

To whom it may concern

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Notice Regarding Start of Reviews on Changing the Group Management Structure

Nippon Express Co., Ltd. has started reviewing changes to the Group's management structure. Please see below for more information.

1. Background behind start of reviews

The environment surrounding the logistics business is associated with an extremely difficult management environment. In Japan, we recognize urgency of adapting labor shortages, the enactment of Labor Laws, digital transformation. On the other hand, Overseas, mega forwarders who are our competitors, are rapidly expanding their business through M&As. They are becoming an oligopoly in the global logistics market.

In order to realize the long-term vision presented in "Nippon Express Group Business Plan 2023~Dynamic Growth~" in this kind of management environment, it is necessary to aim to maximize our value as a corporate group, by utilizing our Group's assets to the fullest extent, and by realizing management that is coherent and streamlined across the Group.

Based on the abovementioned kind of background, we have decided to review the rebuilding of our Group's management structure and Group headquarters, as an option to transition to a pure holding company.

2. Objectives

A. Reinforcing Group strategy functions

- Build a management structure that realizes maximization of values as a corporate group
- Realize optimization of companywide businesses and coherent and streamlined management across the Group

B. Reinforcing a global governance structure to realize further expansion of our overseas business

- Realize further investments in our overseas business, which is an area of growth
- Build and reinforce controlling functions that support growth of our overseas business

3. Future plans

Although we are moving forward with examining changes, we will choose the best management structure from several options including pure holding company, as we implement reviews on the most reasonable structure and confirm transition methods.

Details such as on the specific structure, schedule, etc. will be determined on future reviews. Another notification will be provided after reviews has been conducted.

End

Disclaimer:

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