30.9)
East Asia	Revenues	598	776	(177)	(22.8)
	Segment Income	30	27	3	13.0
South Asia & Oceania	Revenues	617	653	(36)	(5.5)
	Segment Income	66	70	(4)	(5.7)
Security Transportation	Revenues	173	171	1	1.1
	Segment Income	6	0	6	—
Heavy Haulage & Construction	Revenues	82	119	(37)	(31.4)
	Segment Income	6	19	(12)	(66.4)
Logistics Support	Revenues	1,051	1,043	8	0.8
	Segment Income	36	37	(0)	(1.0)

I. Financial Results for Q1, FY2022

E Breakdown of Revenues and Operating Income

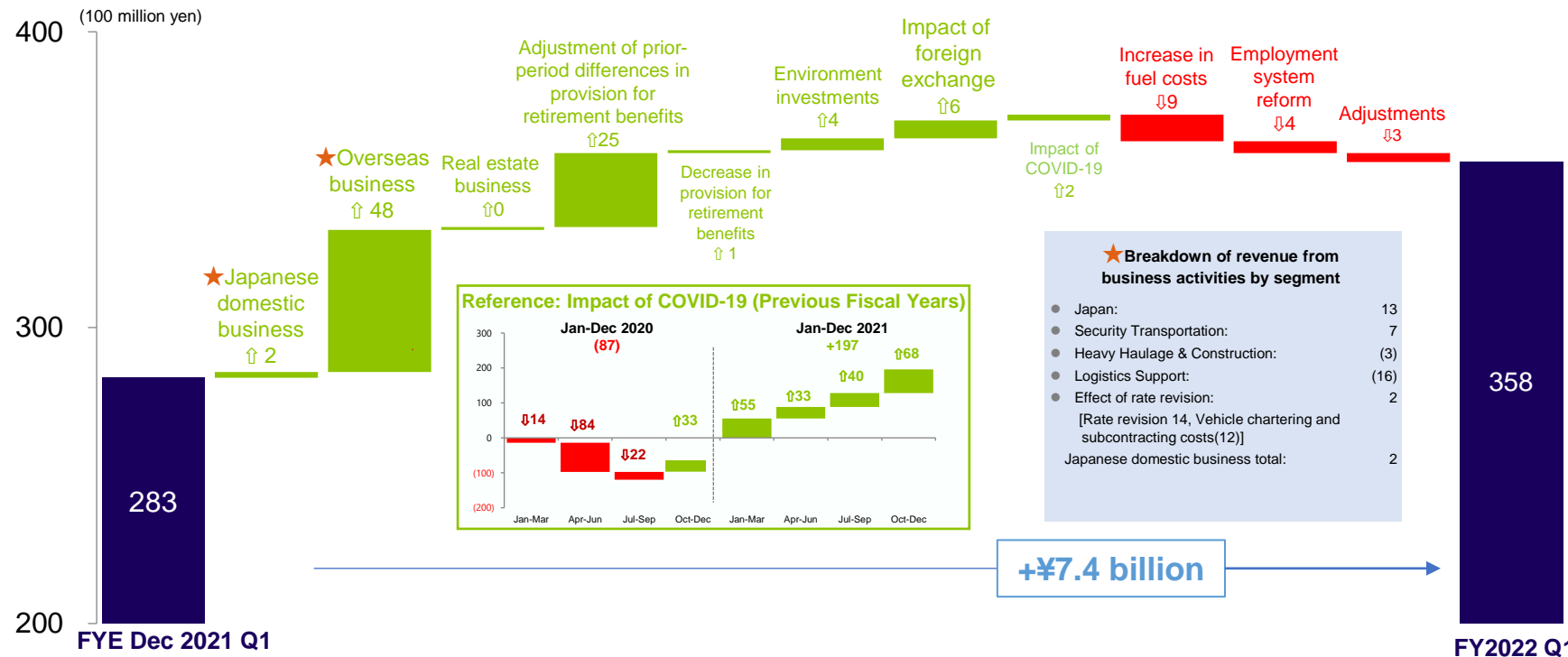
1) Revenues



I. Financial Results for Q1, FY2022

E Breakdown of Revenues and Operating Income

2) Operating income



II. Financial Results Forecast for FY2022

A Forecast for FY2022

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

Item	Full-Year Forecast (Jan-Dec 2022)	Previous Forecast (Jan-Dec 2022)	Difference	Difference (%)	Prior-Year Results (Jan-Dec 2021) * Pro Forma	Difference YoY	Difference YoY (%)
Revenues	25,500	23,600	1,900	8.1	23,371	2,128	9.1
Operating Income	1,100	1,000	100	10.0	970	129	13.3
Operating Income Margin	4.3	4.2	—	—	4.2	—	—
Ordinary Income	1,120	1,030	90	8.7	1,010	109	10.9
Profit Attributable to Owners of Parent	1,160	1,110	50	4.5	661	498	75.3

II. Financial Results Forecast for FY2022

B First Half Results and Second Half Forecast, Year on Year

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

Item	1H Forecast (Jan-Jun 2022)	1H Results (Jan-Jun 2021) * Pro Forma	Difference YoY	Difference YoY (%)	2H Forecast (Jul-Dec 2022)	2H Results (Jul-Dec 2021)	Difference YoY	Difference YoY (%)
Revenues	12,900	11,189	1,710	15.3	12,600	12,182	417	3.4
Operating Income	600	484	115	23.8	500	486	13	2.8
Operating Income Margin	4.7	4.3	—	—	4.0	4.0	—	—
Ordinary Income	615	508	106	20.9	505	501	3	0.7
Profit Attributable to Owners of Parent	860	273	586	214.6	300	388	(88)	(22.8)

II. Financial Results Forecast for FY2022

C Japan and Overseas Results Forecast (not including adjustments)

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

Segment	Item	Forecast (Jan-Dec 2022)	Prior-Year Results (Jan-Dec 2021) * Pro Forma	Difference YoY	Difference YoY (%)
Japan Total	Revenues	19,457	18,458	998	5.4
	Segment Income	825	733	91	12.4
Overseas Total	Revenues	7,598	6,861	736	10.7
	Segment Income	440	392	47	12.0

	Forecast (Jan-Dec 2022)
Overseas Sales Ratio	29.8%

II. Financial Results Forecast for FY2022

D Forecasts by Reportable Segment (Jan-Dec)

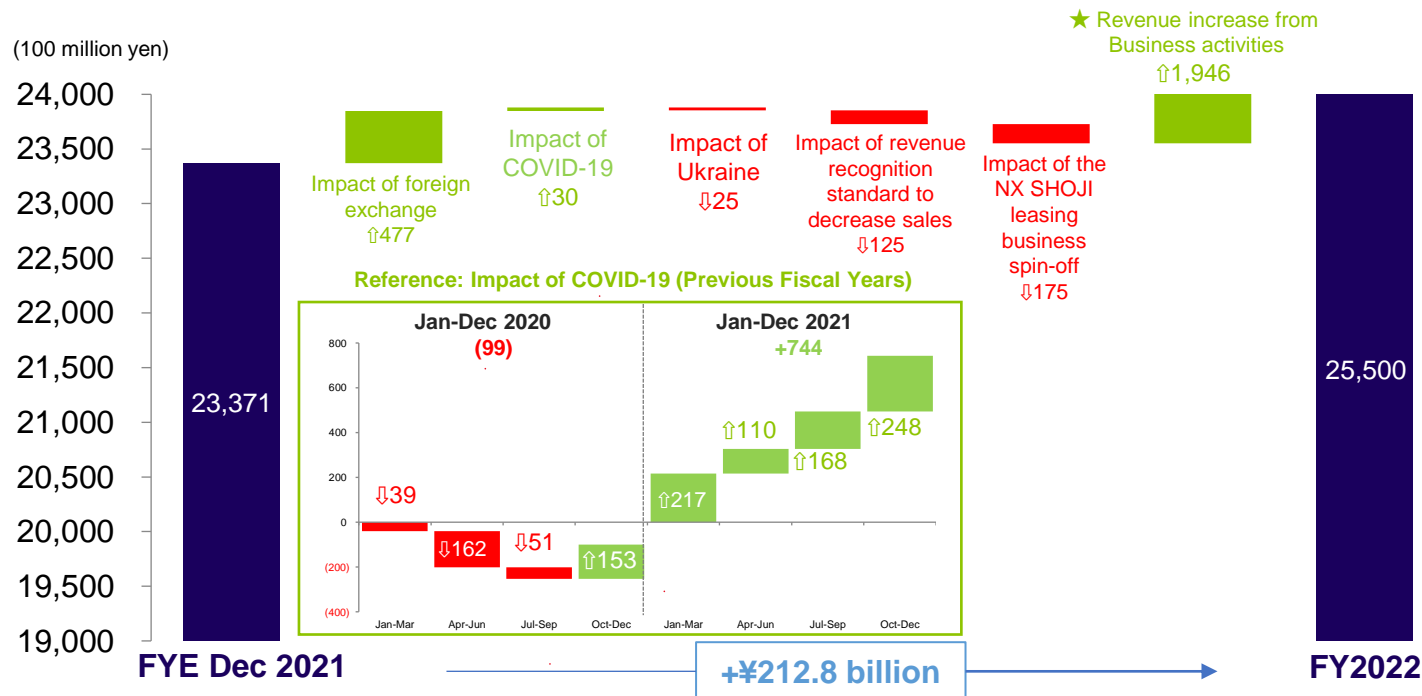
(100 million yen, %) (rounded down to 100 million yen)

Segment	Item	Full-Year Forecast (Jan-Dec 2022)	Prior-Year Results (Jan-Dec 2021) * Pro Forma	Difference YoY	Difference YoY (%)	Previous Forecast (Announced February 14)	Difference	Difference (%)
Japan	Revenues	14,156	13,382	773	5.8	13,490	666	4.9
	Segment Income	646	546	99	18.2	602	44	7.3
Americas	Revenues	1,392	1,097	294	26.9	1,165	227	19.5
	Segment Income	84	65	18	28.7	64	20	31.3
Europe	Revenues	1,885	1,653	231	14.0	1,857	28	1.5
	Segment Income	88	76	11	14.5	86	2	2.3
East Asia	Revenues	2,383	2,247	135	6.0	2,295	88	3.8
	Segment Income	104	83	20	24.4	88	16	18.2
South Asia & Oceania	Revenues	1,938	1,863	74	4.0	1,819	119	6.5
	Segment Income	164	166	(2)	(1.8)	142	22	15.5
Security Transportation	Revenues	690	688	1	0.3	690	—	—
	Segment Income	5	(1)	6	—	3	2	66.7
Heavy Haulage & Construction	Revenues	450	453	(3)	(0.8)	485	(35)	(7.2)
	Segment Income	49	59	(10)	(18.0)	60	(11)	(18.3)
Logistics Support	Revenues	4,161	3,934	226	5.7	3,758	403	10.7
	Segment Income	125	129	(4)	(3.1)	118	7	5.9

II. Financial Results Forecast for FY2022

E Breakdown of Revenues and Operating Income

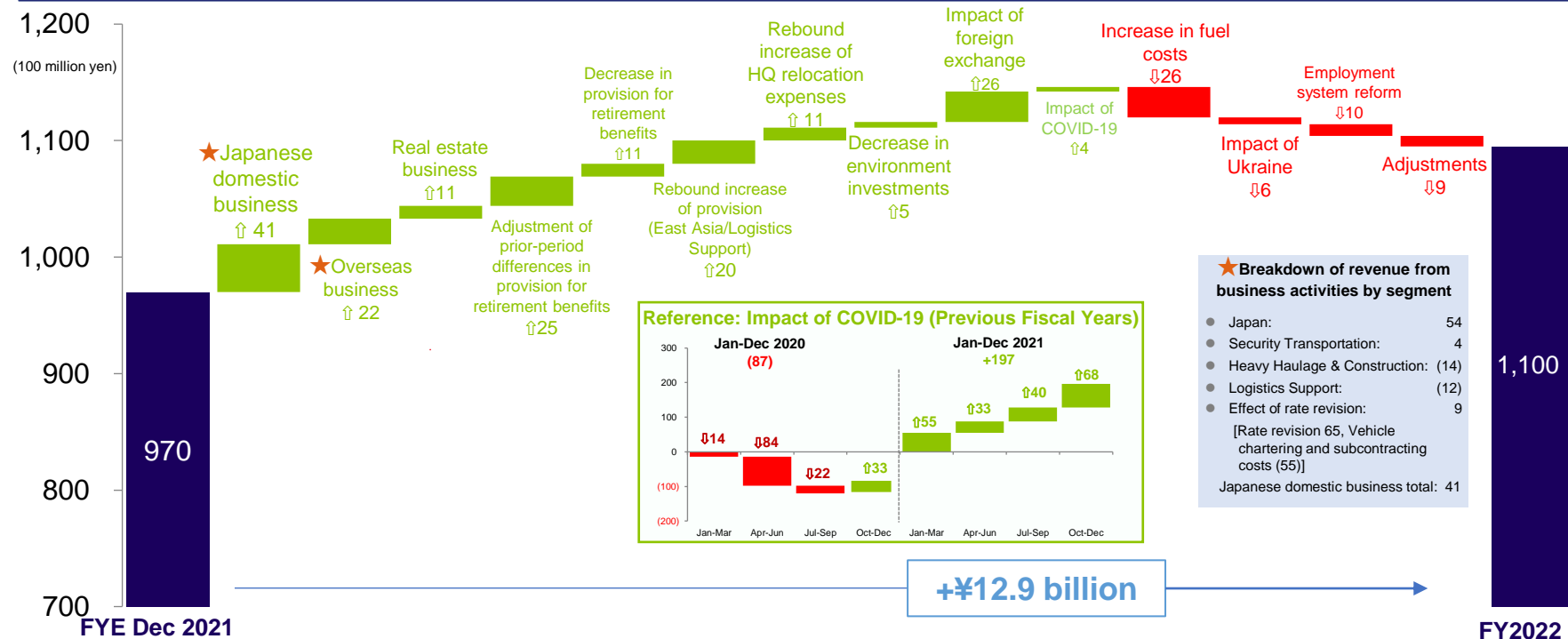
1) Revenues



II. Financial Results Forecast for FY2022

E Breakdown of Revenues and Operating Income

2) Operating income



II. Segment Overview for FY2022

1. Japan Segment

1

Quarterly Results

Item	FY2022 Jan-Mar Results	Vs. FYE Dec 2021		
		FYE Dec 2021	Difference	Difference (%)
Revenues	3,599	3,299	299	9.1
Operating income	209	166	42	25.3
Operating income margin	5.8	5.1	—	—

2

Quarterly Results and Forecast

Item	Results and Forecast for FY2022						
	Jan-Mar	Apr-Jun	1H	Jul-Sep	Oct-Dec	2H	Full Year
Revenues	3,599	3,451	7,051	—	—	7,105	14,156
Operating income	209	136	346	—	—	300	646
Operating income margin	5.8	4.0	4.9	—	—	4.2	4.6

Item	FYE Dec 2021 Results						
	Jan-Mar	Apr-Jun	1H	Jul-Sep	Oct-Dec	2H	Full Year
Revenues	3,299	3,266	6,565	3,240	3,576	6,816	13,382
Operating income	166	115	282	89	174	264	546
Operating income margin	5.1	3.5	4.3	2.8	4.9	3.9	4.1

Item	Comparison with FYE Dec 2021 (Upper: Difference / Lower: Difference (%))						
	Jan-Mar	Apr-Jun	1H	Jul-Sep	Oct-Dec	2H	Full Year
Revenues	299	185	485	—	—	288	773
	9.1	5.7	7.4	—	—	4.2	5.8
Operating income	42	21	63	—	—	35	99
	25.3	18.4	22.5	—	—	13.6	18.2

3

Forecast Change

Item	Full-Year Financial Results Forecast			Forecast	
	Forecast	Previous Forecast	Difference	1H	2H
Revenues	14,156	13,490	666	7,051	7,105
Operating income	646	602	44	346	300
Operating income margin	4.6	4.5	7.3	4.9	4.2

(100 million yen, %)

January-March 2022 Highlights

Although air export freight forwarding volume declined compared with the previous year, both air and ocean freight forwarding businesses continued to experience a tight supply-demand environment, resulting in a significant increase in revenues. The railway utilization and motor transportation businesses remained sluggish due to the impact of poor harvests of agricultural products and production cutbacks in automobile-related and other products stemming from semiconductor shortages. Operating income increased due to solid performance of the forwarding business, despite the impact of higher fuel costs, an adjustment of prior-year differences in provision for retirement benefits, and a change in accounting treatment (Nippon Express Co., Ltd. Changed outsourcing and software use from non-operating transactions to operating transactions).

Special Factors

- Impact of fuel unit cost: [operating income] (7) [Jan-Mar], (22) [year]
- Cost increase associated with employee system reform: [operating income] (4) [Jan-Mar], (10) [year]
- Impact of COVID-19: [revenues] +30 [Jan-Mar], +54 [year]
[operating income] +11 [Jan-Mar], +10 [year]
- Impact of Ukraine: [revenues] (1) [Jan-Mar], (13) [year]
[operating income] (0) [Jan-Mar], (2) [year]
- Adjustment of prior-period differences for provision for retirement benefits: [operating income] +21 [Jan-Mar], [year]
- Impact of provision for retirement benefits: [operating income] +0 [Jan-Mar], +10 [year]
- Environment investments: [operating income] +4 [Jan-Mar], +5 [year]
- Real estate business: [operating income] +0 [Jan-Mar], +11 [year]
- HQ relocation expenses: [operating income] +11 [Oct-Dec], [year]

Forecast Overview

We expect demand for ocean and air transportation business to continue to be strong, and the supply-demand tension should continue beyond the second half of fiscal 2022. We forecast an increase in cargo movement for the domestic business as semiconductor supplies improve and production recovers in the automotive industry in the second half and beyond. We project increases in revenues and profits due to the impact of a change in accounting treatment (change of outsourcing and software used at Nippon Express Co., Ltd. from non-operating transactions to operating transactions) and the absence of one-time expenses incurred last year related to the HQ relocation, etc.

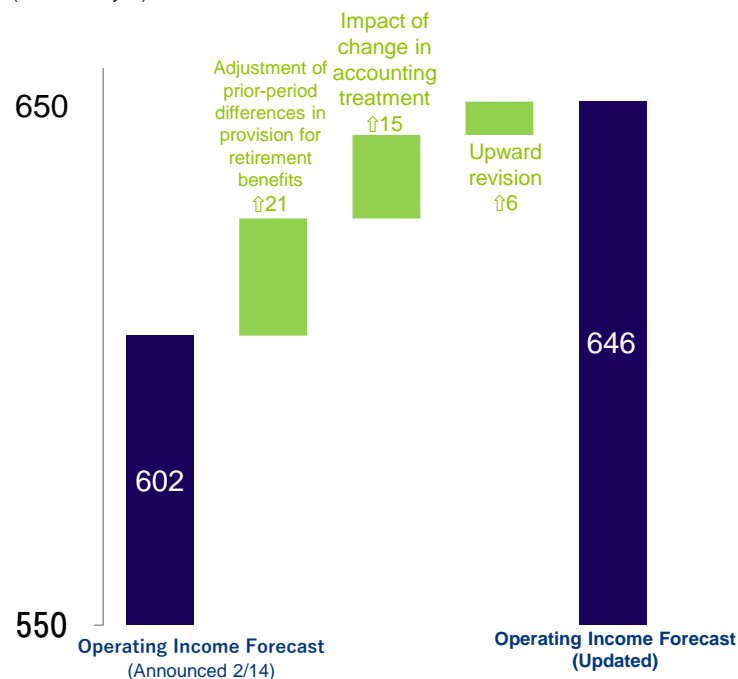
II. Segment Overview for FY2022

(Reference Materials)

Japan Segment

Details of Full-Year Operating Income Forecast Change Factors (vs. Previous Announcement)

(100 million yen)



Item		Operating income
Operating Income Full Year Forecast (announced 2/14)		¥60.2 billion
Current Year Special Factors	(1) Adjustment of prior-period differences in provision for retirement benefits	¥2.1 billion
	(2) Impact of change in accounting treatment due to transition to holding company structure *Outsourcing and software usage fees at Nippon Express Co., Ltd. changed from non-operating to operating transactions	¥1.5 billion
	Upward Adjustments (updated)	¥0.6 billion
Operating Income Full-Year Forecast (announced 5/12)		¥64.6 billion

II. Segment Overview for FY2022

2. The Americas Segment

1

Quarterly Results

Item	FY2022 Jan-Mar Results	Vs. FYE Dec 2021		
		FYE Dec 2021	Difference	Difference (%)
Revenues	326	230	95	41.6
Operating income	21	12	8	70.2
Operating income margin	6.5	5.4	—	—

2

Quarterly Results and Forecast

Item	Results and Forecast for FY2022						
	Jan-Mar	Apr-Jun	1H	Jul-Sep	Oct-Dec	2H	Full Year
Revenues	326	344	671	—	—	721	1,392
Operating income	21	22	44	—	—	40	84
Operating income margin	6.5	6.6	6.6	—	—	5.5	6.0

Item	FYE Dec 2021 Results						
	Jan-Mar	Apr-Jun	1H	Jul-Sep	Oct-Dec	2H	Full Year
Revenues	230	267	497	285	314	599	1,097
Operating income	12	19	32	14	18	33	65
Operating income margin	5.4	7.3	6.4	5.2	5.3	5.6	5.9

Item	Comparison with FYE Dec 2021 (Upper: Difference / Lower: Difference (%))						
	Jan-Mar	Apr-Jun	1H	Jul-Sep	Oct-Dec	2H	Full Year
Revenues	95	77	173	—	—	121	294
	41.6	28.9	34.8	—	—	20.3	26.9
Operating income	8	3	11	—	—	6	18
	70.2	16.4	37.5	—	—	20.2	28.7

3

Forecast Change

Item	Full-Year Financial Results Forecast			Forecast	
	Forecast	Previous Forecast	Difference	1H	2H
Revenues	1,392	1,165	227	671	721
Operating income	84	64	20	44	40
Operating income margin	6.0	5.5	31.3	6.6	5.5

(100 million yen, %)

January-March 2022 Highlights

Continuing from the previous fiscal year, the air transportation business saw firm cargo movement for both imports and exports, mainly related to the automotive industry. In ocean cargo transportation, port congestion on the U.S. West Coast and congestion at inland rail terminals continued, while demand for forwarding to various parts of the Americas increased. Warehousing and distribution processing saw growth in volume related to apparel and electric/electronics-related cargo, resulting in higher revenues. Operating income increased, due in part to the effect of fixed cost reductions.

Special Factors

• Impact of foreign exchange (weaker yen):

[revenues] +22 [Jan-Mar], +97 [year]
[operating income] +1 [Jan-Mar], +6 [year]

• Impact of COVID-19:

[revenues] +4 [Jan-Mar], +4 [year]
[operating income] +1 [Jan-Mar], +1 [year]

Forecast Overview

We expect cargo movement for automobile-related cargo to continue the trend of recovery, while port congestion on the west coast is likely to continue. Air and ocean export freight forwarding should increase as freight unit costs remain high. Despite the impact of labor shortages and higher costs due to soaring crude oil prices, we project an increase in profits due to rising cargo volume and the impact of fixed cost reductions.

II. Segment Overview for FY2022

3. Europe Segment

1

Quarterly Results

Item	FY2022 Jan-Mar Results	Vs. FYE Dec 2021		
		FYE Dec 2021	Difference	Difference (%)
Revenues	483	325	158	48.6
Operating income	22	12	9	71.3
Operating income margin	4.6	4.0	—	—

2

Quarterly Results and Forecast

Item	Results and Forecast for FY2022						
	Jan-Mar	Apr-Jun	1H	Jul-Sep	Oct-Dec	2H	Full Year
Revenues	483	539	1,023	—	—	862	1,885
Operating income	22	23	46	—	—	42	88
Operating income margin	4.6	4.4	4.5	—	—	4.9	4.7

Item	FYE Dec 2021 Results						
	Jan-Mar	Apr-Jun	1H	Jul-Sep	Oct-Dec	2H	Full Year
Revenues	325	367	693	425	535	960	1,653
Operating income	12	17	29	15	31	47	76
Operating income margin	4.0	4.6	4.3	3.5	6.0	4.9	4.6

Item	Comparison with FYE Dec 2021 (Upper: Difference / Lower: Difference (%))						
	Jan-Mar	Apr-Jun	1H	Jul-Sep	Oct-Dec	2H	Full Year
Revenues	158	171	329	—	—	(98)	231
	48.6	46.7	47.6	—	—	(10.3)	14.0
Operating income	9	6	16	—	—	(5)	11
	71.3	40.8	54.0	—	—	(10.7)	14.5

3

Forecast Change

Item	Full-Year Financial Results Forecast			Forecast	
	Forecast	Previous Forecast	Difference	1H	2H
Revenues	1,885	1,857	28	1,023	862
Operating income	88	86	2	46	42
Operating income margin	4.7	4.6	2.3	4.5	4.9

(100 million yen, %)

January-March 2022 Highlights

The air export freight forwarding business saw strong cargo movement for fashion-related cargo from Italy to the U.S., in addition to strong volume of automobile- and medical equipment-related volume. Air cargo transportation shortages became apparent in the wake of Russia's invasion of Ukraine, and we engaged in charter transportation between Europe and Japan. Revenues increased as ocean cargo transportation freight rates continued to rise in response to ongoing congestion at major ports and container shortages. Cost reductions also contributed to higher revenues and profits.

Special Factors

- Impact of foreign exchange (weaker yen):

[revenues] +6 [Jan-Mar], +51 [year]
[operating income] +0 [Jan-Mar], +2 [year]

- Impact of COVID-19:

[revenues] +25 [Jan-Mar], +25 [year]
[operating income] +3 [Jan-Mar], +3 [year]

- Impact of Ukraine:

[revenues] +0 [Jan-Mar], (11) [year]
[operating income] +0 [Jan-Mar], (4) [year]

Forecast Overview

We expect volume for automobile- and medical equipment-related businesses to remain strong. In addition to the air and ocean transportation businesses, the motor transportation business should also grow year on year. We forecast increases for revenues and profits.

II. Segment Overview for FY2022

4. East Asia Segment

(100 million yen, %)

1

Quarterly Results

Item	FY2022 Jan-Mar Results	Vs. FYE Dec 2021		
		FYE Dec 2021	Difference	Difference (%)
Revenues	598	466	132	28.3
Operating income	30	33	(2)	(7.0)
Operating income margin	5.2	7.1	—	—

2

Quarterly Results and Forecast

Item	Results and Forecast for FY2022						
	Jan-Mar	Apr-Jun	1H	Jul-Sep	Oct-Dec	2H	Full Year
Revenues	598	668	1,267	—	—	1,116	2,383
Operating income	30	26	57	—	—	47	104
Operating income margin	5.2	3.9	4.5	—	—	4.2	4.4

Item	FYE Dec 2021 Results						
	Jan-Mar	Apr-Jun	1H	Jul-Sep	Oct-Dec	2H	Full Year
Revenues	466	459	926	544	776	1,320	2,247
Operating income	33	17	50	5	27	32	83
Operating income margin	7.1	3.8	5.5	1.0	3.5	2.5	3.7

Item	Comparison with FYE Dec 2021 (Upper: Difference / Lower: Difference (%))						
	Jan-Mar	Apr-Jun	1H	Jul-Sep	Oct-Dec	2H	Full Year
Revenues	132	208	340	—	—	(204)	135
	28.3	45.3	36.7	—	—	(15.5)	6.0
Operating income	(2)	8	6	—	—	14	20
	(7.0)	49.1	12.4	—	—	43.0	24.4

3

Forecast Change

Item	Full-Year Financial Results Forecast			Forecast	
	Forecast	Previous Forecast	Difference	1H	2H
Revenues	2,383	2,295	88	1,267	1,116
Operating income	104	88	16	57	47
Operating income margin	4.4	3.8	18.2	4.5	4.2

January-March 2022 Highlights

Air export freight forwarding was firm for automobile-related, electric and electronics, and precision equipment. Ocean export freight forwarding volume was on a par with the previous year, but revenues increased due to the impact of higher freight rates. Operating income decreased due to the impact of a reactionary decline from last year's spot projects.

Special Factors

- Impact of foreign exchange (weaker yen):
[revenues] +48 [Jan-Mar], +202 [year]
[operating income] +3 [Jan-Mar], +7 [year]
- Impact of COVID-19:
[revenues] (71) [Jan-Mar], (71) [year]
[operating income] (19) [Jan-Mar], (19) [year]
- Allowances:
[operating income] +12 [Jul-Sep], [year]

Forecast Overview

Although we expect a temporary impact on earnings due to the spread COVID-19 infections in China, particularly in Shanghai, we expect demand to recover after the end of the lockdowns. We forecast continued soaring freight rates for air and ocean transportation businesses, and increased revenues for the warehousing and distribution business. We expect profits to increase due to the impact of a rebound from an allowance for doubtful accounts recorded in the previous year.

II. Segment Overview for FY2022

5. South Asia & Oceania Segment

(100 million yen, %)

1

Quarterly Results

Item	FY2022 Jan-Mar Results	Vs. FYE Dec 2021		
		FYE Dec 2021	Difference	Difference (%)
Revenues	617	394	222	56.4
Operating income	66	36	29	78.8
Operating income margin	10.7	9.4	—	—

2

Quarterly Results and Forecast

Item	Results and Forecast for FY2022						
	Jan-Mar	Apr-Jun	1H	Jul-Sep	Oct-Dec	2H	Full Year
Revenues	617	431	1,049	—	—	889	1,938
Operating income	66	31	98	—	—	66	164
Operating income margin	10.7	7.4	9.3	—	—	7.4	8.5

Item	FYE Dec 2021 Results						
	Jan-Mar	Apr-Jun	1H	Jul-Sep	Oct-Dec	2H	Full Year
Revenues	394	383	778	431	653	1,084	1,863
Operating income	36	29	66	30	70	100	166
Operating income margin	9.4	7.7	8.5	7.0	10.7	9.3	9.0

Item	Comparison with FYE Dec 2021 (Upper: Difference / Lower: Difference (%))						
	Jan-Mar	Apr-Jun	1H	Jul-Sep	Oct-Dec	2H	Full Year
Revenues	222	48	270	—	—	(195)	74
	56.4	12.5	34.7	—	—	(18.0)	4.0
Operating income	29	2	31	—	—	(34)	(2)
	78.8	7.9	47.2	—	—	(34.3)	(1.8)

3

Forecast Change

Item	Full-Year Financial Results Forecast			Forecast	
	Forecast	Previous Forecast	Difference	1H	2H
Revenues	1,938	1,819	119	1,049	889
Operating income	164	142	22	98	66
Operating income margin	8.5	7.8	15.5	9.3	7.4

January-March 2022 Highlights

Air and ocean export freight forwarding to the Americas and Japan, mainly from customers in the automotive and electric and electronics industries remained strong. Warehousing and distribution processing experienced a revenue boost due to an increase in volume stemming from the start of new projects and the trend toward recovery in automobile transportation. Although air and ocean forwarding costs continued to soar, cost control efforts led to higher revenues and profits.

Special Factors

• Impact of foreign exchange (weaker yen):

[revenues] +17 [Jan-Mar], +125 [year]
[operating income] +1 [Jan-Mar], +9 [year]

• Impact of COVID-19:

[revenues] +6 [Jan-Mar], +6 [year]
[operating income] +3 [Jan-Mar], +3 [year]

Forecast Overview

We expect a recover in warehousing and distribution processing and automobile transportation. Although we project an increase in shipments related to automobiles and electrical and electronics, we forecast an increase in full-year revenues and a decrease in full-year profits due to the impact of a negative rebound attributable the dramatic growth cargo movement seen since October last year after the lifting of lockdowns.

II. Segment Overview for FY2022

6. Security Transportation Segment

(100 million yen, %)

1

Quarterly Results

Item	FY2022 Jan-Mar Results	Vs. FYE Dec 2021		
		FYE Dec 2021	Difference	Difference (%)
Revenues	173	174	(1)	(0.8)
Operating income	6	(3)	9	—
Operating income margin	3.7	(1.7)	—	—

2

Quarterly Results and Forecast

Item	Results and Forecast for FY2022						
	Jan-Mar	Apr-Jun	1H	Jul-Sep	Oct-Dec	2H	Full Year
Revenues	173	169	343	—	—	347	690
Operating income	6	(0)	6	—	—	(1)	5
Operating income margin	3.7	(0.2)	1.7	—	—	(0.3)	0.7

Item	FYE Dec 2021 Results						
	Jan-Mar	Apr-Jun	1H	Jul-Sep	Oct-Dec	2H	Full Year
Revenues	174	171	345	171	171	342	688
Operating income	(3)	0	(2)	0	0	0	(1)
Operating income margin	(1.7)	0.4	(0.7)	0.3	0.1	0.2	(0.2)

Item	Comparison with FYE Dec 2021 (Upper: Difference / Lower: Difference (%))						
	Jan-Mar	Apr-Jun	1H	Jul-Sep	Oct-Dec	2H	Full Year
Revenues	(1) (0.8)	(1) (0.6)	(2) (0.7)	—	—	4 1.3	1 0.3
Operating income	9 —	(1) —	8 —	—	—	(1) —	6 —

3

Forecast Change

Item	Full-Year Financial Results Forecast			Forecast	
	Forecast	Previous Forecast	Difference	1H	2H
Revenues	690	690	—	343	347
Operating income	5	3	2	6	(1)
Operating income margin	0.7	0.4	66.7	1.7	(0.3)

January-March 2022 Highlights

Despite the increase in volume due to the acquisition of business center operations, revenues declined slightly due to fewer route operations for certain customers. Operating income increased due to a decrease in personnel expenses and an adjustment of prior-period differences in provision for retirement benefits.

Special Factors

- Impact of fuel unit cost:
[operating income] (1) [Jan-Mar], (3) [year]
- Cost increase associated with employee system reform:
[operating income] (0) [Jan-Mar], (0) [year]
- Impact of COVID-19:
[revenues] +0 [Jan-Mar], +1 [year]
[operating income] +0 [Jan-Mar], +1 [year]
- Adjustment of prior-period differences for provision for retirement benefits:
[operating income] +2 [Jan-Mar], [year]
- Impact of provision for retirement benefits:
[operating income] +0 [Jan-Mar], +1 [year]

Forecast Overview

We expect revenues to increase due to new business, etc. Profits should also increase due to an adjustment of prior-period differences in provision for retirement benefits.

II. Segment Overview for FY2022

7. Heavy Haulage & Construction Segment

(100 million yen, %)

1

Quarterly Results

Item	FY2022 Jan-Mar Results	Vs. FYE Dec 2021		
		FYE Dec 2021	Difference	Difference (%)
Revenues	82	95	(13)	(13.8)
Operating income	6	9	(3)	(33.8)
Operating income margin	7.9	10.2	—	—

2

Quarterly Results and Forecast

Item	Results and Forecast for FY2022						
	Jan-Mar	Apr-Jun	1H	Jul-Sep	Oct-Dec	2H	Full Year
Revenues	82	128	211	—	—	239	450
Operating income	6	15	22	—	—	27	49
Operating income margin	7.9	12.1	10.4	—	—	11.3	10.9

Item	FYE Dec 2021 Results						
	Jan-Mar	Apr-Jun	1H	Jul-Sep	Oct-Dec	2H	Full Year
Revenues	95	123	219	114	119	234	453
Operating income	9	16	25	14	19	33	59
Operating income margin	10.2	13.1	11.8	12.7	16.0	14.4	13.2

Item	Comparison with FYE Dec 2021 (Upper: Difference / Lower: Difference (%))						
	Jan-Mar	Apr-Jun	1H	Jul-Sep	Oct-Dec	2H	Full Year
Revenues	(13)	5	(8)	—	—	4	(3)
	(13.8)	4.2	(3.7)	—	—	1.9	(0.8)
Operating income	(3)	(0)	(3)	—	—	(6)	(10)
	(33.8)	(3.7)	(15.1)	—	—	(20.2)	(18.0)

3

Forecast Change

Item	Full-Year Financial Results Forecast			Forecast	
	Forecast	Previous Forecast	Difference	1H	2H
Revenues	450	485	(35)	211	239
Operating income	49	60	(11)	22	27
Operating income margin	10.9	12.4	(18.3)	10.4	11.3

January-March 2022 Highlights

Revenues and profits declined year on year due to fewer large-scale projects in the current fiscal year (plant maintenance, thermal power plant construction, etc.), as well as delays in wind power generation projects due to the impact of COVID-19.

Special Factors

- Impact of fuel unit cost:
[operating income] (0) [Jan-Mar], (0) [year]
- Cost increase associated with the employee system reform:
[operating income] +0 [Jan-Mar], +0 [year]
- Impact of COVID-19:
[revenues] +0 [Jan-Mar], +3 [year]
[operating income] (0) [Jan-Mar], +2 [year]
- Impact of Ukraine:
[revenues] (0) [Jan-Mar], 0 [year]
[operating income] (0) [Jan-Mar], 0 [year]
- Adjustment of prior-period differences for provision for retirement benefits:
[operating income] +0 [Jan-Mar], [year]
- Impact of provision for retirement benefits:
[operating income] +0 [Jan-Mar], +0 [year]

Forecast Overview

We expect plant maintenance and wind power-related construction to be the major drivers of results. We project an increase in IT facility construction year on year, but thermal power plant-related construction and plant maintenance will likely not reach previous-year levels, and we expect revenues to decline slightly year on year.

II. Segment Overview for FY2022

8. Logistics Support Segment

(100 million yen, %)

1

Quarterly Results

Item	FY2022 Jan-Mar Results	Vs. FYE Dec 2021		
		FYE Dec 2021	Difference	Difference (%)
Revenues	1,051	1,263	(211)	(16.8)
Operating income	36	51	(15)	(29.2)
Operating income margin	3.5	4.1	—	—

2

Quarterly Results and Forecast

Item	Results and Forecast for FY2022						
	Jan-Mar	Apr-Jun	1H	Jul-Sep	Oct-Dec	2H	Full Year
Revenues	1,051	1,026	2,078	—	—	2,083	4,161
Operating income	36	31	68	—	—	57	125
Operating income margin	3.5	3.1	3.3	—	—	2.7	3.0

Item	FYE Dec 2021 Results						
	Jan-Mar	Apr-Jun	1H	Jul-Sep	Oct-Dec	2H	Full Year
Revenues	1,263	797	2,060	830	1,043	1,874	3,934
Operating income	51	17	69	22	37	59	129
Operating income margin	4.1	2.2	3.4	2.7	3.5	3.2	3.3

Item	Comparison with FYE Dec 2021 (Upper: Difference / Lower: Difference (%))						
	Jan-Mar	Apr-Jun	1H	Jul-Sep	Oct-Dec	2H	Full Year
Revenues	(211)	228	17	—	—	208	226
	(16.8)	28.7	0.8	—	—	11.2	5.7
Operating income	(15)	13	(1)	—	—	(2)	(4)
	(29.2)	77.5	(2.0)	—	—	(4.4)	(3.1)

3

Forecast Change

Item	Full-Year Financial Results Forecast			Forecast	
	Forecast	Previous Forecast	Difference	1H	2H
Revenues	4,161	3,758	403	2,078	2,083
Operating income	125	118	7	68	57
Operating income margin	3.0	3.1	5.9	3.3	2.7

January-March 2022 Highlights

Although the petroleum business recorded a significant increase in revenues due to a sharp rise in unit fuel prices, the impact of the spin-off of the leasing business and the adoption of new revenue recognition standards resulted in lower revenues and profits.

Special Factors

- Cost increase associated with employee system reform:
[operating income] (0) [Jan-Mar]
- Impact of COVID-19:
[revenues] +6 [Jan-Mar], +5 [year]
[operating income] +1 [Jan-Mar], +1 [year]
- Impact of revenue recognition standard:
[revenues] (125) [Jan-Mar]
- Impact of leasing business spin-off
[revenues] (175) [Jan-Mar]
- Allowances:
[operating income] +7 [Jul-Dec]
- Impact of Ukraine:
[revenues] (0) [Jan-Mar], (1) [year]
[operating income] (0) [Jan-Mar], (0) [year]

Forecast Overview

We expect LS business segment and logistics equipment sales to remain firm. Although the petroleum business should see a significant increase in revenues due to a sharp rise in unit fuel prices, we forecast higher revenues and lower profits due to the impact of the spin-off of the leasing business, etc.

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-Mar Results	2021 Jan-Mar Results	Difference (%)	2022 Jan-Dec Targets	Progress	2022 Jan-Mar Results	2021 Jan-Mar Results	Difference (%)	2022 Jan-Dec Targets	Progress
Electric and Electronics Industry	¥29.2 billion	¥26.8 billion	9%	¥116.0 billion	25%	¥53.3 billion	¥42.0 billion	27%	¥174.0 billion	31%
Automotive Industry	¥23.9 billion	¥21.6 billion	11%	¥100.0 billion	24%	¥35.3 billion	¥25.4 billion	39%	¥110.0 billion	32%
Apparel Industry	¥3.9 billion	¥4.1 billion	(4%)	¥18.0 billion	22%	¥23.9 billion	¥15.0 billion	60%	¥77.0 billion	31%
Pharmaceutical/Medical Industry	¥4.9 billion	¥3.8 billion	27%	¥22.0 billion	22%	¥8.6 billion	¥4.9 billion	74%	¥30.0 billion	29%
Semiconductor-Related Industries	¥12.1 billion	¥5.9 billion	104%	¥37.8 billion	32%	¥6.1 billion	¥2.7 billion	122%	¥18.0 billion	34%

Item	2022 Jan-Mar Results	2021 Jan-Mar Results	Difference (%)	2022 Jan-Dec Forecast	Progress
Ocean Forwarding Business*2	190,000 TEU	180,000 TEU	3%	950,000 TEU	20%
Air Forwarding Business*2	240,000 t	240,000 t	1%	1,100,000 t	22%

Item Revenues	2022 Jan-Mar Results	2021 Jan-Mar Results	Difference (%)	2022 Jan-Dec Forecast	Progress
Non-Japanese Customer Accounts (GAM・GTA*3)	¥28.2 billion	¥14.5 billion	94%	¥79.2 billion	36%

*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. GTA is an abbreviation for global target accounts.

III. Challenges of the Business Plan

B Sales by Business: FY2022 (Jan-Mar)

Millions of yen, %

Nippon Express Co., Ltd. Results by Business	Results	Difference		Difference (%)	
		Vs. 2021	Vs. 2020	Vs. 2021	Vs. 2020
Railway utilization business	16,247	(1,371)	(3,330)	(7.8)	(17.0)
Small-lot shipment business	9,258	(876)	(1,103)	(8.7)	(10.7)
Chartered truck business	44,568	(1,760)	(883)	(3.8)	(1.9)
Marine transportation business	43,686	16,733	20,729	62.1	90.3
Harbor transportation business	16,965	665	1,110	4.1	7.0
Air transportation business	87,737	17,785	44,746	25.4	104.1
Warehousing and storage business	37,448	3,594	3,156	10.6	9.2
In-factory business	13,790	470	1,284	3.5	10.3
Moving and relocation business	17,232	521	(877)	3.1	(4.8)
Other	46,533	(5,927)	(3,620)	(11.3)	(7.2)
Total	333,468	29,834	61,212	9.8	22.5

International Logistics/Exports	Results	Difference		Difference (%)	
		Vs. FYE Dec 2021	Vs. FY2020	Vs. FYE Dec 2021	Vs. FY2020
Ocean transportation (export)	29,090	10,945	14,249	60.3	96.0
Air transportation (export)	61,851	17,119	42,780	38.3	224.3

Domestic Business

- In addition to the impact of the reemergence of COVID-19 infections, the automotive industry and other industries continued to experience production declines due to parts supply shortages. As a result, transportation volume struggled to grow, while railway utilization, small-lot shipments, and motor transportation businesses declined compared with 2021. On the other hand, warehousing and storage and in-factory businesses performed well, outperforming both 2020 and 2021.

Railway Utilization Business

- Sales declined due to the impact of the automobile industry production cutbacks that began last year, as well as snow storms in Hokkaido and the earthquake in the Tohoku region.

Small-Lot Shipment Business

- Sales decreased due to a decline in the volume for electric precision instruments caused by semiconductor shortages. Certain chemical-related volume also declined due to the impact of reduced shipments stemming from inventory shortages.

Chartered Truck Business

- Cargo movement was sluggish, particularly for automobile-related and agricultural products, resulting in lower sales.

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 experienced strong performance due to the ongoing recovery in steel industry production.

Moving and Relocation Business

- Overall sales increased compared with 2021 due to a rebound in international moving services. Domestic moving and relocation was impacted by a drop in corporate demand due to fewer job transfers and less hiring amid the COVID-19 pandemic, resulting in lower sales compared with fiscal 2020.

International Logistics

- Volume for both imports and exports increased. Revenues increased due to the continued high level of freight rates.

III. Challenges of the Business Plan

B 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
 - As revenues increased for the first quarter of the fiscal year ending December 31, 2022 (+9.8% year on year), our outsourcing cost ratio decreased 2.1 % year on year
 - The utilization ratio of company-owned vehicles increased 1.0 points year on year
 - 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
 - Continued implementation of Logistics Boot Camp (launched in fiscal 2021), a core human resources development program, to promote productivity improvement in warehouse operations
 - Conducted work sampling analysis of warehouse operations using the NX Logistic Research Institute *Rojitan* to visualize and quantify operations to improve quality and productivity (18 sites nationwide between November 2021 and February 2022, with more to follow)
- ◆ Automate, Streamline Office Work
 - Developing human resources capable of self-direction in automating (RPA) inefficient or routine operations; pursued lateral rollout of scenarios

III. Deepen Integration of Land, Sea, and Air

- ◆ Pursue cross-mode sales
 - Target existing 304 customers to capture business in 465 new areas, engaging in sales that cross beyond the framework of transportation modes and increasing top-line revenues

IV. Strengthen Network Transportation Products

- ◆ Increased sales of Protect BOX
 - Expand revenues further sales through new equipment tailored to customer needs.
Jan-Mar, 2022: 8,184 units (205% of previous year)
- ◆ Increased sales of railroad containers, air cargo containers
 - Launched sales of NX train on 3/14, creating demand for railway transportation between Kanto and Kansai by offering low unit prices and stable transportation scheduling
 - Expanded sales of Sea&Rail, a product that responds to decarbonization and BCP (volume +13.4% year on year)
- ◆ 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. Q1 cumulative average NPS 48 points (+7 points year on year)
 - Remote quotation system (Remomi®) usage: Q1 cumulative +48% year on year; usage rate +6%
- ◆ Strengthen and Pursue Arrow Delivery Business
 - Improved profitability through more efficient and streamlined operations, outsourcing cost reductions, etc.

V. Business Structure Reform Project Initiatives (Six Categories)

- Cross-divisional projects from a medium- to long-term perspective launched in Q1
Project categories: (1) Logistics Business Reform; (2) Railway Utilization Business Reform; (3) Small-Lot Shipment Business Reform; (4) Coastal Shipping Business Reform; (5) Integrated Business Reform; and (6) M&A Strategy

Engage in Concentrated Pursuit of Building a More Robust Business in Japan

III. Challenges of the Business Plan

C Progress in FY2022 Back Office Cost Reductions (as of March 31, 2022)

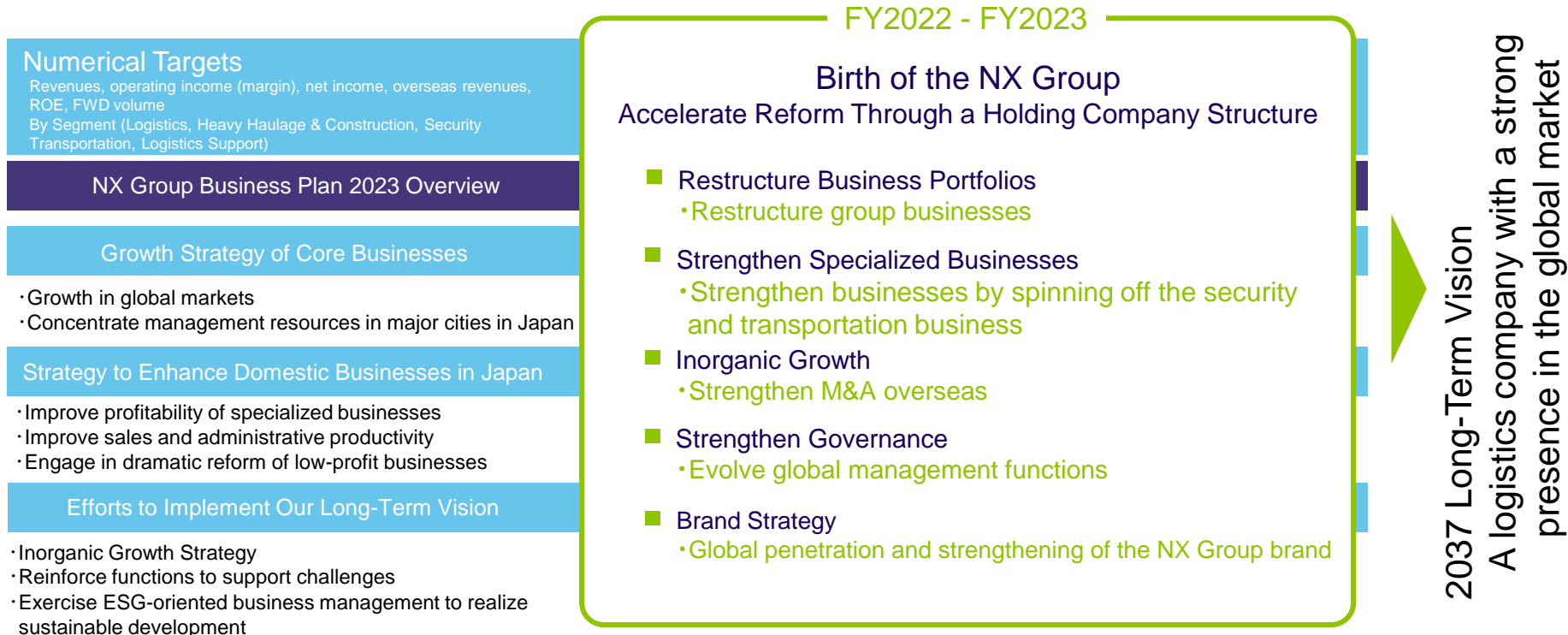
Enhancing Japanese Domestic Businesses	FY2023 Target	Item	FY2019 Results [YoY]	FY2020 Results [YoY]	FYE Dec 2021 Results (Apr-Dec) [YoY]	FYE Dec 2021 Cumulative	FY2022 Results (Jan-Mar) [YoY]	FY2022 Target [YoY]	FY2022 Cumulative
Further reorganization of organizations/ streamlining of administrative departments	-¥4.5 billion [-500 employees]	Further branch back office personnel reassignments	-¥1.10 billion [-124 employees]	-¥1.40 billion [-156 employees]	—	-¥3.37 billion [-375 employees]	—	-¥0.36 billion [40 employees]	-¥3.73 billion [415 employees]
		Reassign HQ employees	—	-¥0.82 billion [-91 employees]	-¥0.04 billion [-4 employees]		-¥0.16 billion [-18 employees]		
Back office process reform	-¥5.0 billion	Overtime [back office personnel]	-¥1.10 billion	-¥1.32 billion	+¥0.55 billion	-¥2.96 billion	-¥0.00 billion	-¥0.69 billion	-¥4.55 billion
		Personnel dispatching cost [back office]	+¥0.15 billion	-¥1.04 billion	-¥0.20 billion		+¥0.13 billion	-¥0.90 billion	
Total	-¥9.5 billion	Total	-¥2.05 billion	-¥4.58 billion	+¥0.31 billion	-¥6.33 billion	-¥0.03 billion	-¥1.95 billion	-¥8.28 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

Direction Forward for Business Plan Review

No major changes will be made to the plan; we will continue to work toward achieving our long-term vision.

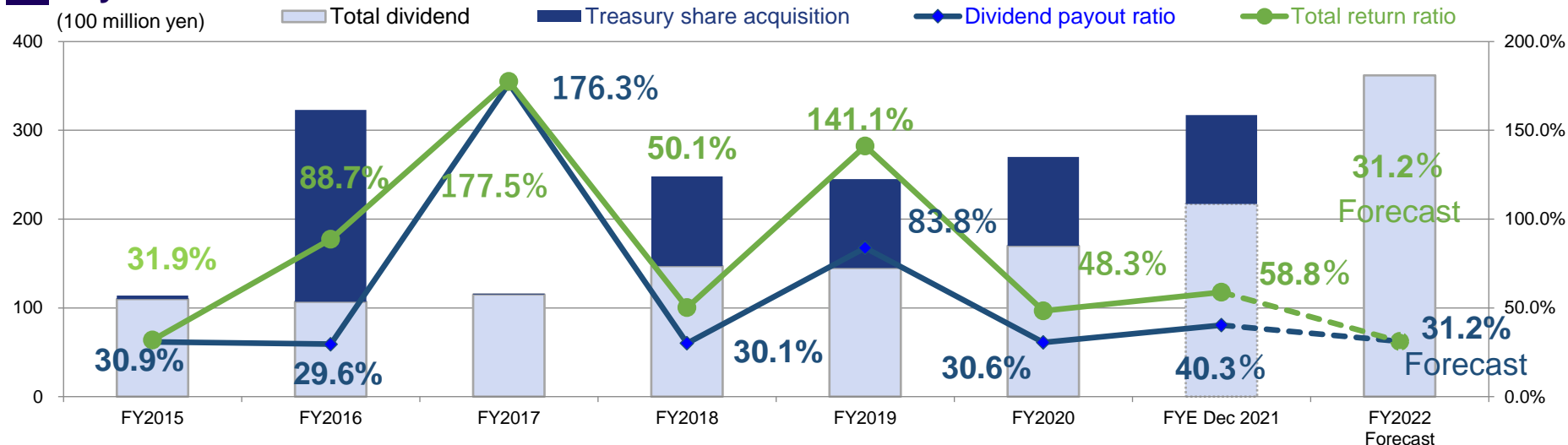


IV. Return to Shareholders

A Capital Policies

- ROE: 10%
- Dividend payout ratio 30% or more
- Total return ratio: Over 50% (cumulative total 2019-2023)
- Equity ratio: Target 35%

B Key Indicators



Dividend per Share (Full-Year)	11	11	120*	155	155	185	240	400 (Forecast)
ROE	6.8	6.9	1.2	9.2	3.2	10.0	8.9	17.2 (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.

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-Mar results)	Impact on consolidated results (12-month forecast)
Impact of change in unit fuel price	<p>Operating income ¥(0.92) billion (cost increase)</p> <p>Unit price per ℓ [Prior period 3-month average]</p> <p>Light oil : ¥117.46 [¥93.70]</p> <p>Gasoline : ¥155.98 [¥128.10]</p> <p>Heavy oil : ¥77.13 [¥51.90]</p>	<p>Operating income ¥(2.64) billion (cost increase)</p> <p>Unit price per ℓ [Prior period 12-month average]</p> <p>Light oil : ¥118.40 [¥102.10]</p> <p>Gasoline : ¥155.35 [¥139.00]</p> <p>Heavy oil : ¥76.14 [¥62.50]</p>
Impact of foreign exchange	<p>Revenues +¥9.55 billion</p> <p>Operating Income +¥0.66 billion</p> <p>3-month avg. foreign exchange rate [January-March]* [prior-period 3-month avg.]</p> <p>USD : ¥116.20 [¥105.90]</p> <p>EUR : ¥130.39 [¥127.60]</p> <p>HKD : ¥14.89 [¥13.60]</p> <p>RMB : ¥18.29 [¥16.30]</p> <p>* 3-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 +¥47.73 billion</p> <p>Operating Income +¥2.63 billion</p> <p>12-month avg. foreign exchange rate [January-December]* [prior-period 12-month avg.]</p> <p>USD : ¥120.84 [¥109.80]</p> <p>EUR : ¥135.12 [¥129.80]</p> <p>HKD : ¥15.45 [¥14.10]</p> <p>RMB : ¥19.02 [¥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>

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

Variable factors	Impact on consolidated results (Jan-Mar results)	Impact on consolidated results (12-month forecast)
Change due to employee system reform (same pay for same work, impact of extended retirement age)	Operating income ¥(0.47) billion [Japan: ¥(0.45) billion, Security Transportation: ¥(0.03) billion, Heavy Haulage & Construction: +¥0.00 billion Logistics Support: ¥(0.0) billion]	Operating income ¥(1.05) billion [Japan: ¥(1.01) billion, Security Transportation: ¥(0.08) billion, Heavy Haulage & Construction: +¥0.04 billion Logistics Support: ¥(0.00) billion]
Impact of COVID-19	<p>Revenues +¥0.36 billion Operating income +¥0.24 billion</p> <p> ・Japan: Revenues +¥3.02 billion Operating income +¥1.14 billion ・The Americas: Revenues +¥0.44 billion Operating income +¥0.14 billion ・Europe: Revenues +¥2.52 billion Operating income +¥0.38 billion ・East Asia: Revenues ¥(7.13) billion Operating income ¥(1.96) billion ・South Asia: Revenues +¥0.67 billion Operating income +¥0.35 billion ・Security Transportation: Revenues +¥0.08 billion Operating Income +¥0.06 billion ・Heavy Haulage and Construction: Revenues +¥0.05 billion Operating Income ¥(0.01) billion ・Logistics Support: Revenues +¥0.69 billion Operating Income +¥0.12 billion </p>	<p>Revenues +¥3.09 billion Operating income +¥0.47 billion</p> <p> ・Japan: Revenues +¥5.49 billion Operating income +¥1.06 billion ・The Americas: Revenues +¥0.44 billion Operating income +¥0.14 billion ・Europe: Revenues +¥2.52 billion Operating income +¥0.38 billion ・East Asia: Revenues ¥(7.13) billion Operating income ¥(1.96) billion ・South Asia: Revenues +¥0.67 billion Operating income +¥0.35 billion ・Security Transportation: Revenues +¥0.12 billion Operating Income +¥0.11 billion ・Heavy Haulage and Construction: Revenues +¥0.36 billion Operating Income +¥0.23 billion ・Logistics Support: Revenues +¥0.59 billion Operating Income +¥0.14 billion </p>

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

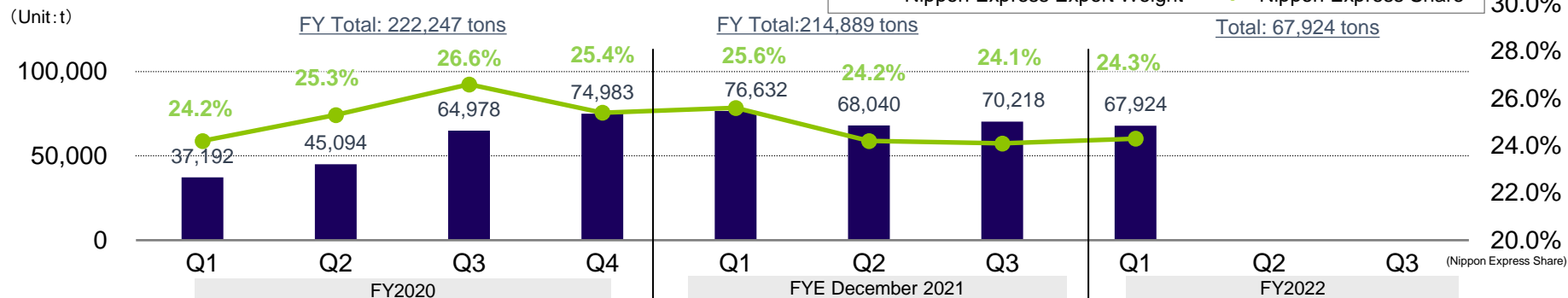
Variable factors	Impact on consolidated results (Jan-Mar results)	Impact on consolidated results (12-month forecast)
Adjustment of prior-period differences in provision for retirement benefits	Operating income +¥2.51 billion • Japan: Operating Income +¥2.18 billion • Security Transportation: Operating Income +¥0.25 billion • Heavy Haulage and Construction: Operating Income +¥0.08 billion	
Decrease in provision for retirement benefits	Operating income +¥0.10 billion • Japan: Operating Income +¥0.08 billion • Security Transportation: Operating Income +¥0.01 billion • Heavy Haulage and Construction: Operating Income +¥0.00 billion	Operating income +¥1.19 billion • Japan: Operating Income +¥1.03 billion • Security Transportation: Operating Income +¥0.12 billion • Heavy Haulage and Construction: Operating Income +¥0.03 billion
Impact of Ukraine	Revenues ¥(0.07) billion Operating Income +¥0.00 billion • Japan: Revenues ¥(0.10) billion Operating Income ¥(0.02) billion • Europe: Revenues +¥0.06 billion Operating income +¥0.03 billion • Heavy Haulage and Construction: Revenues ¥(0.02) billion Operating Income ¥(0.00) billion • Logistics Support: Revenues ¥(0.00) billion Operating Income ¥(0.00) billion	Revenues ¥(2.57) billion Operating Income ¥(0.69) billion • Japan: Revenues ¥(1.31) billion Operating Income ¥(0.25) billion • Europe: Revenues ¥(1.15) billion Operating income ¥(0.41) billion • Logistics Support: Revenues ¥(0.10) billion Operating Income ¥(0.02) billion
Environment investments	Operating income +¥0.44 billion	Operating income +¥0.55 billion

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

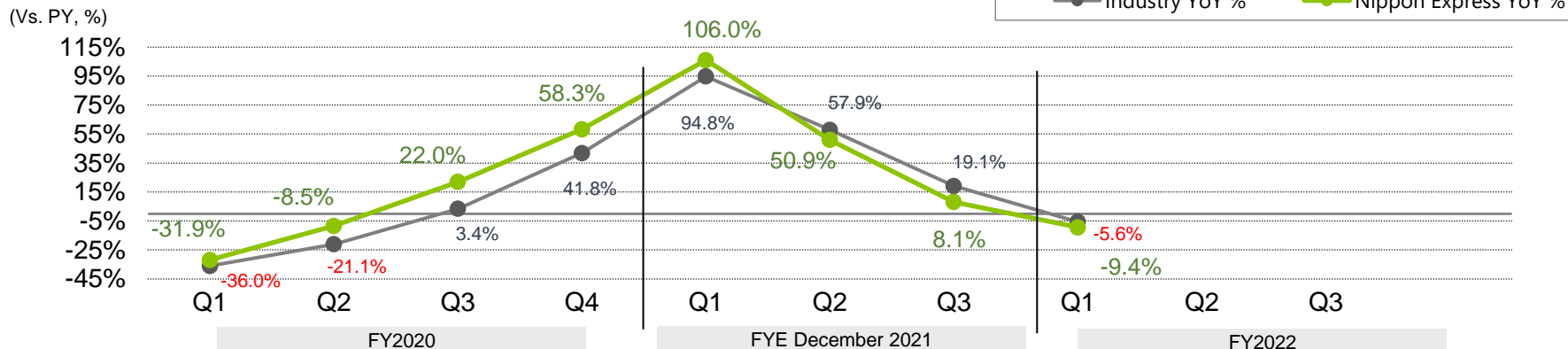
Variable factors	Impact on consolidated results (Jan-Mar results)		Impact on consolidated results (12-month forecast)	
Impact of revenue recognition standard to decrease sales	Revenues ¥(12.52) billion	Logistics Support	Revenues	¥(12.52) billion [Q1]
Spin off leasing business of NX Shoji	Revenues ¥(17.51) billion	Logistics Support	Revenues	¥(17.51) billion [Q1]
Rebound increase of HQ relocation expenses			Operating income +¥1.18 billion [Q4] [Japan: +¥1.18 billion]	
Increase due to rebound related to allowance for bad debt posted in the previous year (East Asia/Logistics Support)			Operating income +¥2.01 billion [Q3,Q4] [East Asia: +¥1.27 billion, Logistics Support: +¥0.73 billion] • Figures for East Asia for the fiscal year ended December 31, 2021 have been revised due to an error. < <After revision : + 1.27 billion,, before revision : + 1.29billion,> (November 9, 2022) >	

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

Export Air Freight Weight Originating from Japan



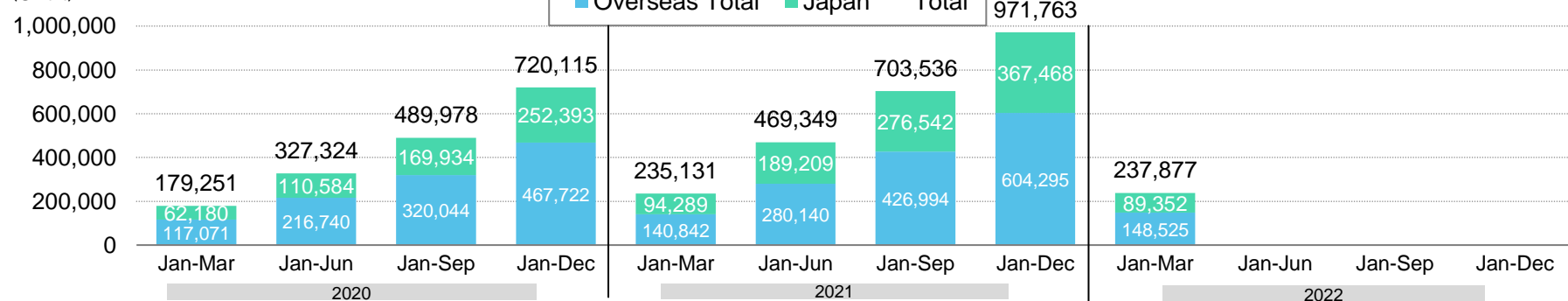
Export Air Freight Originating From Japan, YoY



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

Originating Region	2020					2021					2022				
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Full Year	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Total	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Total
Japan (consolidated)	58,841	45,579	55,874	78,048	238,343	89,719	90,527	82,178	85,592	348,017	84,660				84,660
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				4,692
Japan Total	62,180	48,404	59,350	82,459	252,394	94,289	94,919	87,333	90,926	367,468	89,352				89,352
Americas	19,739	15,838	15,070	20,003	70,651	23,273	20,980	19,757	20,417	84,427	20,740				20,740
Europe	24,166	18,954	20,721	28,205	92,045	26,206	28,074	28,724	35,410	118,414	31,119				31,119
East Asia	35,441	34,266	33,277	56,424	159,407	44,272	43,429	49,093	58,539	195,334	43,656				43,656
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				53,010
Overseas Total	117,071	99,669	103,304	147,678	467,721	140,842	139,298	146,854	177,301	604,295	148,525				148,525
Total Weight	179,251	148,074	162,654	230,137	720,115	235,131	234,217	234,187	268,227	971,763	237,877				237,877

(Unit: t)



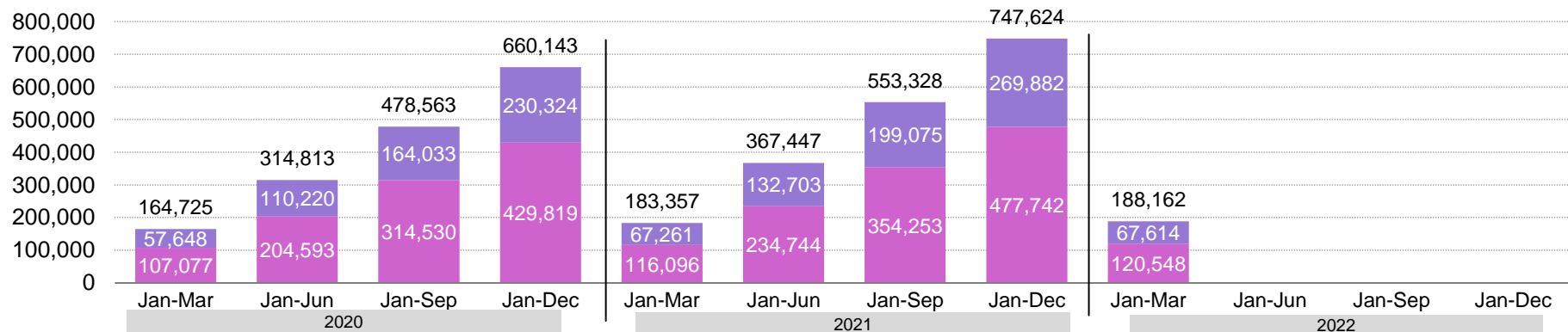
Appendix 2 Forwarding Results: Export Freight (Ocean Transportation)

(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				67,614
Americas	9,794	9,191	9,322	9,208	37,514	11,223	13,391	11,155	10,117	45,886	10,106				10,106
Europe	13,193	10,656	11,072	13,545	48,465	13,667	15,025	13,926	14,077	56,695	15,308				15,308
East Asia	52,033	52,497	53,609	55,447	213,586	52,959	54,801	57,770	57,009	222,539	53,150				53,150
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				41,984
Overseas Total	107,077	97,516	109,937	115,289	429,827	116,096	118,648	119,509	123,489	477,742	120,548				120,548
Total Weight	164,725	150,088	163,750	181,580	660,152	183,357	184,089	185,882	194,296	747,624	188,162				188,162

(Unit: TEU)

Overseas Total Japan Total

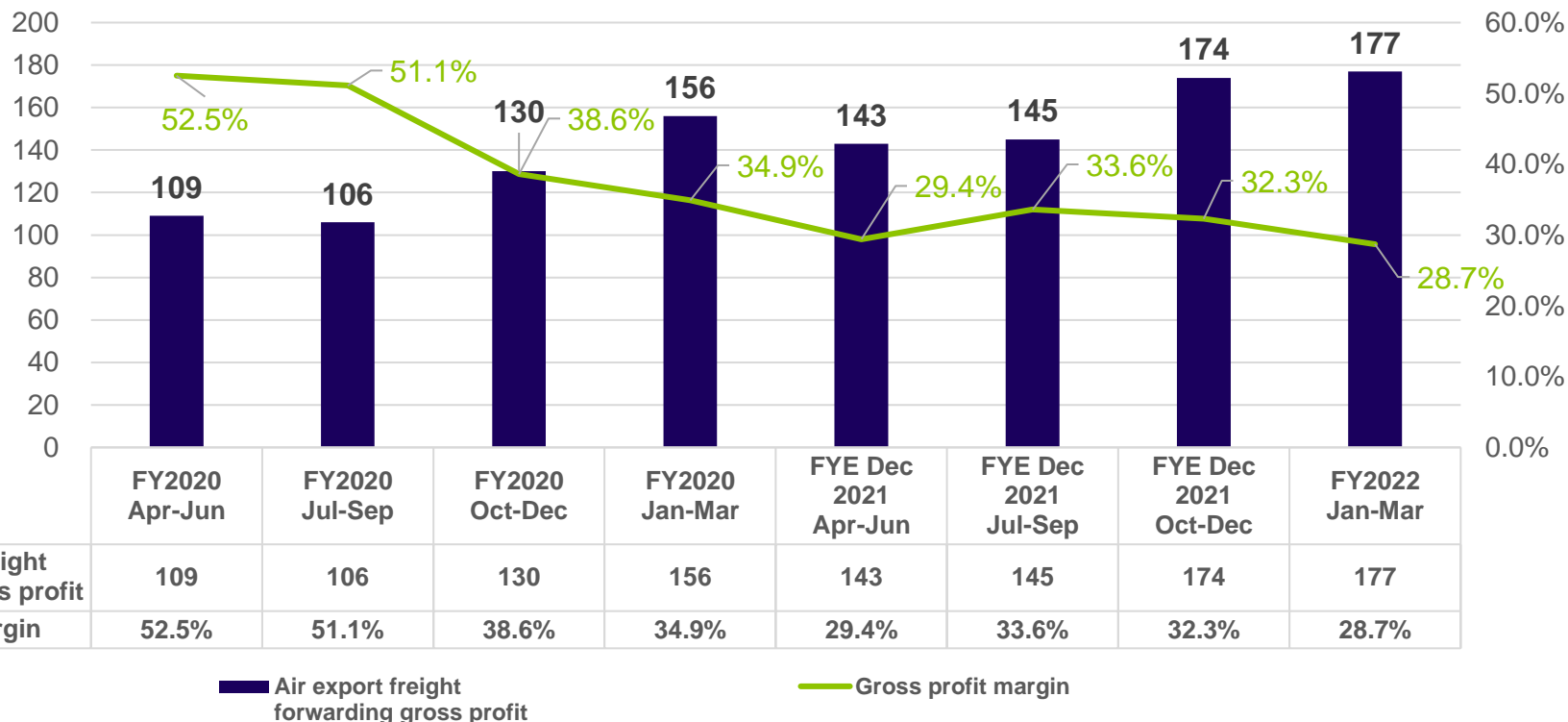


Appendix 2 Forwarding Results: Air Export Freight Forwarding Business Gross Profit and Gross Profit Margin by Quarter (Non-Consolidated)

*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

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



*While the Company presented air forwarding costs as the sum of domestic and international costs in the past, we will now calculate this figure as air forwarding costs (international) from net sales from air export freight forwarding for more accurate presentation.

Appendix 3 Nippon Express FY2022 Jan-Dec Results

A. Revenues

(Unit: Millions of yen,%)

			Jan-Mar 2022		Jan-Mar 2021		Change	
				% of Sales		% of Sales	Amount	Ratio
Revenues	Railway utilization business		16,247	4.9	17,618	5.8	(1,371)	(7.8)
	Automotive	Small-lot shipment business	9,258	2.8	10,135	3.3	(876)	(8.7)
		Chartered truck business	44,568	13.3	46,328	15.3	(1,760)	(3.8)
		Total	53,826	16.1	56,463	18.6	(2,636)	(4.7)
	Ocean transportation	Marine transportation business	43,686	13.1	26,953	8.9	16,733	62.1
		Harbor transportation business	16,965	5.1	16,299	5.3	665	4.1
		Total	60,651	18.2	43,253	14.2	17,398	40.2
		(Export)	[29,090]	8.7	[18,145]	6.0	10,945	60.3
		(Import)	[14,626]	4.4	[12,674]	4.2	1,951	15.4
		(Domestic and other)	[16,935]	5.1	[12,432]	4.1	4,502	36.2
	Air transportation	Total	87,737	26.3	69,952	23.0	17,785	25.4
		(Export)	[61,851]	18.5	[44,732]	14.7	17,119	38.3
		(Import)	[8,296]	2.5	[7,884]	2.6	411	5.2
		(Domestic and other)	[17,589]	5.3	[17,335]	5.7	254	1.5
	Warehousing and storage business		37,448	11.2	33,853	11.2	3,594	10.6
	In-factory business		13,790	4.1	13,320	4.4	470	3.5
	Moving and relocation business		17,232	5.2	16,711	5.5	521	3.1
	Security transportation business		16,968	5.1	16,978	5.6	(9)	(0.1)
	Heavy haulage and construction business		11,200	3.4	12,661	4.2	(1,460)	(11.5)
	Other businesses		18,364	5.5	22,821	7.5	(4,457)	(19.5)
	Total		333,468	100.0	303,633	100.0	29,834	9.8

Appendix 3 Nippon Express FY2022 Jan-Dec Results

B. Operating Expenses

(Unit: Millions of yen,%)

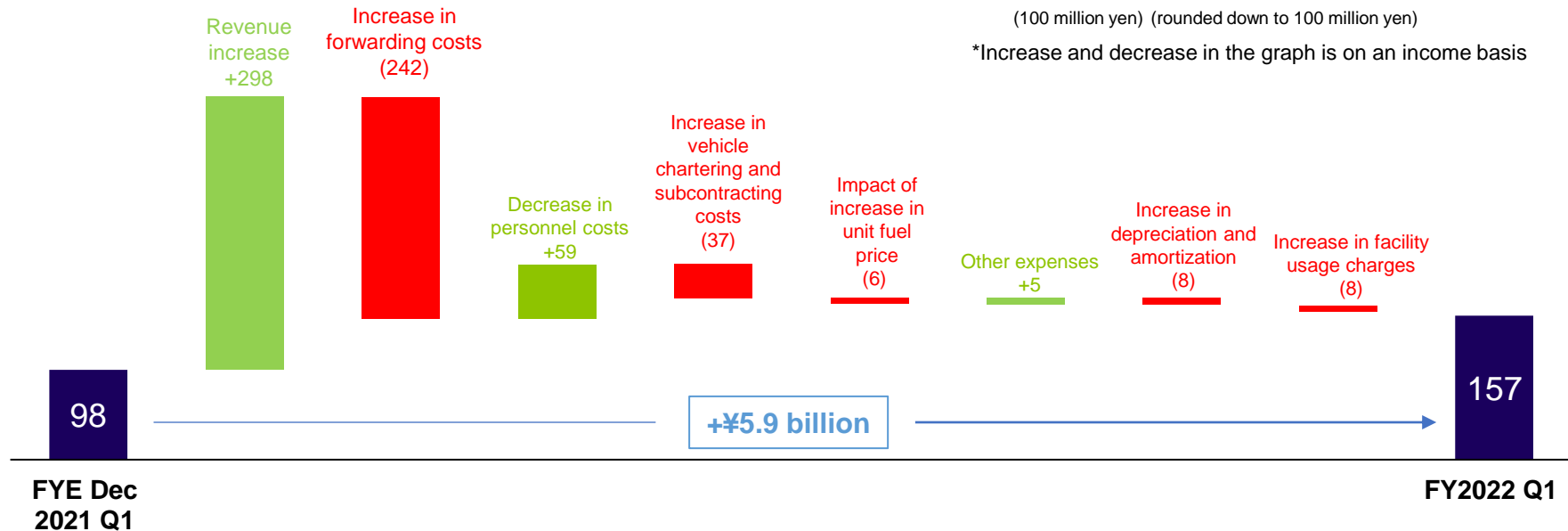
			Jan-Mar 2022		Jan-Mar 2021		Change	
				% of Sales		% of Sales	Amount	Ratio
Operating Expenses	Total personnel expenses		60,717	18.2	66,669	22.0	(5,952)	(8.9)
	Forwarding costs	Railway forwarding costs	8,883	2.7	9,804	3.2	(921)	(9.4)
		Ocean forwarding costs	20,765	6.2	10,584	3.5	10,180	96.2
		Air forwarding costs	45,535	13.6	30,540	10.1	14,994	49.1
		Total	75,183	22.5	50,929	16.8	24,253	47.6
	Vehicle chartering and subcontracting costs		115,310	34.6	111,510	36.7	3,799	3.4
	Depreciation and amortization		9,019	2.7	8,200	2.7	819	10.0
	Facility usage charges		23,132	7.0	22,299	7.3	832	3.7
	Other		34,317	10.3	34,194	11.3	123	0.4
	Total		317,680	95.3	293,804	96.8	23,876	8.1

C. Profits

			Jan-Mar 2022		Jan-Mar 2021		Change	
				% of Sales		% of Sales	Amount	Ratio
Operating Income			15,787	4.7	9,829	3.2	5,958	60.6

Appendix 3 Nippon Express FY2022 Jan-Dec Results

Non-Consolidated Profit Factors



Expense Detail (Jan-Mar Results)

Increase in vehicle chartering and subcontracting costs +37 [+3.4%]

Vehicle chartering cost	(15)[(3.3%)]
Subcontracting cost	+51 [+8.4%]
Personnel dispatching cost	+2 [+9.2%]

Appendix 3 Nippon Express FY2022 Jan-Dec Forecasts

A. Revenues

(Unit: Millions of yen,%)

			Jan-Dec 2022 Forecast		Jan-Dec 2021		Change	
				% of Sales			Amount	Ratio
Revenues	Railway utilization business		67,500	5.0	68,828	5.5	(1,328)	(1.9)
	Automotive	Small-lot shipment business	39,800	3.0	41,060	3.3	(1,260)	(3.1)
		Chartered truck business	181,000	13.5	182,785	14.7	(1,784)	(1.0)
		Total	220,800	16.5	223,846	18.0	(3,045)	(1.4)
		Ocean transportation	Marine transportation business	180,100	13.4	133,750	10.8	46,350
	Harbor transportation business		68,500	5.1	68,122	5.5	377	0.6
	Total		248,600	18.6	201,873	16.3	46,727	23.1
	(Export)		[124,100]	9.3	[89,426]	7.2	34,674	38.8
	(Import)		[57,900]	4.3	[54,397]	4.4	3,503	6.4
	(Domestic and other)		[66,600]	5.0	[58,049]	4.7	8,550	14.7
	Air transportation		Total	342,300	25.5	290,980	23.4	51,320
		(Export)	[240,000]	17.9	[190,562]	15.3	49,438	25.9
		(Import)	[33,500]	2.5	[32,340]	2.6	1,159	3.6
		(Domestic and other)	[68,800]	5.1	[68,077]	5.5	722	1.1
	Warehousing and storage business		151,000	11.3	143,527	11.6	7,472	5.2
	In-factory business		59,400	4.4	57,328	4.6	2,071	3.6
	Moving and relocation business		51,600	3.9	51,309	4.1	291	0.6
	Security transportation business		67,800	5.1	67,667	5.4	132	0.2
	Heavy haulage and construction business		57,500	4.3	59,054	4.8	(1,554)	(2.6)
	Other businesses		73,495	5.5	77,869	6.3	(4,374)	(5.6)
	Total		1,340,000	100.0	1,242,286	100.0	97,714	7.9

Appendix 3 Nippon Express FY2022 Jan-Dec Forecasts

B. Operating Expenses

(Unit: Millions of yen,%)

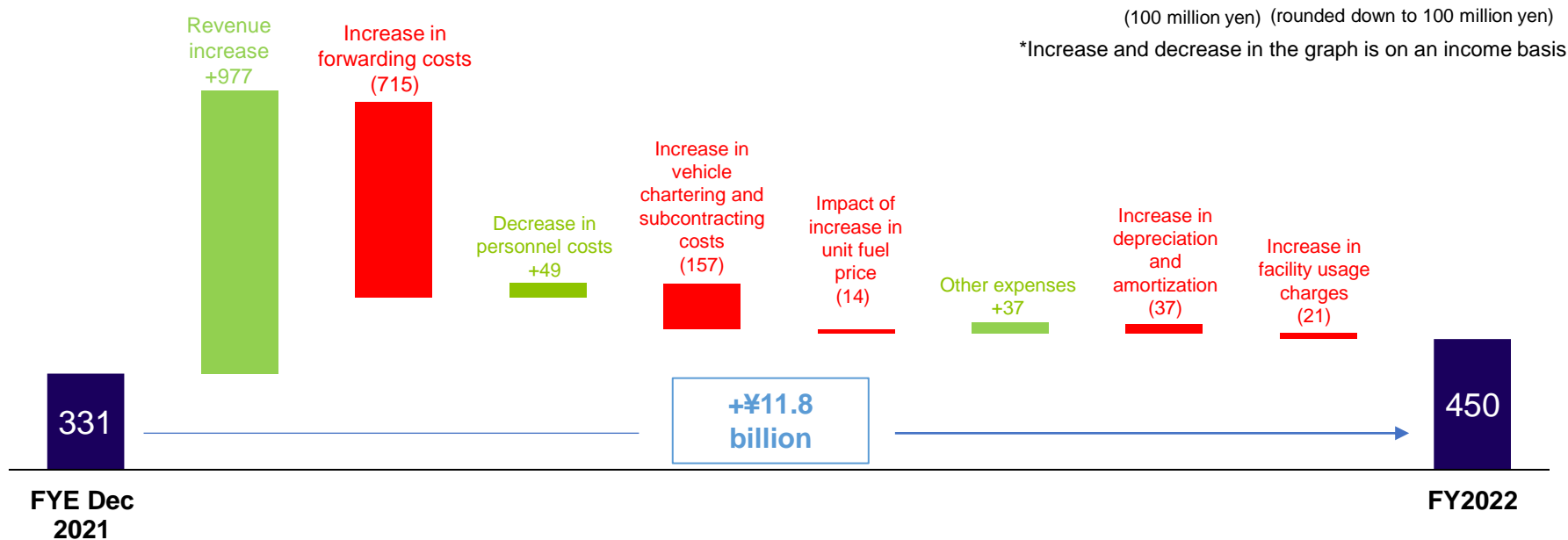
			Jan-Dec 2022 Forecast		Jan-Dec 2021		Change	
				% of Sales		% of Sales	Amount	Ratio
Operating Expenses	Total personnel expenses		255,751	19.1	260,680	21.0	(4,930)	(1.9)
	Forwarding costs	Railway forwarding costs	36,700	2.7	37,532	3.0	(832)	(2.2)
		Ocean forwarding costs	88,500	6.6	56,532	4.6	31,967	56.5
		Air forwarding costs	175,400	13.1	135,029	10.9	40,370	29.9
		Total	300,600	22.4	229,094	18.4	71,506	31.2
	Vehicle chartering and subcontracting costs		476,101	35.5	460,387	37.1	15,713	3.4
	Depreciation and amortization		36,800	2.7	33,010	2.7	3,790	11.5
	Facility usage charges		93,651	7.0	91,468	7.4	2,182	2.4
	Other		132,095	9.9	134,481	10.8	(2,385)	(1.8)
	Total		1,295,000	96.6	1,209,123	97.3	85,876	7.1

C. Profits

	Jan-Dec 2022 Forecast		Jan-Dec 2021		Change	
		% of Sales		% of Sales	Amount	Ratio
Operating Income	45,000	3.4	33,162	2.7	11,837	35.7

Appendix 3 Nippon Express FY2022 Jan-Dec Forecasts

Non-Consolidated Profit Factors



Expense Detail (Jan-Dec Forecast)

Increase in vehicle chartering and subcontracting costs +157 [+3.4%]

Vehicle chartering cost	(15)[(0.8%)]
Subcontracting cost	+165 [+6.4%]
Personnel dispatching cost	+7 [+5.7%]



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