

March 7, 2018

To whom it may concern

Company name: NIPPON EXPRESS CO., LTD  
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Acquisition of Equity Interest of Traconf S.r.l. (Turning into a Subsidiary)

NIPPON EXPRESS CO., LTD. (the “Company” or “we”) agreed with investors of Traconf S.r.l. (Address: 8/10/12 37060, Sona, Verona, Italy) (“Traconf”), an apparel-related logistics service provider in the high-end fashion industry, and thereby executed the sale and purchase agreement (the “SPA”) on March 6, 2018 (CET) to acquire the entire equity interests of Traconf through the subsidiary, Nippon Express Europe GmbH (the “Acquisition”).

1. Purpose of the Acquisition

By providing the logistics-centric supply chain solutions throughout the world, Nippon Express Group aims to be a “Truly Global Logistics Company” that can contribute to the global development of all kinds of customers. As one of the key strategies to achieve this goal, the Company is active in making intensive investments outside Japan to enhance its network in various regions and business areas with high growth potential. In 2013, the Company acquired Franco Vago S.p.A. (“Franco Vago”), a Firenze-based forwarding service provider in the apparel industry mainly focused on high-end fashion brands, and as a result established a high quality logistics platform in the apparel sector.

Traconf is headquartered in Verona, Italy, providing the warehousing, distribution and other services for the fashion and lifestyle industries in Europe, mainly Italy, as well as the United States and China. Their key customer base comprises of luxury fashion brands, like that of Franco Vago.

We believe that the Acquisition will help us grow our group’s fashion logistics business dramatically. Particularly, the combination of Traconf and Franco Vago will provide us with the mutual access to the customers of both companies, and furthermore the ability of offering each customer with non-stop integrated logistics services from international transportation, product warehousing, to distribution to the markets. In terms of our geographic strategies, the complementary interaction of the two companies and the local bases of our group will create a global network beyond the European market, allowing us to provide high quality services to customers worldwide as a leading distributor in the fashion logistics industry.

## 2. Overview of Traconf

(1)	Trade name	Traconf S.r.l.
(2)	Headquarters address	Via dell'Industria, 8/10/12 37060, Sona, Verona, Italy
(3)	Representative	Bruno Soave (CEO)
(4)	Businesses	Logistics services in the fashion and life style industries
(5)	Capital	EUR 520,000
(6)	Year of incorporation	1977
(7)	Investors (Ratio of investments)	Bruno Soave (97.0%), Graziella Tezza (3.0%)
(8)	Group performance for the latest business year	Sales: EUR 130.2mn (FY ended December 2017)

(Note) The above table presents the information as of the date of this press release. The management system post the Acquisition is now being reviewed and discussed.

## 3. Equity interest ownership before and after the transaction, and purchase price

(1)	Percentage of the equity interest owned before the Acquisition	0.0%
(2)	Purchase price	EUR 144.5mn (approximately JPY 19,000mn)
(3)	Percentage of the equity interest owned after the Acquisition	100.0%

(Note) Purchase price to be paid for the equity interest will be financed with available cash.

## 4. Schedule

(1)	Date of resolution at the board of directors	March 1, 2018
(2)	Date of the SPA	March 6, 2018
(3)	Date of the Acquisition	End of March, 2018 (tentative)

(Note) Date of the Acquisition may vary depending on the progress in satisfying the conditions precedent to the Acquisition.

## 5. Outlook

The impact of the Acquisition on the consolidated performance of the Company for the fiscal year ending March 2018 will be minor.

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