

January 30, 2015

Summary of Consolidated Earnings Report for the Third Quarter of Fiscal Year Ending March 31, 2015 (Japanese GAAP)

Name of listed company: **Nippon Express Co., Ltd.**Code: **9062**

Listed stock exchanges: Tokyo

(URL <http://www.nipponexpress.com> (English))(URL <http://www.nittsu.co.jp> (Japanese))

Representative: President, CEO

Kenji Watanabe

Scheduled date for release of Quarterly Financial Report: February 13, 2015

Scheduled date of dividend payment: -

Availability of supplementary briefing material on quarterly financial results: Available

(Millions of yen, rounded down)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2014 (from April 1, 2014 to December 31, 2014)

(1) Consolidated Business Results

(%: compared with the previous period)

	Revenues		Operating income		Ordinary income		Net income	
	¥ million	%	¥ million	%	¥ million	%	¥ million	%
Nine Months Ended Dec. 31, 2014	1,417,784	10.7	34,729	16.3	41,703	11.4	24,359	33.1
Nine Months Ended Dec. 31, 2013	1,280,503	6.2	29,855	20.7	37,438	19.1	18,305	13.8

(Note) Comprehensive income:

Nine Months Ended Dec. 31, 2014: ¥37,195 million [(9.3%)] Nine Months Ended Dec. 31, 2013: ¥40,987 million [128.3%]

	Net income per share	Diluted net income per share
Nine Months Ended Dec. 31, 2014	¥ 23.77	—
Nine Months Ended Dec. 31, 2013	17.79	—

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	¥ million	¥ million	%
As of Dec. 31, 2014	1,464,167	534,177	35.2
As of Mar. 31, 2014	1,377,443	509,954	36.0

(Reference) Equity: As of Dec. 31, 2014: ¥515,280 million As of Mar. 31, 2014: ¥495,881 million

2. Dividends Information

	Annual dividend per share				
	First Quarter	Second Quarter	Third Quarter	Year End	Yearly
	¥	¥	¥	¥	¥
Fiscal Year Ended Mar. 31, 2014	—	5.00	—	5.00	10.00
Fiscal Year Ending Mar. 31, 2015	—	5.00	—		
Fiscal Year Ending Mar. 31, 2015 (Forecast)				5.00	10.00

(Note) Revision of dividend projection from recently announced figures: No

3. Forecast of Consolidated Financial Results for FY2014 (from April 1, 2014 to March 31, 2015)

(%: compared with the previous period)

	Revenues		Operating income		Ordinary income		Net income		Net income per share
	¥ million	%	¥ million	%	¥ million	%	¥ million	%	¥
Full year	1,870,000	6.7	45,000	10.1	53,000	5.7	30,000	13.9	29.53

(Note) Revision of consolidated results forecast from recently announced figures: No

*Notes

- (1) Significant changes of subsidiaries during the period under review (affecting specific subsidiaries due to changes in scope of consolidation): No
- (2) Adoption of special accounting treatment for preparing Quarterly Consolidated Financial Statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates and corrections of errors
 - 1) Changes in accounting policies due to the revision of accounting standards, etc.: Yes
 - 2) Any changes in accounting policies other than 1) above: No
 - 3) Changes in accounting estimates: No
 - 4) Corrections of errors: No

(4) Total number of issued shares (common stock)

1) Total number of issued shares at end of period (including treasury stock)	As of Dec. 31, 2014	1,062,299,281 shares	As of Mar. 31, 2014	1,062,299,281 shares
2) Total number of treasury stocks at end of period	As of Dec. 31, 2014	46,213,350 shares	As of Mar. 31, 2014	36,445,417 shares
3) Average number of shares during period	Nine months ended Dec. 31, 2014	1,024,679,219 shares	Nine months ended Dec. 31, 2013	1,028,972,520 shares

*Status of execution of the quarterly review of financial statements

Because this Consolidated Earnings Report is not subject to the review of the quarterly financial statements under the Financial Instruments and Exchange Act, the procedures for said review were not completed at the time of disclosing this report.

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

The forward-looking statements and other results forecasts stated herein are based on the information available at the time this report was prepared and on certain assumptions considered to be reasonable. Accordingly, actual business performance may differ significantly from forecasts due to a number of factors. Please refer to "1. Qualitative Information on Quarterly Financial Results, (3) Explanation of Consolidated Financial Results Forecasts and Other Forward-looking Information" on page 3 for the use of preconditions of the financial forecasts and the use of the forecasts.

Nippon Express Co., Ltd. is planning to hold a conference call for institutional investors and analysts on January 30, 2015. Materials provided shall be posted on the Company's website immediately after the session.

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 rely upon the original Japanese text released on January 30, 2015.

1. Qualitative Information on Quarterly Financial Results

(1) Explanation of Business Results

During the nine months ended December 31, 2014, the Japanese economy saw a moderate recovery trend, thanks primarily to the turnaround in corporate profit environment, boosted by the significant fall in crude oil prices along with the yen depreciation, despite weakness remaining in personal consumption affected by the declining real purchasing power following an increase in consumption tax.

In the field of logistics, business remained steady as a whole, thanks to the robustness in international freight, including air freight export to the United States, for which transport volume has been bolstered by cheaper yen, offsetting the stagnant demand for domestic freight including consumer-related freight, reflecting the aforementioned economic condition.

In this business environment, during the nine months ended December 31, 2014, in the Distribution & Transportation segment, domestic companies of the Nippon Express Group recorded a year on year increase in revenues in the segments of Combined Business, Security Transportation, Heavy Haulage & Construction and Air Freight Forwarding. Meanwhile, overseas companies posted a year on year increase in revenues in each segments of the Americas, Europe, East Asia, and South Asia & Oceania. With regard to the Goods Sales segment, revenues increased year on year due to factors such as the rise in the petroleum sales unit price, and the Other segment recorded a year on year increase in revenues due to factors such as the addition of a new consolidated subsidiary.

As a result, revenues increased by ¥137.2 billion, or 10.7% year on year, to ¥1,417.7 billion, while ordinary income increased by ¥4.2 billion, or 11.4% year on year, to ¥41.7 billion. Net income increased by ¥6.0 billion or 33.1% year on year, to ¥24.3 billion.

(2) Explanation of Financial Position

Total assets as at the end of the third quarter ended December 31, 2014 amounted to ¥1,464.1 billion, an increase of ¥86.7 billion or 6.3% from the end of the previous fiscal year.

Current assets amounted to ¥722.0 billion, an increase of ¥74.9 billion or 11.6% from the end of the previous fiscal year, while noncurrent assets totaled ¥742.1 billion, an increase of ¥11.7 billion or 1.6% from the end of the previous fiscal year. The primary factors behind the increase in current assets were increase in cash and cash in banks, accounts receivable—trade, etc.

The primary factors behind the increase in noncurrent assets were increase in tangible leased assets.

Current liabilities increased by ¥62.6 billion or 14.3% from the end of the previous fiscal year to ¥500.0 billion, while noncurrent liabilities amounted to ¥429.9 billion, which was nearly flat compared to the end of the previous fiscal year. The increase in current liabilities was primarily due to increase in short-term loans payable, deposits, etc.

Net assets amounted to ¥534.1 billion at the end of the third quarter ended December 31, 2014, an increase of ¥24.2 billion or 4.8% from the end of the previous fiscal year. This was attributable to the increase in retained earnings, etc.

(3) Explanation of Consolidated Financial Results Forecasts and Other Forward-looking Information

At present, there are no changes to the forecasts of financial results for the fiscal year ending March 31, 2015, announced on May 8, 2014.

The Group will continue to study the performance forecasts going forward, and will make a prompt disclosure in the event that any revisions need to be made regarding the financial results forecasts.

2. Matters Related to Summary Information (Notes)

(1) Significant Changes of Subsidiaries during the Period under Review

Not applicable.

(2) Adoption of Special Accounting Treatment for Preparing Quarterly Consolidated Financial Statements

Calculation of Tax Expenses

Tax expenses are calculated by reasonably estimating the effective tax rate following application of tax effect accounting to income before income taxes and minority interests for the consolidated fiscal year, which includes the third quarter ended December 31, 2014, and multiplying income before income taxes and minority interests by said estimated effective tax rate.

(3) Changes in Accounting Policies, Changes in Accounting Estimates and Corrections of Errors

(Changes in Accounting Policies)

Retirement Benefits

With regard to the Accounting Standard for Retirement Benefits (ASBJ Statement No. 26, May 17, 2012; the "Retirement Benefits Accounting Standard") and the Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25, May 17, 2012; the "Guidance on Retirement Benefits"), the Company has applied provisions set forth in Paragraph 35 of the Retirement Benefits Accounting Standard and Paragraph 67 of the Guidance on Retirement Benefits effective from the first quarter ended June 30, 2014. Under the new policy, the Company reviewed the method of calculating retirement benefit obligation and service cost, and, in regard to the method to determine the discount rate, changed from the use of the period approximate to the expected average remaining working years of employees to the use of a single weighted average discount rate reflecting the estimated timing of benefit payment and its amount for each estimated timing, mainly as the period of maturity of bond used as assumptions in determining the discount rate.

The Retirement Benefits Accounting Standard, etc., are being applied transitionally as set forth in Paragraph 37 of the Retirement Benefits Accounting Standard. At the beginning of the third quarter ended December 31, 2014, the amount of effect of the change in the method of calculating retirement benefit obligation and service cost is stated as increase or decrease in retained earnings.

As a result of this change, net retirement benefit liability increased by ¥2,825 million and retained earnings decreased by ¥1,819 million at the beginning of the third quarter ended December 31, 2014. The effect of this change on operating income, ordinary income and income before income taxes and minority interests for the third quarter ended December 31, 2014 is immaterial.

(4) Supplementary Information

(Allowance for class action lawsuit filed in the United States)

In March 2009, the Company was handed down a cease and desist order from the Japan Fair Trade Commission for the reason of violation of the Antimonopoly Act regarding fuel surcharges on international airfreight forwarding.

To provide for possible future loss on a class action lawsuit filed in the United States due to this incident, the Company recorded the amount estimated at this point at ¥3,315 million as "allowance for class action lawsuit filed in the United States."

(Retirement benefits)

Due to some revisions the Company made in the employees' retirement benefits rules during the first quarter ended June 30, 2014, the retirement benefit obligation increased by ¥3,508 million. However, as it falls under the prior service cost, this increase is amortized by the straight-line method over 15 years in accordance with the Company's accounting policies.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Unit: Millions of yen)

	FY2013 (as of March 31, 2014)	Third Quarter of FY2014 (as of December 31, 2014)
ASSETS		
Current assets:		
Cash and cash in banks	186,297	217,348
Notes receivable—trade	14,540	16,824
Accounts receivable—trade	273,330	306,437
Inventories	8,722	6,527
Other	165,468	176,205
Less: allowance for doubtful accounts	(1,289)	(1,334)
Total current assets	647,069	722,010
Noncurrent assets:		
Property and equipment		
Vehicles, net	22,032	22,558
Buildings, net	244,122	234,318
Land	174,248	175,053
Other, net	65,340	74,770
Net property and equipment	505,745	506,701
Intangible assets		
Goodwill	16,982	18,983
Other	42,224	47,175
Total intangible assets	59,206	66,159
Investments and other assets		
Investment securities	112,713	117,261
Other	53,856	53,208
Less: allowance for doubtful accounts	(1,146)	(1,172)
Total investments and other assets	165,423	169,297
Total noncurrent assets	730,374	742,157
Total assets	1,377,443	1,464,167
LIABILITIES		
Current liabilities:		
Notes payable—trade	8,024	9,791
Accounts payable—trade	153,390	156,230
Short-term loans payable	46,813	86,324
Income taxes payable	17,063	5,965
Provision for bonuses	20,281	9,838
Allowance for class action lawsuit filed in the United States	—	3,315
Other provisions	200	92
Other	191,674	228,515
Total current liabilities	437,449	500,072
Noncurrent liabilities:		
Bonds payable	65,000	65,000
Long-term loans payable	204,037	181,723
Other provisions	1,419	1,327
Net retirement benefit liability	126,951	139,440
Other	32,631	42,425
Total noncurrent liabilities	430,040	429,917
Total liabilities	867,489	929,990

(Unit: Millions of yen)

	FY2013 (as of March 31, 2014)	Third Quarter of FY2014 (as of December 31, 2014)
NET ASSETS		
Shareholders' equity:		
Common stock	70,175	70,175
Additional paid-in capital	26,908	26,908
Retained earnings	417,869	430,808
Less: treasury stock	(17,353)	(22,968)
Total shareholders' equity	497,599	504,923
Accumulated other comprehensive income:		
Valuation differences on available-for-sale securities	40,077	48,484
Deferred gains (losses) on hedges	3	66
Foreign currency translation adjustments	3,829	5,644
Remeasurements of retirement benefit plans	(45,628)	(43,838)
Total accumulated other comprehensive income	(1,717)	10,356
Minority interests	14,072	18,897
Total net assets	509,954	534,177
Total liabilities and net assets	1,377,443	1,464,167

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Unit: Millions of yen)

	Nine months ended Dec. 31, 2013 (from April 1, 2013 to December 31, 2013)	Nine months ended Dec. 31, 2014 (from April 1, 2014 to December 31, 2014)
Revenues	1,280,503	1,417,784
Operating costs	1,190,133	1,318,371
Gross profit	90,369	99,412
Selling, general and administrative expenses:	60,513	64,683
Operating income	29,855	34,729
Non-operating income:		
Interest income	531	491
Dividends income	2,512	2,280
Equity in earnings of affiliates	495	419
Income from foreign exchange	2,551	2,246
Other	4,789	4,972
Total non-operating income	10,881	10,411
Non-operating expenses:		
Interest expenses	2,420	2,173
Other	877	1,264
Total non-operating expenses	3,298	3,437
Ordinary income	37,438	41,703
Extraordinary income:		
Gain on sales of noncurrent assets	2,317	2,027
Gain on sales of investment securities	3,776	5,146
Other	57	634
Total extraordinary income	6,152	7,809
Extraordinary loss:		
Loss on disposal of noncurrent assets	2,418	6,985
Loss on valuation of investment securities	21	3
Extraordinary additional retirement benefits	9,725	-
Provision for allowance for class action lawsuit filed in the United States	-	3,315
Other	175	184
Total extraordinary loss	12,341	10,488
Income before income taxes and minority interests	31,249	39,023
Income taxes	12,471	14,057
Income before minority interests	18,778	24,966
Minority interests	473	606
Net income	18,305	24,359

Consolidated Statements of Comprehensive Income

(Unit: Millions of yen)

	Nine months ended Dec. 31, 2013 (from April 1, 2013 to December 31, 2013)	Nine months ended Dec. 31, 2014 (from April 1, 2014 to December 31, 2014)
Income before minority interests	18,778	24,966
Other comprehensive income:		
Valuation differences on available-for-sale securities	11,865	8,405
Deferred gains (losses) on hedges	106	62
Foreign currency translation adjustments	9,925	1,973
Remeasurements of defined benefit plans	-	1,651
Share of other comprehensive income of affiliates accounted for using the equity method	310	136
Other comprehensive income	22,208	12,229
Comprehensive income	40,987	37,195
(Comprehensive income attributable to)		
Shareholders of Nippon Express	40,242	36,433
Minority interests	744	761

(3) Notes to Consolidated Financial Statements
 (Notes Regarding Going Concern Assumption)
 Not applicable.

(Notes in Cases Where There are Significant Changes in Amount of Shareholders' Equity)
 Not applicable.

(Segment Information, etc.)

[Segment Information]

I. Nine Months ended December 31, 2013 (From April 1, 2013, to December 31, 2013)

Information concerning the amount of revenues and income or loss by reportable segment

(Unit: Millions of yen)

	Distribution & Transportation						
	Domestic Companies					Overseas Companies	
	Combined Business	Security Transportation	Heavy Haulage & Construction	Air Freight Forwarding	Marine & Harbor Transportation	The Americas	Europe
Revenues							
Revenues from external customers	531,466	41,021	27,567	134,137	94,074	41,930	47,727
Intersegment	4,873	19	130	1,307	6,181	9,246	3,997
Total	536,339	41,040	27,697	135,445	100,255	51,177	51,724
Segment income	9,748	971	1,445	4,521	4,606	2,050	594

	Distribution & Transportation		Goods Sales	Other	Total	Adjustments (Note 1)	Amount recorded in consolidated financial statements (Note 2)
	Overseas Companies						
	East Asia	South Asia & Oceania					
Revenues							
Revenues from external customers	59,271	34,676	252,516	16,113	1,280,503	—	1,280,503
Intersegment	5,582	2,954	46,885	14,684	95,863	(95,863)	—
Total	64,853	37,630	299,402	30,798	1,376,367	(95,863)	1,280,503
Segment income	981	984	3,413	959	30,280	(424)	29,855

(Notes) 1. Adjustment in segment income of ¥424 million includes intersegment transaction elimination of ¥694 million and corporate expenses not allocated to each reportable segment of ¥1,124 million. Corporate expenses mainly consist of expenses related to corporate image advertising and the Company's administration of group companies.

2. Segment income is reconciled with operating income in the consolidated statements of income.

II. Nine Months ended December 31, 2014 (From April 1, 2014, to December 31, 2014)

1. Information concerning the amount of revenues and income or loss by reportable segment

(Unit: Millions of yen)

	Distribution & Transportation						
	Domestic Companies					Overseas Companies	
	Combined Business	Security Transportation	Heavy Haulage & Construction	Air Freight Forwarding	Marine & Harbor Transportation	The Americas	Europe
Revenues							
Revenues from external customers	549,121	41,576	35,619	140,318	82,308	47,787	56,100
Intersegment	5,689	22	162	1,907	7,248	9,461	3,837
Total	554,810	41,599	35,781	142,225	89,556	57,248	59,937
Segment income	11,373	615	1,734	4,672	3,948	2,751	1,824

	Distribution & Transportation		Goods Sales	Other	Total	Adjustments (Note 1)	Amount recorded in consolidated financial statements (Note 2)
	Overseas Companies						
	East Asia	South Asia & Oceania					
Revenues							
Revenues from external customers	66,671	41,730	275,272	81,277	1,417,784	–	1,417,784
Intersegment	6,670	3,693	45,996	17,061	101,750	(101,750)	–
Total	73,342	45,424	321,269	98,338	1,519,535	(101,750)	1,417,784
Segment income	1,482	1,057	4,617	1,839	35,917	(1,188)	34,729

(Notes) 1. Adjustment in segment income of ¥1,188 million includes intersegment transaction elimination of ¥374 million and corporate expenses not allocated to each reportable segment of ¥1,566 million. Corporate expenses mainly consist of expenses related to corporate image advertising and the Company's administration of group companies.

2. Segment income is reconciled with operating income in the consolidated statements of income.

2. Matters related to changes, etc. in reportable segments

As noted in "Changes in Accounting Policies," following the change in the calculation method for retirement benefit obligation and service cost effective from the first quarter ended June 30, 2014, the Company has changed the calculation method for these items for each business segment in the same manner.

The effect of this change on each reportable segment and others is immaterial.

4. Reference Materials

(1) Financial Results of Reportable Segment

(Unit: Millions of yen, %)

			Nine months ended Dec. 31, 2014	Nine months ended Dec. 31, 2013	Change			
					Amount	Ratio		
Revenues	Reportable Segment	Distribution & Transportation	Combined Business	554,810	536,339	18,470	3.4	
			Security Transportation	41,599	41,040	558	1.4	
			Heavy Haulage & Construction	35,781	27,697	8,083	29.2	
			Air Freight Forwarding	142,225	135,445	6,780	5.0	
			Marine & Harbor Transportation	89,556	100,255	(10,699)	(10.7)	
			Subtotal	863,973	840,779	23,194	2.8	
			Overseas Companies	The Americas	57,248	51,177	6,071	11.9
				Europe	59,937	51,724	8,212	15.9
				East Asia	73,342	64,853	8,488	13.1
				South Asia & Oceania	45,424	37,630	7,793	20.7
		Subtotal	235,953	205,386	30,566	14.9		
		Total	1,099,926	1,046,166	53,760	5.1		
		Goods Sales	321,269	299,402	21,867	7.3		
		Other	98,338	30,798	67,540	219.3		
		Subtotal	1,519,535	1,376,367	143,167	10.4		
Adjustment	(101,750)	(95,863)	(5,886)	—				
Total	1,417,784	1,280,503	137,281	10.7				
Segment Income (Operating Income)	Reportable Segment	Distribution & Transportation	Combined Business	[2.1] 11,373	[1.8] 9,748	1,624	16.7	
			Security Transportation	[1.5] 615	[2.4] 971	(356)	(36.6)	
			Heavy Haulage & Construction	[4.8] 1,734	[5.2] 1,445	288	20.0	
			Air Freight Forwarding	[3.3] 4,672	[3.3] 4,521	151	3.3	
			Marine & Harbor Transportation	[4.4] 3,948	[4.6] 4,606	(658)	(14.3)	
			Subtotal	[2.6] 22,344	[2.5] 21,294	1,049	4.9	
			Overseas Companies	The Americas	[4.8] 2,751	[4.0] 2,050	700	34.2
				Europe	[3.0] 1,824	[1.1] 594	1,230	206.8
				East Asia	[2.0] 1,482	[1.5] 981	500	51.0
				South Asia & Oceania	[2.3] 1,057	[2.6] 984	72	7.4
		Subtotal	[3.0] 7,115	[2.2] 4,612	2,503	54.3		
		Total	[2.7] 29,460	[2.5] 25,906	3,553	13.7		
		Goods Sales	[1.4] 4,617	[1.1] 3,413	1,204	35.3		
		Other	[1.9] 1,839	[3.1] 959	880	91.7		
		Subtotal	[2.4] 35,917	[2.2] 30,280	5,637	18.6		
Adjustment	(1,188)	(424)	(764)	—				
Total	[2.4] 34,729	[2.3] 29,855	4,873	16.3				

(Note) Figures in brackets indicate Operating Margins.

(2) Summary of Non-consolidated Statements of Income

(Unit: Millions of yen, %)

		Nine months ended		Nine months ended		Change		
		Dec. 31, 2014	% in Sales	Dec. 31, 2013	% in Sales	Amount	Ratio	
Revenues	Railway utilization transportation	61,386	7.7	62,248	8.0	(862)	(1.4)	
	Motor transportation	Combined delivery services	61,316	7.6	61,168	7.8	147	0.2
		Chartered truck services	204,845	25.6	203,240	26.1	1,605	0.8
		Subtotal	266,161	33.2	264,409	33.9	1,752	0.7
	Marine and harbor transportation	Marine transportation	56,312	7.0	54,085	6.9	2,227	4.1
		Harbor transportation	41,101	5.1	42,761	5.5	(1,659)	(3.9)
		Subtotal	97,414	12.1	96,847	12.4	567	0.6
		(Exports)	[46,617]	—	[45,680]	—	[937]	[2.1]
		(Imports)	[29,644]	—	[30,048]	—	[(403)]	[(1.3)]
		(Domestic)	[21,152]	—	[21,118]	—	[34]	[0.2]
	Air transportation	Warehousing	86,239	10.8	84,273	10.8	1,966	2.3
		International air freight	76,641	9.6	72,223	9.3	4,418	6.1
		(Exports)	[59,895]	—	[56,827]	—	[3,068]	[5.4]
		(Imports)	[16,745]	—	[15,396]	—	[1,349]	[8.8]
		Domestic air freight	30,365	3.8	29,643	3.8	722	2.4
		Subtotal	107,007	13.4	101,866	13.1	5,140	5.0
		Heavy haulage & construction	44,678	5.6	34,220	4.4	10,457	30.6
		Incidental operations and others	137,506	17.2	135,516	17.4	1,989	1.5
		Total	800,394	100.0	779,383	100.0	21,011	2.7
		(Domestic operation-related revenues)	[622,985]	77.8	[614,335]	78.8	[8,649]	[1.4]
	(Overseas-related revenues)	[177,409]	22.2	[165,047]	21.2	[12,362]	[7.5]	
Operating expenses	Employment costs	Drivers/workers	89,705	11.2	87,747	11.3	1,957	2.2
		Office personnel	102,032	12.8	101,703	13.0	329	0.3
		Subtotal	191,737	24.0	189,450	24.3	2,286	1.2
	Forwarding costs	Railway	32,069	4.0	32,886	4.2	(817)	(2.5)
		Marine	20,506	2.6	18,868	2.4	1,638	8.7
		Air	34,071	4.2	32,078	4.1	1,992	6.2
		Subtotal	86,647	10.8	83,833	10.7	2,814	3.4
		Vehicle chartering and subcontracting costs	332,637	41.6	319,184	41.0	13,453	4.2
		Depreciation and amortization	22,127	2.8	21,714	2.8	412	1.9
		Facility usage charges	54,437	6.8	53,963	6.9	474	0.9
	Other	94,041	11.7	93,439	12.0	602	0.6	
	Total	781,630	97.7	761,585	97.7	20,044	2.6	
	Operating income	18,764	2.3	17,797	2.3	967	5.4	
	Non-operating income	8,469	1.1	8,173	1.1	296	3.6	
	Non-operating expenses	2,772	0.3	2,855	0.4	(82)	(2.9)	
	Ordinary income	24,461	3.1	23,115	3.0	1,346	5.8	
	Extraordinary income	6,903	0.8	4,451	0.5	2,452	55.1	
	Extraordinary loss	10,175	1.3	11,653	1.5	(1,477)	(12.7)	
	Income before income taxes	21,189	2.6	15,912	2.0	5,276	33.2	
	Income taxes	7,084	0.8	6,009	0.7	1,075	17.9	
	Net income	14,104	1.8	9,903	1.3	4,201	42.4	

(Note) As more than one fiscal year has passed since the transfer of travel business to its subsidiary, NIPPON EXPRESS TRAVEL CO., LTD., the Company no longer records sales related to the business. Accordingly, "Travel" is deleted from category of Revenues in the Summary of Non-consolidated Statements of Income effective from the fiscal year under review. The figure for the previous year (¥209 thousand) is now included in "Incidental operations and others."