



IR Day2025 Session 2
Accelerate Growth in the Global Market

NIPPON EXPRESS HOLDINGS, INC.
September 22 , 2025

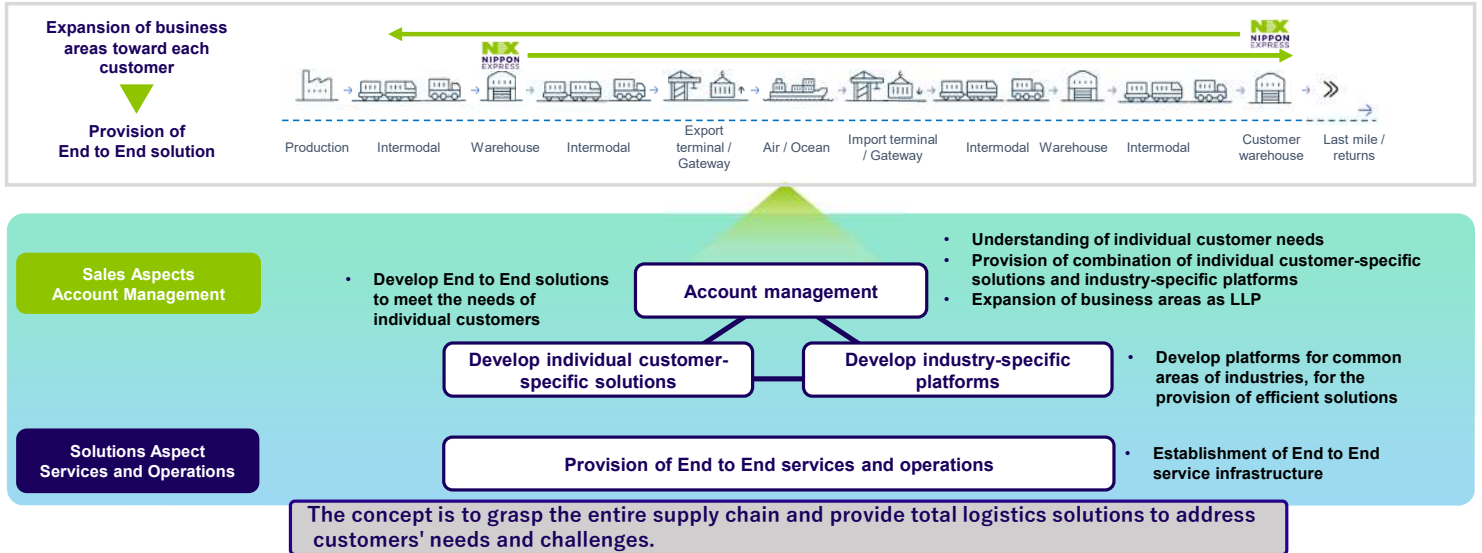
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Basic Concept for Accelerate Growth in the Global Market

Provision of Account Management and End to End Solution with the aim of expanding business areas for each customer.

"Secure sales and increase profits from each customer" and "Expand important core account customers"



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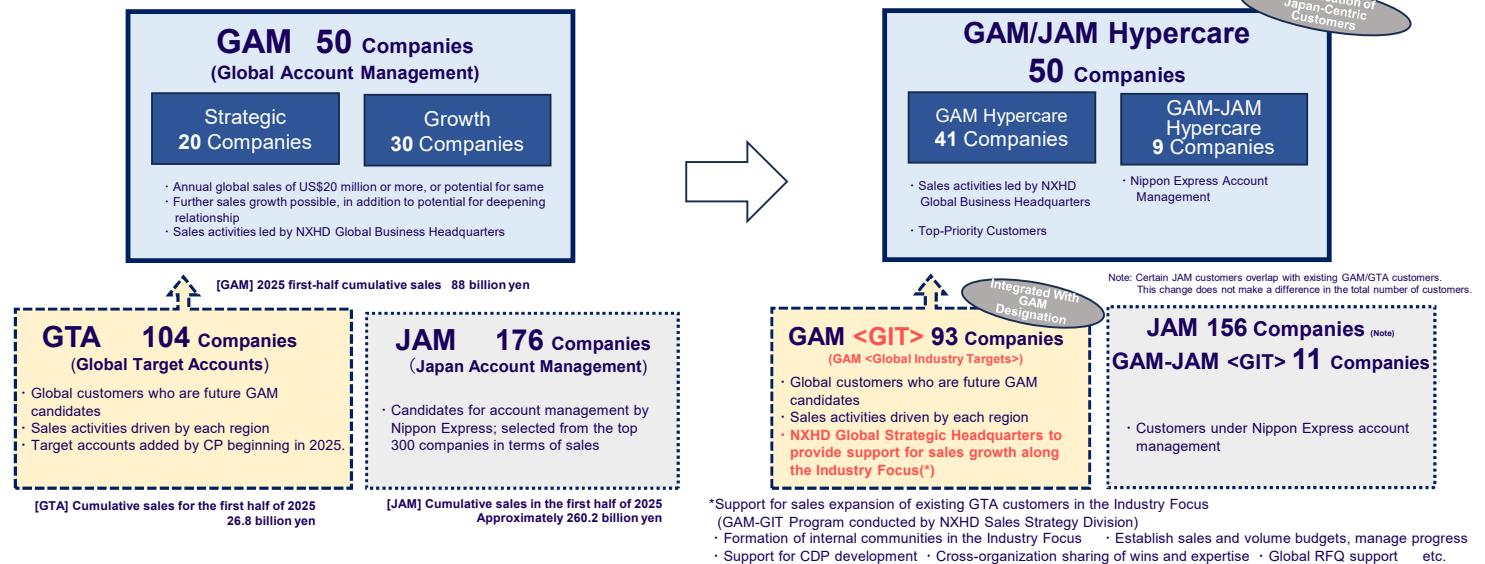
Our fundamental approach to accelerating business growth in global markets is to expand the provision of End-to-End Solutions starting with account management. Our aim is to both expand transactions with existing customers and increase the number of customers. The concept of providing End-to-End Solutions is to address customer challenges by delivering total logistics solutions that encompass the entire supply chain.

Measures to Advance Account Management

(1) Selection of global accounts

- Select account customers (GAM, JAM, etc.), taking into account sales scale and sales expansion prospects, etc.
- Provide sales growth support to GTA (currently GAM <GIT>) customers selected by each region under the Industry Focus

Changes to the Framework for Global Account Management



Regarding account management, which serves as the starting point for providing End-to-End Solutions, we are advancing initiatives to enhance its sophistication. Today, I will explain several of these initiatives.

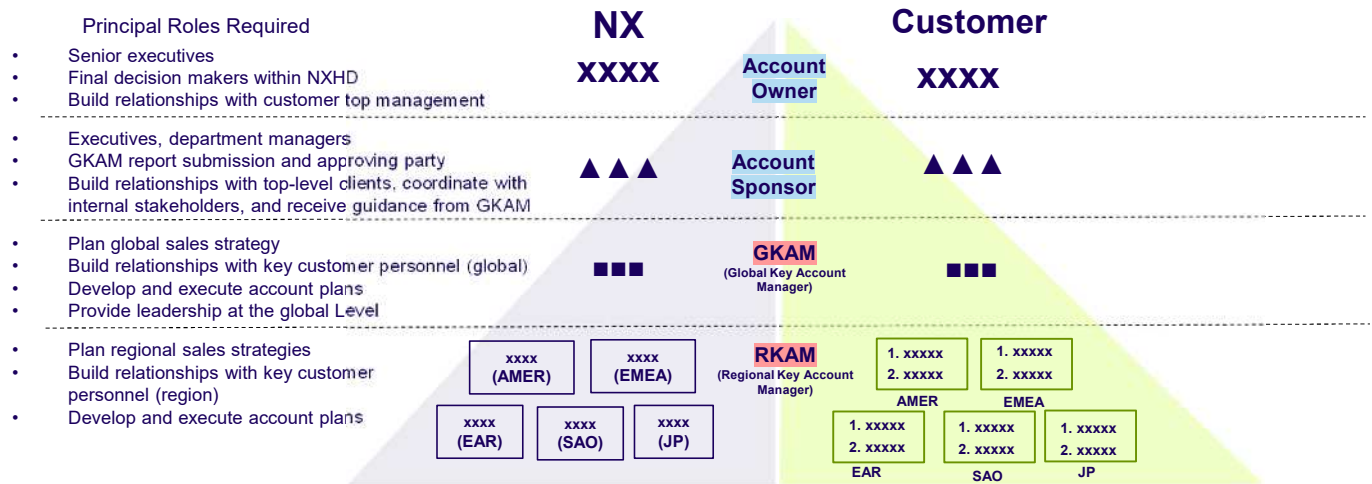
In selecting global accounts, we have considered factors such as sales scale and potential for expansion, and identified target customers such as GAM and JAM. Recently, we have partially revised this framework. For approximately 100 GTA customers, where each region has conventionally led sales activities, we have newly classified them under the holdings sales strategy department, which will provide sales support along industry verticals. By horizontally expanding industry-specific know-how and offering support during bidding, we aim to increase transactions with this group of customers, who may also become future GAM candidates.

Measures to Advance Account Management

(2) Platform for growing GAM account sales

- Establish account structure tailored to each customer under an account owner and account sponsor
- GKAM is responsible for developing global sales strategies for its customers; conducts sales activities together with RKAM

GAM Customer Account Sales Structure



This page shows the account sales structure for GAM customers.

This fiscal year we appointed new account owners and account sponsors, with clearly defined roles. The account owner, a senior executive, is the ultimate decision-maker within our company and is responsible for building relationships with the customer’s top management. Account sponsors—who are either executive officers or senior managers—are assigned to supervise account managers, providing guidance, approvals, and coordination with internal stakeholders.

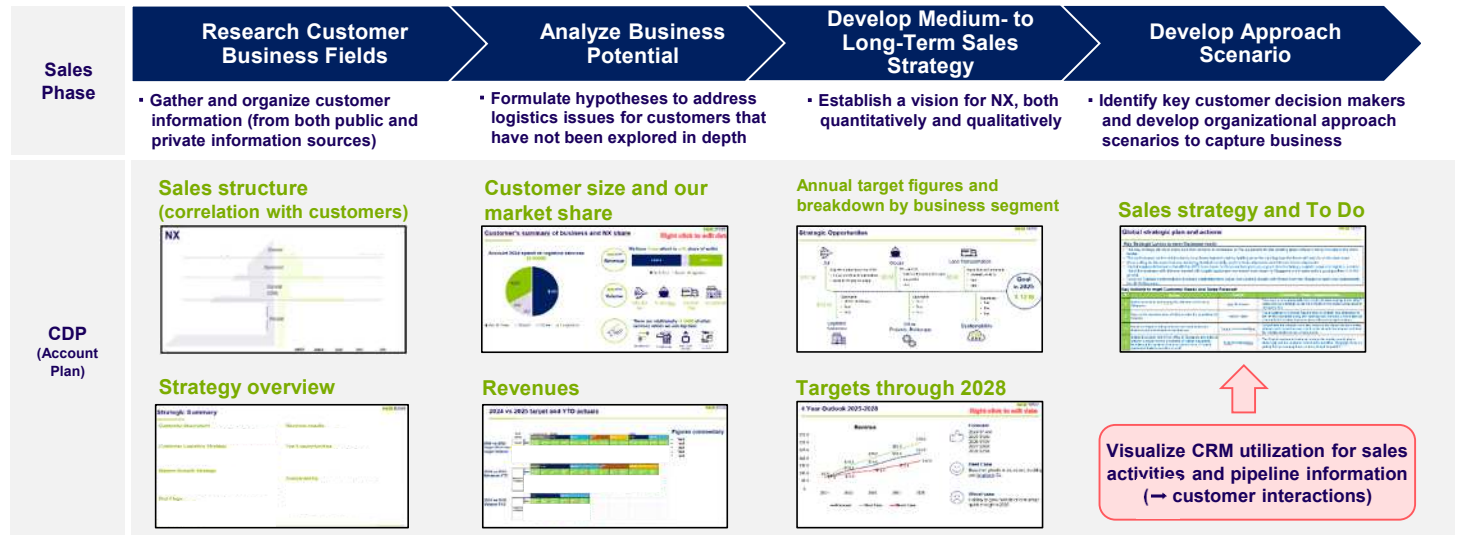
The roles of global key account managers and regional key account managers remain the same as before. However, by clarifying responsibility—including that of senior executives—for accounts with profitability challenges, we believe that decision-making can be made faster and more optimized from an overall perspective.

Measures to Advance Account Management

(3) Formulate and Execute CDP (Customer Development Plan (Account Plan))

- Analyze business potential based on research in the customer's field of business
- Create medium- to long-term sales strategy and approach scenarios
- Visualize contact points with customers using CRM

CDP Formulation and Execution in Line With Sales Phase



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Here, I will explain CDP, or the account plan.

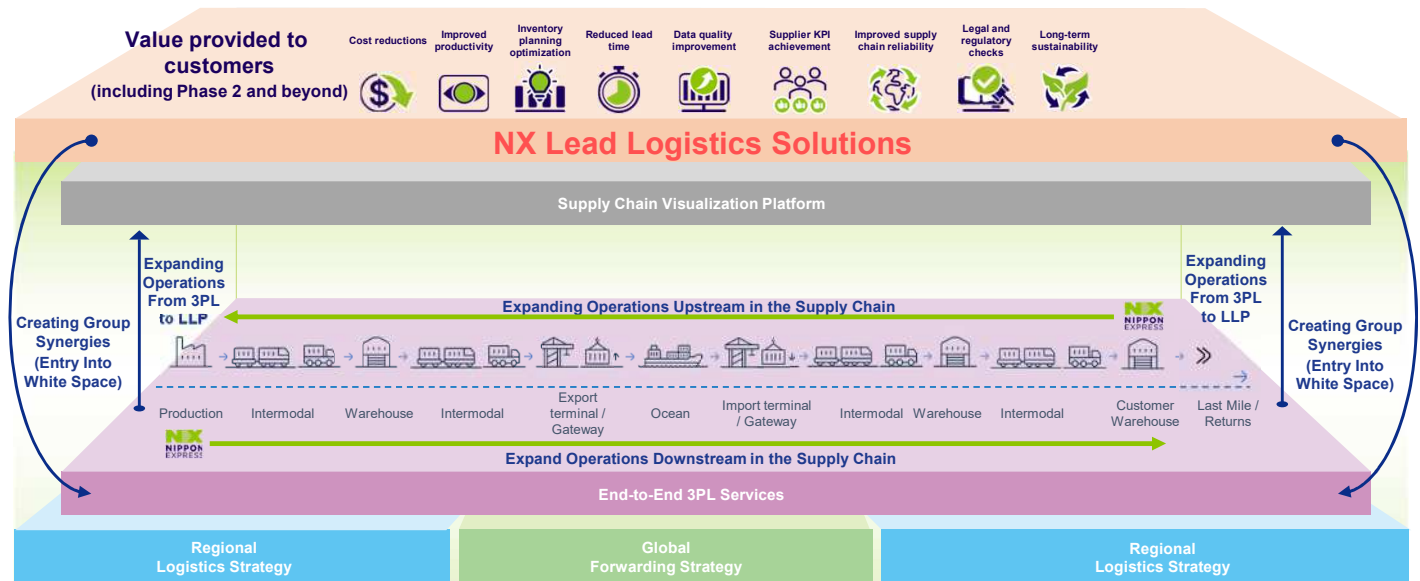
Using common procedures and formats, this involves analyzing customers and formulating medium- to long-term sales strategies. It begins with studying the customer's business domains and analyzing business potential.

Based on that, we define the vision of what NX aims to be for the customer, formulate sales strategies, and translate them into approach scenarios. Individual projects are registered in the CRM (customer relationship management) system, where they are visualized and managed as part of the sales pipeline.

LLP (Lead Logistics Provider) Services

Management services that do not involve 3PL(*) or other logistics; **NX Lead Logistics Solutions** provided from a neutral position as a 4PL to meet the customer E2E supply chain business needs

*Transportation, warehousing, distribution, etc.



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In providing End-to-End Solutions, the starting point is to view the customer's entire supply chain from a comprehensive perspective.

Customer needs and expectations vary widely. Beyond cost reduction, customers seek solutions that contribute to inventory optimization and enhanced supply chain reliability for stable supply. Delivering these solutions is how a logistics provider creates value.

Accordingly, we intend to expand our business domain from traditional 3PL services into areas handled by LLP (lead logistics provider), thereby maximizing our contribution to customers' businesses.

To this end, we have launched the NX Lead Logistics Solutions, which takes over the management and coordination tasks within the logistics processes that were previously handled by customers themselves.

Toward Providing Total Logistics Solutions

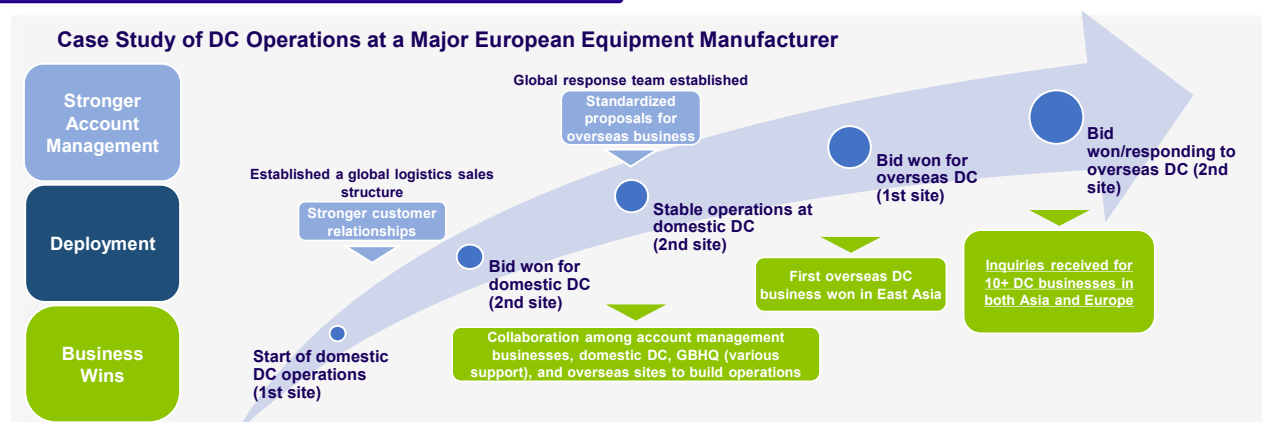
Horizontal Rollout of Logistics Solutions, Overseas Expansion (Examples)

• Knowledge gained mainly in Japan converted into a common infrastructure

• Documents successful projects and pursue horizontal/overseas expansion

• Gradual increase in the number of non-Japanese global accounts overseas

Case Study of DC Operations at a Major European Equipment Manufacturer



Expanded Sales of NX Lead Logistics Solutions

• We have received many business inquiries for transportation and operations management from general chemical manufacturers, spare parts delivery management for a computer peripheral manufacturers, etc.

• Currently selling eight solutions, including operations support and management services
Developing seven other solutions to support the expansion of supply chain strategies

Based on what I have explained so far, this page highlights topics related to the provision of logistics solutions.

As shown in the upper section, by codifying the expertise accumulated within the Company and building up successful cases, we have been promoting horizontal deployment to other sites. As a result, we are steadily increasing wins even with non-Japanese global accounts. Recently, with a major European equipment manufacturer, starting from handling at a domestic DC in Japan, we have expanded into operations in East Asia and secured numerous inquiries.

The lower section shows the expansion status of NX Lead Logistics Solutions, which I introduced on the previous page. We have received many inquiries, such as for transportation and operations management for a major chemical manufacturer, and spare parts distribution management for a computer peripheral manufacturer.

At present, we are marketing solutions focused on “control tower” operations, in which we centrally manage and operate customer logistics processes on their behalf. We are also developing additional solutions, such as supporting supply chain planning through advanced technologies, and will further strengthen our LLP service initiatives going forward.

Initiatives for Priority Industries

NX Group Business Plan 2028 for Priority Industries

Priority Industry		Main Products	2025 Jan-Jul Results	2024 Jan-Jul Results	Progress Toward Targets	2028 Targets
Technology	Core Domains	Electric & Electronics	¥171.8 billion	¥175.6 billion	(2.1) %	¥400.0 billion
	Growth, Pursuit Domains	Industrial Machinery				
Mobility	Core Domain	Automobile	¥146.9 billion	¥151.8 billion	(3.2) %	¥260.0 billion
	Growth, Pursuit Domains	Construction & Agricultural Machinery				
		Train, Airplane				
Lifestyle	Core Domain	Apparel	¥83.8 billion	¥87.5 billion	(4.2) %	¥160.0 billion
	Growth, Pursuit Domains	Furniture, Jewelry, Cosmetics				
Healthcare	Core Domain	—	¥67.5 billion	¥60.4 billion	11.7%	¥130.0 billion
	Growth, Pursuit Domains	Pharmaceutical				
		Medical Devices				
Semiconductor	Core Domain	—	¥36.5 billion	¥31.9 billion	14.4%	¥100.0 billion
	Growth, Pursuit Domains	Semiconductor				

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This shows our results from January to July regarding initiatives for priority industries.

In healthcare and semiconductors, recent efforts have been successful, progressing ahead of plan. However, overall, progress slowed in Q2 due to stagnation in international logistics. By assigning industry leaders to the holdings sales strategy department and linking this with our account management strategy—including GAM and GIT customers mentioned earlier—we are further strengthening these initiatives.

Regarding how best to present initiatives for priority industries, including visualization of profitability as has been pointed out before, we have started discussions. For this presentation, we are only showing sales by industry unit, as in the past, and we appreciate your understanding.

Solutions by Industry <Mobility>

JIT Warehouse Operations Specializing in the Automobile Industry

Domestic Parts Logistics in India
Handling supplier delivery agency services for more than 20 and 90 flights daily to Japanese OEMs in Gujarat



Transportation Network in China
Established milk run trunk line transportation network, rail and ship services in major areas



cargo-partner Acquisition Leads to Wins in Eastern Europe

New OEM plants scheduled in Eastern Europe and plans for further expansion; particularly expecting increase in production of EVs



Slovakia: 25,600 m²



Austria: 23,200 m²



Slovenia: 45,000 m²



Romania: 38,200 m²



Hiroshima



Indonesia WH



Kanda



Kariya



Utsunomiya

With regard to one of our strategies—building industry-specific platforms—this time I will introduce our just-in-time warehouse deployments focused on the mobility industry.

At our domestic parts logistics hub in Gujarat, India, we handle daily deliveries of 90 shipments to a Japanese OEM on behalf of more than 20 suppliers. In China, in addition to warehouse hubs, we have established a main transport network across major domestic areas using milk-run operations as well as rail and ocean transport. In Eastern Europe, where we gained many sites through the acquisition of CP, we have newly established an OEM factory. With EV production expected to increase, we are also planning further expansion of sites in the region.

Solutions by Industry <Mobility>

Support for U.S. Projects in the Future

Automobile tariffs to be reduced to 15%

- Tariff rates remain high compared to pre-Trump levels
 - Need to increase local production in North America and conduct local procurement
 - Need to strategically diversify global business development

Agreement to invest \$550 billion in the U.S.

- Investment targets are expected to cover semiconductors, pharmaceuticals, steel, shipbuilding, critical minerals, aviation, energy, automobiles, AI/quantum, and other sectors of economic and security importance

Parts handling/empty container collection, etc., at U.S. warehouses
(Contract Logistics)

Transportation of production equipment to the U.S.
(Project Cargo Handling)

Direct shipments to U.S. neighboring countries for U.S. stock items
(Ocean and Air Forwarding)

Urgent or lot shipments of production components to the U.S.
(Ocean and Air Forwarding)

Shipment of production components from countries with relatively low tariffs
(Ocean and Air Forwarding)

Handling of transit trade goods in bonded warehouses in the U.S.
(Contract Logistics)

Responding to Customer Needs Through the Full Use of NX Group Expertise, Network, and Comprehensive Capabilities

Addressing projects in the United States is also one of our important measures.

Although tariffs on automobiles from Japan have been reduced, they remain high compared with the past. Furthermore, the large-scale US investments agreed upon between Japan and the US are expected to include the automobile industry as well.

As production shifts to North America and local procurement ratios increase, various impacts are anticipated. Leveraging the NX Group's expertise, networks, and comprehensive capabilities, we will continue to respond to diverse customer needs.

Solutions by Industry <Mobility>

Warehouse Automation of the NXAL Ohio Warehouse (U.S.)

Automated warehousing and shipping operations at a parts warehouse for Japanese OEMs using shelf-transfer robots

Equipment Specifications



Shelf-Transfer Robots, BOTs : 34
Receiving Area : 5 Stations
Picking Area : 6 Stations
No. of Shelves : 210
Palette Skid : 390

	Before Automation	After Automation	Impact (Excluding Income/Expense)
Workers	58	41	-29% • Labor-saving features create a work environment less susceptible to labor shortages
Cargo Handling Equipment (Forklifts, Etc.)	19	11	-42% • Improved safety (reduction in likelihood of accidents due to human error) • CO ₂ reduction
Space	74,190 sq. ft.	70,300 sq. ft.	-5% • Reduced space for more efficient operations



In relation to the handling of automotive parts in the US, let me introduce warehouse automation initiatives at NX Automotive Logistics America’s Ohio warehouse.

Due to the high turnover of labor, a major Japanese OEM expressed concerns about workforce shortages. As a solution, 34 shelf transport robots were introduced to automate inbound and outbound operations. As a result, we achieved roughly a 30% reduction in workforce requirements, created a warehouse environment less affected by labor availability, and also realized secondary benefits such as improved safety through reduced use of cargo-handling equipment.

The Environment Surrounding Our Supply Chains

Global Economy

Global growth forecast for 2025 is 3.0% according to the IMF. The global economic growth rate for 2026 is 3.1%.

Rates to remain below the pre-pandemic average of 3.7%.

Risks remain for reimposed tariffs, geopolitical tensions, financial vulnerabilities, and supply chain disruptions.

U.S. Economy

Growth of 1.9% and 2.0% in 2025 and 2026 according to the IMF. Short-term fiscal stimulus to boost 2026 growth.

*Corporate inventory and sales statistics published by the U.S. Department of Commerce show a flat trend at the beginning of 2025 and upward trend after summer due to a rush of demand before tariffs and an accumulation for the year-end sales season. At the same time, inventory strategies have been affected by supply chain disruption and policy changes, and we may enter an inventory adjustment phase in 2026.

U.S. Tariff Measures

- On April 17, the U.S. Trade Representative announced proposed additional fees for Chinese-built ships entering U.S. ports. (scheduled for mid-October adoption)
- On August 29, de minimis rule abolished for customs clearance
- On September 4, President Trump signed the Presidential Decree on the Japan-U.S. Tariff Agreement

Japan-U.S. Tariff Negotiations Formalized



Port of Manzanillo Strike Ends, but Confusion Lingers

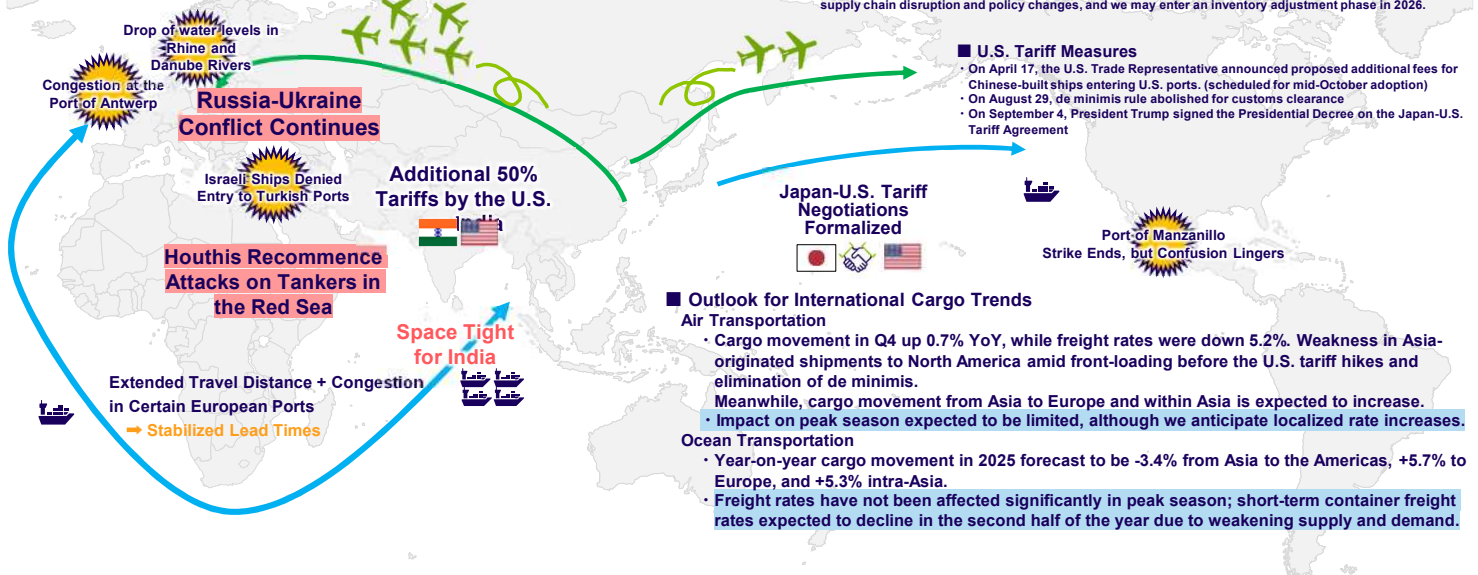
Outlook for International Cargo Trends

Air Transportation

- Cargo movement in Q4 up 0.7% YoY, while freight rates were down 5.2%. Weakness in Asia-originated shipments to North America amid front-loading before the U.S. tariff hikes and elimination of de minimis.
- Meanwhile, cargo movement from Asia to Europe and within Asia is expected to increase.
- Impact on peak season expected to be limited, although we anticipate localized rate increases.

Ocean Transportation

- Year-on-year cargo movement in 2025 forecast to be -3.4% from Asia to the Americas, +5.7% to Europe, and +5.3% intra-Asia.
- Freight rates have not been affected significantly in peak season; short-term container freight rates expected to decline in the second half of the year due to weakening supply and demand.



This page shows, in addition to global economic conditions, changes in situations that require close monitoring as well as future trends in international cargo, mapped geographically. According to the IMF, global economic growth is forecast to increase by 3% YoY in 2025 and 3.1% in 2026. However, US tariff developments, geopolitical tensions, and supply chain disruptions are recognized as downside risks to these forecasts. As for US tariff policies, in addition to the formal agreement in the Japan-US tariff negotiations, significant changes such as additional tariffs on India have emerged. This makes it essential to closely monitor the impact on supply chains and customer trends. Furthermore, the war between Russia and Ukraine and the Red Sea crisis continue, requiring vigilance regarding geopolitical tensions. As for the near-term outlook on international cargo trends, to put it briefly, both air and ocean are lacking in volume momentum in H2 of the year. Therefore, while localized freight rate increases are expected, we believe they will settle relatively quickly.

Forwarding Business Volume Strategy

Forwarding Volume Results

	2025 Jan-Aug Results	2024 Jan-Aug Results	YoY%	2028 Targets
Air Cargo Forwarding Volume	604,000 t	600,000 t	0.7%	1,300,000 t
Ocean Cargo Forwarding Volume	560,000 TEU	594,000 TEU	(5.7)%	1,400,000 TEU

cargo-partner (Share)	2025 Jan-Aug Results	2024 Jan-Aug Results	YoY%
Air Cargo Forwarding Volume	116,000 t	115,000 t	0.6%
Ocean Cargo Forwarding Volume	99,000 TEU	110,000 TEU	(10.6)%

【Air Freight Forwarding】

• Market volume (*) in the first half of 2025 is expected to increase by +3.5% year-on-year. (*Data source: IATA Air Cargo Market Analysis report, based on cargo tonne-kilometers)

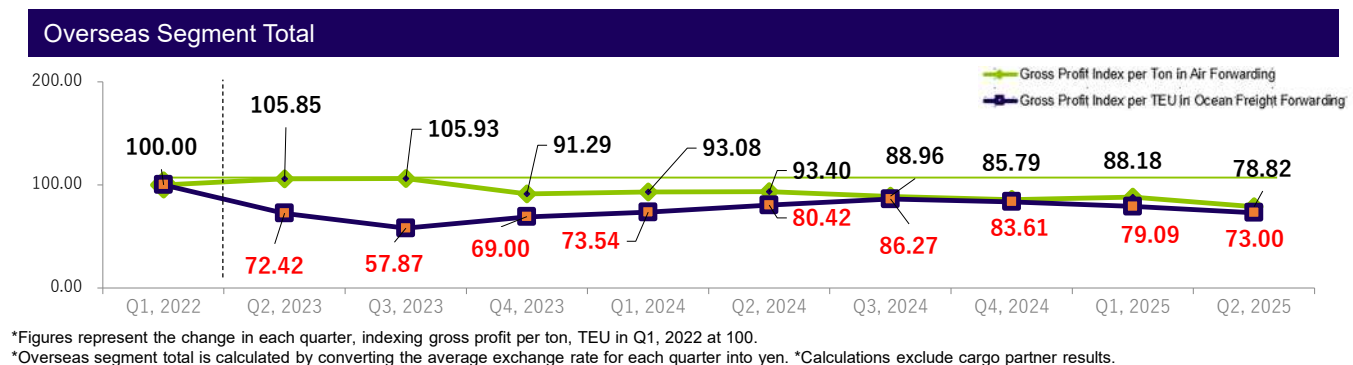
【Ocean Freight Forwarding】

• Due to factors such as front-loaded shipments in response to the impact of U.S. tariff policies, market volume (**) for the period from January to May 2025 increased by +6.5% year-on-year. (**Data source: Japan Maritime Center, Trends in Ocean Cargo Movements)

This slide shows forwarding volume results through August.

Air freight volumes were roughly flat YoY, while ocean freight declined by 5.7%, partly due to the impact of customer BCO shifts. CP showed a similar trend.

Forwarding Business Volume Strategy



【Air Freight Forwarding】
 2025年1Q vs 2025年2Q : Deterioration by 9.36 points

【Ocean Freight Forwarding】
 2024年4Q vs 2025年1Q : Deterioration by 4.52 points

Looking at gross profit, both air and ocean show deterioration compared with last year. For air, the gross profit index in Q2 FY2025 worsened 9.36 points from the previous quarter. For ocean, the gross profit index in Q1 FY2025 declined 4.52 points QoQ. Volumes remained almost unchanged YoY, indicating that while sales freight rates fell under severe competition, usage costs have not dropped significantly. We are currently negotiating global rates with airlines for the winter schedule. The offers are generally at the same level as the current summer schedule. Given weak demand, we are continuing persistent negotiations and will maintain our efforts to lower procurement costs.

Global Forwarding Strategy

Policy and Measures to be Introduced

Volume Strategy in Practice

Steadily securing cargo shipped from GAM and JAM through bids

Improve purchasing power using global airline RFQs and concentrated use of preferred carriers

Bid management using APCC/OPCC
(Airfreight/Ocean freight Pricing Competence Center)

Improve Profitability

New business among small and medium-sized enterprises (SMEs)

Targeted trade lanes in conjunction with account program

Expansion of digital forwarding services for integrated freight rate quotation

Our basic policy for global forwarding strategy initiatives remains unchanged.

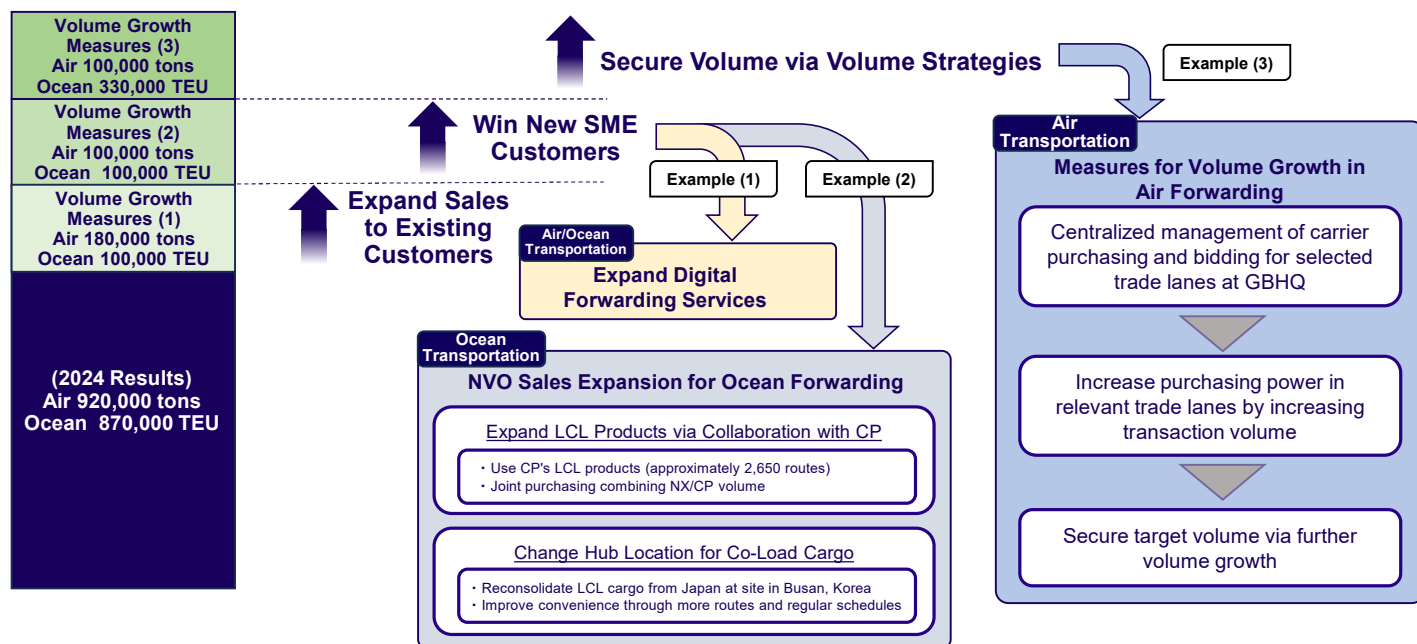
The effect of our volume strategy includes stronger purchasing power through volume securing and increased incentives from airlines and shipping companies. At the same time, forwarding serves as an approach strategy that enables the provision of end-to-end solutions, leading to expansion into logistics operations.

We are implementing purchasing measures such as conducting global airline RFQs based on total handling volume, including CP, and consolidating shipments with core ocean carriers. We are also promoting revenue management through bid management for both air and ocean.

Meanwhile, we are working to improve profitability through SME business development, including intensive expansion into target trade lanes linked to account programs and enhancing digital forwarding services.

Global Forwarding Strategy

Toward Achieving Annual Target Volume (Air/1.3 million tons; Ocean/1.4 million TEU)



This page outlines our initiatives toward achieving the annual volume target for FY2028.

It will be difficult to achieve such ambitious targets through expansion with existing customers alone, so we will build up the necessary additional volume through SME expansion and execution of the volume strategy.

This time, we highlight three initiatives. The first, digital forwarding, will be explained later. In ocean freight, as part of NVO expansion measures, we have begun expanding LCL products in collaboration with CP, as well as shifting hub locations for co-loaded cargo.

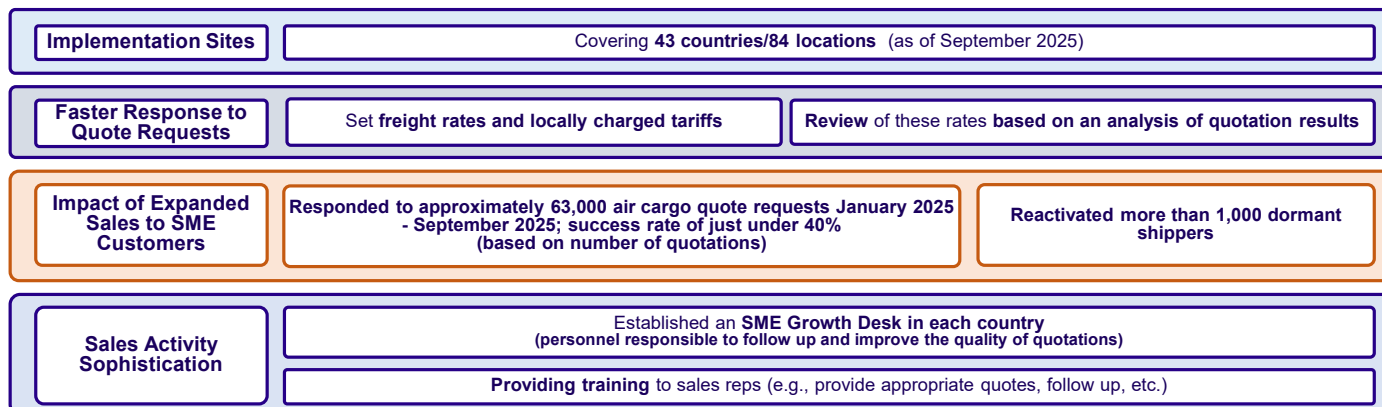
In air freight, the holdings air forwarding department will strategically handle carrier procurement and bidding for selected trade lanes. This aims to secure volume strategically and enhance purchasing power based on those volumes, thereby driving global initiatives.

Global Forwarding Strategy

Expanding Sales to SME Customers

• SME customers are more likely to seek quicker responses and simplified quotes

• Striving to expand digital forwarding services, which **provide instant online freight quotes for international air and ocean cargo transportation.**



SME customers tend to demand quick responses and simplified quotations. To meet these needs, we are expanding our digital forwarding services, which provide instant freight quotations online. This service has been rolled out in 43 countries and 84 locations, and in the first nine months of this year, we handled approximately 63,000 air freight quotations. With rapid quotation responses using registered sales freight rates and local companies in each country, we have achieved a very high closing rate of nearly 40%. We also succeeded in reactivating more than 1,000 dormant shippers. We will continue to strengthen efforts in ocean freight in the same way as air freight.

Global Forwarding Strategy

Forwarding Business: Standardizing Business Processes in Conjunction With Cargo Wise One

Significance of Standardization

**Efficiencies Through
World-Standard SOPs**

Global Platform

Understanding Cost per Job

Initiatives for Standardization



Global Operating Model @ NX
Customer-centric standardized
operations driving value creation



About Cargo Wise One

**Integrated software platform for
the logistics industry**

High versatility and many other benefits

• Widely used by European global forwarders; 13 of the top 25 A&A forwarders have already implemented the system

- Real-time information sharing and data integration
- Visualization and analysis of data for faster decision making
- Rapid response to changes in the external environment
- Efficient utilization of human capital by leveraging high versatility

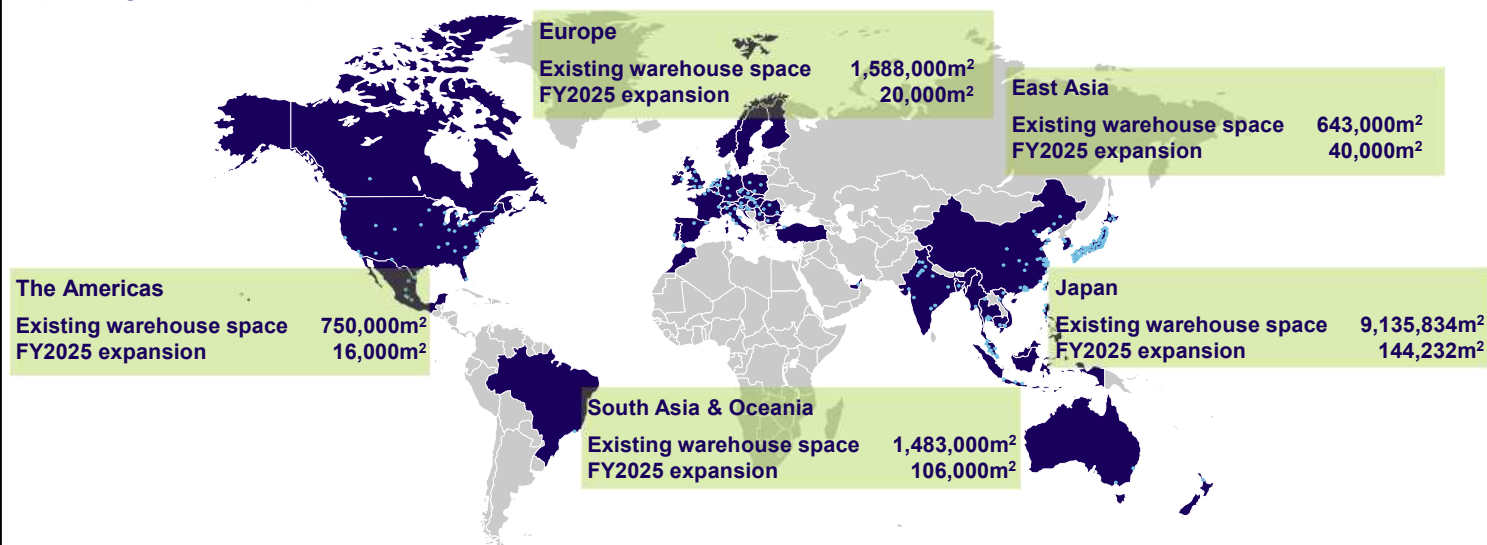
In the forwarding business, with the renewal of our core operational system, we have begun standardizing business processes.

Standardization not only involves introducing standard SOPs and a global platform, but also includes tracking profit and loss at the job level. The pillars of this initiative are business standardization under the name NXGOM and the introduction of CargoWise One.

CargoWise One is a unified operational system widely used by European global forwarders. In addition to benefits such as real-time information sharing and faster decision-making through data analysis, we also expect it to significantly improve workforce efficiency by leveraging its high versatility.

Growing and Strengthening Our Logistics Business

Expanding Warehouse Space Overseas



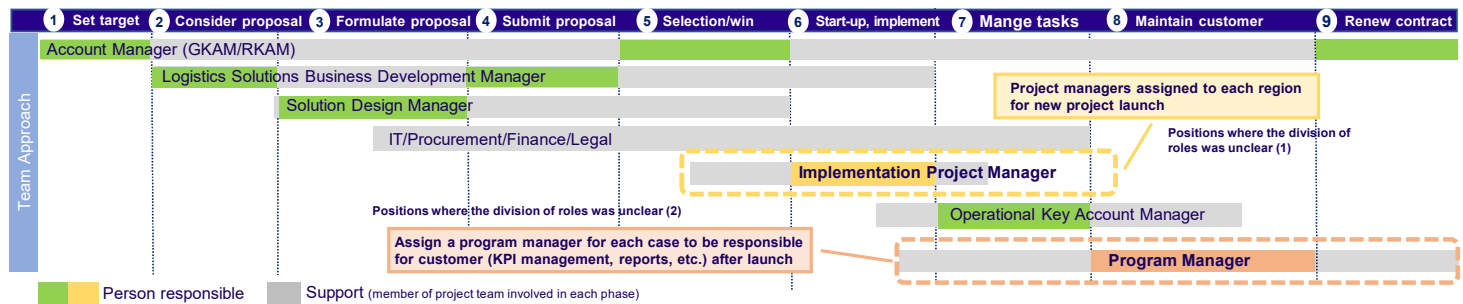
- Regardless of industry or project size, the number of contracts acquired continues to increase steadily, and we are beginning to see the results of strengthening the logistics business in Japan and overseas
- Visualizing information on warehouses (space) available for sales, facilitating global sales expansion

Now, let me explain the logistics business. Globally, this fiscal year, we have expanded warehouse space by approximately 330,000 square meters—the equivalent of more than seven Tokyo Domes. Regardless of industry or project size, successful cases are steadily accumulating, and results of strengthening the logistics business are beginning to appear both in Japan and overseas.

Growing and Strengthening Our Logistics Business

Streamlining Response Process for Global Accounts

- Clarifying the division of roles within teams at each stage of new projects (proposal, acquisition, start-up, and stable operation)



Maintaining and Improving Quality (Voluntary Inspections at All Global Logistics Bases)

Purpose	<ul style="list-style-type: none"> To maintain safety and quality throughout the NX Group; to strengthen legal compliance and internal controls To standardize and improve warehouse operations quality
Inspection	Total of 21 items, including... <ul style="list-style-type: none"> Legal documents (contracts, etc.) Inventory Personnel assignments Work standardization 5S3T Visualization of warehouse work productivity
Self-Inspection App Adoption	<ul style="list-style-type: none"> Visualize quality status at each site Significantly reduce user work hours Provide learning content to improve knowledge and build awareness on the part of users

(Screen shot of self-inspection app)

Evaluation Results Input Screen



In the logistics business, as the number of cross-border projects increases, we are improving recruitment processes. In new project launches involving many personnel, certain areas lacked clarity in role allocation. We have now clarified team roles.

We have assigned project managers in each region to handle project launches, and after launch, program managers who serve as customer contacts are assigned on a case-by-case basis. This ensures that even with increasing project volume, we maintain a solid structure for both launches and ongoing operations. At the bottom of the page, we describe voluntary inspections for all global logistics sites. These inspections, covering 21 items, are conducted using a dedicated application to maintain and improve safety and operational quality in warehouse operations.

Through such initiatives, even as project numbers increase, we continue to uphold and strengthen NX's core strength in quality.

Overseas Growth Through M&A — cargo-partner ("CP") PMI —

Step-by-Step Initiatives to Maximize Synergies

Cross- and Co-Selling

(progress as of September 2025)

Joint sales and bid submissions for global accounts and other key customers

- Major Japanese equipment manufacturer and NX customer
Proposed CP Austrian warehouse; awarded Central and Eastern Europe DC operations
- Won a contract logistics project for a CP customer by selling NX knowledge and expertise in handling items in question, winning warehousing operations in Bulgaria

2025: Site Consolidation/Reorganization

Entities and Locations Worldwide Consolidation

Engaging in consolidation/reorganization, etc., in countries where NX and CP coexist; improving operational efficiencies and strengthen sales structure

2024: Italy, Spain, Sweden, Singapore

2025: U.S.A., Australia, Indonesia, Malaysia

2026 and Later: South Korea, Eastern European countries

The integration is leading to efficiency measures, such as office/warehouse space reduction and staff reassignments

2024: Creating Synergies in Purchasing

Creation Buying Power in the Forwarding Business Through Combined Volume

Air Cargo:
Began negotiating with airlines to add CP to global airline RFQ (request for quotation) volume beginning in the winter of 2024; approach is reducing air forwarding costs

Ocean Cargo:
Increased presence by integrating CP volume in negotiations with major global shipping lines

2026: Creating Sales Synergies

Integrating Rules and Meshing Corporate Cultures Built on This Infrastructure

Accelerating Mutual and Joint Sales

Next, I will explain the progress of cargo-partner PMI.

On the purchasing side, we have been promoting space procurement with carriers since 2024 by incorporating CP's volumes, and we have already begun seeing results in the global airline RFQ for air freight. In ocean freight as well, NX Group's presence has been increasing in transactions with major global shipping lines.

In countries where NX and CP locations overlap, we have been sequentially consolidating and integrating operations with the aim of improving operational efficiency and strengthening sales structures. While last year the focus was mainly on Western Europe, this year we have integrated CP entities into NX in the US, Australia, and Indonesia, among others. The overall direction of consolidation is becoming clear.

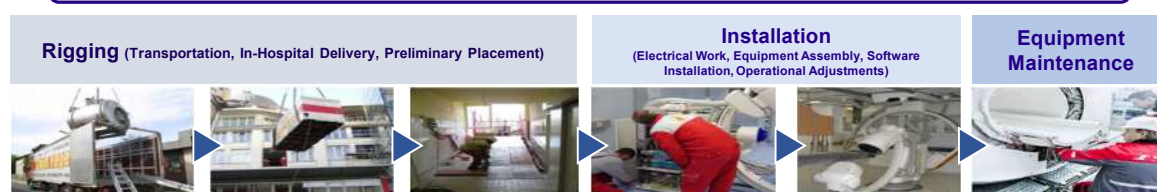
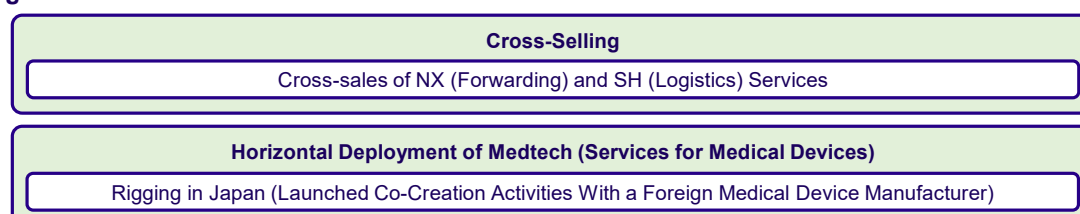
The future challenge is to maximize sales synergies. By promoting the groundwork mentioned earlier, we will integrate rules and corporate cultures, accelerating joint and integrated sales. We will continue working toward maximizing synergies to complete PMI within FY2026.

Overseas Market Growth Through M&A — Simon Hegele ("SH") PMI —

SH Overview



Creating Synergies



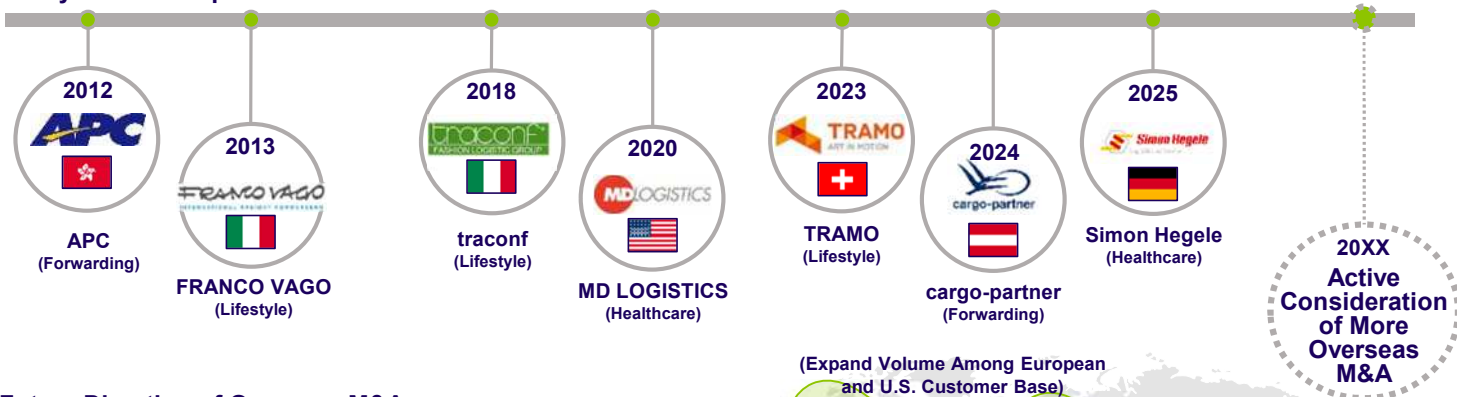
In February of this year, we completed the acquisition of Simon Hegele, a Germany-based company providing logistics services focused on medical devices.

The company has strong expertise in installing large medical equipment in hospitals and also handles not only logistics but electrical work, software installation, and equipment maintenance. Since it does not have its own forwarding platform, combining its services with the NX Group's forwarding functions now enables us to provide end-to-end services covering transport, delivery, and installation.

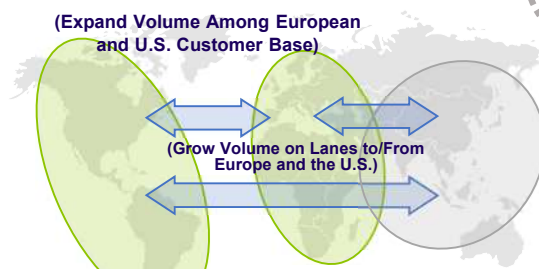
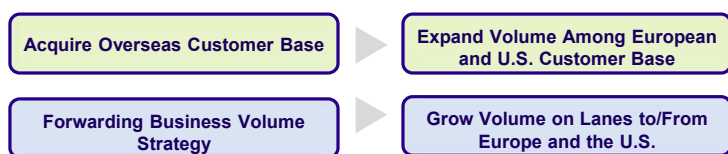
As part of synergy creation, we are promoting horizontal expansion of medtech (large medical equipment) handling. In Japan, we have launched co-creation activities with foreign medical device manufacturers to develop hospital delivery and installation services, known locally as "rigging."

Overseas Growth Through M&A —Toward More M&A—

History of NX Group Overseas M&A



Future Direction of Overseas M&A



· As one direction, we are considering overseas M&A with a focus on our customer base in Europe and the U.S., as well as on lanes to/from Europe and the U.S.

I would also like to touch upon further utilization of M&A.

Since the acquisition of APC in 2012, the NX Group has carried out M&A mainly in Europe and the US. We will continue to actively pursue overseas M&A, with the objectives of acquiring overseas customer bases and advancing our volume strategy.

In Asia, where our business already has certain strengths, what we need to complement are customer bases in Europe and the US as well as securing volumes on Europe- and US-related trade lanes. As one direction, we are considering overseas M&A focused on customer bases in Europe and the US and volumes on these trade lanes.

Business Growth in India

Forwarding Business

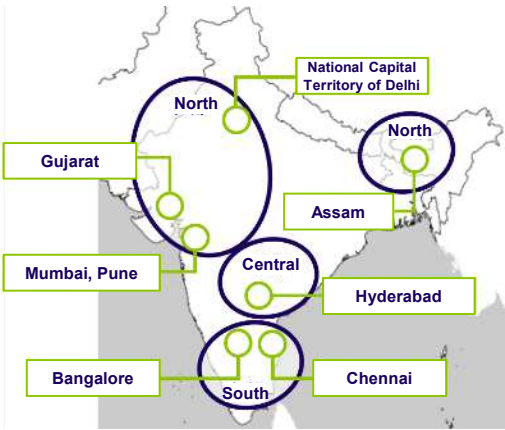
The pharmaceutical industry, particularly generics, and the automobile-related industry are thriving. In the future, we expect growth in the semiconductor industry, and we will ensure that we secure cargo to and from India in these areas.

Logistics Business

Focusing on growing business in downstream areas of retail and distribution.

Basic strategy is to create growth cluster strategy to strengthen sales in priority areas and industries in India, leveraging improved account management to increase the number of transactions in the logistics sector

Progress in Initiatives by Growth Cluster (Area x Industry)



Area	Priority Industry	Progress
North	Semiconductors	<ul style="list-style-type: none">Expanding sales to global key accounts and suppliersConducting road surveys prior to new plant construction
	Mobility	<ul style="list-style-type: none">Strengthening sales to key accounts (particularly Japanese automobile OEMs)Considering purchase of land in close proximity to production bases and building warehouses
	Healthcare	<ul style="list-style-type: none">Capturing strong demand, particularly for generic drugsPursuing sales to global and local accounts
South	Technology	<ul style="list-style-type: none">Entry into smart device-related supply chain and salesCapturing logistics needs in line with market growth in the HVAC industry
Central	Aerospace	<ul style="list-style-type: none">Pursuing marketing and targeting activitiesPlanning to set up a sales organization inside NX India
Overall	Lifestyle	<ul style="list-style-type: none">Expanding volume for FMCG products at Japanese-affiliated mass merchandisers, etc.Expanding entry into local quick commerce (outbound logistics)

As part of our initiatives in priority areas, here I will explain our India strategy. Our core approach is the growth cluster strategy, which strengthens sales by priority areas and industries within India. We divide the country into north and south: in North India, we position semiconductors, mobility, and healthcare as priority industries, while in South India, the focus is on technology-related industries. For lifestyle, regardless of region, we are promoting expansion in domestic logistics. In the mobility industry, we are strengthening sales particularly targeting Japanese automotive OEMs, securing land near production bases, and considering the establishment of warehouses. In healthcare, capturing robust demand for generics remains vital, and we are pursuing sales to both global and local accounts.

Business Growth in India

Growing Outbound Logistics Transactions

- Expanding to e-commerce and quick commerce (*), building a foothold with major Japanese mass retailers

(Most-Recent Wins)

Major global e-commerce company	Warehouse Operations	Approximately 30,000 m ²
Major local quick commerce company	Warehouse operations	Approximately 20,000 m ²

*What is Quick Commerce?

A new form of home shopping service that delivers products quickly



Established the NXHD India Development Group

- New group inside NXHD; established in July 2025
- With the increasing number of projects in India, we are collecting traffic opportunities inside and outside of India, aiming to secure projects (contribute to sales target)
- Leading sales expansion in India on a global level by developing platforms

Exhibited at SEMICON India 2025 (Semiconductor Show)

- One of the largest semiconductor exhibitions in South Asia. Gathering of semiconductor OEMs and equipment suppliers
- Each of our Indian operating companies (NX South Asia & Oceania, NXHD (India Development Group), and Nittsu NEC Logistics Group companies) work in concert to propose solutions that meet the needs of each customer



Conducting Road Surveys in Assam and Dholera Districts



Center-lane level changes and uneven pavement



Holes and cracks



Uneven pavement and vibration

In addition, let me introduce several topics in our India business.

In domestic logistics, we are expanding outbound logistics transactions. We handle warehouse operations for a global major e-commerce company and a leading local quick-commerce company, with a total scale of about 50,000 square meters.

In July of this year, we established the India development group, which plays a coordinating role in managing growing opportunities both within and outside India as inquiries for India projects continue to increase.

In semiconductors, we exhibited at SEMICON India earlier this month, presenting group-wide collaborative solution proposals. We also conducted road surveys in Assam and Dholera, where new factories are planned, and these activities have been well received by many customers.

Toward Improved Performance in the Logistics and Overseas Segments

Business Environment

Economic Stagnation in Major European Countries

Decline in Forwarding Business Margin Ratios Amid Severe Competition

Slowing Economy in China

Increases in Personnel Expenses, Vehicle Expenses, Warehouse Rent, Etc.

Initiatives to Improve Financial Performance (Examples)

UK, Netherlands, Belgium, Germany, Italy

- Optimize fees, grow new sales
- Optimize staffing (admin and technical staff)
- Consolidate offices and warehouses
- Improve operating efficiency (vehicle rerouting, improved loading rates, etc.)
- Optimize costs (subcontracting costs, administration outsourcing costs, overtime costs, etc.)

NX Malaysia

- Optimize fees (turn around unprofitable businesses)
- Grow new sales (concentrate on sales to secure full warehouse capacity, focus not only on forwarding, but also on ancillary services and equipment transportation)
- Terminate unprofitable warehouses
- Review subcontracting contracts, including subcontracting costs

Finally, I would like to touch upon initiatives to improve performance in our overseas business. Amid declining margins in the forwarding business and difficulties across overseas subsidiaries in securing earnings, we expect the challenging business environment to continue for the time being. It is therefore necessary to implement performance-assurance measures from every angle, including optimizing sales pricing, reducing various costs, consolidating sites, and improving operational efficiency. Overseas regions are working on initiatives tailored to the circumstances of each country. In addition to continuing efforts for medium- to long-term business growth, we are firmly committed to ensuring short-term performance as well.



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