



IR Meetings Materials

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Nippon Express Co., Ltd.

Nippon Express Group Business Plan 2023

~"Dynamic Growth" ~ Numerical targets

Item	[Reference] Actual for FY2018	FY 2021 targets	FY 2023 Targets
Revenues	¥2,138.5 billion	¥2,250.0 billion	¥2,400.0 billion
Operating income	¥79.5 billion	¥83.0 billion	¥100.0 billion
Operating income ratio	3.8 %	3.7 %	4.2 %
Net income	¥49.3 billion	¥54.0 billion	¥63.0 billion
Overseas Revenues	-	¥520.0 billion	¥600.0 billion
ROE	9.2 %	9 %	10 %
Forwarding volume	Ocean cargo: 680,000 TEU Air cargo: 900,000 Ton	Ocean cargo: 1,000,000 TEU Air cargo: 1,200,000 Ton	Ocean cargo: 1,300,000 TEU Air cargo: 1,400,000 Ton

* Forwarding volume: Annual volume for a calendar year from January to December

* Target of FY2023 will be revised following the results of FY2021

Organizational Reform of April 15, 2019

Overarching reorganization into 4 Sections and 7 HQs

Business Solutions Section

Global Sales Strategy HQ

Overseas Business HQ

Implementation of growth strategy for core businesses and promotion of Group-wide marketing activities and international business

Japan Business Section

Japan Business HQ

Network Transport Business Promotion HQ

Implementation of strategy to enhance domestic businesses in Japan and promotion of network transport business

Corporate Solutions Section

Corporate Support HQ

CSR HQ

Support of business activities as well as promotion of health and safety and CSR management

Corporate Strategy Section

Corporate Strategy HQ

Implementation of corporate strategy of the entire Group, restructuring of business portfolios, enhancement of corporate governance, etc.

Achieve “Dynamic Growth”

Structure for swift promotion of measures under Business Plan

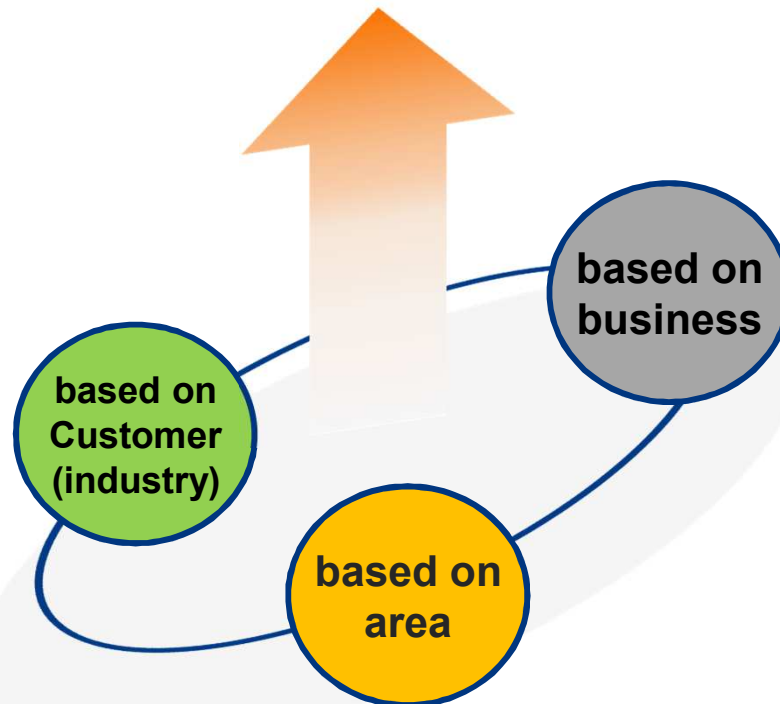
Agile decision-making and implementation

Nippon Express Group Business Plan 2023

Growth strategy for core businesses

Develop a current customer basis and develop businesses in Japan that we believe to be our strengths into global level

Increase sales



Control function and mechanism to support three-dimensional approaches

Priority measures

Approach based on customer (industry)

- One-stop business promotion/account sales promotion, account management
- Sales approach by industry and business type
- Responding to changes due to the rapidly expanding e-commerce market
- Expanding sales to non-Japanese accounts

Approach based on business

- Forwarding business
- Logistics business
- Network transport business
- Packaging solution business

Approach based on area

- Japan
- Americas
- Europe
- East Asia
- South Asia and Oceania

Control functions and mechanisms to support these three sales approaches

- Establishing a system to support sales activities based on sales and operational data
- Introducing KPIs to the sales process
- Reinforcing Group sales support base

Nippon Express Group Business Plan 2023

KPIs of “Growth strategy for core businesses”

Item	Domestic		Overseas	
	Actual for FY2018	KPI (FY 2023)	Actual for FY2018	KPI (FY 2023)
Further business development in the electric and electronics industry	¥115.4 billion	¥120.0billion	¥105.4billion	¥145.0billion
Further business development in the automotive industry	¥51.2billion	¥90.0billion	¥59.1billion	¥110.0billion
Further business development in the apparel industry	¥16.3billion	¥24.5billion	¥48.2billion	¥80.0billion
Further business development in the pharmaceutical/medical industry	¥16.7billion	¥36.0billion	¥9.5billion	¥40.0billion
Increase of non-Japanese accounts (GAM, GTA)	¥26.0billion	¥43.0billion	-	-
Total	¥225.6billion	¥313.5billion	¥222.2billion	¥375.0billion
Difference		¥ 87.9billion		¥ 152.8billion

Item	Actual for FY2018	KPI (FY 2023)
Expansion of marine freight forwarding	680,000TEU	1,300,000TEU
Expansion of air freight forwarding	900,000t	1,400,000t

*GAM: Global Account Management GTA: Global Target Accounts

*Forwarding volume: Annual volume for a calendar year from January to December

We Find the Way



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