1. Positioning of the Business Plan

This business plan is a three-year plan positioned as the final stage of the Nippon Express Group’s measures articulated in the two previous business plans, Corporate Strategy 2012 and Corporate Strategy 2015. During the next three years, the Group intends to demonstrate its medium- to long-term orientation, laying a foundation for sustainable development into the future. In view of the organizational reforms implemented during the term of the previous business plan, the Group expects to further enhance profitability of its businesses in Japan, focus investment in B2B* in the priority business fields and the growth region, and promote Group management emphasizing earnings with the aim of becoming a truly global logistics company.

*B2B (Business-to-Business)

2. Review of the Previous Business Plan

<table>
<thead>
<tr>
<th>FY2015 targets (consolidated)</th>
<th>FY2015 forecasts</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>¥1,800.0 billion</td>
</tr>
<tr>
<td>Operating income</td>
<td>¥54.0 billion</td>
</tr>
<tr>
<td>Net income</td>
<td>¥34.0 billion</td>
</tr>
<tr>
<td>Return on assets (ROA)</td>
<td>2.5%</td>
</tr>
<tr>
<td>Proportion of sales from overseas-related business</td>
<td>40%</td>
</tr>
<tr>
<td>Operating income margin for domestic Combined Business</td>
<td>3%</td>
</tr>
<tr>
<td>CO₂ emissions</td>
<td>Reduce by an average of 1.0% or more per year</td>
</tr>
</tbody>
</table>

* FY2015 forecasts announced at the time of announcement of FY2015 3Q results
Of which, ROA and proportion of sales from overseas-related business show actual results of FY2015 3Q.

3. Corporate Philosophy

Our Mission  Be a driving force for social development
Our Challenge Create new ideas and value that expand the field of logistics
Our Pride Inspire trust every step of the way

4. Vision

◆ A Global Logistics Company
  Supports customers worldwide through logistics services
◆ A Company that Fulfills Its Responsibilities to the Earth
  Cares for the environment and works to realize a low-carbon society
◆ A People-friendly Company
  Values its employees and helps them to achieve job satisfaction

5. Name of the Business Plan

NIPPON EXPRESS GROUP CORPORATE STRATEGY 2018
— New Sekai-Nittsu — The Power to Grow Globally
6. Implementation Period
From April 1, 2016 to March 31, 2019 (three years)

7. Numerical Targets for FY2018 (final year of the plan)

<table>
<thead>
<tr>
<th>Numerical targets</th>
<th>FY2018 targets</th>
<th>FY2015 forecasts</th>
<th>Growth amount/rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>¥2,150.0 billion</td>
<td>¥2,000.0 billion</td>
<td>¥150.0 billion/7.5%</td>
</tr>
<tr>
<td>Operating income</td>
<td>¥75.0 billion</td>
<td>¥64.0 billion</td>
<td>¥21.0 billion/38.9%</td>
</tr>
<tr>
<td>Net income</td>
<td>¥45.0 billion</td>
<td>¥34.0 billion</td>
<td>¥11.0 billion/32%</td>
</tr>
<tr>
<td>Sales from overseas-related business</td>
<td>¥860.0 billion</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Return on assets (ROA)</td>
<td>2.8%</td>
<td>2.5%</td>
<td>0.3 points</td>
</tr>
<tr>
<td>Investment plan (three-year plan)</td>
<td>¥200.0 billion</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* FY2015 forecasts announced at the time of announcement of FY2015 3Q results
  Of which, ROA shows actual result of FY2015 3Q.

8. Basic Policy
Further enhance profitability of businesses in Japan and focus investment in B2B in the priority business fields and the growth region with the aim of becoming a truly global logistics company.
9. Key Strategies
A. Area Strategies

(1) Japan
By positioning Japan as one of the key areas in the world, develop business adapted to regional characteristics, strengthen domestic businesses, and establish new core businesses to further promote business reforms, establish a base that emphasizes earnings, as well as establish a foundation that is capable of achieving both growth and profitability.

a. Develop business adapted to regional characteristics
   ① Expand transactions with global companies in metropolitan areas, namely Tokyo, Nagoya, and Osaka
   ② Provide logistics services attuned to regional customer needs

b. Strengthen domestic businesses, and establish new core businesses
   ① Reinforce the network of the truck transportation business
   ② Reform the moving business
   ③ Organize the marine & harbor transportation business based on a cross-organizational framework
   ④ Strengthen cash logistics of the security transportation business
   ⑤ Remodel the real estate business
   ⑥ Establish new industry platforms

(2) Overseas
Establish an overwhelming position in Asia through concentrated investment of resources in Asia and realize growth on a global level including Europe and North America.

a. Develop business adapted to regional characteristics
   ① Enhance profitability in the Americas, Europe, and East Asia
   ② Growth in South Asia & Oceania

b. Strengthen overseas development of competitive businesses
   ① Global development of the heavy haulage & construction business
   ② Expand the field of the overseas moving & relocation business and cultivate non-Japanese customers
B. Functional Strategies

(1) Thoroughly strengthen sales activities
Apply one-stop sales and account management globally to strengthen customer-oriented sales activities and win contracts for global logistics.

a. Thoroughly implement one-stop sales

① Broaden the area of contribution to customers’ supply chains

② Win contracts for new projects of existing customers

③ Expand the business domain as a Lead Logistics Provider (LLP*)
   *Lead Logistics Provider: Logistics provider that provides comprehensive logistics management on behalf of the customer

④ Promote horizontal deployment of existing businesses

b. Strengthen account management

① Strengthen proposal capabilities of logistics services to key customers

② Promote sales & marketing by industry

③ Expand sales & marketing targeting non-Japanese companies

④ Strengthen management of revenues and profit by customer
(2) Strengthen and upgrade core businesses
Enhance competitiveness and secure profitability of the global freight forwarding business and the logistics business by strengthening procurement, development, and sales capabilities.

a. Enhance competitiveness of the global freight forwarding business

① Strengthen the purchasing power of global freight forwarding

② Promote consolidated cargo preparations in global freight forwarding

③ Reinforce responses to bidding for global companies (Japanese and non-Japanese companies)

④ Expand the network in the intra-Asia region

⑤ Increase the deals for traffic to and from Asia

b. Enhance profitability of the logistics business

c. Strengthen functions of logistics solutions

① Establish the planning, development, and sales systems for logistics solutions utilizing the functions of Group companies

② Strengthen R&D of logistics engineering and its practical application

• High-quality, high-performance IT applications (Warehouse Management System (WMS), Transport Management System (TMS), data analysis)

• Logistics technologies necessary for labor-saving/automated warehouses (material handling, robots, wearable devices)
(3) Strengthen Group management

Realize optimal allocation of resources throughout the Nippon Express Group for growth as a global logistics company by promoting thorough Group management and selection & concentration. At the same time, to increase strategic management resources, implement measures with a view to M&A.

a. Achieve optimal allocation of the Group’s resources

   ① Promote horizontal deployment and sharing of resources and know-how of Group companies throughout the Group

   ② Clarify the management goals of Group companies: Each company’s budget and function within the Group

   ③ Selection & concentration of businesses

b. Promote M&A that will contribute to enhancement of the corporate value of the Nippon Express Group

   ① Air freight and ocean freight forwarding network and regional/domestic transportation companies in emerging economies

   ② New business fields

   ③ Complementarity and expansion of regional coverage and customer base
(4) Reinforce the management infrastructure
Reinforce the entire management infrastructure to enable faster decision-making and stronger global competitiveness that are essential for a global company.

a. Innovate management systems
   ① Reform the headquarter functions

b. Strengthen cost competitiveness by enhancing operational productivity and quality
   ① Standardize indirect operations and introduce shared services
   ② Standardize and streamline on-site and administrative operations

c. Revise the performance management system
   ① Redesign the budget system
   ② Revise the performance evaluation system for organizations

d. Policy on shareholder return
   ① Maintain stable dividend payment
   ② Strike a balance between investment for growth and capital policy

e. Innovate HR management
   ① Revise the personnel and performance evaluation systems
   ② Initiatives in response to the labor shortage
   ③ Promote diversity management
      • Support employees to bring their capabilities into full play
      • Strengthen recruitment and development of HR for global managerial positions
      • Develop HR for positions requiring specialized skills (e.g. heavy haulage & construction, fine arts transportation)

f. Restructure the Group’s IT infrastructure
   ① Formulate and implement Group IT strategy for total optimization
      • Strategic integration of the Group’s IT organizations and management resources
(5) Further strengthen the Group’s CSR management
Contribute to resolution of social issues and development of a sustainable society by offering logistics services based on safety and security to people around the world.

a. Safety first
   ① Thorough commitment to safety measures throughout the Group
   ② Thorough implementation of the Nittsu Safety & Health Management System (NSM)

b. Reinforce compliance
   ① Commitment to ensuring compliance throughout the Group
   ② Ensuring fairness of transactions

c. Strengthen initiatives for creation of an employee-friendly workplace
   ① Deployment and improvement of a workplace environment that promotes safety and wellbeing of employees
   ② Greater support for employees' childcare

d. Establish business based on CSR
   ① Planning, development, and sales of environmentally friendly services
   ② Global development of low-carbon supply chain