



January 30, 2009

Summary of Consolidated Earnings Report for the Third Quarter of the Fiscal Year Ending March 31, 2009

Name of listed company: **Nippon Express Co., Ltd.**

Listed stock exchange: Tokyo, Osaka

Code: **9062**

(URL <http://www.nittsu.co.jp>)

Representative: President, CEO Masanori Kawai
General Manager

Contact: Finance & Accounting Mitsuru Saito TEL: (03) 6251-1111
Division

Scheduled date for submission of Quarterly Financial Reports February 13, 2009

(Millions of Yen, rounded down)

1. Consolidated Financial Results for the Nine Months Ended Dec. 31, 2008 (from April 1, 2008 to December 31, 2008)

(1) Consolidated Business Results (Cumulative Total)

(%: compare with the previous period)

| | Net sales | | Operating income | | Ordinary income | | Net income | |
|---------------------------------|-----------|-----|------------------|-------|-----------------|-------|------------|-----|
| | ¥ million | % | ¥ million | % | ¥ million | % | ¥ million | % |
| Nine months ended Dec. 31, 2008 | 1,427,081 | — | 28,020 | — | 33,747 | — | 15,914 | — |
| Nine months ended Dec. 31, 2007 | 1,418,450 | 1.4 | 37,160 | (3.3) | 42,677 | (2.0) | 26,368 | 6.6 |

| | Net income per share | Diluted net income per share |
|---------------------------------|----------------------|------------------------------|
| | Yen | Yen |
| Nine months ended Dec. 31, 2008 | 15.26 | — |
| Nine months ended Dec. 31, 2007 | 25.28 | — |

(2) Consolidated Financial Position

| | Total assets | Net assets | Equity ratio | Net assets per share |
|---------------------------------|--------------|------------|--------------|----------------------|
| | ¥ million | ¥ million | % | Yen |
| Nine months ended Dec. 31, 2008 | 1,301,209 | 501,740 | 37.7 | 470.83 |
| Full year ended Mar. 31, 2008 | 1,297,406 | 520,823 | 39.3 | 489.26 |

(Note) Equity Nine months ended Dec. 31, 2008 ¥491,008 million Full year ended Mar. 31, 2008 ¥510,253 million

2. Dividends Information

| Record Date | Dividend per share | | | | |
|---|--------------------|-------------|---------------|-------------|--------------|
| | First Quarter | Interim | Third Quarter | Year End | Yearly |
| Fiscal year ended Mar. 31, 2008 | Yen — | Yen 5.00 | Yen — | Yen 5.00 | Yen 10.00 |
| Fiscal year ending Mar. 31, 2009 | — | 5.00 | — | — | — |
| Fiscal year ending Mar. 31, 2009 (Forecast) | — | — | — | 5.00 | 10.00 |

(Note) Revision to provisional dividends: No

3. Forecast of Consolidated Financial Results for FY2009 (from April 1, 2008 to March 31, 2009)

(%: compare with the previous period)

| Full year | Net sales | | Operating income | | Ordinary income | | Net income | | Net income per share |
|-----------|-----------|-------|------------------|--------|-----------------|--------|------------|--------|----------------------|
| | ¥ million | % | ¥ million | % | ¥ million | % | ¥ million | % | Yen |
| | 1,842,000 | (3.1) | 32,000 | (34.0) | 38,000 | (32.1) | 16,000 | (56.1) | 15.34 |

(Note) Revision to consolidated results forecast: Yes

4. Others

- (1) Significant changes of subsidiaries during the period under review (affecting specific subsidiaries due to changes in scope of consolidation): Not applicable
- (2) Adoption of simplified accounting methods and special accounting treatment for preparing quarterly consolidated financial statements: Yes
- (3) Changes in the accounting principles, accounting procedures, presentation, etc., related to preparation of quarterly consolidated financial statements (those to be described as Changes in Significant Matters that are the Basis for Preparing Quarterly Consolidated Financial Statements)
 - 1) Changes due to the revision of accounting standards, etc.: Yes
 - 2) Any changes other than 1) above: Yes
- (4) Total number of issued shares (common stock)
 - 1) Total number of issued shares at end of period (including treasury stock):
 - Nine months ended Dec. 31, 2008: 1,062,299,281 shares
 - Fiscal year ended Mar. 31, 2008: 1,062,299,281 shares
 - 2) Total number of treasury shares at end of period:
 - Nine months ended Dec. 31, 2008: 19,439,900 shares
 - Fiscal year ended Mar. 31, 2008: 19,383,185 shares
 - 3) Average number of shares during period:
 - Nine months ended Dec. 31, 2008: 1,042,884,897 shares
 - Nine months ended Dec. 31, 2007: 1,042,972,182 shares

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

1. In this report, the Company revised its consolidated financial forecasts announced on Oct. 31, 2008.
2. The above financial prospect is based on data available at that time. It should be noted that such information contains elements of uncertainty and risk. Please note that our actual business performance may differ from these prospects.
3. Effective from the fiscal year ending March 31, 2009, the "Accounting Standard for Quarterly Financial Reporting" (ASBJ Statement No. 12) and the "Guidance on Accounting Standard for Quarterly Financial Reporting" (ASBJ Guidance No. 14) have been adopted. The quarterly consolidated financial statements are prepared in accordance with "Regulations for Quarterly Consolidated Financial Statements."

Consolidated Financial Statements
Consolidated Balance Sheet

(Unit: Millions of Yen)

| | Third Quarter of FY2008 (as of Dec. 31, 2008) | Summary of FY2007 (As of Mar. 31, 2008) |
|--|--|--|
| Assets | | |
| Current assets | | |
| Cash and deposits | 174,792 | 147,739 |
| Notes receivable-trade | 18,470 | 16,718 |
| Accounts receivable-trade | 265,566 | 283,638 |
| Inventories | 7,234 | 6,248 |
| Other | 54,939 | 45,238 |
| Allowance for doubtful accounts | (1,194) | (1,453) |
| Total current assets | 519,809 | 498,130 |
| Noncurrent assets | | |
| Property, plant and equipment | | |
| Vehicles (net) | 32,189 | 36,148 |
| Buildings (net) | 233,898 | 236,776 |
| Land | 169,850 | 168,501 |
| Others (net) | 157,309 | 143,979 |
| Total property, plant and equipment | 593,248 | 585,405 |
| Intangible assets | 41,119 | 41,608 |
| Investments and other assets | | |
| Investment securities | 108,218 | 136,838 |
| Other | 40,965 | 37,415 |
| Allowance for doubtful accounts | (2,152) | (1,992) |
| Total investments and other assets | 147,031 | 172,261 |
| Total noncurrent assets | 781,399 | 799,275 |
| Total assets | 1,301,209 | 1,297,406 |
| Liabilities | | |
| Current liabilities | | |
| Notes payable-trade | 13,344 | 10,618 |
| Accounts payable-trade | 147,299 | 169,000 |
| Short-term loans payable | 139,280 | 77,607 |
| Income taxes payable | 5,372 | 8,740 |
| Provision for bonus | 9,013 | 21,637 |
| Other | 205,316 | 199,434 |
| Total current liabilities | 519,625 | 487,039 |
| Noncurrent liabilities | | |
| Bonds payable | 20,000 | 20,000 |
| Long-term loans payable | 181,563 | 174,178 |
| Provision for retirement benefits | 49,895 | 53,653 |
| Other | 28,383 | 41,710 |
| Total noncurrent liabilities | 279,842 | 289,543 |
| Total liabilities | 799,468 | 776,583 |

Consolidated Financial Statements

Consolidated Balance Sheet

(Unit: Millions of Yen)

| | Third Quarter of FY2008 (as of Dec. 31, 2008) | Summary of FY2007 (As of Mar. 31, 2008) |
|---|--|--|
| Net assets | | |
| Shareholders' equity | | |
| Capital stock | 70,175 | 70,175 |
| Capital surplus | 26,908 | 26,909 |
| Retained earnings | 374,965 | 369,264 |
| Treasury stock | (11,515) | (11,504) |
| Total shareholders' equity | 460,534 | 454,844 |
| Valuation and translation adjustments | | |
| Valuation difference on available- for-sale securities | 33,941 | 50,194 |
| Deferred gains/losses on hedges | (58) | (7) |
| Foreign currency translation adjustment | (3,407) | 5,221 |
| Total valuation and translation adjustments | 30,474 | 55,408 |
| Minority interests | 10,731 | 10,569 |
| Total net assets | 501,740 | 520,823 |
| Total liabilities and net assets | 1,301,209 | 1,297,406 |

Consolidated Statement of Income

(Unit: Millions of Yen)

| | Nine months ended Dec. 31, 2008 (from Apr. 1, 2008 to Dec. 31, 2008) |
|---|---|
| Net sales | 1,427,081 |
| Cost of sales | 1,338,434 |
| Gross profit | 88,646 |
| Selling, general and administrative expenses | 60,626 |
| Operating income | 28,020 |
| Non-operating income | |
| Interest income | 938 |
| Dividends income | 2,317 |
| Equity in earnings of affiliates | 540 |
| Other | 6,213 |
| Total non-operating income | 10,010 |
| Non-operating expenses | |
| Interest expenses | 3,201 |
| Other | 1,081 |
| Total non-operating expenses | 4,283 |
| Ordinary income | 33,747 |
| Extraordinary income | |
| Gain on sales of noncurrent assets | 596 |
| Other | 198 |
| Total extraordinary income | 794 |
| Extraordinary loss | |
| Loss on disposal of noncurrent assets | 2,143 |
| Loss on valuation of investment securities | 2,237 |
| Impairment loss | 340 |
| Other | 988 |
| Total extraordinary loss | 5,710 |
| Income before income taxes and minority interests | 28,832 |
| Income taxes | 12,484 |
| Minority interests in income | 433 |
| Net income | 15,914 |

Consolidated Statement of Cash Flows

(Unit: Millions of Yen)

| | Nine months ended Dec. 31, 2008 (from Apr. 1, 2008 to Dec. 31, 2008) |
|--|---|
| Net cash provided by (used in) operating activities | |
| Income before income taxes and minority interests | 28,832 |
| Depreciation and amortization | 66,187 |
| Interest and dividend income | (3,256) |
| Interest expense | 3,201 |
| (Increase) decrease in notes and accounts receivable-trade | 8,789 |
| (Increase) decrease in inventories | (1,010) |
| Increase (decrease) in notes and accounts payable-trade | (14,720) |
| Other, net | 23,435 |
| Subtotal | 111,458 |
| Interest and dividends income received | 3,388 |
| Interest expenses paid | (3,553) |
| Payments for promotion expenses for parcel delivery business integration | (605) |
| Income taxes paid | (15,933) |
| Net cash provided by (used in) operating activities | 94,754 |
| Net cash provided by (used in) investment activities | |
| Purchase of noncurrent assets | (79,447) |
| Proceeds from sales of noncurrent assets | 6,938 |
| Other, net | (5,141) |
| Net cash provided by (used in) investment activities | (77,650) |
| Net cash provided by (used in) financing activities | |
| Increase (decrease) of short-term loans payable | 60,725 |
| Proceeds from long-term loans payable | 41,264 |
| Payment of long-term loans payable | (32,895) |
| Redemption of bonds | (40,000) |
| Cash dividends paid | (10,612) |
| Other, net | (6,065) |
| Net cash provided by (used in) financing activities | 12,415 |
| Effect of exchange rate changes on cash and cash equivalents | (3,602) |
| Net increase (decrease) in cash and cash equivalents | 25,917 |
| Cash and cash equivalents at beginning of period | 144,639 |
| Cash and cash equivalents at end of period | 170,556 |

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 any rely upon the original Japanese text released December 31, 2008.

<Reference Materials for the Nine Months Ended December 31, 2008>

January 30, 2009
Nippon Express Co., Ltd.

1. Consolidated Financial Statements

○ Financial Result of Business Segment and Geographical Segment for the Nine Months ended Dec. 31, 2008

(Business Segment)

(Unit: Millions of yen, %)

| | | Nine months ended Dec. 31, 2008 | Nine months ended Dec. 31, 2007 | Change | |
|------------------|-------------------------------|------------------------------------|------------------------------------|----------|--------|
| | | | | Amount | Ratio |
| Net sales | Distribution & Transportation | 1,189,512 | 1,200,378 | (10,865) | (0.9) |
| | Goods Sales | 293,746 | 276,120 | 17,626 | 6.4 |
| | Other | 20,718 | 20,335 | 383 | 1.9 |
| | Elimination | (76,896) | (78,383) | 1,486 | — |
| | Total | 1,427,081 | 1,418,450 | 8,630 | 0.6 |
| Operating income | Distribution & Transportation | [2.1] 25,434 | [2.8] 33,657 | (8,222) | (24.4) |
| | Goods Sales | [1.1] 3,308 | [1.5] 4,041 | (732) | (18.1) |
| | Other | [2.5] 522 | [6.8] 1,390 | (867) | (62.4) |
| | Elimination or all companies | (1,245) | (1,927) | 682 | — |
| | Total | [2.0] 28,020 | [2.6] 37,160 | (9,140) | (24.6) |

(Geographical Segment)

(Unit: Millions of yen, %)

| | | Nine months ended Dec. 31, 2008 | Nine months ended Dec. 31, 2007 | Change | |
|------------------|------------------------------|------------------------------------|------------------------------------|---------|--------|
| | | | | Amount | Ratio |
| Net sales | Japan | 1,272,538 | 1,269,617 | 2,920 | 0.2 |
| | The Americas | 44,858 | 44,497 | 361 | 0.8 |
| | Europe | 54,758 | 53,828 | 930 | 1.7 |
| | Asia & Oceania | 83,440 | 79,356 | 4,084 | 5.1 |
| | Elimination | (28,513) | (28,847) | 334 | — |
| | Total | 1,427,081 | 1,418,450 | 8,630 | 0.6 |
| Operating income | Japan | [1.7] 22,062 | [2.4] 30,054 | (7,991) | (26.6) |
| | The Americas | [4.9] 2,194 | [6.5] 2,903 | (708) | (24.4) |
| | Europe | [2.7] 1,491 | [3.0] 1,619 | (128) | (7.9) |
| | Asia & Oceania | [4.1] 3,385 | [5.2] 4,107 | (722) | (17.6) |
| | Elimination or all companies | (1,113) | (1,523) | 410 | — |
| | Total | [2.0] 28,020 | [2.6] 37,160 | (9,140) | (24.6) |

Note: Figures in brackets indicate Operating Margin.

○ Projection of Financial Results for the Fiscal Year ending March 31, 2009

(Business Segment)

(Unit: Millions of yen, %)

| | | FY2008 | FY2007 | Change | |
|------------------|-------------------------------|--------------|--------------|----------|--------|
| | | | | Amount | Ratio |
| Net sales | Distribution & Transportation | 1,537,910 | 1,600,988 | (63,077) | (3.9) |
| | Goods Sales | 374,860 | 377,964 | (3,104) | (0.8) |
| | Other | 30,630 | 28,629 | 2,001 | 7.0 |
| | Elimination | (101,401) | (106,148) | 4,746 | — |
| | Total | 1,842,000 | 1,901,433 | (59,433) | (3.1) |
| Operating income | Distribution & Transportation | [1.8] 27,590 | [2.7] 43,896 | (16,305) | (37.1) |
| | Goods Sales | [1.4] 5,234 | [1.5] 5,752 | (517) | (9.0) |
| | Other | [4.8] 1,460 | [3.7] 1,061 | 399 | 37.6 |
| | Elimination or all companies | (2,286) | (2,208) | (77) | — |
| | Total | [1.7] 32,000 | [2.6] 48,502 | (16,502) | (34.0) |

(Geographical Segment)

(Unit: Millions of yen, %)

| | | FY2008 | FY2007 | Change | |
|------------------|------------------------------|--------------|--------------|----------|--------|
| | | | | Amount | Ratio |
| Net sales | Japan | 1,648,257 | 1,696,152 | (47,895) | (2.8) |
| | The Americas | 55,868 | 59,872 | (4,003) | (6.7) |
| | Europe | 69,777 | 77,524 | (7,746) | (10.0) |
| | Asia & Oceania | 106,495 | 109,645 | (3,150) | (2.9) |
| | Elimination | (38,398) | (41,761) | 3,362 | — |
| | Total | 1,842,000 | 1,901,433 | (59,433) | (3.1) |
| Operating income | Japan | [1.5] 24,002 | [2.3] 38,686 | (14,684) | (38.0) |
| | The Americas | [4.5] 2,541 | [6.1] 3,664 | (1,122) | (30.6) |
| | Europe | [2.9] 2,017 | [4.0] 3,082 | (1,064) | (34.6) |
| | Asia & Oceania | [3.9] 4,204 | [4.6] 5,094 | (890) | (17.5) |
| | Elimination or all companies | (765) | (2,025) | 1,260 | — |
| | Total | [1.7] 32,000 | [2.6] 48,502 | (16,502) | (34.0) |

Note: Figures in brackets indicate Operating Margin.

2. Non-consolidated Financial Statements
 ○ Summary of Non-consolidated Statement of Income

(Unit: Millions of yen, %)

| | | Nine months ended Dec. 31, 2008 (from Apr. 1, 2008 to Dec. 31, 2008) | | Nine months ended Dec. 31, 2007 (from Apr. 1, 2007 to Dec. 31, 2007) | | Change | | | |
|---|--|---|---------------|---|---------------|----------|-----------|----------|---------|
| | | | % in Sales | | % in sales | Amount | Change % | | |
| N e t | Motor transportation | Railway utilization transportation | 71,922 | 7.4 | 72,194 | 7.3 | (272) | (0.4) | |
| | | Combined delivery services | 162,021 | 16.6 | 165,128 | 16.7 | (3,107) | (1.9) | |
| | | Chartered truck services | 225,413 | 23.2 | 231,865 | 23.5 | (6,452) | (2.8) | |
| | | Subtotal | 387,434 | 39.8 | 396,994 | 40.2 | (9,560) | (2.4) | |
| | Marine and harbor transportation | Marine transportation | 58,005 | 6.0 | 56,386 | 5.7 | 1,618 | 2.9 | |
| | | Harbor transportation | 52,022 | 5.3 | 51,696 | 5.3 | 325 | 0.6 | |
| | | Subtotal | 110,027 | 11.3 | 108,083 | 11.0 | 1,944 | 1.8 | |
| | | (Exports) | [54,231] | — | [53,195] | - | [1,036] | [1.9] | |
| | S a l e s | Air transportation | (Imports) | [33,403] | — | [33,613] | - | [(209)] | [(0.6)] |
| | | | (Domestic) | [22,392] | — | [21,274] | - | [1,118] | [5.3] |
| Warehousing | | | 72,322 | 7.4 | 52,320 | 5.3 | 20,001 | 38.2 | |
| International air freight | 99,505 | | 10.2 | 110,092 | 11.1 | (10,586) | (9.6) | | |
| O p e r a t i n g e x p e n s e s | Air freight forwarding | (Exports) | [82,567] | — | [91,707] | - | [(9,139)] | [(10.0)] | |
| | | (Imports) | [16,937] | — | [18,384] | - | [(1,446)] | [(7.9)] | |
| | | Domestic air freight | 38,594 | 4.0 | 40,404 | 4.1 | (1,809) | (4.5) | |
| | | Subtotal | 138,100 | 14.2 | 150,496 | 15.2 | (12,396) | (8.2) | |
| | Travel | 5,654 | 0.6 | 6,551 | 0.7 | (897) | (13.7) | | |
| Subtotal | 143,754 | 14.8 | 157,047 | 15.9 | (13,293) | (8.5) | | | |
| Heavy haulage and construction | 45,519 | 4.7 | 38,680 | 3.9 | 6,838 | 17.7 | | | |
| Incidental operations and others | 142,090 | 14.6 | 162,168 | 16.4 | (20,077) | (12.4) | | | |
| Total | 973,072 | 100.0 | 987,490 | 100.0 | (14,417) | (1.5) | | | |
| (Domestic operation-related revenues) | [760,866] | 78.2 | [766,511] | 77.6 | [(5,644)] | [(0.7)] | | | |
| (International operation-related revenues) | [212,205] | 21.8 | [220,979] | 22.4 | [(8,773)] | [(4.0)] | | | |
| O p e r a t i n g e x p e n s e s | Employment costs | Drivers/Workers | 104,161 | 10.7 | 104,026 | 10.5 | 135 | 0.1 | |
| | | Office personnel | 112,658 | 11.6 | 110,397 | 11.2 | 2,260 | 2.0 | |
| | | Subtotal | 216,819 | 22.3 | 214,423 | 21.7 | 2,396 | 1.1 | |
| | Forwarding costs | Railway | 38,177 | 3.9 | 37,992 | 3.9 | 184 | 0.5 | |
| | | Marine | 22,941 | 2.4 | 22,092 | 2.2 | 848 | 3.8 | |
| | | Air | 58,553 | 6.0 | 63,306 | 6.4 | (4,753) | (7.5) | |
| | Subtotal | 119,672 | 12.3 | 123,391 | 12.5 | (3,719) | (3.0) | | |
| | Costs of car chartering and subcontracting | 401,322 | 41.2 | 409,771 | 41.5 | (8,448) | (2.1) | | |
| | Depreciation and amortization | 23,942 | 2.5 | 22,739 | 2.3 | 1,202 | 5.3 | | |
| | Facility usage charges | 70,210 | 7.2 | 70,727 | 7.2 | (517) | (0.7) | | |
| Other | 124,766 | 12.8 | 124,588 | 12.6 | 177 | 0.1 | | | |
| Total | 956,733 | 98.3 | 965,642 | 97.8 | (8,908) | (0.9) | | | |
| Operating income | 16,338 | 1.7 | 21,847 | 2.2 | (5,508) | (25.2) | | | |
| Non-operating income | 7,115 | 0.7 | 7,279 | 0.7 | (164) | (2.3) | | | |
| Non-operating expenses | 3,812 | 0.4 | 4,054 | 0.4 | (242) | (6.0) | | | |
| Ordinary income | 19,641 | 2.0 | 25,073 | 2.5 | (5,431) | (21.7) | | | |
| Extraordinary income | 334 | 0.0 | 8,285 | 0.9 | (7,950) | (96.0) | | | |
| Extraordinary loss | 5,221 | 0.5 | 5,028 | 0.5 | 193 | 3.8 | | | |
| Income before income taxes | 14,754 | 1.5 | 28,330 | 2.9 | (13,575) | (47.9) | | | |
| Income taxes | 6,349 | 0.6 | 12,493 | 1.3 | (6,143) | (49.2) | | | |
| Net income | 8,404 | 0.9 | 15,836 | 1.6 | (7,431) | (46.9) | | | |

*1. The above Summary of Non-consolidated Statement of Income is not subject to review under statutory disclosure requirements.

2. The above Summary of non-consolidated statements of income has been prepared as supplementary material for the Quarterly Earnings Report and represents a rough breakdown of operating results including net sales and operating expenses.

○ Projection of Financial Results for the Fiscal Year ending March 31, 2009

(Unit: Millions of yen, %)

| | | FY2008 | | FY 2007 | | Change | | | | |
|---|--|--|------------------------|---------------------------|------------|----------|----------|----------|----------|--------|
| | | | % in sales | | % in sales | Amount | Change % | | | |
| N e t | Motor transportation | Railway utilization transportation | 95,000 | 7.5 | 97,766 | 7.4 | (2,766) | (2.8) | | |
| | | Combined delivery services | 207,000 | 16.4 | 215,229 | 16.4 | (8,229) | (3.8) | | |
| | | Chartered truck services | 295,500 | 23.5 | 310,638 | 23.7 | (15,138) | (4.9) | | |
| | | Subtotal | 502,500 | 39.9 | 525,867 | 40.1 | (23,367) | (4.4) | | |
| | Marine and harbor transportation | Marine transportation | 73,500 | 5.8 | 74,840 | 5.7 | (1,340) | (1.8) | | |
| | | Harbor transportation | 66,000 | 5.2 | 68,536 | 5.2 | (2,536) | (3.7) | | |
| | | Subtotal | 139,500 | 11.0 | 143,376 | 10.9 | (3,876) | (2.7) | | |
| | | Warehousing | 96,000 | 7.6 | 74,975 | 5.7 | 21,024 | 28.0 | | |
| | S a l e s | Air transportation | Air freight forwarding | International air freight | 123,500 | 9.8 | 145,210 | 11.1 | (21,710) | (15.0) |
| | | | | Domestic air freight | 50,000 | 4.0 | 53,146 | 4.0 | (3,146) | (5.9) |
| | | | Subtotal | 173,500 | 13.8 | 198,357 | 15.1 | (24,857) | (12.5) | |
| | | Travel | 7,500 | 0.6 | 8,508 | 0.7 | (1,008) | (11.9) | | |
| | | Subtotal | 181,000 | 14.4 | 206,865 | 15.8 | (25,865) | (12.5) | | |
| | | Heavy haulage and construction | 60,000 | 4.8 | 51,218 | 3.9 | 8,781 | 17.1 | | |
| | Incidental operations and others | 186,000 | 14.8 | 212,055 | 16.2 | (26,055) | (12.3) | | | |
| | Total | 1,260,000 | 100.0 | 1,312,125 | 100.0 | (52,125) | (4.0) | | | |
| O p e r a t i n g e x p e n s e s | Employment costs | Drivers/Workers | 138,800 | 11.0 | 138,346 | 10.6 | 453 | 0.3 | | |
| | | Office personnel | 148,800 | 11.8 | 147,095 | 11.2 | 1,704 | 1.2 | | |
| | | Subtotal | 287,600 | 22.8 | 285,441 | 21.8 | 2,158 | 0.8 | | |
| | Forwarding costs | Railway | 49,500 | 3.9 | 50,856 | 3.9 | (1,356) | (2.7) | | |
| | | Marine | 27,500 | 2.2 | 29,817 | 2.2 | (2,317) | (7.8) | | |
| | | Air | 73,000 | 5.8 | 83,945 | 6.4 | (10,945) | (13.0) | | |
| | | Subtotal | 150,000 | 11.9 | 164,619 | 12.5 | (14,619) | (8.9) | | |
| | | Costs of car chartering and subcontracting | 519,000 | 41.2 | 542,549 | 41.3 | (23,549) | (4.3) | | |
| | | Depreciation and amortization | 32,100 | 2.5 | 31,224 | 2.4 | 875 | 2.8 | | |
| | | Facility usage charges | 91,700 | 7.3 | 94,034 | 7.2 | (2,334) | (2.5) | | |
| | Other | 162,600 | 12.9 | 165,616 | 12.6 | (3,016) | (1.8) | | | |
| | Total | 1,243,000 | 98.6 | 1,283,486 | 97.8 | (40,486) | (3.2) | | | |
| | Operating income | 17,000 | 1.4 | 28,639 | 2.2 | (11,639) | (40.6) | | | |
| | Non-operating income | 8,100 | 0.6 | 9,749 | 0.7 | (1,649) | (16.9) | | | |
| | Non-operating expenses | 5,100 | 0.4 | 5,348 | 0.4 | (248) | (4.6) | | | |
| | Ordinary income | 20,000 | 1.6 | 33,040 | 2.5 | (13,040) | (39.5) | | | |
| | Extraordinary income | 1,000 | 0.0 | 15,814 | 1.2 | (14,814) | (93.7) | | | |
| | Extraordinary loss | 7,900 | 0.6 | 9,449 | 0.7 | (1,549) | (16.4) | | | |
| | Income before income taxes | 13,100 | 1.0 | 39,405 | 3.0 | (26,305) | (66.8) | | | |
| | Income taxes | 6,100 | 0.5 | 16,520 | 1.3 | (10,420) | (63.1) | | | |
| | Net income | 7,000 | 0.5 | 22,884 | 1.7 | (15,884) | (69.4) | | | |

*The above Projection for the Fiscal year ending March 31, 2009 has been revised from the non-consolidated financial forecasts (from April 1, 2008 to March 31, 2009), which was announced on October 31, 2008.

- The effects of the integration of the parcel delivery business with Japan Post Service Co., Ltd.

Japan Post Service Co., Ltd. (“Japan Post”) and Nippon Express Co., Ltd. (“the Company”), in regard to the merger of the Company’s parcel delivery business with Japan Post (“the Merger”), shall sign on January 30, 2009 a merger agreement with JP Express Co., Ltd., a company formed in preparation for this merger (and a successor company in absorption-type split), based on the basic agreement concluded between Japan Post Holdings Co., Ltd. (“JP Holding”) and the Company on October 5, 2007, the basic merger agreement concluded between JP Holdings, Japan Post and the Company on April 25, 2008, and the shareholders agreement concluded between Japan Post and the Company on August 28, 2008.

The effects of the Merger on operating results shall be as follows:

1. The effects of the Merger on operating results:

- Effects of the Merger on current operating results:
Since the effective date of the agreement regarding the Merger is April 1, 2009, the Merger will have no effects on the operating results for the current fiscal year.
- Effects of the Merger on the operating results of the following fiscal year:
The effects on the following fiscal year shall be announced by the time the financial results for the fiscal year ending March 31, 2009 are published.

2. Expenses spent in preparation for the Merger:

- | | |
|--|----------------|
| • Fiscal year ended March 31, 2008 | ¥1,208 million |
| • Nine months ended December 31, 2008 | ¥806 million |
| • The fourth quarter of the fiscal year ending March 31, 2009 (projection) | ¥1,278 million |