

**Financial Results Meeting:
The 1st 6 Months of FY Ending March 2011
(April 1, 2010 – September 30, 2010)**



November 10, 2010

Global Logistics Partner

Kintetsu World Express, Inc.

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Results for the 1st 6 Months of FY Ending March 2011

Shipments (thousands) Weight (1,000 tons) Volume (1,000 TEU) Amount (¥ million)

Item		1st 6 months of FY ended March 2010 (Results)		1st 6 months of FY ending March 2011 (Results)		1st 6 months of FY ending March 2011 (Forecasts)
			Y on Y (%)		Y on Y (%)	(Forecasts as of May 11, 2010 ⇒ Revised forecasts as of Aug. 4, 2010)
Shipments (Airfreight, Ocean)		3,400	△ 14.5	3,609	6.1	—
Weight (Airfreight)		369	△ 33.4	559	51.6	—
Volume (Ocean)		210	△ 20.1	264	25.8	—
Net sales	Consolidated	94,741	△ 38.2	132,912	40.3	112,000 ⇒ 134,500
	Non-consolidated	34,133	△ 34.6	47,264	38.5	42,000 ⇒ 47,500
Gross profit	Consolidated	16,812	△ 26.0	19,529	16.2	—
	Non-consolidated	7,964	△ 12.5	8,293	4.1	—
Operating income	Consolidated	2,773	△ 51.1	4,942	78.2	4,000 ⇒ 4,800
	Non-consolidated	673	26.3	742	10.3	750 ⇒ 750
Ordinary income	Consolidated	2,927	△ 50.8	5,399	84.4	4,000 ⇒ 5,100
	Non-consolidated	1,730	24.7	1,307	△24.4	990 ⇒ 1,180
Income before income taxes and minority interests	Consolidated	2,637	△ 54.9	6,296	138.7	—
	Non-consolidated	1,434	2.1	2,047	42.7	—
Net income	Consolidated	1,476	△ 56.3	3,956	168.0	2,300 ⇒ 3,200
	Non-consolidated	1,209	48.8	1,109	△8.3	740 ⇒ 1,050

1st 6 months of FY ended March 2010

¥95.47

FY ended March 2010

¥93.57

1st 6 months of FY ending March 2011

¥91.36

(Yen-Dollar Conversion Rate)

2



Major Factors Affecting Results for the 1st 6 Months of FY Ending March 2011

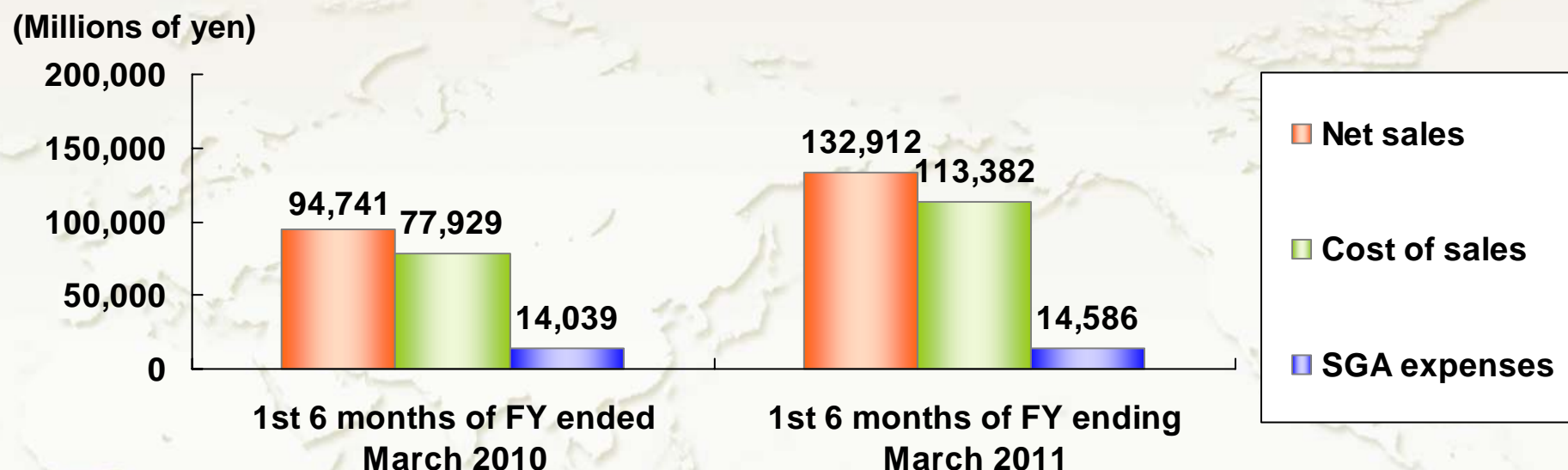
1 Slowdown in KWE Japan export volume from August; rising freight costs

- While Asia-bound shipments of semiconductor production machinery and electronic components, such as LCD-related materials, remained generally strong for the first three months, production adjustments prompted a decline from August onward.
- Freight costs continued to rise, putting pressure on profits. In light of this trend, efforts continued to pass on the increased cost to customers.

2 Substantial recovery in volume overseas, but higher freight costs in Asia stood out

- Overseas volume sharply recovered, particularly in East Asia and Southeast Asia.
- Business in Europe and the Americas was both steady owing to rising volume and restructuring benefits.
- Sharp rise in freight costs in Asia put pressure on profits.
- Domestic subsidiaries performed strongly.

Year on Year Comparison of Consolidated Net Sales, Cost of Sales, and SGA Expenses



(Millions of yen, %)

	1st 6 months of FY ended March 2010	Ratio to net sales	1st 6 months of FY ending March 2011	Ratio to net sales
Net sales	94,741	100.0%	132,912	100.0%
Cost of sales	77,929	82.3%	113,382	85.3%
SGA expenses	14,039	14.8%	14,586	11.0%
Operating income	2,773	2.9%	4,942	3.7%

Freight Cost Ratio for Airfreight Exports Revenue

	1st 6 months of FY ended March 2010	FY ended March 2010	1st 6 months of FY ending March 2011
KWE/Japan	55.4%	62.2%	70.4%
The Americas	53.7%	54.5%	60.9%
Europe, Middle East & Africa	59.3%	62.2%	65.5%
East Asia & Oceania	62.5%	66.4%	75.6%
Southeast Asia	65.7%	69.2%	76.5%
Group as a Whole	57.9%	62.7%	71.0%

*From 1 July 2010, control of operations in Middle East was transferred from Southeast Asia & Middle East Headquarters to Europe & Africa Headquarters. The names of both headquarters have been changed accordingly. (The data above was adjusted on the same basis.)

In addition to a year on year hike in fuel surcharges, expanded freight volume across Japan, East Asia, and Southeast Asia has crowded the airlines' cargo space, leading to a substantial increase in freight costs.

Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2010	As of September 30, 2010	Changes
Assets:			
Current assets	70,043	75,905	5,862
Fixed assets	46,597	42,930	△3,666
Property and equipment	34,631	33,650	△981
Intangible fixed assets	2,071	2,075	4
Investments and other assets	9,894	7,205	△2,689
Total assets	116,640	118,836	2,195
Liabilities:			
Current liabilities	42,032	41,731	△301
Long-term liabilities	6,569	8,426	1,856
Total liabilities	48,602	50,157	1,555
Net assets:			
Total net assets	68,038	68,679	640
Total liabilities and net assets	116,640	118,836	2,195

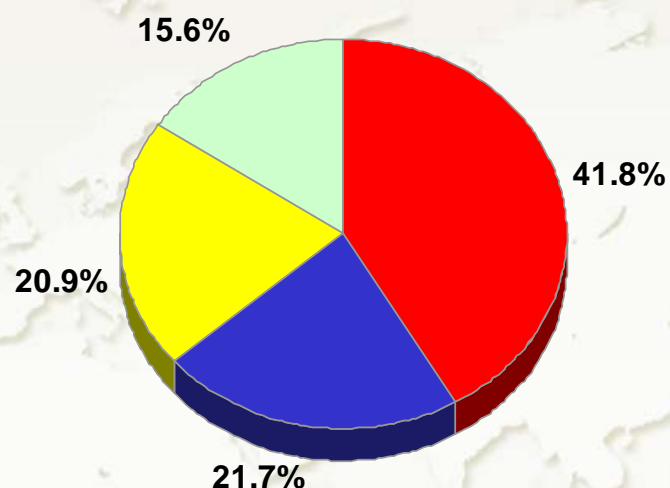
Consolidated Cash Flow Statements

(Millions of yen)

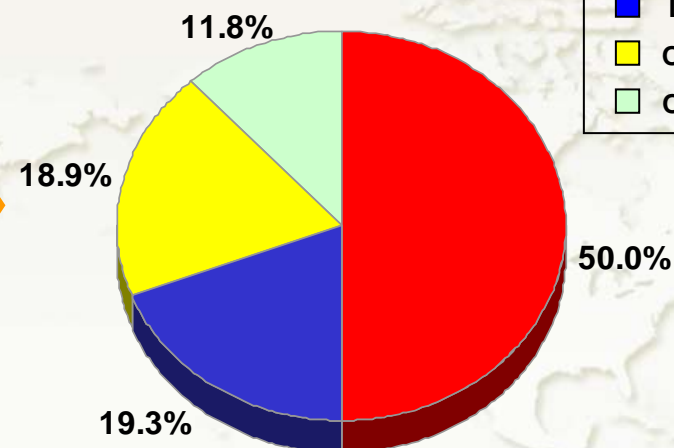
	1st 6 months of FY ended March 2010	1st 6 months of FY ending March 2011	Changes
Cash flows from operating activities	3,390	3,117	△273
Cash flows from investing activities	△1,459	△580	879
Cash flows from financing activities	△3,571	△1,019	2,552
Effect of exchange rate changes on cash and cash equivalents	1,083	△1,035	△2,119
Net increase (decrease △) in cash and cash equivalents	△556	482	1,038
Cash and cash equivalents at beginning of period	25,904	25,045	△859
Cash and cash equivalents at end of period	25,348	25,527	179

Consolidated Net Sales by Category

Net Sales by Category



1st 6 months of FY ended March 2010

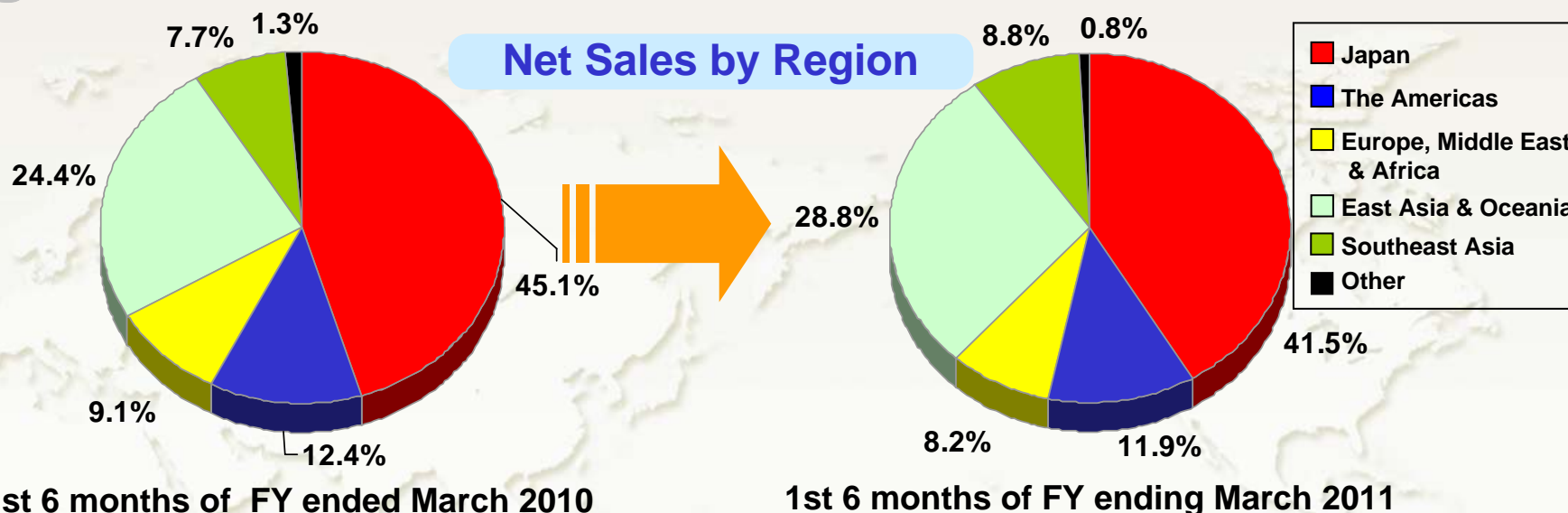


1st 6 months of FY ending March 2011

(Millions of yen, %)

Category		1st 6 months of FY ended March 2010		1st 6 months of FY ending March 2011	
		Net sales	Y on Y	Net sales	Y on Y
Freight transportation	Forwarding	39,587	△49.4%	66,418	67.8%
	Logistics	20,590	△27.2%	25,595	24.3%
	Ocean	19,754	△32.1%	25,170	27.4%
	Other	14,809	△15.6%	15,727	6.2%
Total		94,741	△38.2%	132,912	40.3%

Consolidated Net Sales and Operating Income by Region



Region	1st 6 months of FY ended March 2010		1st 6 months of FY ending March 2011	
	Net sales	Operating income	Net sales	Operating income
Japan	43,998	827	56,585	1,193
The Americas	12,048	165	16,172	969
Europe, Middle East & Africa	8,827	△242	11,145	258
East Asia & Oceania	23,786	1,468	39,296	1,811
Southeast Asia	7,537	300	11,959	631
Other	1,253	286	1,046	106
Adjustment	△2,708	△31	△3,293	△27
Total	94,741	2,773	132,912	4,942

* From the current fiscal year, control of operations in Middle East was transferred from Southeast Asia & Middle East Headquarters to Europe & Africa Headquarters. The names of both headquarters have been changed accordingly.

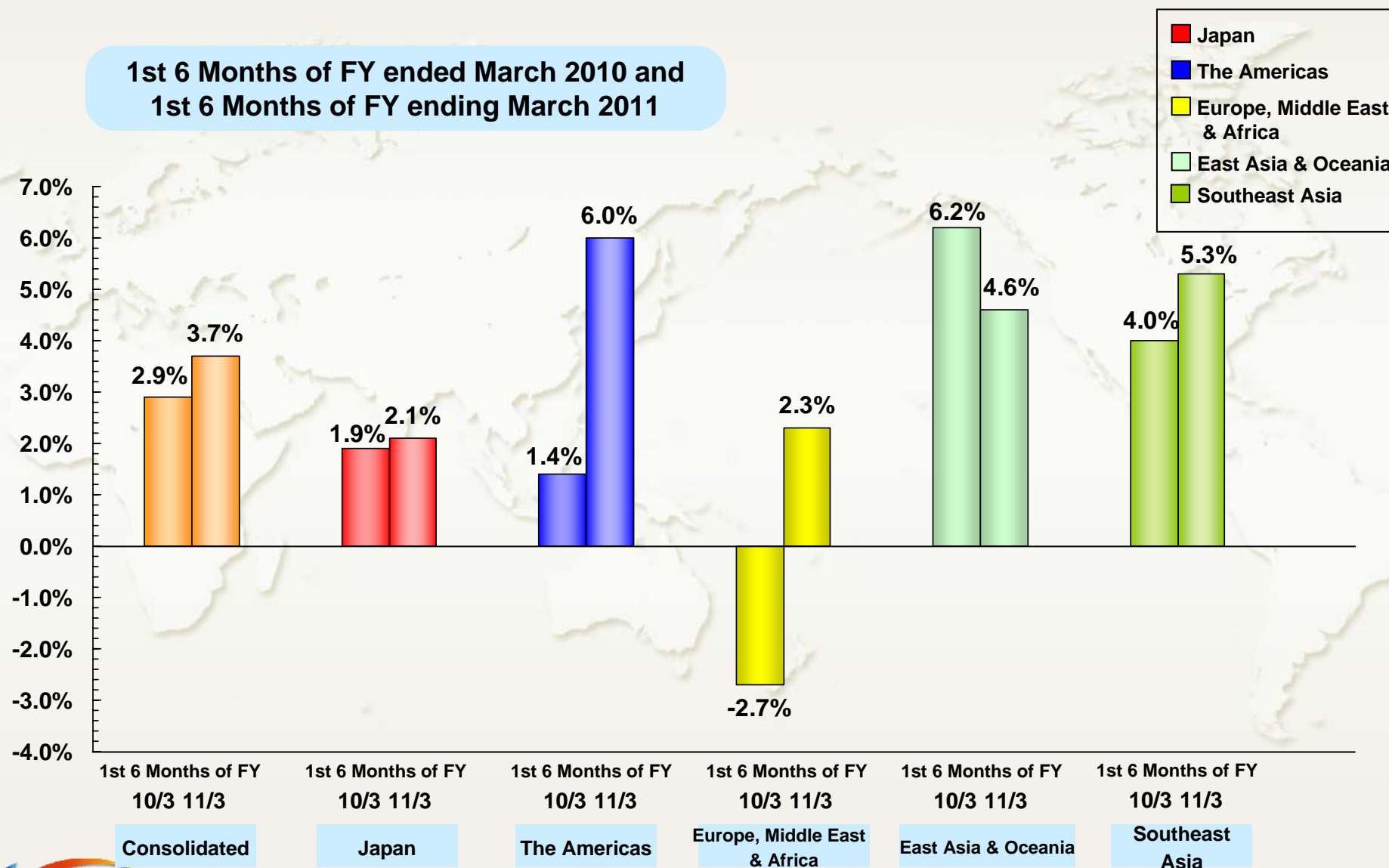
Figures for the 1st 6 months of FY ended March 2010 have been adjusted to reflect the new segment structure.

* The "1st 6 months of FY" refers to the April-September results for KWE Japan and the January-June figures for all other Japanese and overseas subsidiaries.

* "Other" refers to business not included in reportable segments and mainly consists of supplementary logistics within the Group.

Operating Margin by Region

1st 6 Months of FY ended March 2010 and
1st 6 Months of FY ending March 2011



* From the current fiscal year, control of operations in Middle East was transferred from Southeast Asia & Middle East Headquarters to Europe & Africa Headquarters. The names of both headquarters have been changed accordingly.
Figures for the 1st 6 months of FY ended March 2010 have been adjusted to reflect the new segment structure.

Major Factors Affecting Results by Region

■ Japan

- Airfreight exports increased 33.7% year on year.
- Full-year negative impact of fuel surcharges amounted to ¥210 million. (previous term: ¥21 million)
- Airfreight imports decreased 0.7% year on year. (reflecting the impact of a decline in volume handled by major business from the start of the fiscal year.)
- Domestic subsidiaries were strong.

■ The Americas

- Earnings trended above original targets owing to a recovery in volume, mainly in semiconductors and LCD-related materials, and benefits from restructuring implemented during the previous FY (consolidation of operation bases, reduction in staff, etc.).

■ Europe, Middle East & Africa

- Earnings trended above original targets owing to benefits from restructuring implemented during the previous FY (closing of two operation bases in the U.K., relocation of KWE (Benelux) head office, etc.) and a recovery in volume.

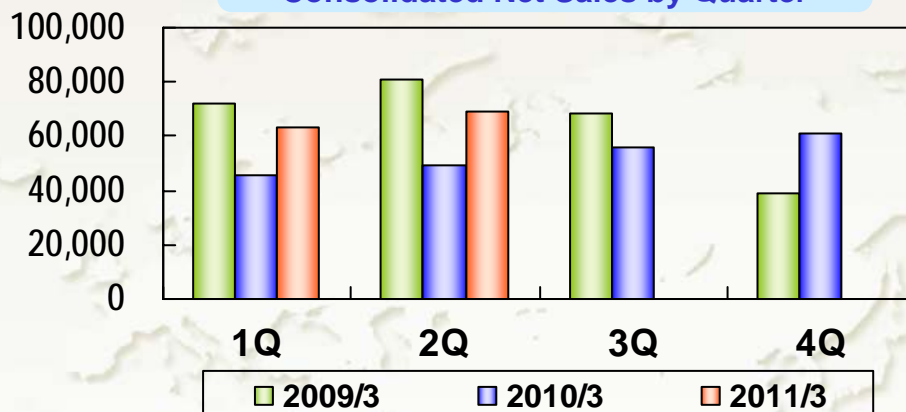
■ East Asia & Oceania and Southeast Asia

- Although volume increased sharply year on year, particularly for electronic products, higher freight costs are putting pressure on profits. Nevertheless, earnings trended broadly in line with targets.

Consolidated Operating Results by Quarter

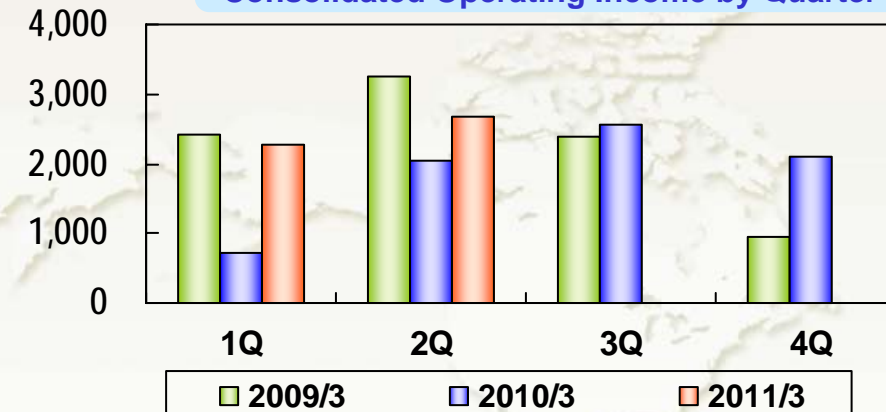
(Millions of yen)

Consolidated Net Sales by Quarter



(Millions of yen)

Consolidated Operating Income by Quarter



(Millions of yen)

Net sales (consolidated)	1Q	2Q	3Q	4Q
FY ended March 2009	72,202	81,024 (153,226)	68,408 (221,634)	38,696 (260,330)
FY ended March 2010	45,468	49,273 (94,741)	55,993 (150,734)	61,102 (211,836)
FY ending March 2011	63,587	69,324 (132,912)	— (—)	— (—)

Operating income (consolidated)	1Q	2Q	3Q	4Q
FY ended March 2009	2,423	3,247 (5,670)	2,399 (8,069)	956 (9,025)
FY ended March 2010	727	2,046 (2,773)	2,565 (5,338)	2,113 (7,451)
FY ending March 2011	2,266	2,675 (4,942)	— (—)	— (—)

Ordinary income (consolidated)	1Q	2Q	3Q	4Q
FY ended March 2009	2,341	3,610 (5,951)	2,704 (8,655)	548 (9,203)
FY ended March 2010	816	2,111 (2,927)	2,749 (5,676)	2,356 (8,032)
FY ending March 2011	2,461	2,938 (5,399)	— (—)	— (—)

Numbers inside () are cumulative figures from the first quarter.

Consolidated Earning Forecast for FY Ending March 2011

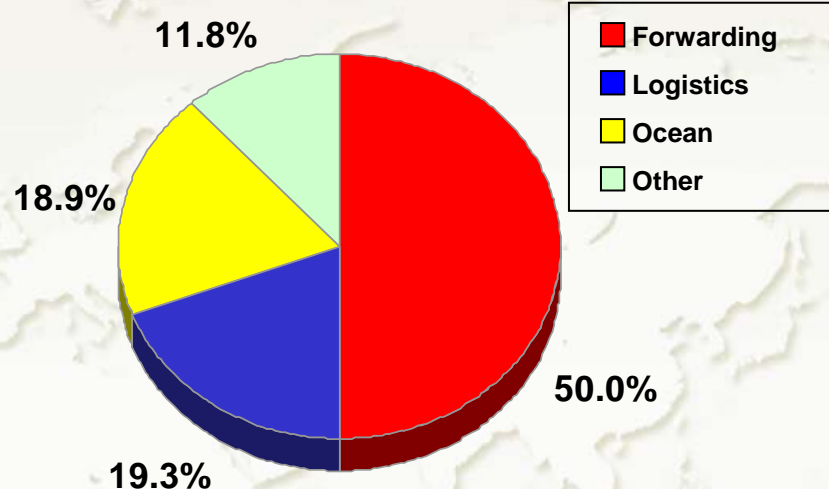
Shipments (thousands) Weight (1,000 tons) Volume (1,000 TEU) Amount (Millions of yen)

(Reference)

Item	FY ended March 2010 (Results)		FY ending March 2011 (Forecasts)		FY ending March 2011 (Forecasts) (Forecasts as of May 11, 2010 ⇒ Revised forecasts as of Aug. 4, 2010)
		Y on Y (%)		Y on Y (%)	
Shipments (Airfreight, Ocean)	7,014	△9.1	7,414	5.7	—
Weight (Airfreight)	869	△14.9	1,114	28.2	—
Volume (Ocean)	465	△10.2	535	15.1	—
Net sales	211,836	△18.6	260,000	22.7	235,000⇒260,000
Gross profit	36,116	△10.0	—	—	—
Operating income	7,451	△17.4	10,800	44.9	10,000 ⇒10,800
Ordinary income	8,032	△12.7	11,300	40.7	10,000 ⇒11,000
Income before income taxes and minority interests	7,596	△4.9	12,200	60.6	10,000 ⇒11,000
Net income	4,570	31.4	7,600	66.3	5,800 ⇒ 7,000

Consolidated Net Sales Forecast by Category & by Region for FY Ending March 2011

Net Sales by Category

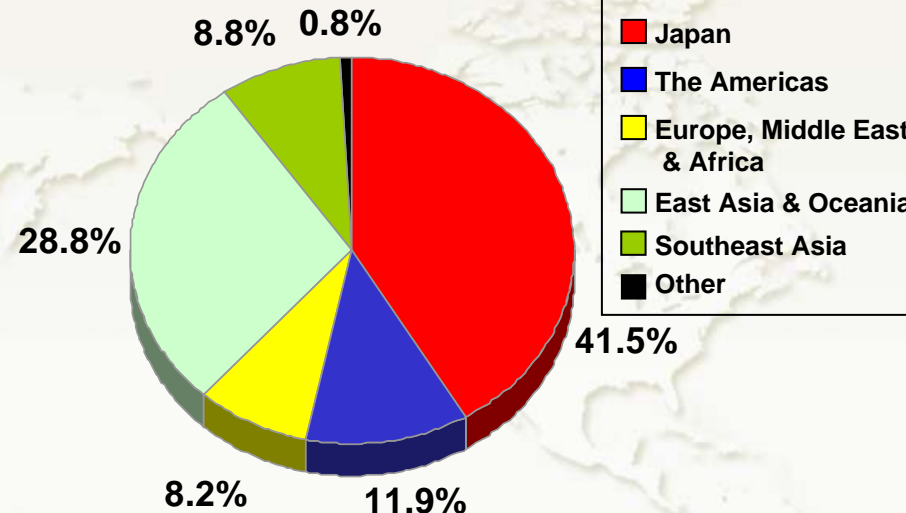


FY ending March 2011 (Forecast)

(Millions of yen,%)

Category		FY ending March 2011	
		Net sales	Composition
Freight transportation	Forwarding	130,000	50.0%
	Logistics	50,200	19.3%
	Ocean	49,100	18.9%
	Other	30,700	11.8%
Total		260,000	100.0%

Net Sales by Region



FY ending March 2011 (Forecast)

(Millions of yen)

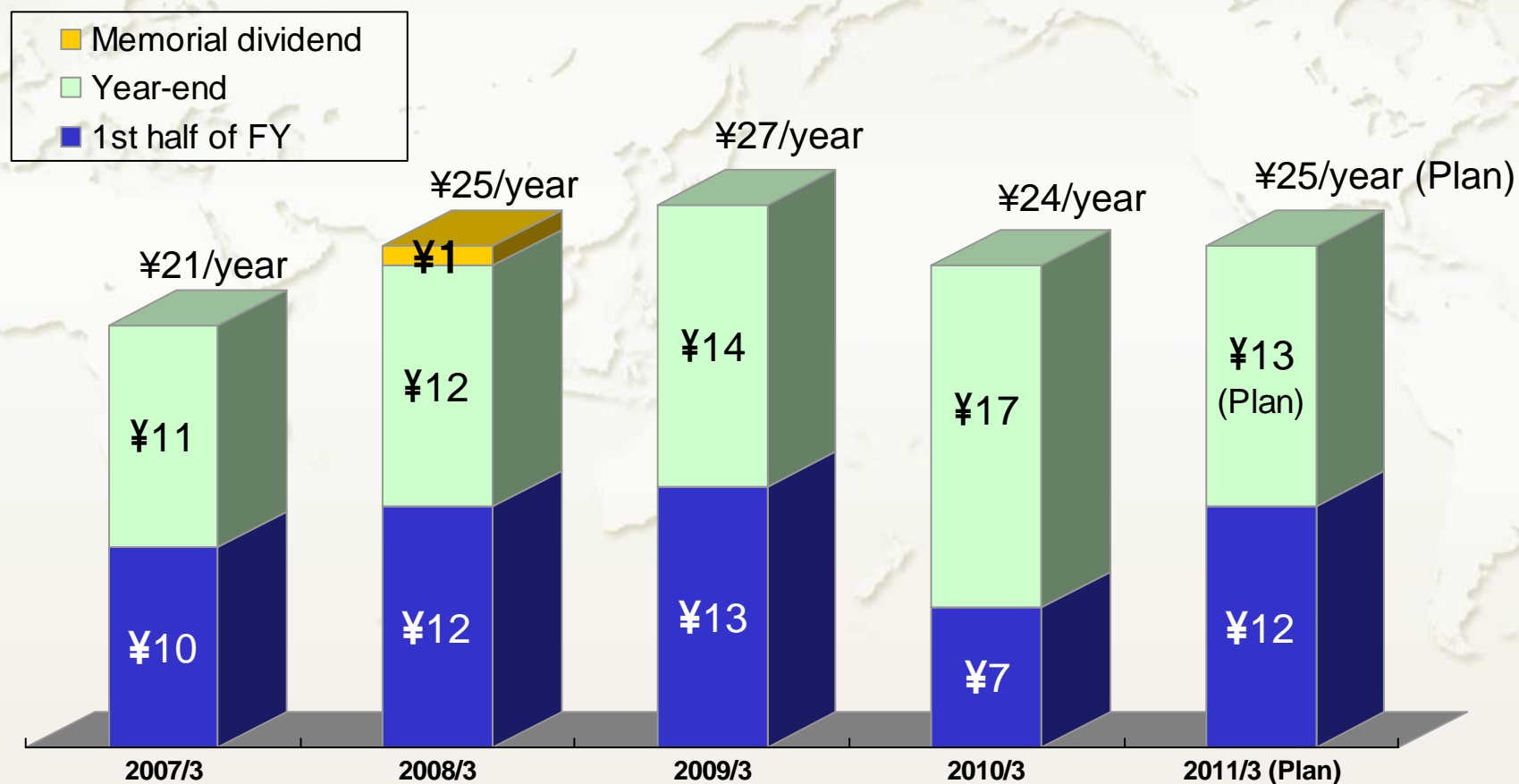
Region	FY ending March 2011	
	Net sales	Operating income
Japan	110,700	3,200
The Americas	31,700	1,800
Europe, Middle East & Africa	21,900	500
East Asia & Oceania	76,800	3,800
Southeast Asia	23,500	1,400
Other	2,100	200
Adjustment	△6,700	△100
Total	260,000	10,800

Dividends

Currently targeting 30% of non-consolidated net income



In the future, 20% of consolidated net income will be targeted



A faint, light-colored map of the Asian continent is visible in the background of the slide, centered behind the blue text box.

Business Expansion Strategies

(Based on medium-term management plan “Ready for the Next!”)

- 1. Developing Bonded Logistics Business in China**
- 2. Volume Targets**
- 3. Overseas Strategies**

Outline of “Ready for the Next !” – (1)

—Aim to build a strong corporate structure that will enable us to compete on an even footing with global competitors—

Targets by March 2013

Consolidated net sales:	300 billion yen (+40% from FY ended March 2010)
Consolidated operating income:	15 billion yen (+100% from FY ended March 2010)
Consolidated ordinary income:	15 billion yen (+90% from FY ended March 2010)
Consolidated operating margin:	5.0% (1.5% improvement over FY ended March 2010)



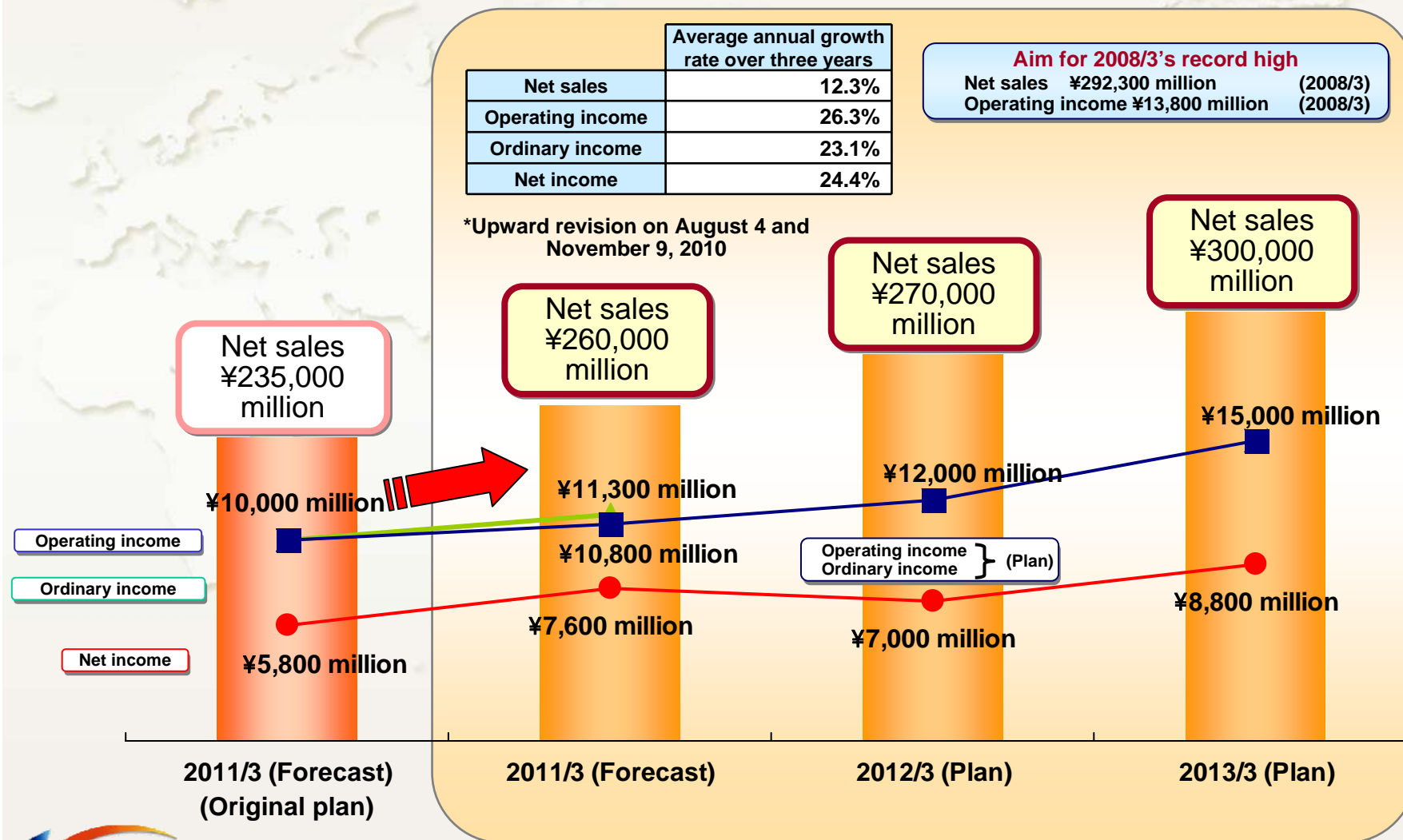
Management Strategy

1. Create a Strong Asia (focused investment of management resources)
2. Sell a Strong Asia (create a sales structure that allows for competition with major global competitors)
3. Strengthen core competencies (human resources, quality, IT)
4. Ensure thorough compliance and strengthen a management system for the environment

Outline of “Ready for the Next !” – (2)

Basic Numerical Targets (Consolidated, Three Years)

- On track to achieve targets for FY ending March 2011



1. Developing Bonded Logistics Business in China—(1)

Objective

Focus our efforts specifically on the bonded logistics business in China where high demand is expected to persist, leveraging our extensive expertise.

→ This strategy should enable us to further diversify our services from competitors.

(1) Establish a new subsidiary in the Shanghai Pudong International Airport Comprehensive Bonded Area

Establish Shanghai Kintetsu World Express Co., Ltd.

The company was established in May 2010 in the comprehensive bonded area adjacent to Shanghai Pudong International Airport, and the warehouses were acquired in mid-October. International and domestic freight operations are scheduled to start from January 2011, focusing on bonded logistics.



View of the comprehensive bonded area in Shanghai Pudong, our base of operations

Shanghai Kintetsu World Express Co., Ltd.

- Capital: USD 15,000,000
- Warehouse total area: 7,850m²

1. Developing Bonded Logistics Business in China—(2)

(2) Establishment of local companies in other bonded areas

Zhongshan (Guangdong), Da Yao Wan (Dalian), Feng Xian (Shanghai)

Operations scheduled to start from January 2011.

Basic Information of KWE China (As of September 30, 2010)

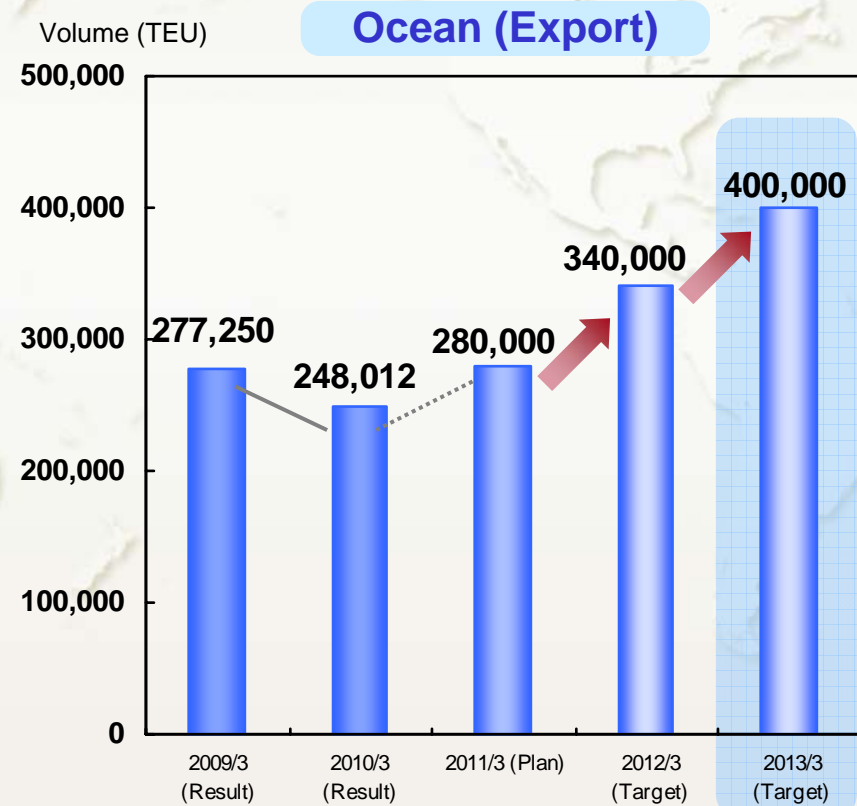
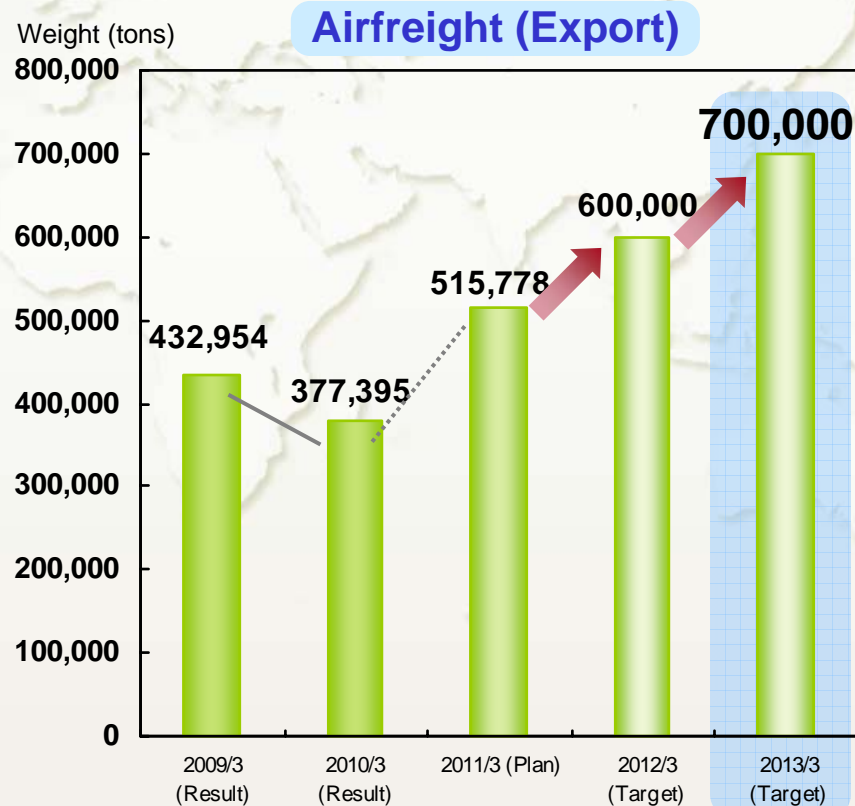
- 14 subsidiaries
- 46 cities
- 108 locations
- 54 warehouses
(Total area 322,265m²)
- 1,042 trucks



2. Volume Targets – (1)

Targeting volume expansion to challenge and compete on an even footing with global competitors

—Group-wide volume targets—



2. Volume Targets – (2)

Volume Expansion Measures

Airfreight forwarding

- Intensify the deal with major airfreight companies worldwide to lower operating costs.
- Expand offshore business (forwarding services between countries other than Japan)
- Seek new customers among European, the U.S. and Japanese global strategic companies for us

Ocean freight forwarding

- Target volume expansion on traffic from Asia to North America
- Seek new customers among European, the U.S. and Japanese global strategic companies for us
- Bolster global procurement and secure stable transporting cargo space
- Expand Buyer's Consolidation Service
- Leverage external resources effectively (M&As, business alliances, headhunting, etc.)

3. Overseas Strategies – (1)

Accelerate overseas network expansion in light of faster-than-expected growth in overseas sales and profits

⇒ Expand operations in non-Chinese regions as well

Strengthen sales in South Asia

India

- Increase logistics facilities and build transportation network
- Add human resources to bolster sales operations

Bangladesh

- Delegate office was established in April 2010 to strengthen marketing activities

Strengthen sales in ASEAN countries

Focus on Malaysia, Vietnam, Indonesia, and Thailand



Bangladesh Delegate Office/Agency

3. Overseas Strategies – (2)

Explore new markets outside of Asia (Middle East, Africa, etc.)

- Established a joint venture in Saudi Arabia in June 2010, our second company in the Middle East
- Opportunity for expansion of business between Asia, Europe and the U.S. ↔ the Middle East
(Transportation of oil-drilling and project-related equipment)



Opening ceremony in Saudi Arabia

→ Targeting future oil, gas and plant-related business

- Conduct market surveys aimed at emerging African nations (Morocco, Angola, Kenya, etc.) from our base of operations in South African subsidiary (sales activities with agents)

Airfreight Service from Haneda Airport

Opened Haneda Airport Customer Service Office on October 21

We will monitor services offered by airlines and transportation demand trends, to enable us to respond flexibly to changing conditions, while continuing to leverage our Baraki Terminal's infrastructure.



Office:174㎡、Warehouse:1,573㎡

Scheduled airline service for winter period 2010: 51 flights on 17 routes per week

Major airline companies and applicable routes:

All Nippon Airways (Shanghai, Taipei, Seoul, etc.), Delta Airlines (Los Angeles, Detroit), American Airlines (New York), Japan Airlines (San Francisco, Paris, etc.), Korean Air (Seoul), Cathay Pacific Airways (Hong Kong), Eva Airways (Taipei), China Eastern Airlines (Shanghai), Singapore Airlines (Singapore), etc.

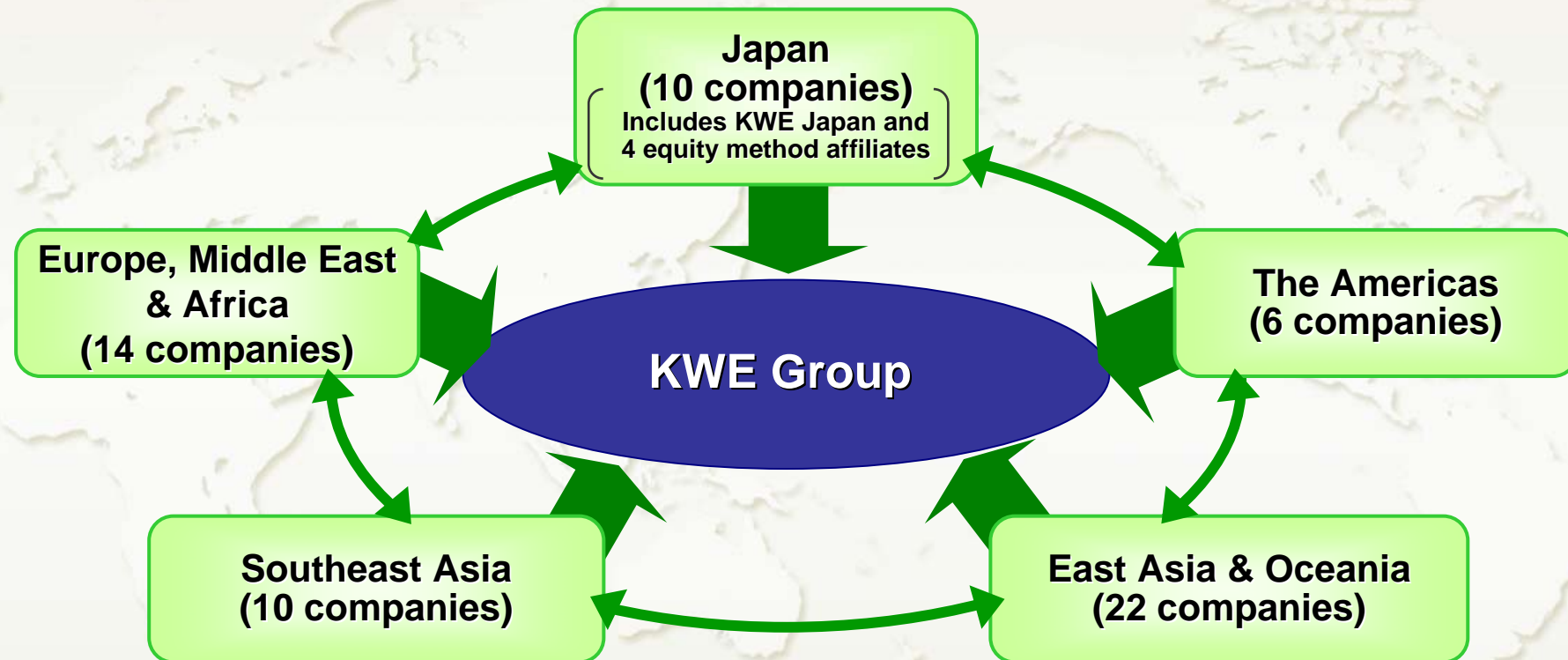
*For the time being, no cargo freighter service has been scheduled.

A faint, light-colored map of the world is visible in the background, showing the outlines of continents and oceans. A large, light blue rounded rectangle with a dark blue border is centered on the slide, containing the text "Supplementary Material".

Supplementary Material

KWE Group's Worldwide Five Regional Management System

32 countries overseas, 193 cities, 303 locations (as of September 30, 2010)



Logistics facilities
138 locations overseas
(672,355 m²)
38 locations in Japan
(201,010 m²)

Acquired ISO 9001
certification
(18 subsidiaries
including Japan)

Acquired ISO 14001
certification
(14 locations
worldwide including
the Narita Terminal)

Acquired TAPA
certification
(19 locations
worldwide including
the Narita Terminal)

Major Topics in 2010

New companies

- May** Established a logistics company Yantai Kintetsu Logistics Co., Ltd. in China
- Established Shanghai Kintetsu World Express Co., Ltd. in the Shanghai Pudong International Airport Comprehensive Bonded Area
- June** Established a joint venture company Kintetsu World Express (Saudi Arabia) Ltd.

Overseas service structure

- January** Singapore subsidiary Acquired ISO13485: 2003 Quality Management System Standard for Medical Devices Certification
- March** Singapore subsidiary's 2nd Warehouse Facility received TAPA Classification A Certification
- April** Established Bangladesh Delegate Office
- July** Canadian subsidiary established a new warehouse facility in Guelph on the outskirts of Toronto
- Moved the Middle East region under the control of the Europe & Africa Headquarters. As a result, the names of both headquarters have been changed to the Europe, Middle East & Africa Headquarters, and the Southeast Asia Headquarters

Japan service structure

- May** Started sales of "Sky Cube" packaging box
- June** Started providing data service on CO₂ exhaust generated from international airfreight transport
- Started LCL (export) consolidation service from Nagoya
- October** Opened Haneda Airport Customer Service Office

Other

- April** Changed Global Headquarters to "Corporate Strategy Headquarters"
- May** Announced our new medium-term management plan, "Ready for the Next!" (FY ending March 2011-FY ending March 2013)

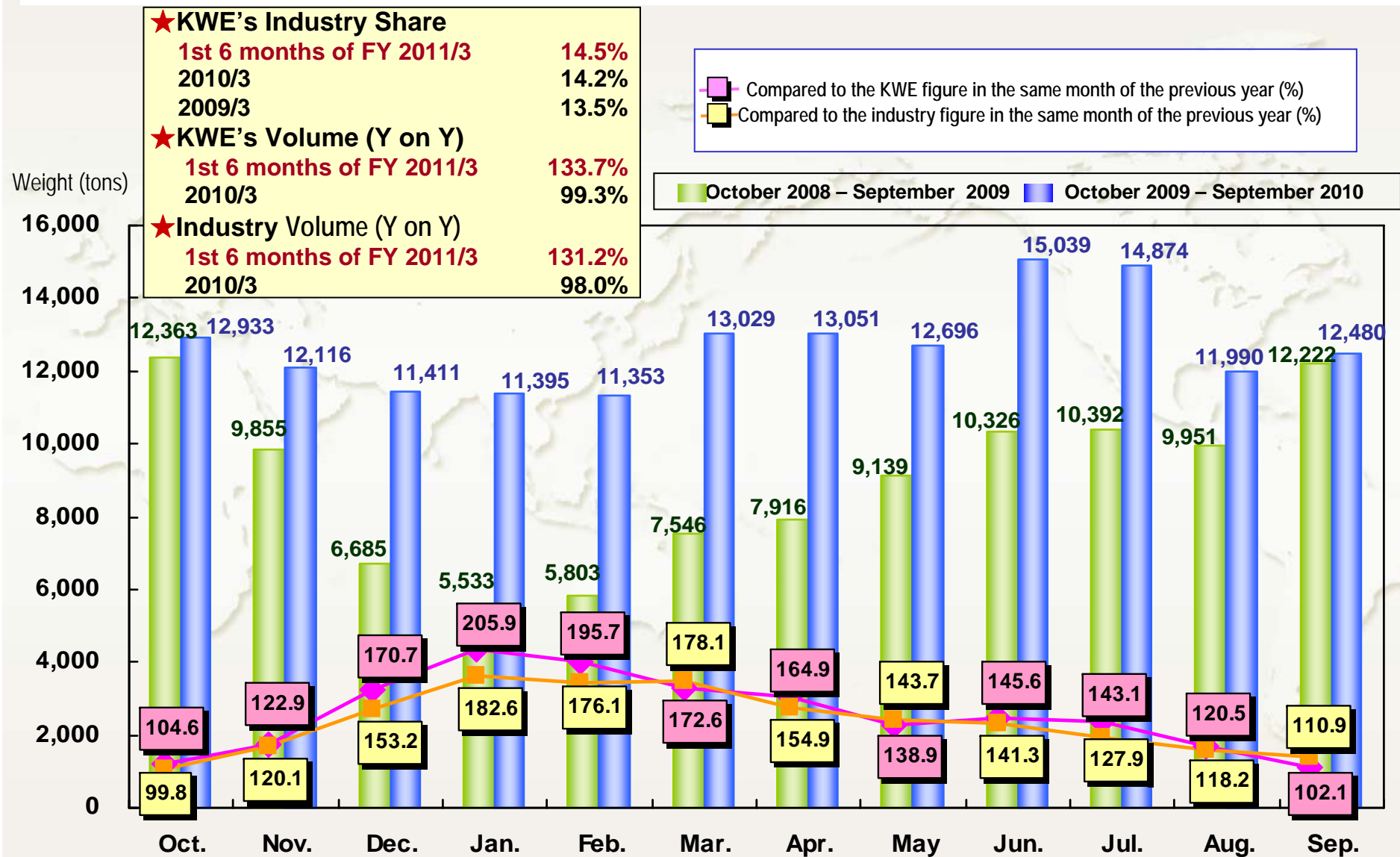


Non-consolidated Balance Sheets

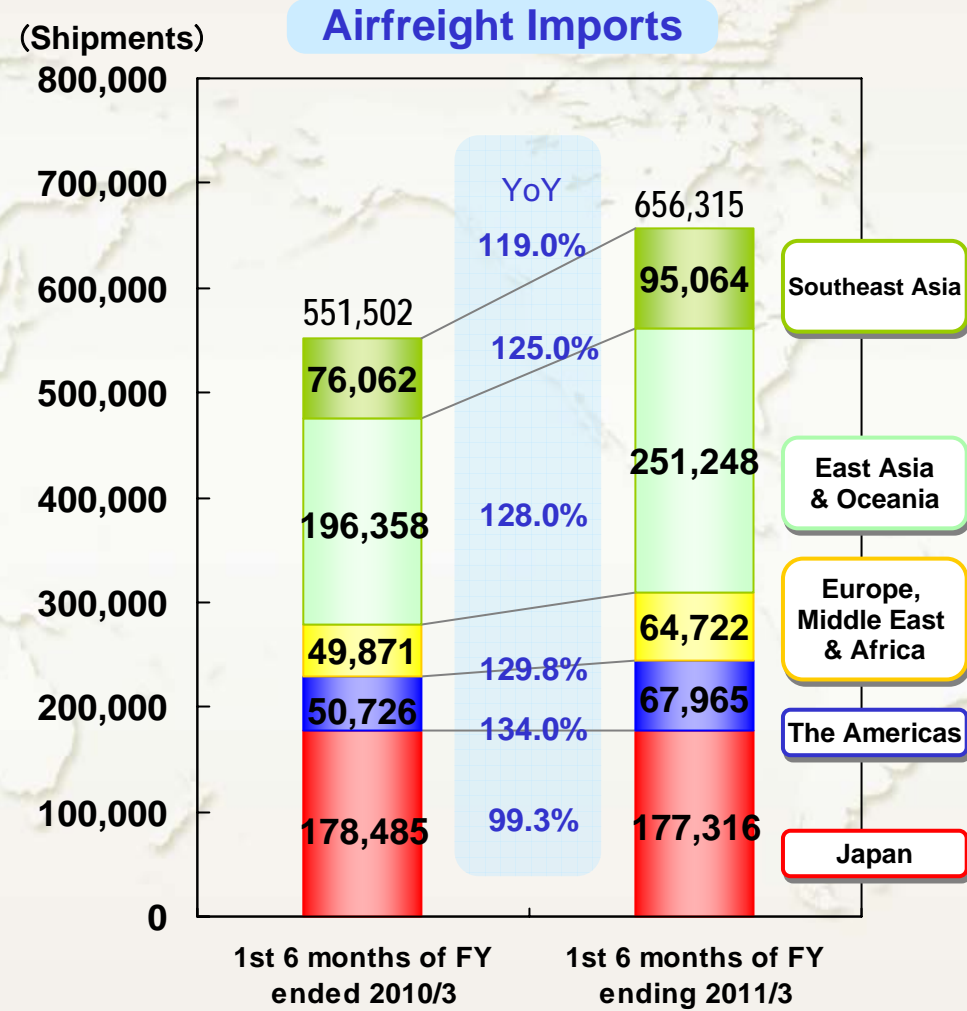
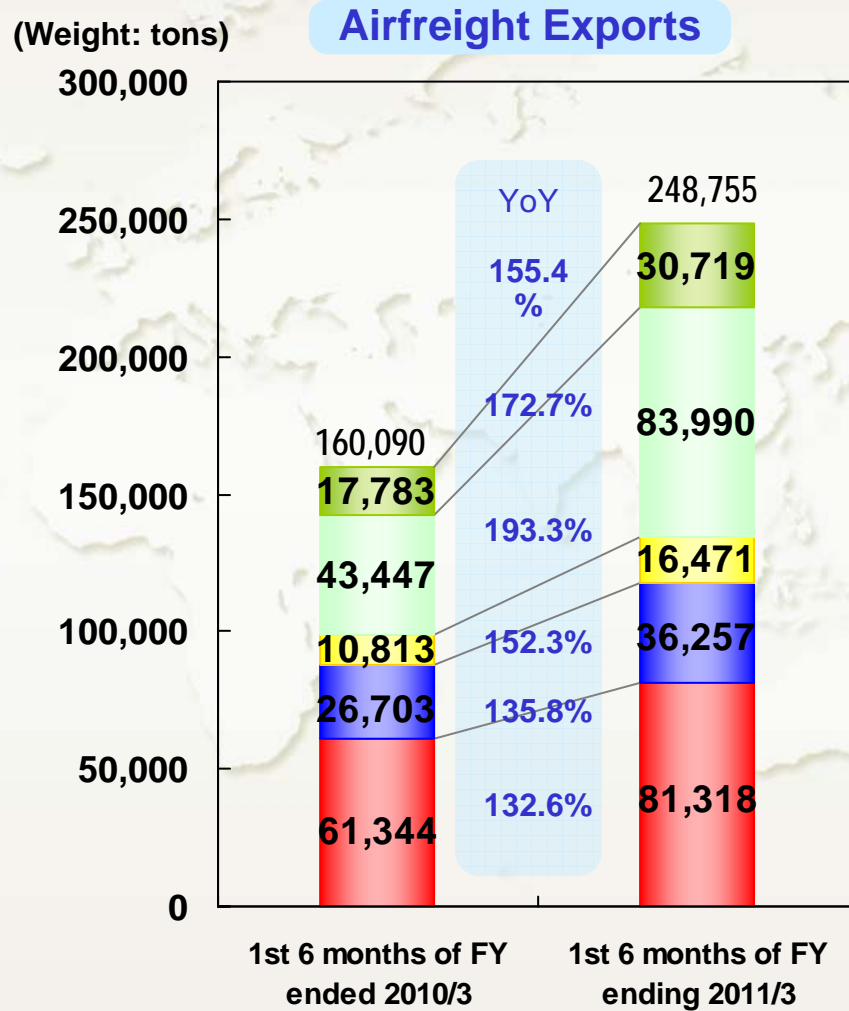
(Millions of yen)

	As of March 31, 2010	As of September 30, 2010	Changes
Assets:			
Current assets	24,968	28,410	3,441
Fixed assets	38,793	36,624	△2,169
Property and equipment	23,495	23,070	△424
Intangible fixed assets	850	785	△65
Investments and other assets	14,448	12,768	△1,679
Total assets	63,762	65,034	1,272
Liabilities:			
Current liabilities	19,682	18,809	△872
Long-term liabilities	3,976	5,789	1,812
Total liabilities	23,659	24,599	939
Net assets:			
Total net assets	40,103	40,435	332
Total liabilities and net assets	63,762	65,034	1,272

Monthly Trends in KWE Consolidated Airfreight Leaving Japan



Freight Volume by Region (Five Regions)



* From the current fiscal year, control of operations in Middle East was transferred from Southeast Asia & Middle East Headquarters to Europe & Africa Headquarters. The names of both headquarters have been changed accordingly.

Figures for the 1st 6 months of FY ended March 2010 have been adjusted to reflect the new segment structure.

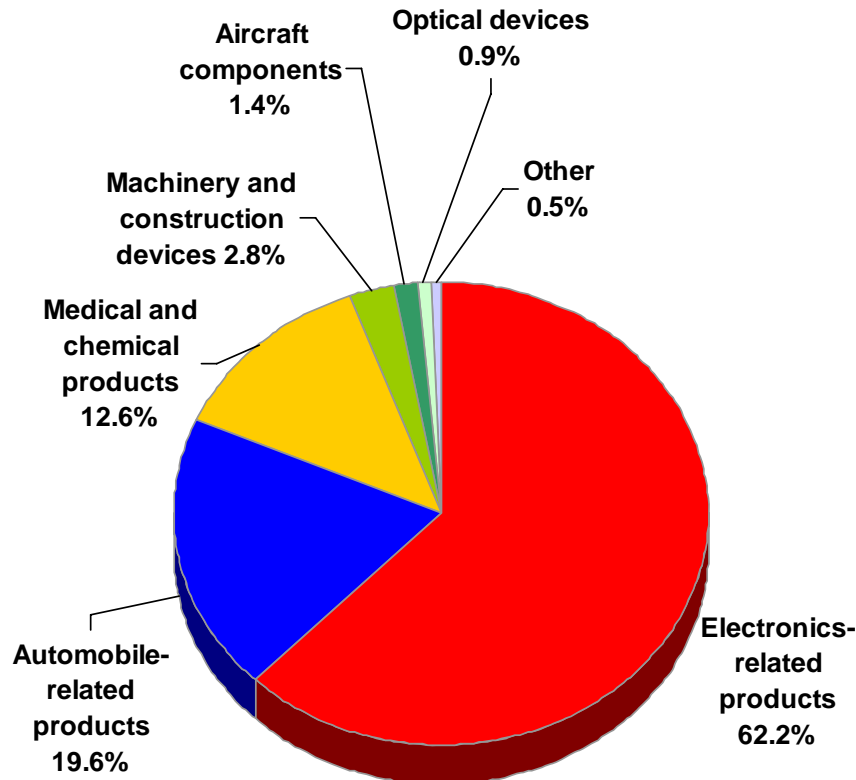
* The "1st 6 months of FY" refers to the April-September results for KWE Japan and the January-June figures for all other Japanese and overseas subsidiaries.

Items Handled – (1)

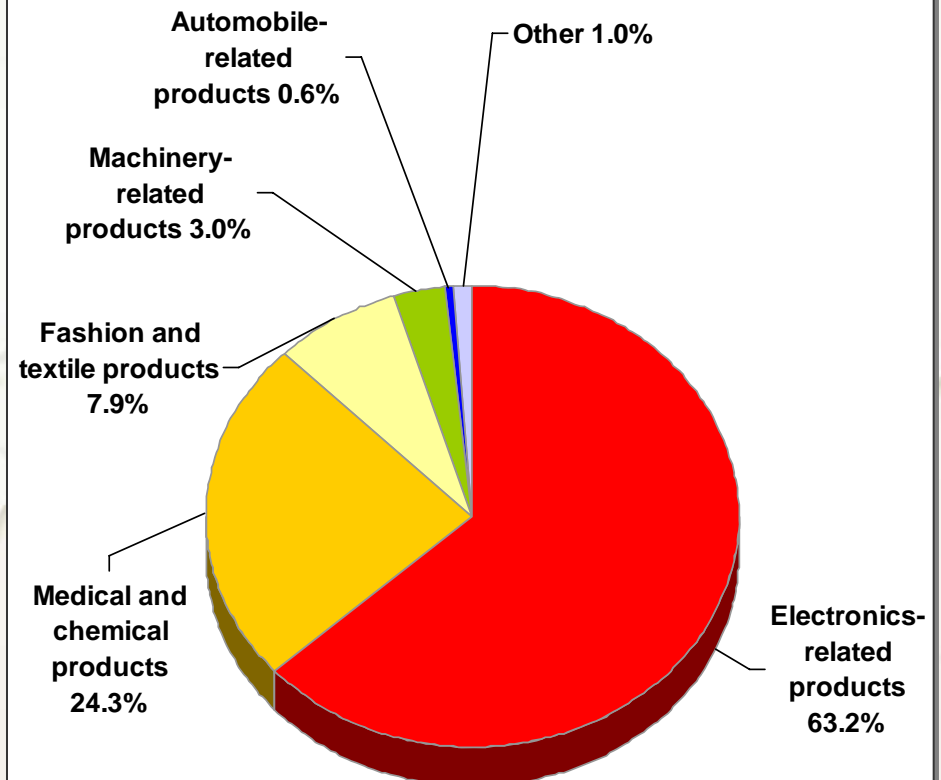
(Non-Consolidated: Airfreight)

— Based on net sales of top 100-ranked companies —
Airfreight Composition

**KWE Japan's Airfreight Export Composition,
1st 6 Months of FY Ending March 2011**



**KWE Japan's Airfreight Import Composition,
1st 6 Months of FY Ending March 2011**

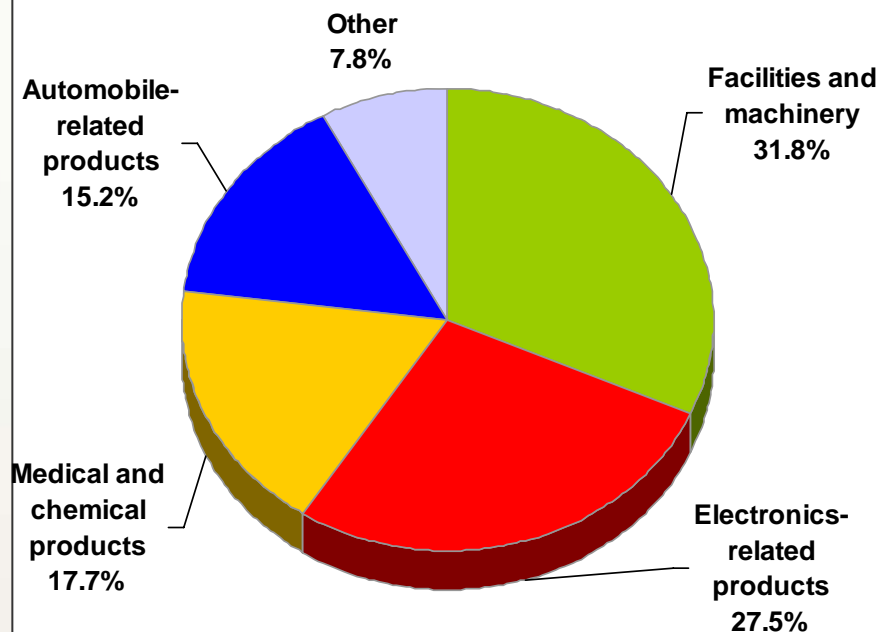


Items Handled – (2) (Non-Consolidated: Ocean Freight)

— Based on net sales of top 100-ranked companies —
Ocean Freight Composition

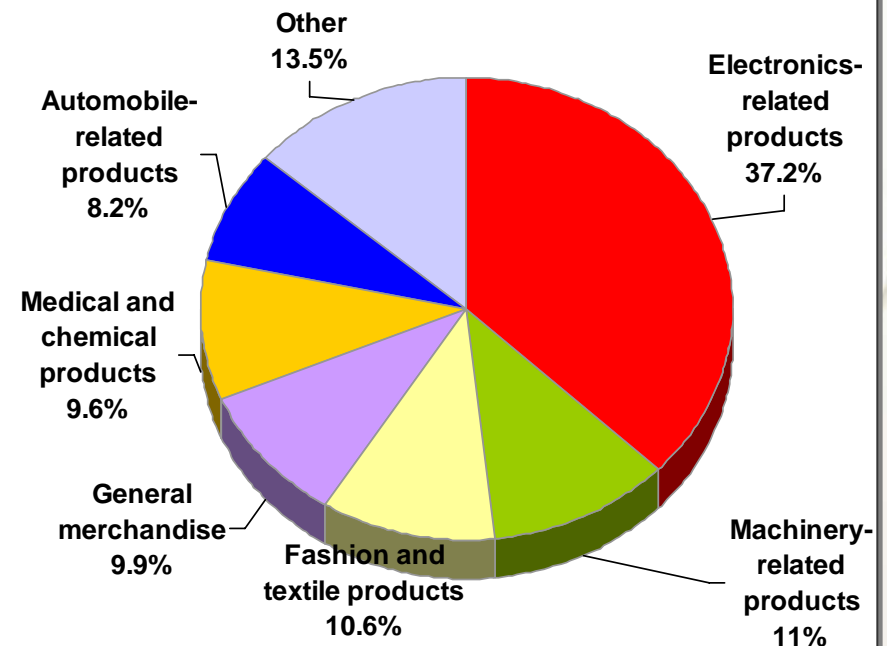
**KWE Japan's Ocean Freight Export
Composition,**

1st 6 Months of FY Ending March 2011



**KWE Japan's Ocean Freight Import
Composition,**

1st 6 Months of FY Ending March 2011





Global Logistics Partner

Kintetsu World Express, Inc.

Website: <http://www.kwe.co.jp/en/index.html>

- * The information contained herein does not constitute an offer to solicit investment which can only be made by formal prospectus. The forward-looking statements contained herein are not intended to assure or guarantee future performance. Actual results may vary from that projected herein.