

August 2024

To Our Shareholders

NIPPON EXPRESS HOLDINGS, INC.

Frequently Asked Questions About Stock Split

The company resolved to implement a stock split at the Board of Directors meeting held on August 9, 2024.

To help shareholders better understand the stock split, we have prepared the following Frequently Asked Questions about Stock Split.

Q1. What is the reason for implementing a stock split?

The purpose of the stock split is to create a more accessible investment environment by lowering the investment unit amount of our stock. This aims to improve the liquidity of our stock and expand our investor base.

Q2. Will this affect the value of assets?

There will be no change to the company's assets or capital as a result of the stock split. Therefore, aside from fluctuations in stock market conditions or other factors, the asset value of the shares you hold will not change.

While the number of shares you own will triple, the net asset value per share will be reduced to one-third.

Q3. Will the increase in the number of shares I own result in a higher dividend?

Although the number of shares you own will increase threefold, the dividend per share is expected to decrease to one-third starting from the fiscal year ending December 2025. Therefore, excluding performance fluctuations and other factors, the total amount of dividends you receive will not be affected by the stock split.

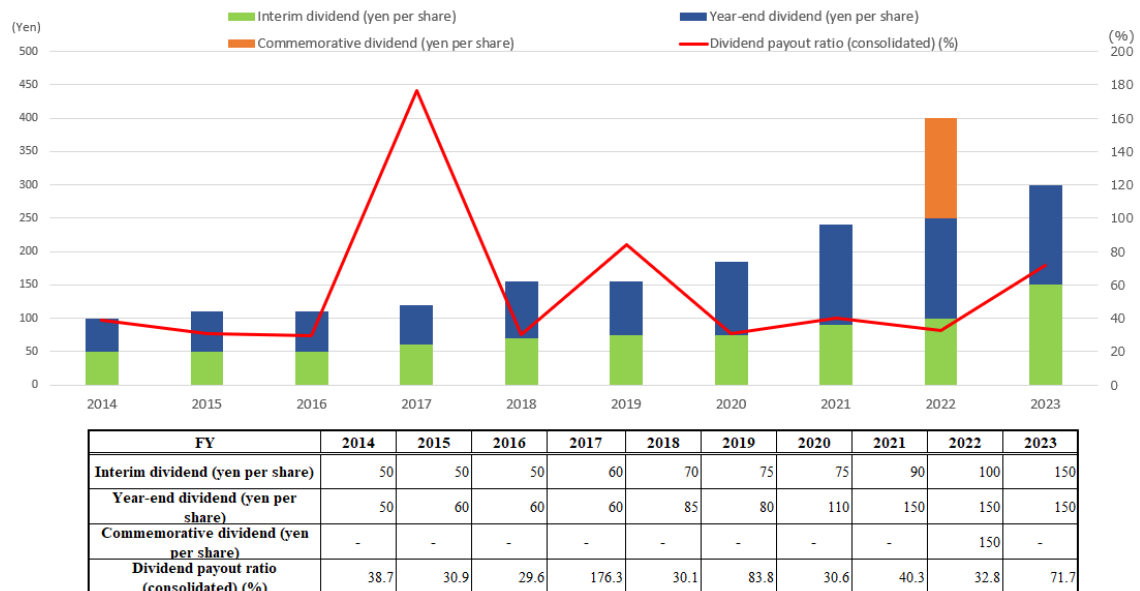
Further details will be provided once they are finalized.

[Reference] Regarding Our Approach to Shareholder Returns

NIPPON EXPRESS GROUP recognizes returning value to shareholders as one of its top priorities. We aim to enhance profitability and corporate value by accelerating business growth in global markets, restructuring Japanese operations, and promoting sustainability management. We are committed to paying dividends in a stable and continuous manner and enhancing profit returns.

Furthermore, we have never reduced dividends in the past (excluding commemorative dividends) and have no record of failing to pay dividends.

Dividend per share and dividend payout ratio over the past 10 years



*Effective October 1, 2017, we conducted a consolidation of 10 common shares into 1 share.

To facilitate easy comparison over time, the dividend amounts per share before the interim dividend for the fiscal year ending March 2018 have been adjusted in the graph above to reflect the impact of this share consolidation.

Q4. Do shareholders need to take any action?

Shareholders do not need to take any specific actions with us or their securities companies. However, please be aware of the following points.

Handling of Shares Less Than One Unit

After the stock split, any shares amounting to less than 100 shares will become shares less than one unit. The main differences between shares less than one unit and shares constituting one or more units are that shares less than one unit cannot be traded on the exchange market and do not have voting rights at general meetings of shareholders. However, shareholders can continue to hold these shares and receive dividends.

Additionally, under Article 192, Paragraph 1 of the Companies Act, shareholders can request the company to buy back their shares less than one unit through the buyback system for such shares.

For specific procedures, shareholders holding shares in a securities account should contact their securities company. Shareholders with shares in a special account should contact Mitsubishi UFJ Trust and Banking Corporation, the administrator for the special account.

Shareholders who do not own shares less than one unit do not need to take any special actions with us or their securities companies.

Q5. Is there a trading suspension period for shares?

There is no trading suspension period. However, due to the time required for the transfer of shares after trading, transactions based on the current stock price and number of shares will be available until Thursday, December 26, 2024. From Friday, December 27, 2024, transactions will be based on the new stock price and number of shares.

The suspension period for buyback requests for shares less than one unit will be from Wednesday, December 25, 2024 to Tuesday, December 31, 2024, and the suspension period for additional share purchase requests will be from Monday, December 16, 2024 to Tuesday, December 31, 2024.

Q6. Will the minimum investment amount be affected?

The minimum investment amount will theoretically be reduced to one-third.

(Reference) Calculation if the stock price before the split is 7,500 yen

Minimum investment amount before the split: 750,000 yen (stock price × number of shares)

Minimum investment amount after the split: 2,500 yen (stock price) × 100 shares (number of shares)
= 250,000 yen

Q7. How will the number of shares owned and voting rights change?

After the stock split, the number of shares you own will be three times the number recorded in the shareholder registry as of December 31, 2024. The number of voting rights will be one per 100 shares owned after the split.

Specifically, here is how the number of shares owned and voting rights will change before and after the stock split.

	Before Stock Split			After Stock Split		
	Number of Shares Owned	Shares Less than One Unit	Voting Rights	Number of Shares Owned	Shares Less than One Unit	Voting Rights
Example (1)	100 shares	—	1	300 shares	—	3
Example (2)	30 shares	30 shares	—	90 shares	90 shares	—
Example (3)	60 shares	60 shares	—	180 shares	80 shares	1

- Shareholders in Example (1) will not need to take any special actions.
- Shareholders in Example (2) and (3) hold shares less than one unit. These shares can be kept as is,

and dividends corresponding to the number of shares will be received, but these shares do not have voting rights at general meetings of shareholders. Additionally, shareholders may choose to use the buyback system for shares less than one unit if desired.

Q8. Can you provide the schedule for the stock split?

Friday, August 9, 2024: Board of Directors' resolution date

Thursday, December 26, 2024: Last trading day based on current stock price and number of shares

Tuesday, December 31, 2024: Record date for the stock split

Wednesday, January 1, 2025: Effective date of the stock split

Late January 2025: Distribution of "Notification of Completion of Procedures" to shareholders

◆Contact for Inquiries Regarding the Stock Split◆

For any questions about this stock split, please contact your securities company or the shareholder registry administrator listed below.

< Shareholder Registry Administrator>

Mitsubishi UFJ Trust and Banking Corporation, Securities Agency Division

1-1 Nikko-cho, Fuchu-shi, Tokyo

Phone: 0120-(232)-711

(Available from 9:00 AM to 5:00 PM, excluding Saturdays, Sundays, and holidays)