



May 20, 2011

## Summary of Consolidated Earnings Report for the Fiscal Year Ended March 31, 2011 (Japanese GAAP)

Name of listed company: **Nippon Express Co., Ltd.** Listed stock exchanges: Tokyo, Osaka  
 Code: **9062** (URL <http://www.nittsu.co.jp>)  
 Representative: President, CEO Masanori Kawai  
 General Manager  
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Scheduled date for general shareholders' meeting: June 29, 2011 Scheduled date of dividend payment: June 30, 2011

Scheduled date for release of Securities Report: June 29, 2011

Availability of supplementary briefing material on annual financial results: Available

Briefing session on annual financial results to be held: Scheduled (for institutional investors and analysts)

(Millions of Yen, rounded down)

### 1. Consolidated Financial Results for Fiscal Year Ended Mar. 31, 2011 (from April 1, 2010 to March 31, 2011)

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

	Net sales		Operating income		Ordinary income		Net income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Fiscal Year Ended Mar. 31, 2011	1,617,185	3.0	31,629	(15.7)	40,688	7.8	8,541	(32.0)
Fiscal Year Ended Mar. 31, 2010	1,569,633	(14.2)	37,535	12.0	37,753	(10.2)	12,566	(17.2)

(Note) Comprehensive income:

Fiscal Year Ended Mar. 31, 2011: (¥5,423 million) (—%) Fiscal Year Ended Mar. 31, 2010: ¥20,269 million (—%)

	Net income per share	Diluted net income per share	Net income on equity	Ordinary income on assets	Operating margin to sales
	Yen	Yen	%	%	%
Fiscal Year Ended Mar. 31, 2011	8.19	—	1.8	3.5	2.0
Fiscal Year Ended Mar. 31, 2010	12.05	—	2.6	3.2	2.4

(Note) Investment gain or loss on equity method:

Fiscal Year Ended Mar. 31, 2011: ¥541 million Fiscal Year Ended Mar. 31, 2010: (¥7,869 million)

#### (2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	¥ million	¥ million	%	Yen
Fiscal Year Ended Mar. 31, 2011	1,147,539	479,898	40.7	448.29
Fiscal Year Ended Mar. 31, 2010	1,201,801	495,883	40.3	464.38

(Note) Equity: Fiscal Year Ended Mar. 31, 2011: ¥467,451 million Fiscal Year Ended Mar. 31, 2010: ¥484,253 million

#### (3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from Investment activities	Cash flow from financing activities	Cash and cash equivalents at end of year
	¥ million	¥ million	¥ million	¥ million
Fiscal Year Ended Mar. 31, 2011	64,394	(48,086)	(26,225)	107,062
Fiscal Year Ended Mar. 31, 2010	82,198	(54,325)	(648)	121,187

## 2. Dividends Information

	Annual dividend per share					Total dividend (Annual)	Dividend payout ratio (Consolidated)	Dividend payout ratio on net assets (Consolidated)
	First Quarter	Second Quarter	Third Quarter	Year End	Yearly			
	Yen	Yen	Yen	Yen	Yen	¥ million	%	%
Fiscal Year Ended Mar. 31, 2010	—	5.00	—	5.00	10.00	10,428	83.0	2.2
Fiscal Year Ended Mar. 31, 2011	—	5.00	—	5.00	10.00	10,427	122.1	2.2
Fiscal Year Ending Mar. 31, 2012 (Forecast)	—	5.00	—	5.00	10.00		49.7	

## 3. Forecast of Consolidated Financial Results for FY2011 (from April 1, 2011 to March 31, 2012)

(%: compared with the previous period)

	Net sales		Operating income		Ordinary income		Net income		Net income per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	Yen
Interim of year	795,000	(1.2)	12,500	(16.8)	16,000	(21.5)	8,000	87.5	7.67
Full year	1,620,000	0.2	35,000	10.7	42,000	3.2	21,000	145.9	20.14

## 4. Other

(1) Significant changes of subsidiaries during the period under review (affecting specific subsidiaries due to changes in scope of consolidation): Not applicable

(2) Changes in the accounting principles, accounting procedures, presentation, etc.

1) Changes due to the revision of accounting standards, etc.: Yes

2) Any changes other than 1) above: No

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

1) Total number of issued shares at end of period (including treasury stock)	Fiscal year ended Mar. 31, 2011	1,062,299,281 shares	Fiscal year ended Mar. 31, 2010	1,062,299,281 shares
2) Total number of treasury shares at the end of the period	Fiscal year ended Mar. 31, 2011	19,559,139 shares	Fiscal year ended Mar. 31, 2010	19,500,690 shares
3) Average number of shares during period	Fiscal year ended Mar. 31, 2011	1,042,770,621 shares	Fiscal year ended Mar. 31, 2010	1,042,827,938 shares

## (Notes) Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year ended March 31, 2011 (from April 1, 2010 to March 31, 2011)

(1) Non-consolidated Business Results (%: compared with the previous period)

	Net sales		Operating income		Ordinary income		Net income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Fiscal Year Ended Mar. 31, 2011	1,053,106	0.5	15,780	(32.1)	21,861	(24.2)	692	(88.3)
Fiscal Year Ended Mar. 31, 2010	1,047,549	(16.0)	23,241	33.6	28,852	31.8	5,944	16.6

	Net income per share	Diluted net income per share
	Yen	Yen
Fiscal Year Ended Mar. 31, 2011	0.66	—
Fiscal Year Ended Mar. 31, 2010	5.70	—

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	¥ million	¥ million	%	Yen
Fiscal Year Ended Mar. 31, 2011	777,445	334,426	43.0	320.72
Fiscal Year Ended Mar. 31, 2010	828,987	350,875	42.3	336.48

(Note) Equity: Fiscal Year Ended Mar. 31, 2011: ¥334,426 million Fiscal Year Ended Mar. 31, 2010: ¥350,875 million

2. Forecast of Non-consolidated Financial Results for FY2011 (from April 1, 2011 to March 31, 2012)

(%: compared with the previous period)

	Net sales		Ordinary income		Net income		Net income per share
	¥ million	%	¥ million	%	¥ million	%	Yen
Interim of year	526,000	(0.4)	9,000	(23.2)	3,500	194.0	3.36
Full year	1,058,000	0.5	25,000	14.4	10,000	—	9.59

\*Status of execution of the audit of financial statements

This Consolidated Earnings Report is not subject to the audit of the annual financial statements under the Financial Instruments and Exchange Act, the procedures for said audit are being executed at the time of disclosing this report.

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

While descriptions in this report regarding financial prospects and other future events are based on the information available at the time this report was prepared, and based on certain assumptions considered to be reasonable. Accordingly our actual business performance may differ significantly from the prospects due to a number of factors. For the assumptions as the basis for the financial forecasts and notes regarding the effective use of the financial forecasts, please refer to "Projections for Next Fiscal Year" on page 6 of the appendix.

Nippon Express Co., Ltd. is planning to hold a briefing session for institutional investors and analysts on May 20, 2011. Material provided is to be posted on the Company's website immediately after the session.

## 1. Business Results

### (1) Analysis of Business Results

During the consolidated fiscal year under review, the Japanese economy continued to experience a moderate turnaround in corporate earnings on the back of a recovery in the overseas economy. However its overall condition remained in the balance, affected by persistent concerns about the economic downturn, including a slowdown in exports due to the appreciation of the yen, the lagging employment situation in addition to waning effectiveness of economic policy packages implemented both at home and abroad. Further, the Great East Japan Earthquake that struck on March 11, 2011 had a devastating effect on the country's economy, creating significant uncertainty about the future direction of the economy.

In the field of logistics, given the economic environment as described above, the demand for international freight transportation, especially exports to Asian countries such as China and other emerging economies, demonstrated solid growth over the course of the year. On the contrary, the demand for domestic freight transportation remained in a severe condition, in the face of a decrease in total freight handling volume coupled with the disruption of distribution systems in the Tohoku region owing to the Earthquake.

In such a tough business environment, the Nippon Express Group made collective efforts to achieve four basic strategies, comprising of two foundations for growth, "Growth as a Global Logistics Company" and "Promotion of Strategic Environmental Management"; and of measures to achieve these foundations, "Enhancement of Management Infrastructure" and "Promotion of Corporate Social Responsibility (CSR) Management", based on a three-year medium-term management plan that commenced on April 1, 2010, "Nippon Express Group Corporate Strategy 2012 – Towards New Growth".

Specifically, for "Growth as a Global Logistics Company", the Group has embarked on organizational reform designed to develop its overseas-related business in the fast growing Asian market, while initiating projects such as expanding the solution business, strengthening the function of global business bases and broadening the overseas transportation network with the aim of swift and positive responses to increasingly sophisticated global business needs.

With regard to the "Promotion of Strategic Environmental Management", the Group has been actively expanding environmental businesses and supporting nurture and dissemination of environmental awareness by offering its environmentally-friendly logistics products, promoting a modal shift of increased efficiency, implementing resource-saving measures for packing materials.

To achieve the "Enhancement of Management Infrastructure" and "Promotion of Corporate Social Responsibility (CSR) Management", the Group has implemented a review for improving educational promotion system with the intention of enhancing its competitiveness within both the global market and highly advanced special fields. Further, the Group has focused a various initiatives geared toward the achievement of sustainable growth, such as the promotion of social contribution activities.

The Great East Japan Earthquake caused substantial damage to a number of Nippon Express Group offices.

Nevertheless, the Group has engaged proactively in collective efforts to respond to customer requirements and resume operation at stricken offices. In parallel with this, the Group is fulfilling its emergency transporter role, designated by the government as a public institution in the event of natural disaster, to deliver relief supplies using its entire transportation systems.

As a result, net sales increased by 47.5 billion yen or 3.0% year-on-year to 1,617.1 billion yen, while ordinary income increased by 2.9 billion yen or 7.8% year-on-year to 40.6 billion yen. Net income decreased by 4 billion yen or 32.0% year-on-year to 8.5 billion, due to the effect of application of accounting standard for asset retirement obligations and to the impact of the Great East Japan Earthquake that struck on March 11, 2011.

The financial results by industry segment are summarized below.

#### 1. Combined Business (Distribution & Transportation, domestic companies)

This segment suffered a decline in transactions due to a fall in demand for domestic freight transportation. The situation deteriorated by a sharp decline in the volume of moving & relocation business during the seasonal peak demand period in

the wake of the Great East Japan Earthquake. As a result of such situation, net sales decreased by 33.5 billion yen or 4.5% year-on-year to 717.4 billion yen, while operating income was 8.3 billion yen, down 6.3 billion yen or 43.1% on a year-on-year basis.

## **2. Security Transportation** (Distribution & Transportation, domestic companies)

As a result of decline in demand for domestic freight transportation and decrease in the unit price for each service and other factors, net sales was 59.5 billion yen, a decrease of 1.3 billion yen or 2.2% year-on-year and an operating income was 1.8 billion yen, a decrease of 1.8 billion yen or 50.6% year-on-year.

## **3. Heavy Haulage & Construction** (Distribution & Transportation, domestic companies)

Owing to a decline in the demand for wind energy and plant construction plants and others, net sales came to 34.3 billion yen, a 4.9 billion yen or 12.6% decrease on a year-on-year basis, while operating income dropped 1.5 billion yen or 36.7% year-on-year to 2.6 billion yen.

## **4. Air Transportation & Travel** (Distribution & Transportation, domestic companies)

Mainly due to an increase in export and import cargoes, helped by the recovery of the world economy, net sales was 203.4 billion yen, an increase of 19.5 billion yen or 10.6% year-on-year, but operating income was 0.9 billion yen, a decrease of 1.6 billion yen or 63.9% year-on-year.

## **5. Marine & Harbor Transportation** (Distribution & Transportation, domestic companies)

Mainly due to an increase in export and import cargoes, helped by the recovery of the world economy, net sales was 124.2 billion yen, an increase of 13.4 billion yen or 12.2% year-on-year, and operating income was 5.4 billion yen, an increase of 2 billion yen or 62.6% year-on-year.

## **6. The Americas** (Distribution & Transportation, overseas companies)

Both air and marine & harbor transportation showed steady performances, helped by the recovery of the world economy, with air freight export cargoes of automotive-related and electronics, etc. marking a notable increase. Thanks chiefly to this, net sales rose 5 billion yen or 13.5% year-on-year to 42.8 billion yen and operating income soared 1.3 billion yen or 636.2% year-on-year to 1.5 billion yen.

## **7. Europe** (Distribution & Transportation, overseas companies)

As a result of increase in exports of automotive-related cargoes and imports of home-appliance parts, materials and products, and other such factors, helped by the recovery of the world economy, net sales increased by 0.3 billion yen or 0.8% year-on-year to 45.0 billion yen while operating income increased by 1.3 billion yen or 306.1% year-on-year to 1.7 billion yen.

## **8. East Asia** (Distribution & Transportation, overseas companies)

Not only freight movement of home-appliance parts, materials and products to Europe and the United States, but of overall goods to Asian area generally showed solid results, helped by the recovery of the world economy. Reflecting such trend, net sales came to 76.9 billion yen and operating income came to 2 billion yen.

## **9. South Asia & Oceania** (Distribution & Transportation, overseas companies)

The volume of transaction of air transportation expanded, particularly for electronics parts manufacturers, helped by the recovery of the world economy. Thanks chiefly to this, net sales was 45.5 billion yen and operating income was 1.3 billion yen.

## **10. Goods Sales**

Mainly thanks to an increase in packaging service transactions along with an increase in export-related cargo, net sales climbed 29.8 billion or 9.2% year-on-year to 352.5 billion yen, likewise operating income rose 1.2 billion or 20.8% year-on-year to 7 billion yen.

## 11. Other

Mainly thanks to the solid performance of the logistic finance business, net sales increased by 3.6 billion yen or 11.2% year-on-year to 35.9 billion yen while operating income edged up 0.06 billion yen or 4.3% year-on-year to 1.5 billion.

### (2) Projections for Next Fiscal Year

Projections for next fiscal year have been made in consideration of trends in crude oil prices, risks of exchange rate fluctuations and other such factors.

As stated in "1. Business Results (1) Analysis of Business Results", the global economic climate is anticipated to recover gradually, mainly due to the robust growth of emerging economies, particularly Asia and the turnaround in the U.S. economy. However, destabilization in crude oil prices and several other factors have heightened a sense of uncertainty over the outlook for the economy. In addition, the sharp fall in production levels and decline in consumer spending in the aftermath of the Great East Japan Earthquake are likely to weigh on the recovery of the domestic economy and have some impact globally.

As for freight movement, the international freight segment is expected to continue to enjoy brisk demand, largely supported by freight transportation to China and other emerging economies. Sluggish demand for domestic freight transportation is likely to persist, faced with the aftereffects of the Great East Japan Earthquake and other factors.

In such a business climate, the Nippon Express Group is unlikely to see a recovery in net sales for the first half of the next fiscal year ending March 31, 2012 and correspondingly both operating income and ordinary income are expected to decline. However, the Group expects net income for the period to grow as the impact from last year's loss on adjustment for changes of accounting standard for asset retirement obligations fades out. Net sales, operating income, ordinary income and net income for the full year expect to grow, thanks in large part to the expansion in the global logistics business.

Projections for the fiscal year ending March 31, 2012 as of the release date of this report are as follows.

#### Projection of Consolidated Financial Results (Full-year)

Net sales	1,620 billion yen (up 0.2% year-on-year)
Operating income	35 billion yen (up 10.7% year-on-year)
Ordinary income	42 billion yen (up 3.2% year-on-year)
Net income	21 billion yen (up 145.9% year-on-year)

#### Projection of Non-consolidated Financial Results (Full-year)

Net sales	1,058 billion yen (up 0.5% year-on-year)
Operating income	20 billion yen (up 26.7% year-on-year)
Ordinary income	25 billion yen (up 14.4% year-on-year)
Net income	10 billion yen (up -% year-on-year)

\* The above forward-looking statements were deemed reasonable by the Company based on data available to the Company at the time. It should be noted that its actual business performance may differ from the projections.

### (3) Analysis of Financial Position

Total assets as at the end of the fiscal year under review amounted to 1,147.5 billion yen, a year-on-year decrease of 54.2 billion yen or 4.5%.

Current assets amounted to 490.4 billion yen, a year-on-year decrease of 31.5 billion yen or 6.0%, while noncurrent assets totaled 657.0 billion yen, down 22.7 billion yen or 3.3% year-on-year.

The primary factors behind the decrease in current assets were decrease in cash and deposits, etc.

The primary factors behind the decrease in noncurrent assets were decrease in investment securities due to fall in stock

prices, etc.

Total liabilities as at the end of the fiscal year were 667.6 billion yen, a year-on-year decrease of 38.2 billion yen or 5.4%. Current liabilities decreased by 93.8 billion yen or 21.6% year-on-year to 340.4 billion yen, while noncurrent liabilities increased 55.5 billion yen or 20.5% to 327.2 billion yen.

The decrease in current liabilities was primarily due to the decrease in short-term loans payable, etc.

The increase in noncurrent liabilities was mainly attributable to the increase in long-term loans payable, etc.

Net assets amounted to 479.8 billion yen at the end of the fiscal year, a year-on-year decrease of 15.9 billion yen or 3.2%.

The main contributor to the decrease in net assets was the decrease in valuation difference on available-for-sale securities and valuation and translation adjustments, etc.

Net cash provided by operating activities amounted to 64.3 billion yen, a year-on-year decrease of 17.8 billion yen. This was primarily due to the increase in the payment of income taxes, etc.

Net cash used in investment activities totaled 48 billion yen, a decrease of 6.2 billion yen year-on-year. This was mainly due to the decrease in payments for purchase of noncurrent assets, etc.

Net cash used in financing activities amounted to 26.2 billion yen, a year-on-year increase of 25.5 billion yen. This was largely due to the decrease in proceeds from issuing bonds in the previous fiscal year, etc.

As a result of the above, cash and cash equivalents at the end of the fiscal year decreased 14.1 billion yen year-on-year to 107 billion yen.

Trends in the Group's cash flow indicators are as follows.

	FY2006	FY2007	FY2008	FY2009	FY2010
Equity ratio (%)	37.3	39.3	40.4	40.3	40.7
Marked-to-market equity ratio (%)	56.6	46.1	27.4	34.9	29.0
Ratio of cash flow to interest-bearing liabilities (%)	2.9	3.9	5.3	4.2	5.2
Interest coverage ratio (%)	30.1	20.7	14.8	23.4	17.9

(Notes)

Equity ratio: Equity / Total assets

Marked-to-market equity ratio: Market capitalization / Total assets

Ratio of cash flow to interest-bearing liabilities: Interest-bearing liabilities / Operating cash flow

Interest coverage ratio: Operating cash flow / Interest payment

\* All indicators have been calculated based on consolidated financial data.

\* Market capitalization is calculated by multiplying the closing share price as at the end of the fiscal year by the number of issued shares as at the end of the fiscal year (after deducting treasury stock).

\* For operating cash flow, cash flow from operating activities in the consolidated cash flow statement has been used.

Interest-bearing liabilities include all liabilities declared in the consolidated balance sheet for which interest is paid. For interest payment, the amount of interest paid according to the consolidated cash flow statement is used.

#### **(4) Basic Policy for Profit Sharing and Dividends for FY2010 and FY2011**

Generating returns for shareholders is regarded as one of the most important policies by the Company. The Company's policy is to endeavor to enhance its operations, strengthen its balance sheet, boost shareholders' equity and improve profitability, while increasing shareholder returns with a focus on stable dividends.

On the other hand, we will utilize retained earnings in capital investments aimed at expanding the sales of various transport products and improving transportation efficiency, such as developing logistics centers and replacing vehicles. We will also seek to strengthen the Company's financial position and endeavor to reinforce its fundamentals.

For this fiscal year, the Company plans to pay an annual dividend of 10 yen, consisting of an interim dividend and a year-end dividend of 5 yen each (consolidated dividend payout ratio of 122.1%). For FY2011, we plan to pay an annual dividend of 10 yen, consisting of an interim dividend and a year-end dividend of 5 yen each (consolidated dividend payout ratio of 49.7%).

#### 4. Consolidated Financial Statements

##### (1) Consolidated Balance Sheets

(Unit: Millions of Yen)

	FY2009 (as of March 31, 2010)	FY2010 (as of March 31, 2011)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	129,217	113,149
Notes receivable-trade	12,023	11,934
Accounts receivable-trade	226,907	221,814
Inventories	4,985	4,806
Advanced money	1,330	2,056
Prepaid expenses	8,197	7,921
Deferred tax assets	15,281	12,863
Leased investment assets	89,978	87,989
Other	35,179	28,990
Allowance for doubtful accounts	(1,084)	(1,046)
<b>Total current assets</b>	<b>522,014</b>	<b>490,481</b>
<b>Noncurrent assets</b>		
<b>Property, plant and equipment</b>		
Vehicles	181,553	171,293
Accumulated depreciation	(157,686)	(151,339)
<b>Vehicles (net)</b>	<b>23,867</b>	<b>19,953</b>
Buildings	522,012	538,495
Accumulated depreciation	(274,811)	(287,429)
<b>Buildings (net)</b>	<b>247,200</b>	<b>251,066</b>
Structures	64,341	64,501
Accumulated depreciation	(48,633)	(49,383)
<b>Structures (net)</b>	<b>15,707</b>	<b>15,117</b>
Machinery	65,055	64,459
Accumulated depreciation	(49,883)	(50,889)
<b>Machinery (net)</b>	<b>15,171</b>	<b>13,570</b>
Tools, furniture and fixtures	92,565	90,128
Accumulated depreciation	(69,128)	(68,062)
<b>Tools, furniture and fixtures (net)</b>	<b>23,437</b>	<b>22,066</b>
Vessels	16,696	16,870
Accumulated depreciation	(11,587)	(12,483)
<b>Vessels (net)</b>	<b>5,109</b>	<b>4,387</b>
Land	167,448	171,977
Leased assets	5,394	5,146
Accumulated depreciation	(1,438)	(1,776)
<b>Leased assets (net)</b>	<b>3,955</b>	<b>3,369</b>
Construction in progress	5,170	2,631
<b>Total property, plant and equipment</b>	<b>507,069</b>	<b>504,140</b>
<b>Intangible assets</b>		
Land leasehold	6,742	7,133
Other	21,539	20,227
<b>Total Intangible assets</b>	<b>28,282</b>	<b>27,360</b>

(Unit: Millions of Yen)

	FY2009 (as of March 31, 2010)	FY2010 (as of March 31, 2011)
Investments and other assets		
Investment securities	104,585	87,795
Long-term loans receivable	1,425	1,335
Long-term loan to employees	1,655	1,305
Long-term prepaid expense	3,407	2,976
Deposit	14,708	14,250
Other	20,613	19,813
Allowance for doubtful accounts	(1,959)	(1,919)
Total investments and other assets	144,435	125,557
Total noncurrent assets	679,786	657,058
Total assets	1,201,801	1,147,539
Liabilities		
Current liabilities		
Notes payable-trade	6,687	6,991
Accounts payable-trade	129,002	119,899
Short-term loans payable	111,501	49,925
Other Payables	30,057	24,616
Income taxes payable	7,680	5,297
Consumer tax payable	4,899	4,899
Unpaid expenses	19,267	17,010
Advance receipt	10,754	10,140
Deposits	53,341	40,302
Deposits from employees	29,932	29,670
Provision for bonus	19,159	19,139
Provision for directors' bonus	154	137
Allowance for warranty and repair	2	360
Provision for loss on disaster	—	4,035
Other	11,815	7,980
Total current liabilities	434,258	340,408
Noncurrent liabilities		
Bonds payable	50,000	50,000
Long-term loans payable	145,127	199,494
Provision for retirement benefits	39,268	37,540
Provision for directors' retirement benefits	417	418
Provision for special repayment	287	208
Deferred tax liabilities	21,108	17,510
Other	15,450	22,060
Total noncurrent liabilities	271,659	327,232
Total liabilities	705,918	667,641

(Unit: Millions of Yen)

	FY2009 (as of March 31, 2010)	FY2010 (as of March 31, 2011)
Net assets		
Shareholders' equity		
Capital stock	70,175	70,175
Capital surplus	26,908	26,908
Retained earnings	377,675	375,785
Treasury stock	(11,524)	(11,542)
Total shareholders' equity	463,234	461,326
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	33,248	26,370
Deferred gains/losses on hedges	12	9
Foreign currency translation adjustments	(12,241)	(20,255)
Total accumulated other comprehensive income	21,019	6,125
Minority interests	11,629	12,446
Total net assets	495,883	479,898
Total liabilities and net assets	1,201,801	1,147,539

## (2) Consolidated Statements of Income and Comprehensive Income

## Consolidated Statements of Income

(Unit: Millions of Yen)

	FY2009 (from April 1, 2009 to March 31, 2010)	FY2010 (from April 1, 2010 to March 31, 2011)
Net sales	1,569,633	1,617,185
Cost of sales	1,457,865	1,510,590
Gross profit	111,768	106,595
Selling, general and administrative expenses		
Employment costs	40,699	41,018
Depreciation and amortization	4,421	4,706
Advertising expenses	4,042	4,088
Provision for allowance for doubtful accounts	99	352
Other	24,969	24,800
Total selling, general and administrative expenses	74,232	74,965
Operating income	37,535	31,629
Non-operating income		
Interest income	507	434
Dividends income	2,177	2,223
Gain on sales of vehicles	214	306
Equity in earnings of affiliates	—	541
Income from foreign exchange	1,724	1,888
Other	8,714	8,261
Total non-operating income	13,338	13,655
Non-operating expenses		
Interest expense	3,629	3,456
Loss on sale and retirement of vehicles	271	107
Equity in losses of affiliates	7,869	—
Other	1,349	1,032
Total non-operating expenses	13,120	4,596
Ordinary income	37,753	40,688
Extraordinary income		
Gain on sales of noncurrent assets	1,604	5,233
Gain on sales of investment securities	932	46
Gain on change in equity	2,478	—
Change in profit for previous term	341	139
Other	47	179
Total extraordinary income	5,404	5,598
Extraordinary loss		
Loss on disposal of noncurrent assets	4,998	4,432
Loss on sales of investment securities	1,761	47
Loss on valuation of investment securities	5,761	5,892
Impairment loss	464	—
Promotion expenses for parcel delivery business integration	518	—
Cost of car painting renewal	3,377	—
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	7,505
Change in loss for previous term	6	34
Loss on disaster	—	*1 4,847
Other	504	535
Total extraordinary loss	17,392	23,296

(Unit: Millions of Yen)

	FY2009 (from April 1, 2009 to March 31, 2010)	FY2010 (from April 1, 2010 to March 31, 2011)
Income before income taxes and minority interests	25,764	22,991
Income taxes, inhabitants tax and enterprise taxes	9,995	9,799
Income taxes and other adjustments	2,412	3,576
Total enterprise taxes etc.	12,407	13,376
Income before minority interests	—	9,615
Minority interests	790	1,073
Net income	12,566	8,541

Consolidated Statements of Comprehensive Income

(Unit: Millions of Yen)

	FY2009 (from April 1, 2009 to March 31, 2010)	FY2010 (from April 1, 2010 to March 31, 2011)
Income before minority interests	—	9,615
Other comprehensive income		
Valuation difference on available-for-sale securities	—	(6,886)
Deferred gains/losses on hedges	—	(2)
Foreign currency translation adjustment	—	(7,971)
Share of other comprehensive income of associates accounted for using equity method	—	(178)
Other comprehensive income	—	<sup>*1</sup> (15,038)
Comprehensive income	—	<sup>*2</sup> (5,423)
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of the parent	—	(6,353)
Comprehensive income attributable to minority interests	—	929

## (3) Consolidated Statements of Changes in Net Assets

(Unit: Millions of Yen)

	FY2009 (from April 1, 2009 to March 31, 2010)	FY2010 (from April 1, 2010 to March 31, 2011)
<b>Shareholders' equity</b>		
Capital stock		
Balance at the end of previous period	70,175	70,175
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	70,175	70,175
Capital surplus		
Balance at the end of previous period	26,908	26,908
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	26,908	26,908
Retained earnings		
Balance at the end of previous period	373,749	377,675
Changes of items during the period		
Dividends from surplus	(10,428)	(10,427)
Net income	12,566	8,541
Disposal of treasury stock	(5)	(3)
Change of scope of equity method	1,793	—
Total changes of items during the period	3,925	(1,889)
Balance at the end of current period	377,675	375,785
Treasury stock		
Balance at the end of previous period	(11,507)	(11,524)
Changes of items during the period		
Purchase of treasury stock	(32)	(26)
Disposal of treasury stock	15	8
Total changes of items during the period	(17)	(17)
Balance at the end of current period	(11,524)	(11,542)
Total shareholders' equity		
Balance at the end of previous period	459,326	463,234
Changes of items during the period		
Dividends from surplus	(10,428)	(10,427)
Net income	12,566	8,541
Purchase of treasury stock	(32)	(26)
Disposal of treasury stock	9	4
Change of scope of equity method	1,793	—
Total changes of items during the period	3,907	(1,907)
Balance at the end of current period	463,234	461,326

(Unit: Millions of Yen)

	FY2009 (from April 1, 2009 to March 31, 2010)	FY2010 (from April 1, 2010 to March 31, 2011)
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the end of previous period	28,271	33,248
Changes of items during the period		
Net changes of items other than shareholders' equity	4,976	(6,877)
Total changes of items during the period	4,976	(6,877)
Balance at the end of current period	33,248	26,370
Deferred gains/losses on hedges		
Balance at the end of previous period	(0)	12
Changes of items during the period		
Net changes of items other than shareholders' equity	12	(2)
Total changes of items during the period	12	(2)
Balance at the end of current period	12	9
Foreign currency translation adjustments		
Balance at the end of previous period	(14,106)	(12,241)
Changes of items during the period		
Net changes of items other than shareholders' equity	1,865	(8,014)
Total changes of items during the period	1,865	(8,014)
Balance at the end of current period	(12,241)	(20,255)
Total accumulated other comprehensive income		
Balance at the end of previous period	14,164	21,019
Changes of items during the period		
Net changes of items other than shareholders' equity	6,855	(14,894)
Total changes of items during the period	6,855	(14,894)
Balance at the end of current period	21,019	6,125
Minority interests		
Balance at the end of previous period	10,846	11,629
Changes of items during the period		
Net changes of items other than shareholders' equity	782	817
Total changes of items during the period	782	817
Balance at the end of current period	11,629	12,446
Total net assets		
Balance at the end of previous period	484,337	495,883
Changes of items during the period		
Dividends from surplus	(10,428)	(10,427)
Net income	12,566	8,541
Purchase of treasury stock	(32)	(26)
Disposal of treasury stock	9	4
Change of scope of equity method	1,793	—
Net changes of items other than shareholders' equity	7,638	(14,077)
Total changes of items during the period	11,545	(15,985)
Balance at the end of current period	495,883	479,898

## (4) Consolidated Statements of Cash Flows

(Unit: Millions of Yen)

	FY2009 (from April 1, 2009 to March 31, 2010)	FY2010 (from April 1, 2010 to March 31, 2011)
<b>Cash flows from operating activities</b>		
Income before income taxes and minority interests	25,764	22,991
Depreciation and amortization	52,446	52,470
Impairment loss	464	—
Promotion expenses for parcel delivery business integration	518	—
Cost of car painting renewal	3,377	—
(Gain) loss on change in equity	(2,478)	—
Loss on adjustment for changes of accounting standard for asset retirement obligations	—	7,505
Loss on disaster	—	4,847
(Gain) loss on sales or valuation of investment securities	6,553	5,894
(Gain) loss on sales of noncurrent assets	3,488	(998)
Increase (decrease) in provision for bonus	(186)	54
Increase (decrease) in provision for retirement benefits	(5,233)	(1,483)
Interest and dividend income	(2,685)	(2,657)
Interest expense	3,629	3,456
Equity in (earnings) losses of affiliates	7,869	(541)
(Increase) decrease in notes and accounts receivable-trade	(753)	2,999
(Increase) decrease in inventories	1,694	162
Increase (decrease) in notes and accounts payable-trade	(657)	(4,670)
Increase (decrease) in consumption tax payable	1,955	141
Other	(934)	(9,017)
Subtotal	94,833	81,152
Interest and dividends income received	3,071	2,964
Interest expenses paid	(3,509)	(3,604)
Payment of other payables upon transfer to defined contribution pension plan	(3,937)	(3,908)
Payment for promotion expenses for parcel delivery business integration	(1,407)	—
Penalty imposed by Japan Fair Trade Commission	(2,495)	—
Payment for cost of car painting renewal	(668)	—
Income taxes paid	(3,688)	(12,209)
Net cash provided by operating activities	82,198	64,394
<b>Cash flows from investment activities</b>		
Payments for purchase of investment securities	(252)	(517)
Proceeds from sales of investment securities	5,310	326
Payments for purchase of noncurrent assets	(63,673)	(58,008)
Proceeds from sales of noncurrent assets	3,906	8,511
Other	384	1,601
Net cash used in investment activities	(54,325)	(48,086)
<b>Cash flows from financing activities</b>		
Increase (decrease) in short-term loans payable, net	(14,493)	(3,395)
Increase (decrease) in commercial paper, net	(4,700)	(7,000)
Proceeds from long-term loans payable	48,724	101,106
Payment of long-term loans payable	(47,427)	(104,857)
Proceeds from issuing bonds	30,000	—
Proceeds from stock issuance to minority shareholders	144	99
Cash dividends paid	(10,428)	(10,427)
Other	(2,468)	(1,750)
Net cash used in financing activities	(648)	(26,225)
Effect of exchange rate changes on cash and cash equivalents	931	(4,207)
Net increase (decrease) in cash and cash equivalents	28,155	(14,124)
Cash and cash equivalents at beginning of period	93,031	121,187
Cash and cash equivalents at end of period	121,187	107,062

**Disclaimer:**

**This English translation has been prepared for general reference purposes only.**

**The Company shall not be responsible for any consequence resulting from the use of the English translation in place of the original Japanese text.**

**In any legal matter, readers should refer to and rely upon the original Japanese text released May 20, 2011.**

1. Consolidated Reference Materials

○ Financial Results of Reportable segment for FY 2010

(Reportable Segment)

(Unit: Millions of yen, %)

				FY 2010	FY 2009	Change		
						Amount	Ratio	
Net sales	Distribution & Transportation	Domestic companies	Combined Business	717,439	751,004	(33,564)	(4.5)	
			Security Transportation	59,542	60,875	(1,332)	(2.2)	
			Heavy Haulage & Construction	34,356	39,294	(4,937)	(12.6)	
			Air Transportation & Travel	203,408	183,860	19,547	10.6	
			Marine & Harbor Transportation	124,216	110,717	13,498	12.2	
		Overseas companies	The Americas	42,806	37,717	5,088	13.5	
			Europe	45,069	44,724	345	0.8	
			East Asia	76,955	93,830	28,689	30.6	
			South Asia & Oceania	45,564				
		Goods Sales				352,507	322,699	29,808
	Other				35,980	32,347	3,632	11.2
	Adjustment				(120,662)	(107,437)	(13,224)	
	Total				1,617,185	1,569,633	47,552	3.0
	Segment income (Operating income)	Distribution & Transportation	Domestic companies	Combined Business	[1.2] 8,381	[2.0] 14,735	(6,354)	(43.1)
Security Transportation				[3.0] 1,806	[6.0] 3,654	(1,847)	(50.6)	
Heavy Haulage & Construction				[7.8] 2,685	[10.8] 4,242	(1,556)	(36.7)	
Air Transportation & Travel				[0.5] 952	[1.4] 2,640	(1,688)	(63.9)	
Marine & Harbor Transportation				[4.4] 5,439	[3.0] 3,345	2,094	62.6	
Overseas companies			The Americas	[3.7] 1,584	[0.6] 215	1,369	636.2	
			Europe	[4.0] 1,784	[1.0] 439	1,345	306.1	
			East Asia	[2.7] 2,098	[3.3] 3,067	422	13.8	
			South Asia & Oceania	[3.1] 1,391	[ ]			
Goods Sales				[2.0] 7,053	[1.8] 5,836	1,216	20.8	
Other				[4.2] 1,509	[4.5] 1,447	62	4.3	
Adjustment				(3,057)	(2,089)	(968)		
Total				[2.0] 31,629	[2.4] 37,535	(5,905)	(15.7)	

(Notes) - Figures in brackets indicate Operating Margin.

- Amounts related to all the companies in Asia & Oceania were included in East Asia in FY2009. Changes in the amounts for East Asia are all attributable to those of Asia & Oceania.

○ Projection for FY 2011

(Reportable Segment)

(Unit: Millions of yen, %)

				FY 2011	FY 2010	Change	
						Amount	Ratio
Net sales	Distribution & Transportation	Domestic companies	Combined Business	706,214	717,439	(11,225)	(1.6)
			Security Transportation	59,104	59,542	(438)	(0.7)
			Heavy Haulage & Construction	32,001	34,356	(2,355)	(6.9)
			Air Transportation & Travel	209,086	203,408	5,678	2.8
			Marine & Harbor Transportation	132,691	124,216	8,475	6.8
	Overseas companies	The Americas	44,587	42,806	1,780	4.2	
		Europe	46,989	45,069	1,919	4.3	
		East Asia	79,976	76,955	3,020	3.9	
		South Asia & Oceania	49,534	45,564	3,969	8.7	
	Goods Sales			343,190	352,507	(9,317)	(2.6)
	Other			38,913	35,980	2,933	8.2
	Adjustment			(122,288)	(120,662)	(1,626)	
	Total			1,620,000	1,617,185	2,814	0.2
Segment income (Operating income)	Distribution & Transportation	Domestic companies	Combined Business	[1.2] 8,533	[1.2] 8,381	152	1.8
			Security Transportation	[4.8] 2,817	[3.0] 1,806	1,010	55.9
			Heavy Haulage & Construction	[5.6] 1,807	[7.8] 2,685	(878)	(32.7)
			Air Transportation & Travel	[1.8] 3,698	[0.5] 952	2,746	288.3
			Marine & Harbor Transportation	[5.3] 7,070	[4.4] 5,439	1,630	30.0
	Overseas companies	The Americas	[3.6] 1,588	[3.7] 1,584	3	0.3	
		Europe	[3.9] 1,836	[4.0] 1,784	51	2.9	
		East Asia	[2.7] 2,147	[2.7] 2,098	48	2.3	
		South Asia & Oceania	[2.9] 1,448	[3.1] 1,391	56	4.1	
	Goods Sales			[1.8] 6,170	[2.0] 7,053	(882)	(12.5)
	Other			[4.8] 1,860	[4.2] 1,509	350	23.2
	Adjustment			(3,978)	(3,057)	(920)	
	Total			[2.2] 35,000	[2.0] 31,629	(3,370)	10.7

(Note) Figures in brackets indicate Operating Margin.

○ Projection for 1H of the year for FY 2011

(Reportable Segment)

(Unit: Millions of yen, %)

				FY 2011	FY 2010	Change	
						Amount	Ratio
Net sales	Distribution & Transportation	Domestic companies	Combined Business	350,521	360,013	(9,492)	(2.6)
			Security Transportation	29,387	29,982	(595)	(2.0)
			Heavy Haulage & Construction	16,366	18,672	(2,306)	(12.4)
			Air Transportation & Travel	104,562	101,133	3,428	3.4
			Marine & Harbor Transportation	66,201	63,057	3,143	5.0
		Overseas companies	The Americas	21,573	21,494	78	0.4
			Europe	22,695	21,672	1,023	4.7
			East Asia	36,871	37,231	(359)	(1.0)
			South Asia & Oceania	23,251	21,992	1,258	5.7
			Goods Sales	164,168	172,241	(8,072)	(4.7)
	Other			19,207	16,874	2,333	13.8
	Adjustment			(59,805)	(60,002)	196	
	Total			795,000	804,364	(9,364)	(1.2)
	Segment income (Operating income)	Distribution & Transportation	Domestic companies	Combined Business	[0.2] 695	[1.0] 3,747	(3,052)
Security Transportation				[3.8] 1,106	[3.1] 923	183	19.9
Heavy Haulage & Construction				[5.4] 879	[8.2] 1,534	(655)	(42.7)
Air Transportation & Travel				[1.4] 1,476	[0.1] 133	1,342	
Marine & Harbor Transportation				[5.7] 3,767	[4.8] 3,018	749	24.8
Overseas companies			The Americas	[2.0] 441	[3.6] 767	(326)	(42.5)
			Europe	[3.3] 758	[2.9] 620	138	22.3
			East Asia	[2.6] 941	[2.4] 880	61	6.9
			South Asia & Oceania	[2.5] 592	[3.1] 670	(78)	(11.7)
			Goods Sales	[1.5] 2,466	[2.0] 3,427	(960)	(28.0)
Other			[3.6] 693	[3.9] 660	32	5.0	
Adjustment			(1,320)	(1,355)	34		
Total			[1.6] 12,500	[1.9] 15,030	(2,530)	(16.8)	

(Note) Figures in brackets indicate Operating Margin.

○ Changes in number of employees as of year end

(Unit: Millions of yen, %)

	Mar. end 2011	Sep. end 2010	Mar. end 2010	Change (vs Mar. end 2010)	
				Amount	Ratio
Distribution & Transportation	63,490	63,097	62,399	1,091	1.7
Goods Sales	2,677	2,723	2,752	(75)	(2.7)
Other	736	747	745	(9)	(1.2)
Eliminations and other	21	23	20	1	5.0
Total	66,924	66,590	65,916	1,008	1.5

\* The numbers of employees for current and previous fiscal years are those after reclassification into the new reportable segments.

○ Capital Expenditures

(Unit: Millions of yen)

	Actual amount in FY 2010
Vehicles	9,277
Buildings	17,234
Land	7,371
Leased assets	9,421
Other	13,429
Total	56,733

Major investment

(Unit: Millions of yen)

Company	Amount	Note
Nippon Express	33,442	Melcedes-Benz logistics center 3,823 million yen, etc.
Nippon Truck Co., Ltd.	1,635	New terminal and warehouse in Fukui

\* Amount for Nippon Express does not include leased assets.

(Unit: Millions of yen)

	Forecast for FY 2011
Vehicles	11,280
Buildings	22,756
Land	612
Leased assets	10,439
Other	14,406
Total	59,495

Major plans

(Unit: Millions of yen)

Company	Amount	Note
Nippon Express	35,000	Tennoji logistics center 2,772 million yen, etc.
Nittsu Shoji Co., Ltd.	2,653	New headquarters building

\* Amount for Nippon Express does not include leased assets.

## 2. Non-consolidated Reference Materials

### ○ Details of sales and operating income for FY 2010

(Unit: Millions of yen, %)

		FY 2010		FY 2009		Change			
			% in Sales		% in Sales	Amount	Change %		
Net sales	Railway utilization transportation	84,390	8.0	86,009	8.2	(1,619)	(1.9)		
	Motor transportation	Combined delivery services	86,625	8.2	112,837	10.8	(26,212)	(23.2)	
		Chartered truck services	277,926	26.4	270,773	25.8	7,152	2.6	
		Subtotal	364,552	34.6	383,611	36.6	(19,059)	(5.0)	
	Marine and harbor transportation	Marine transportation	61,287	5.8	51,878	5.0	9,408	18.1	
		Harbor transportation	60,029	5.7	55,100	5.2	4,928	8.9	
		Subtotal	121,316	11.5	106,979	10.2	14,337	13.4	
		(Exports)	[ 58,945 ]		[ 47,097 ]		[ 11,848 ]	[ 25.2 ]	
		(Imports)	[ 37,717 ]		[ 36,192 ]		[ 1,524 ]	[ 4.2 ]	
		(Domestic)	[ 24,653 ]		[ 23,689 ]		[ 964 ]	[ 4.1 ]	
	Warehousing	96,777	9.2	95,113	9.1	1,663	1.7		
	Air transportation	Air freight forwarding	International air freight	119,536	11.3	97,994	9.4	21,542	22.0
			(Exports)	[ 97,948 ]		[ 77,394 ]		[ 20,554 ]	[ 26.6 ]
			(Imports)	[ 21,588 ]		[ 20,600 ]		[ 987 ]	[ 4.8 ]
		Domestic air freight	39,805	3.8	43,363	4.1	(3,557)	(8.2)	
		Subtotal	159,342	15.1	141,358	13.5	17,984	12.7	
	Travel	5,224	0.5	5,073	0.5	150	3.0		
Subtotal	164,566	15.6	146,431	14.0	18,134	12.4			
Heavy haulage and construction	44,065	4.2	49,823	4.8	(5,758)	(11.6)			
Incidental operations and others	177,437	16.9	179,580	17.1	(2,142)	(1.2)			
Total	1,053,106	100.0	1,047,549	100.0	5,556	0.5			
	(Domestic operation-related revenues)	[ 813,190 ]	77.2	[ 844,489 ]	80.6	[ (31,299) ]	[ (3.7) ]		
	(International operation-related revenues)	[ 239,915 ]	22.8	[ 203,060 ]	19.4	[ 36,855 ]	[ 18.2 ]		
Operating expenses	Employment costs	Drivers/workers	117,920	11.2	118,698	11.4	(777)	(0.7)	
		Office personnel	140,234	13.3	132,218	12.6	8,015	6.1	
		Subtotal	258,154	24.5	250,916	24.0	7,237	2.9	
	Forwarding costs	Railway	44,260	4.2	44,912	4.3	(652)	(1.5)	
		Marine	22,072	2.1	15,990	1.5	6,081	38.0	
		Air	68,025	6.5	49,503	4.7	18,522	37.4	
		Subtotal	134,358	12.8	110,406	10.5	23,952	21.7	
	Costs of car chartering and subcontracting	408,196	38.8	422,453	40.3	(14,256)	(3.4)		
	Depreciation and amortization	35,211	3.3	34,223	3.3	988	2.9		
	Facility usage charges	76,040	7.2	81,048	7.7	(5,007)	(6.2)		
Other	125,363	11.9	125,258	12.0	104	0.1			
Total	1,037,325	98.5	1,024,308	97.8	13,017	1.3			
Operating income	15,780	1.5	23,241	2.2	(7,461)	(32.1)			

○ Details of sales for the first and second half of FY 2010

(Unit: Millions of yen, %)

		FY 2010		FY 2009		Change			
			% in Sales		% in Sales	Amount	Change %		
1H of sales	Railway utilization transportation	42,498	8.1	41,256	7.9	1,242	3.0		
	Motor transportation	Combined delivery services	43,599	8.2	64,607	12.4	(21,008)	(32.5)	
		Chartered truck services	138,631	26.3	133,592	25.5	5,038	3.8	
		Subtotal	182,230	34.5	198,200	37.9	(15,970)	(8.1)	
	Marine and harbor transportation	Marine transportation	31,240	5.9	25,905	5.0	5,334	20.6	
		Harbor transportation	30,398	5.8	26,807	5.1	3,590	13.4	
		Subtotal	61,638	11.7	52,713	10.1	8,924	16.9	
		(Exports)	[ 29,790 ]		[ 22,197 ]		[ 7,592 ]	[ 34.2 ]	
		(Imports)	[ 19,403 ]		[ 18,844 ]		[ 558 ]	[ 3.0 ]	
	(Domestic)	[ 12,444 ]		[ 11,671 ]		[ 773 ]	[ 6.6 ]		
	Warehousing	46,794	8.9	47,795	9.1	(1,001)	(2.1)		
	Air transportation	Air freight forwarding	International air freight	59,344	11.2	43,305	8.3	16,038	37.0
			(Exports)	[ 48,443 ]		[ 33,455 ]		[ 14,988 ]	[ 44.8 ]
			(Imports)	[ 10,900 ]		[ 9,850 ]		[ 1,050 ]	[ 10.7 ]
		Domestic air freight	19,792	3.8	21,679	4.1	(1,886)	(8.7)	
		Subtotal	79,137	15.0	64,984	12.4	14,152	21.8	
		Travel	2,854	0.5	2,418	0.5	435	18.0	
Subtotal	81,991	15.5	67,403	12.9	14,588	21.6			
Heavy haulage and construction	23,880	4.5	27,399	5.2	(3,518)	(12.8)			
Incidental operations and others	88,893	16.8	88,398	16.9	494	0.6			
Total	527,927	100.0	523,167	100.0	4,759	0.9			
(Domestic operation-related revenues)	[ 407,752 ]	77.2	[ 428,166 ]	81.8	[ (20,413) ]	[ (4.8) ]			
(International operation-related revenues)	[ 120,174 ]	22.8	[ 95,001 ]	18.2	[ 25,173 ]	[ 26.5 ]			
2H of sales	Railway utilization transportation	41,892	8.0	44,753	8.5	(2,861)	(6.4)		
	Motor transportation	Combined delivery services	43,026	8.2	48,229	9.2	(5,203)	(10.8)	
		Chartered truck services	139,295	26.5	137,181	26.2	2,114	1.5	
		Subtotal	182,321	34.7	185,410	35.4	(3,088)	(1.7)	
	Marine and harbor transportation	Marine transportation	30,047	5.7	25,972	4.9	4,074	15.7	
		Harbor transportation	29,630	5.7	28,292	5.4	1,338	4.7	
		Subtotal	59,678	11.4	54,265	10.3	5,412	10.0	
		(Exports)	[ 29,155 ]		[ 24,899 ]		[ 4,255 ]	[ 17.1 ]	
		(Imports)	[ 18,313 ]		[ 17,347 ]		[ 966 ]	[ 5.6 ]	
	(Domestic)	[ 12,209 ]		[ 12,018 ]		[ 190 ]	[ 1.6 ]		
	Warehousing	49,983	9.5	47,318	9.0	2,664	5.6		
	Air transportation	Air freight forwarding	International air freight	60,192	11.5	54,689	10.4	5,503	10.1
			(Exports)	[ 49,505 ]		[ 43,939 ]		[ 5,566 ]	[ 12.7 ]
			(Imports)	[ 10,687 ]		[ 10,750 ]		[ (62) ]	[ (0.6) ]
		Domestic air freight	20,013	3.8	21,684	4.2	(1,671)	(7.7)	
		Subtotal	80,205	15.3	76,373	14.6	3,832	5.0	
		Travel	2,369	0.4	2,654	0.5	(285)	(10.8)	
Subtotal	82,574	15.7	79,028	15.1	3,546	4.5			
Heavy haulage and construction	20,184	3.8	22,424	4.3	(2,240)	(10.0)			
Incidental operations and others	88,544	16.9	91,181	17.4	(2,637)	(2.9)			
Total	525,178	100.0	524,382	100.0	796	0.2			
(Domestic operation-related revenues)	[ 405,437 ]	77.2	[ 416,323 ]	79.4	[ (10,886) ]	[ (2.6) ]			
(International operation-related revenues)	[ 119,741 ]	22.8	[ 108,058 ]	20.6	[ 11,682 ]	[ 10.8 ]			

○ Changes in number of employees as of year end

(Unit: Person, %)

		Mar. end 2011	Sep. end 2010	Mar. end 2010	Change (vs Mar. end 2010)	
					Change	%
Drivers /workers	Nationwide employees	1,317	1,435	1,561	(244)	(15.6)
	Other employees	17,604	17,538	16,926	678	4.0
	Subtotal	18,921	18,973	18,487	434	2.3
Office personnel	Nationwide employees	13,114	12,569	12,366	748	6.0
	Other employees	4,711	4,629	4,321	390	9.0
	Subtotal	17,825	17,198	16,687	1,138	6.8
Total		36,746	36,171	35,174	1,572	4.5

○ Cash flows

(Unit: Millions of yen)

	FY 2010	FY 2009	Change
Cash and cash equivalents at beginning of period	81,227	58,228	22,999
Cash flows from operating activities	35,874	57,630	(21,755)
Cash flows from investment activities	(31,532)	(29,996)	(1,536)
Cash flows from financing activities	(28,665)	(4,633)	(24,031)
Cash and cash equivalents at end of period	56,903	81,227	(24,324)

○ Capital expenditures

(Unit: Millions of yen)

	Actual amount in FY 2010
Vehicle	6,286
Buildings	12,106
Land	6,099
Software	4,025
Other	4,924
Total	33,442

\* Major investment

(Unit: Millions of yen)

Type	Description	m <sup>2</sup>	Amount
Building	Melcedes-Benz logistics center	38,000	3,823

(Unit: Millions of yen)

	Forecasted amount in FY 2011
Vehicle	8,000
Buildings	16,500
Land	200
Software	4,000
Other	6,300
Total	35,000

\* Major investment

(Unit: Millions of yen)

Type	Description	(Planned to complete)	m <sup>2</sup>	Amount
Building	Tennoji logistics center	(April 2012)	37,980	2,772

○ Projection for FY2011

(Unit: Millions of yen, %)

		FY2011		FY2010		Change			
			% in Sales		% in Sales	Amount	Change %		
Net sales	Railway utilization transportation	81,500	7.7	84,390	8.0	(2,890)	(3.4)		
	Motor transportation	Combined delivery services	84,200	8.0	86,625	8.2	(2,425)	(2.8)	
		Chartered truck services	281,500	26.6	277,926	26.4	3,573	1.3	
		Subtotal	365,700	34.6	364,552	34.6	1,147	0.3	
	Marine and harbor transportation	Marine transportation	61,900	5.8	61,287	5.8	612	1.0	
		Harbor transportation	60,400	5.7	60,029	5.7	370	0.6	
		Subtotal	122,300	11.5	121,316	11.5	983	0.8	
	Warehousing	101,300	9.6	96,777	9.2	4,522	4.7		
	Air transportation	Air freight forwarding	International air freight	124,000	11.7	119,536	11.3	4,463	3.7
			Domestic air freight	40,700	3.8	39,805	3.8	894	2.2
		Subtotal	164,700	15.5	159,342	15.1	5,357	3.4	
		Travel	5,000	0.5	5,224	0.5	(224)	(4.3)	
	Subtotal	169,700	16.0	164,566	15.6	5,133	3.1		
	Heavy haulage and construction	44,000	4.2	44,065	4.2	(65)	(0.1)		
Incidental operations and others	173,500	16.4	177,437	16.9	(3,937)	(2.2)			
Total	1,058,000	100.0	1,053,106	100.0	4,893	0.5			
Operating expenses	Employment costs	Drivers/workers	117,700	11.1	117,920	11.2	(220)	(0.2)	
		Office personnel	145,500	13.8	140,234	13.3	5,265	3.8	
		Subtotal	263,200	24.9	258,154	24.5	5,045	2.0	
	Forwarding costs	Railway	42,700	4.0	44,260	4.2	(1,560)	(3.5)	
		Marine	22,500	2.1	22,072	2.1	427	1.9	
		Air	70,500	6.7	68,025	6.5	2,474	3.6	
		Subtotal	135,700	12.8	134,358	12.8	1,341	1.0	
	Costs of car chartering and subcontracting	403,450	38.1	408,196	38.8	(4,746)	(1.2)		
	Depreciation and amortization	36,100	3.4	35,211	3.3	888	2.5		
	Facility usage charges	75,750	7.2	76,040	7.2	(290)	(0.4)		
Other	123,800	11.7	125,363	11.9	(1,563)	(1.2)			
Total	1,038,000	98.1	1,037,325	98.5	674	0.1			
Operating income	20,000	1.9	15,780	1.5	4,219	26.7			
Non-operating income	9,300	0.9	10,086	1.0	(786)	(7.8)			
Non-operating expenses	4,300	0.4	4,005	0.4	294	7.3			
Ordinary income	25,000	2.4	21,861	2.1	3,138	14.4			
Extraordinary income	3,100	0.3	5,556	0.5	(2,456)	(44.2)			
Extraordinary loss	5,500	0.5	20,821	2.0	(15,321)	(73.6)			
Income before income taxes	22,600	2.2	6,597	0.6	16,002	242.6			
Income taxes	12,600	1.2	5,904	0.5	6,695	113.4			
Net income	10,000	1.0	692	0.1	9,307	1,343.0			
Financial income			726		(726)	(100.0)			

○ Projection for the 1HFY2011

(Unit: Millions of yen, %)

		First half of FY2011		First half of FY2010		Change			
			% in Sales		% in Sales	Amount	Change %		
Net sales	Railway utilization transportation	38,500	7.3	42,498	8.1	(3,998)	(9.4)		
	Motor transportation	Combined delivery services	41,200	7.8	43,599	8.2	(2,399)	(5.5)	
		Chartered truck services	140,000	26.6	138,631	26.3	1,368	1.0	
		Subtotal	181,200	34.4	182,230	34.5	(1,030)	(0.6)	
	Marine and harbor transportation	Marine transportation	31,500	6.0	31,240	5.9	259	0.8	
		Harbor transportation	30,600	5.8	30,398	5.8	201	0.7	
		Subtotal	62,100	11.8	61,638	11.7	461	0.7	
	Warehousing	51,300	9.8	46,794	8.9	4,505	9.6		
	Air transportation	Air freight forwarding	International air freight	62,000	11.8	59,344	11.2	2,655	4.5
			Domestic air freight	19,700	3.7	19,792	3.8	(92)	(0.5)
		Subtotal	81,700	15.5	79,137	15.0	2,562	3.2	
		Travel	2,700	0.5	2,854	0.5	(154)	(5.4)	
	Subtotal	84,400	16.0	81,991	15.5	2,408	2.9		
	Heavy haulage and construction	22,500	4.3	23,880	4.5	(1,380)	(5.8)		
	Incidental operations and others	86,000	16.4	88,893	16.8	(2,893)	(3.3)		
Total	526,000	100.0	527,927	100.0	(1,927)	(0.4)			
Operating expenses	Employment costs	Drivers/workers	59,500	11.3	59,248	11.2	251	0.4	
		Office personnel	74,000	14.1	69,692	13.2	4,307	6.2	
		Subtotal	133,500	25.4	128,940	24.4	4,559	3.5	
	Forwarding costs	Railway	20,200	3.8	22,301	4.2	(2,101)	(9.4)	
		Marine	11,500	2.2	11,282	2.1	217	1.9	
		Air	34,800	6.6	33,490	6.4	1,309	3.9	
		Subtotal	66,500	12.6	67,074	12.7	(574)	(0.9)	
	Costs of car chartering and subcontracting	202,100	38.4	205,599	39.0	(3,499)	(1.7)		
	Depreciation and amortization	17,250	3.3	17,009	3.2	240	1.4		
	Facility usage charges	37,700	7.2	38,355	7.3	(655)	(1.7)		
Other	61,950	11.8	62,757	11.9	(807)	(1.3)			
Total	519,000	98.7	519,738	98.5	(738)	(0.1)			
Operating income	7,000	1.3	8,189	1.5	(1,189)	(14.5)			
Non-operating income	4,700	0.9	5,775	1.1	(1,075)	(18.6)			
Non-operating expenses	2,700	0.5	2,246	0.4	453	20.2			
Ordinary income	9,000	1.7	11,718	2.2	(2,718)	(23.2)			
Extraordinary income	1,800	0.3	4,699	0.9	(2,899)	(61.7)			
Extraordinary loss	3,800	0.7	14,973	2.8	(11,173)	(74.6)			
Income before income taxes	7,000	1.3	1,444	0.3	5,555	384.5			
Income taxes	3,500	0.7	254	0.1	3,245	1,276.1			
Net income	3,500	0.7	1,190	0.2	2,309	194.0			
Financial income	1,000		746		253	34.0			