

Interim results meeting
President and Representative Director
Masanori Kawai,
November 9, 2007



1. Interim results of FY 2007

A. Highlight of interim results of FY 2007

1) Overview (Consolidated)

(million yen)

	Actual	Difference (YoY)	Difference (YoY) (%)	Plan	Difference (vs. Plan)	Difference (vs. Plan) (%)
Sales	924,316	10,970	1.2	932,500	△8,183	△0.9
Operating income	20,112	△2,231	△10.0	21,500	△1,387	△6.5
Ordinary income	24,590	△1,444	△5.5	25,200	△609	△2.4
Net income	12,843	△1,701	△11.7	13,600	△756	△5.6

2) Summary

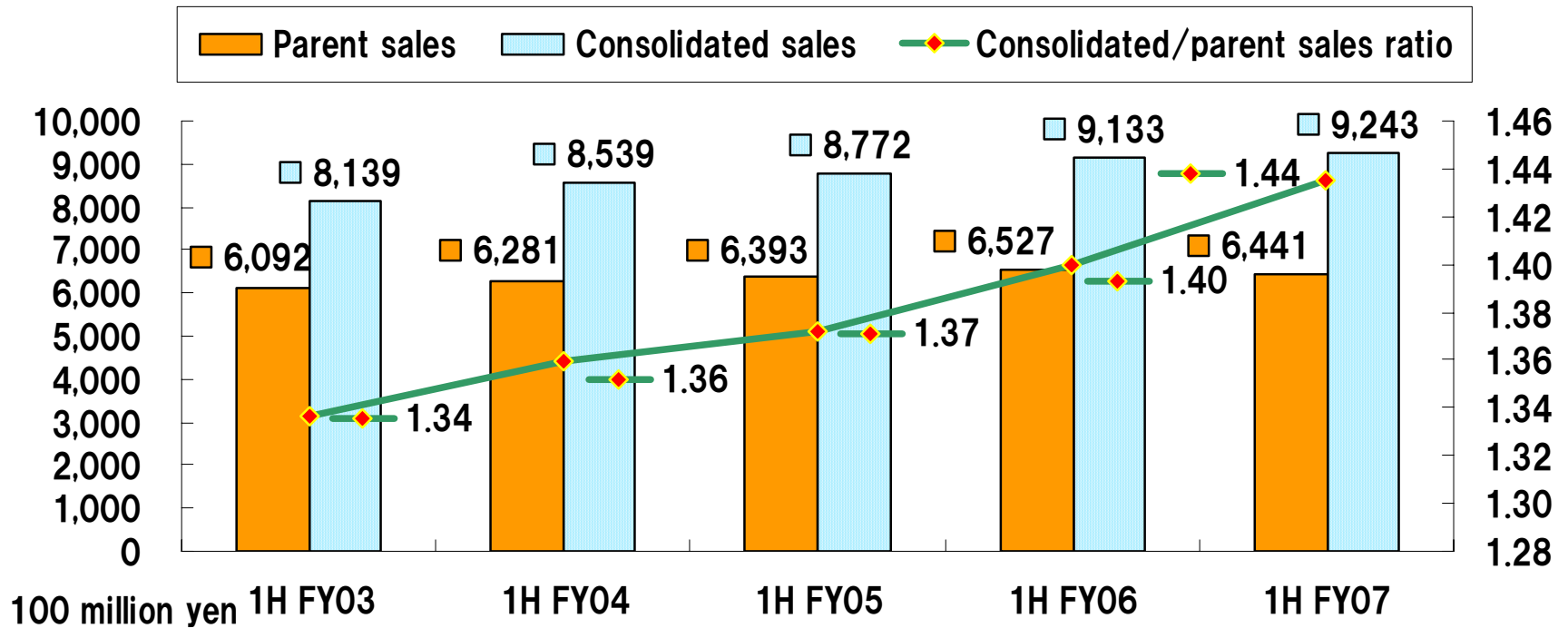
Sales : Parent sales decreased 8.6 billion yen
 Oversea sales increased 11.7 billion yen

Operating Income : Depreciation increased 1.5 billion yen due to tax law change
 Negative 400 million yen impact due to inflation of fuel cost
 (refer to page 4 for detail)



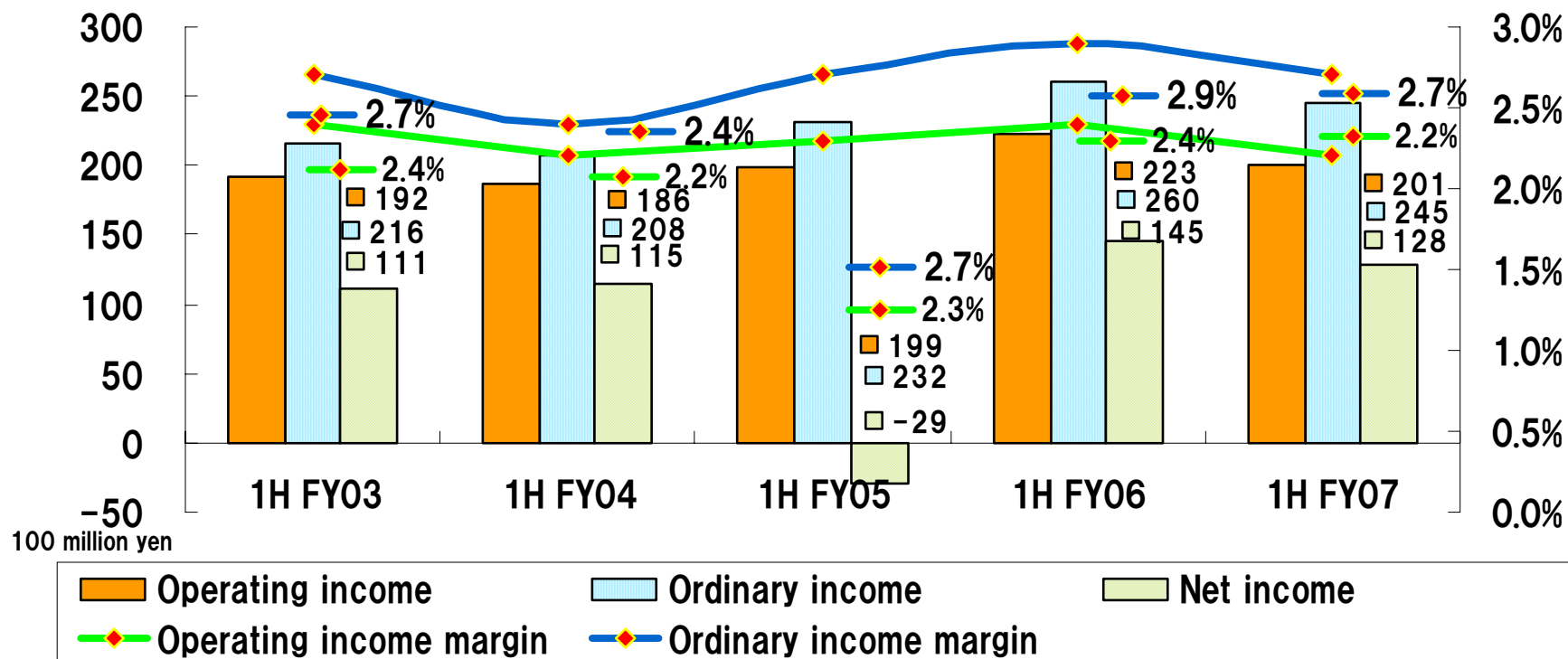
1. Interim results of FY 2007

B. Parent sales trend over the past 5 years with consolidated/parent ratio



1. Interim results of FY 2007

C. Consolidated profit trend over the past 5 years





1. Interim results of FY 2007

D. Operating income compared with last year

(unit:100 million)

	Operating income			Change from outside factors					Intrinsic difference
	1H FY07	1H FY06	Difference (A)	Depreciation	Fuel	Road rule change	FX related	Sub-total (B)	A-B
Consoli.	201	223	△22	△15	△4	△1	4	△16	△6
Parent	110	140	△29	△11	△2	△1	0	△14	△15 (※)
Subsidiary	91	83	7	△4	△2	0	4	△2	9

(difference is half adjusted)

(※) Factors of decreased parent operating income

1. Lower export using air freight forwarding (Sales -4.4 billion, -7.1%)
2. Initial and aggregate cost to launch new large warehouses
3. Increased total employees' cost due to increased bonus.

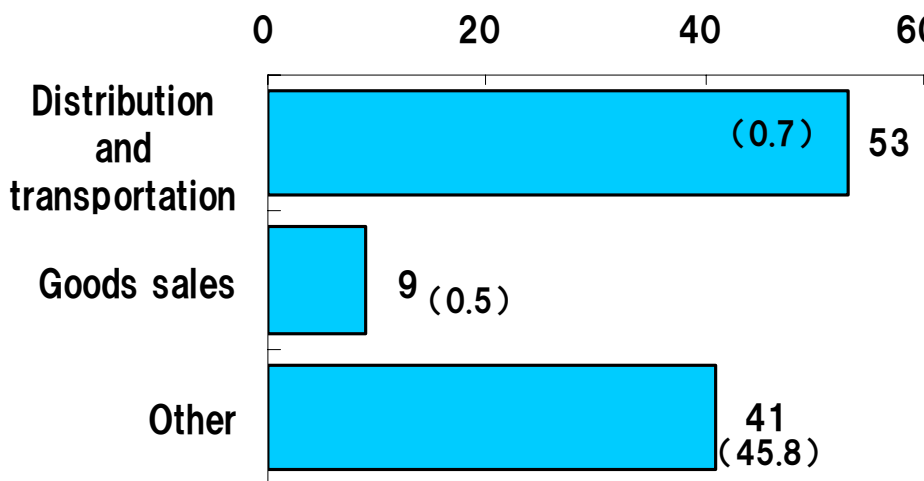
1. Interim results of FY

E. Segment breakdown (Business segment)

(please refer to page 1 of reference part of tanshin)

Sales breakdown by business segment

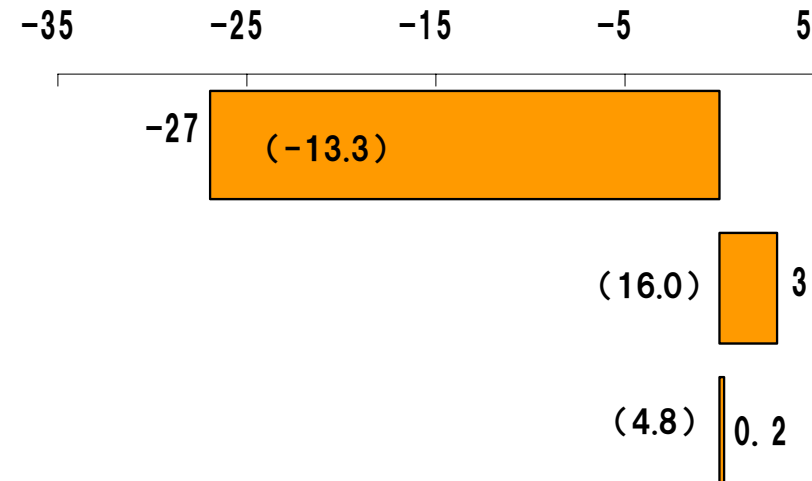
(100 million)



■ Difference YoY

Breakdown of operating income by business segment

(100 million)



■ Difference YoY

() is difference ratio

Sales : All segments increased. Nittsu Shoji contributed goods sales, Careerroad contributed other segment

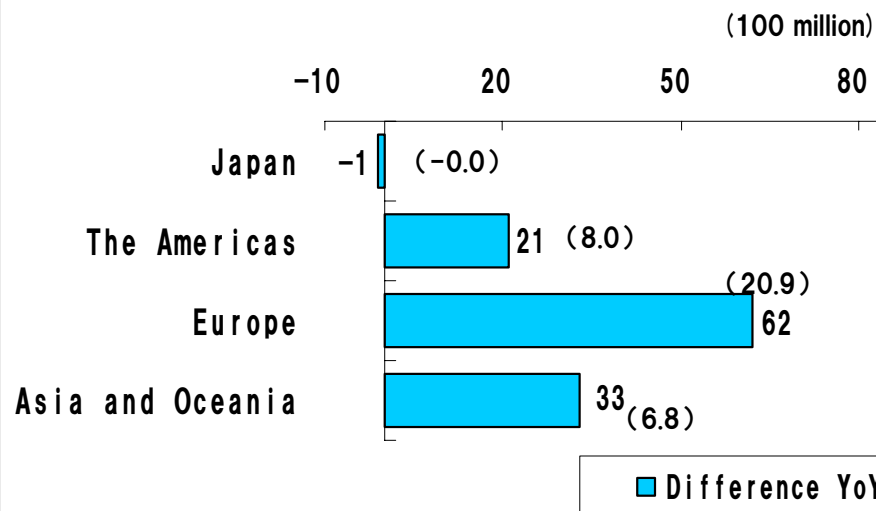
Operating income : Parent operating income from distribution and transportation decreased 2.9 billion yen despite reasonable contribution from domestic subsidiaries, US, Asia, and Oceania.

1. Interim results of FY 2007

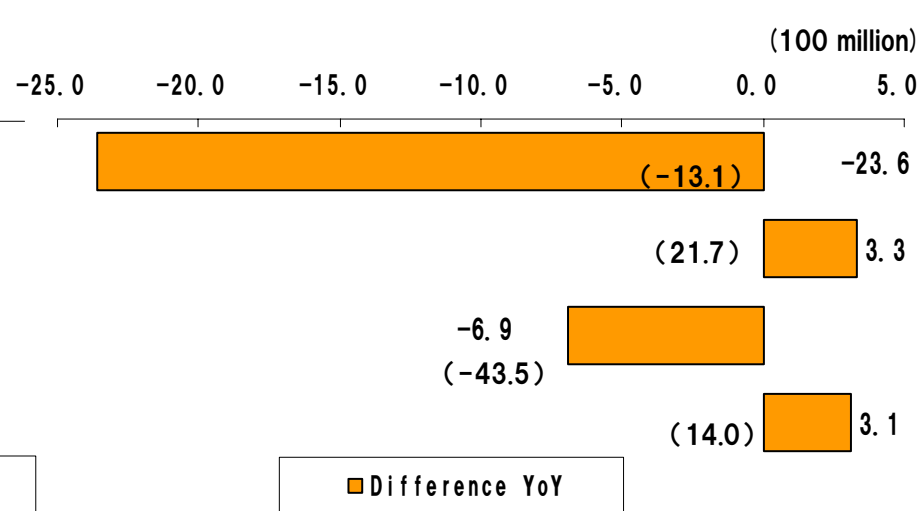
F. Segment breakdown (Location segment)

(please refer to page 1 of reference part of tanshin)

Sales breakdown by region



Breakdown of operating income by region



() is difference ratio.

Sales : Despite lower sales from parent, domestic subsidiaries, goods sales and other division covered.

Operating income : The Americas and Asia and Oceania are steady

Lower export by expensive Euro hit Europe despite solid sales and initial cost for new business

2. Outlook of current fiscal year, FY 2007

A. Estimate of parent financial figure

(parent) 100 million	FY 07 Revised plan	FY 06 Actual	FY 07 Original plan	Difference		Difference vs. Original plan	
				YoY	%	plan	%
Sales	1,303,000	1,316,001	1,330,000	△13,001	△1.0	△27,000	△2.0
Operating income	27,700	31,262	29,500	△3,562	△11.4	△1,800	△6.1
Ordinary income	32,000	35,914	34,000	△3,914	△10.9	△2,000	△5.9
Net income	23,000	21,117	21,200	1,882	△8.9	1,800	8.5

(recital)

Sales : Recovery of air freight forwarding due to export recovery and launching warehouses

Operating and Ordinary income : 2.6 billion yen depreciation increase due to rule change and negative impact of fuel, 700 million yen

Net income : 7.8 billion yen of extraordinary profit from launching fixed contributory pension

2. Outlook of current fiscal year, FY 2007

B. Estimate of consolidated financial figure

(consolidated) 100 million	FY 07 Revised plan	FY 06 Actual	FY 07 Original plan	Difference		Difference vs. Original plan	
				YoY	%		%
Sales	1,886,000	1,866,267	1,905,000	19,732	1.1	△19,000	△1.0
Operating income	48,800	50,325	49,200	△1,525	△3.0	△400	△0.8
Ordinary income	55,000	57,449	56,000	△2,449	△4.3	△1,000	△1.8
Net income	35,900	33,208	33,500	2,691	8.1	2,400	7.2

(recital)

Operating and ordinary income : Recovery of Europe area and steady growth of Nittsu Shoji, and Nittsu Realty and contribution from Careerroad, staffing agency

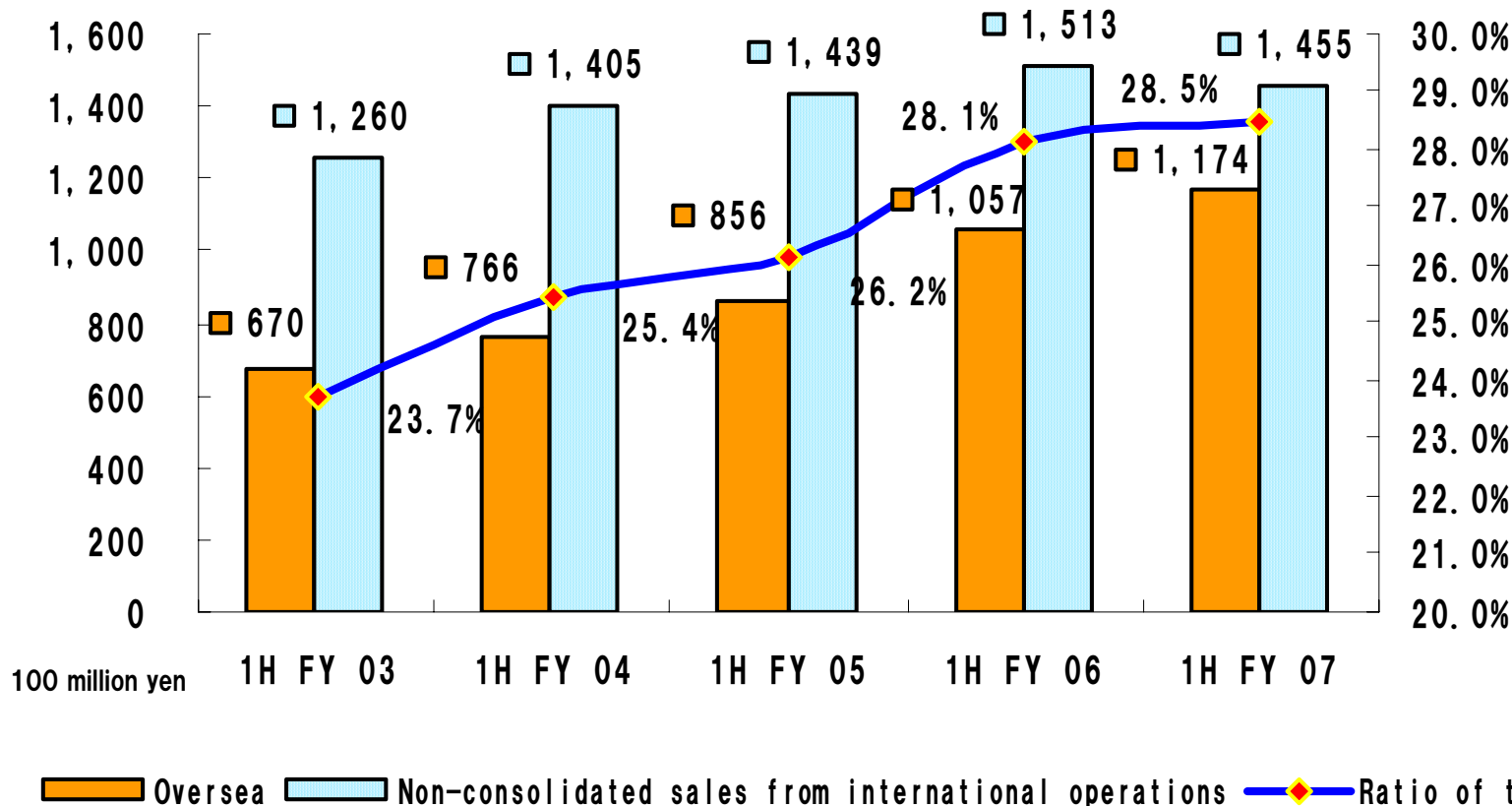
Taking 3.6 billion yen cost increase from depreciation for full year due to rule change and 1.4 billion yen fuel cost increase into consideration



3. Progress of major corporate actions

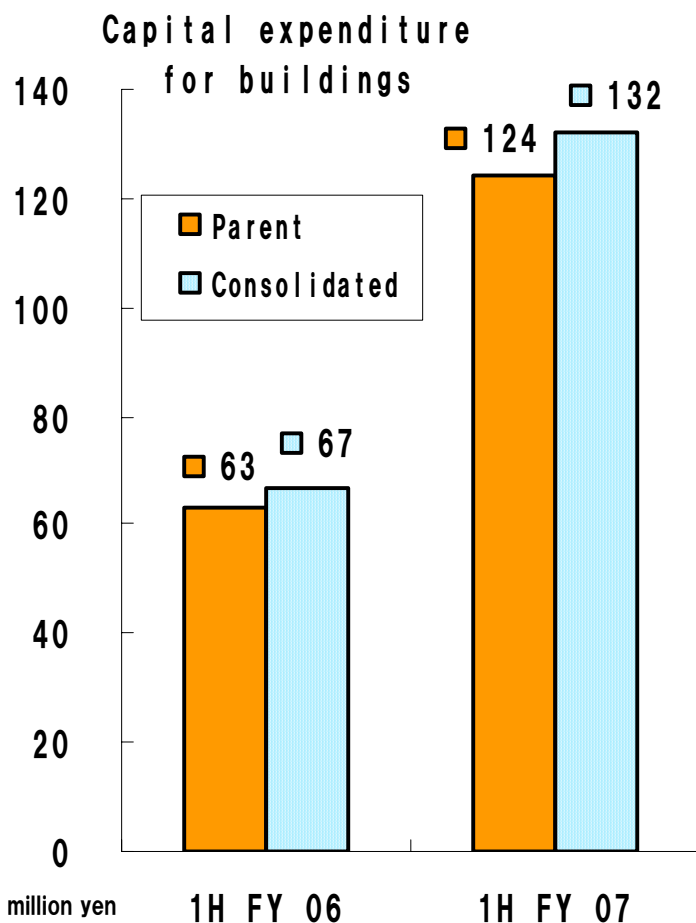
(1) Accelerating overseas businesses

~trend of non-consolidated revenue from international operation and sales of overseas segment:
and ratio of total consolidated sales~



3. Progress of major corporate actions

(2) Investment of buildings (for 3PL) and major warehouses completed in 1H

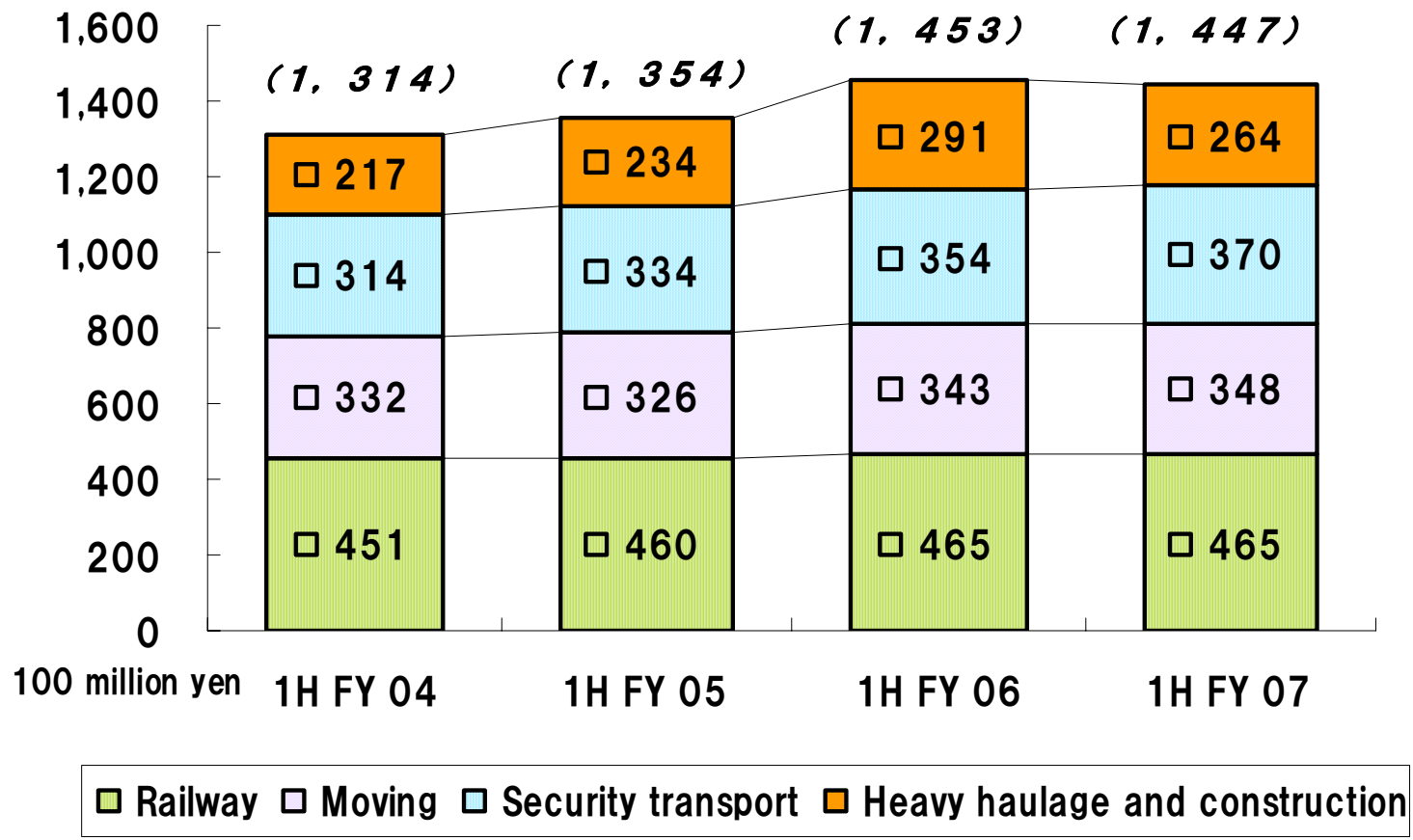


location	type	Space (m ²)	Completion
Shinagawa	Luggage room	22,089	April 2007
Kitasuna	Warehouse for business	16,200	May 2007
Kanazawa	Warehouse for business	19,156	May 2007
Nagano	Warehouse for business	10,329	June 2007
Osaka North Port	Warehouse for business	82,592	June 2007
Higashi Kanagawa	Research facility	11,078	July 2007



3. Progress of major corporate actions

(3) Enhancing service range

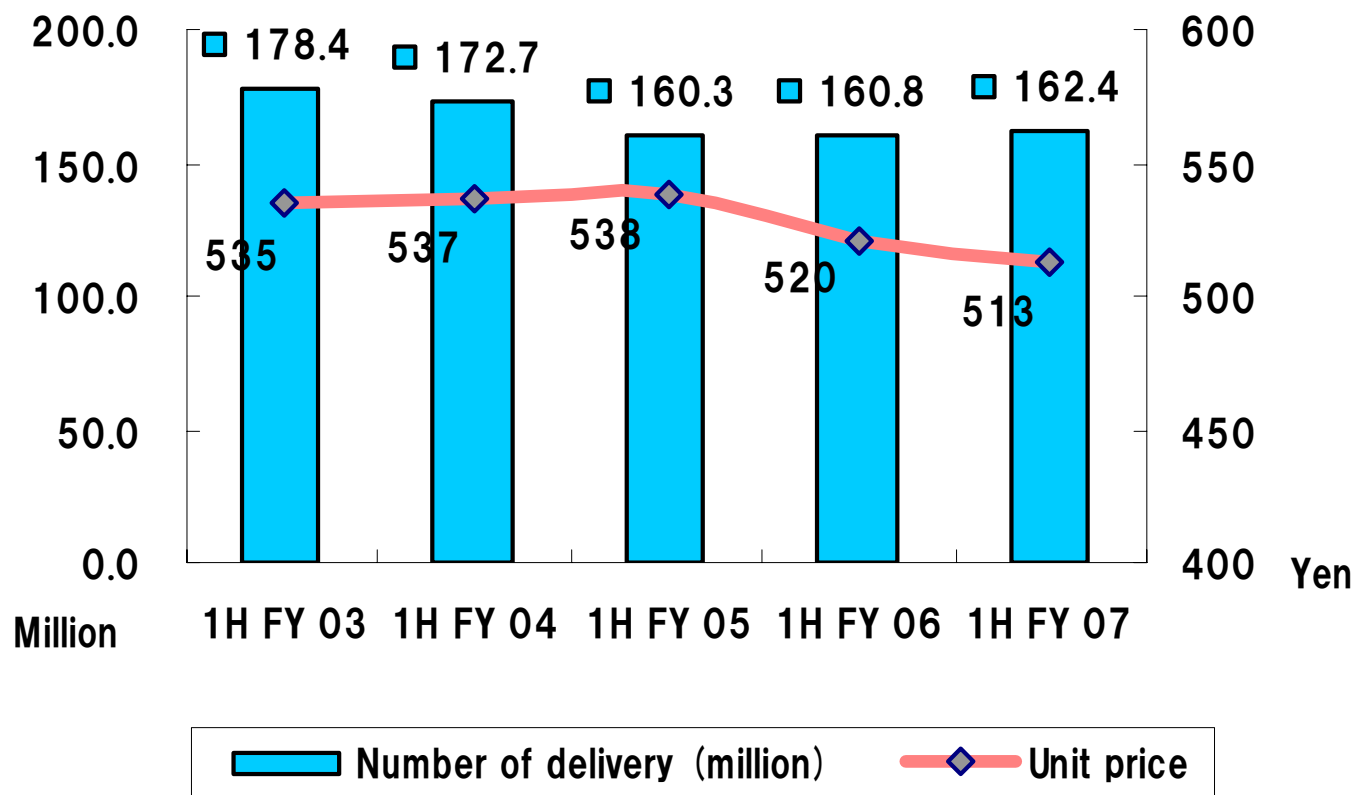




3. Progress of major corporate actions

(4) Renovating small-package transport business

~Trend in number of delivery and unit price of Pelican Express~



3. Progress of major corporate actions

(4) Renovating small-package transport business

~Integrated small-package delivery business with Japan Post~



(Planned to establish on Oct. 1 2008 : Combined Pelican Express and Yu-Pack, parcels business)

- Oct. 5 2007 Signed basic agreement with Japan Post HD
 - 1, Review and form comprehensive and strategic relation
 - 2, Integrate both small-package businesses
- Nov. 1 2007 Establish "Small-package integration division" inside of Nippon Express
- April 2008 Plan to sign final agreement of small-package business structure
- Oct. 1 2008 Plan to launch new joint venture of small-package delivery business

