



Financial Results :

The 1st 3 Months of FY Ending March 2022
(April 1, 2021 – June 30, 2021)

August 5, 2021



A member of the **KWE** Group

kintetsu world express

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Financial Summary



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

	Three months ended June 2020	Three months ended June 2021	Differences (YoY)	YoY change (%)
Air freight exports (Weight)	113	179	66	58.3
Air freight imports (Shipments)	256	331	75	29.3
Sea freight exports (Volume)	140	178	38	27.1
Sea freight imports (Shipments)	66	70	4	7.2
Net sales	140,473	198,477	58,003	41.3
Operating gross profit	25,295	29,957	4,661	18.4
Operating gross profit margin	18.0%	15.1%	—	—
Operating income	7,913	11,846	3,933	49.7
Ordinary income	8,200	12,309	4,108	50.1
Net income attributable to owners of the parent	4,883	7,411	2,528	51.8

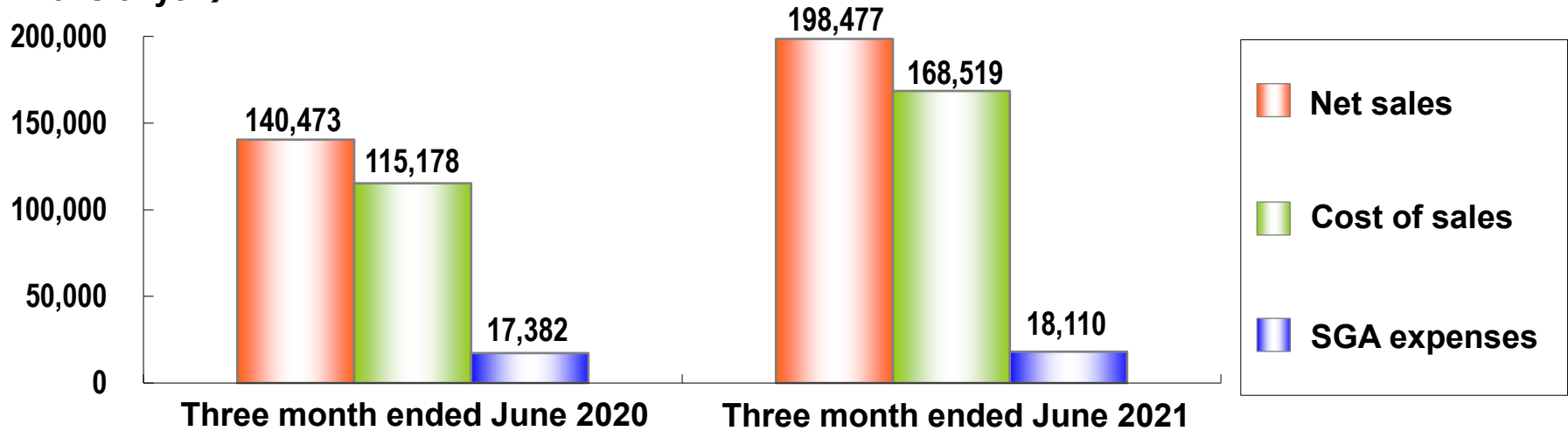
Conversion Rate	Three months ended June 2020	FY ended March 2021	Three months ended June 2021
US-Dollar	¥107.62	¥106.06	¥109.49
Euro	¥118.48	¥123.70	¥131.96
HK-Dollar	¥13.89	¥13.68	¥14.10
Chinese yuan	¥15.17	¥15.67	¥16.96

FOREX impacts (consolidated)
 Net sales : +¥4,530 million
 Operating income : +¥371 million

Year over Year Comparisons of Net Sales, Cost of Sales, and SGA Expenses



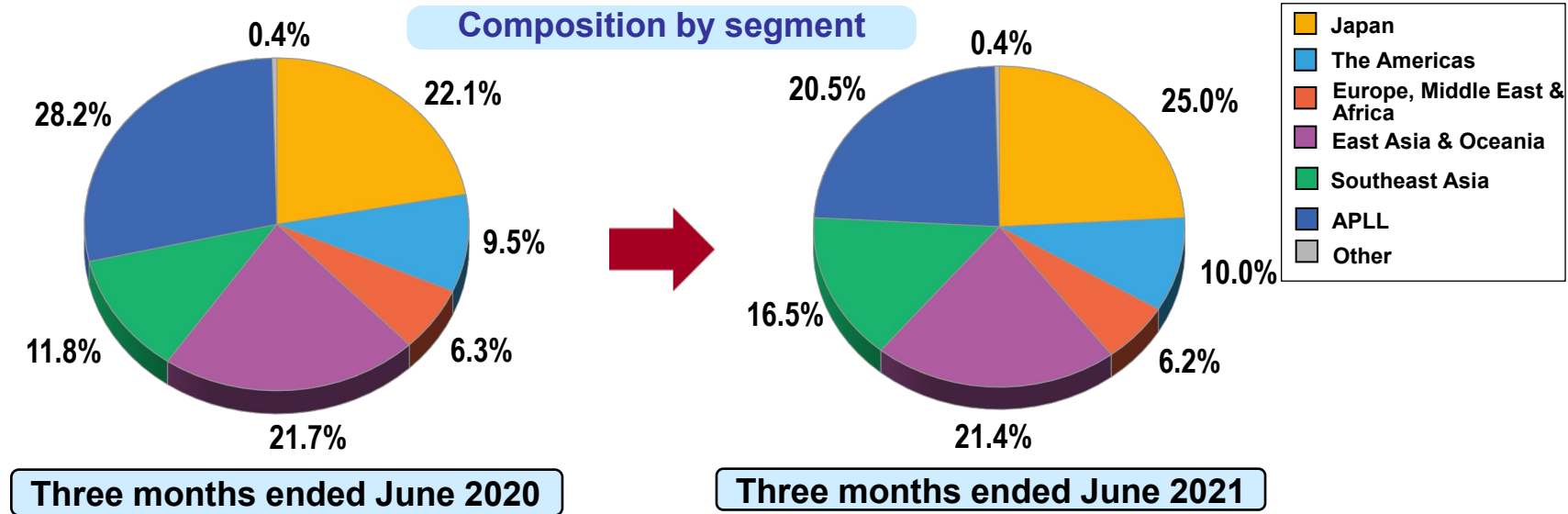
(Millions of yen)



(Millions of yen)

	Three month ended June 2020	Ratio to net sales	Three month ended June 2021	Ratio to net sales
Net sales	140,473	100.0%	198,477	100.0%
Cost of sales	115,178	82.0%	168,519	84.9%
SGA expenses	17,382	12.4%	18,110	9.1%
Operating income	7,913	5.6%	11,846	6.0%

Net Sales by Segment



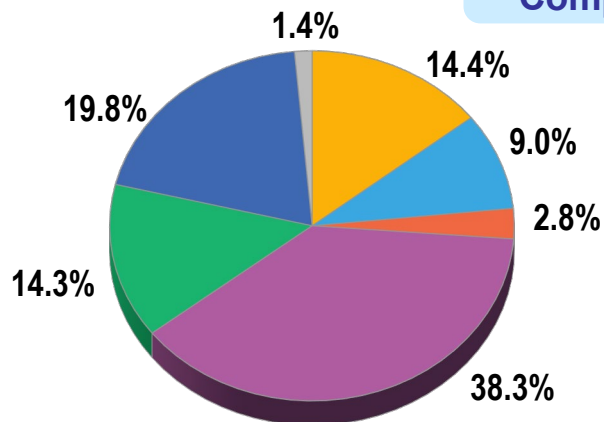
(Millions of yen)

Net Sales by Segment	Three months ended June 2020	Three months ended June 2021	YoY change	
			Amount	%
Japan	31,873	51,137	19,264	60.4
The Americas	13,735	20,413	6,677	48.6
Europe, Middle East & Africa	9,003	12,748	3,745	41.6
East Asia & Oceania	31,217	43,792	12,575	40.3
Southeast Asia	17,035	33,832	16,797	98.6
APLL	40,550	41,974	1,423	3.5
Other	620	886	265	42.8
Adjustment	(3,562)	(6,307)	(2,745)	—
Total	140,473	198,477	58,003	41.3

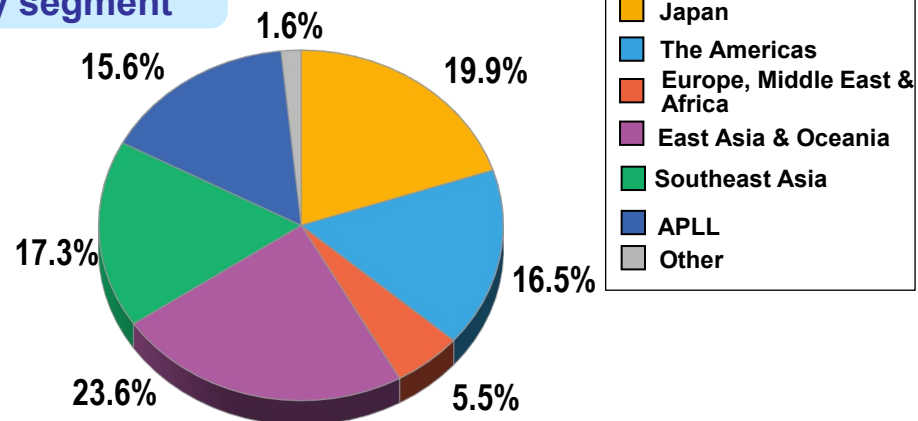
Operating Income by Segment



Composition by segment



Three months ended June 2020



Three months ended June 2021

(Millions of yen)

Operating Income by Segment	Three months ended June 2020	Three months ended June 2021	YoY change	
			Amount	%
Japan	1,349	2,633	1,283	95.2
The Americas	842	2,188	1,346	159.9
Europe, Middle East & Africa	256	725	469	182.9
East Asia & Oceania	3,582	3,126	(456)	(12.7)
Southeast Asia	1,340	2,286	945	70.5
APLL	1,856	2,060	204	11.0
Amortization of goodwill	(1,452)	(1,397)	55	—
Other	133	213	79	59.7
Adjustment	4	9	5	—
Total	7,913	11,846	3,933	49.7

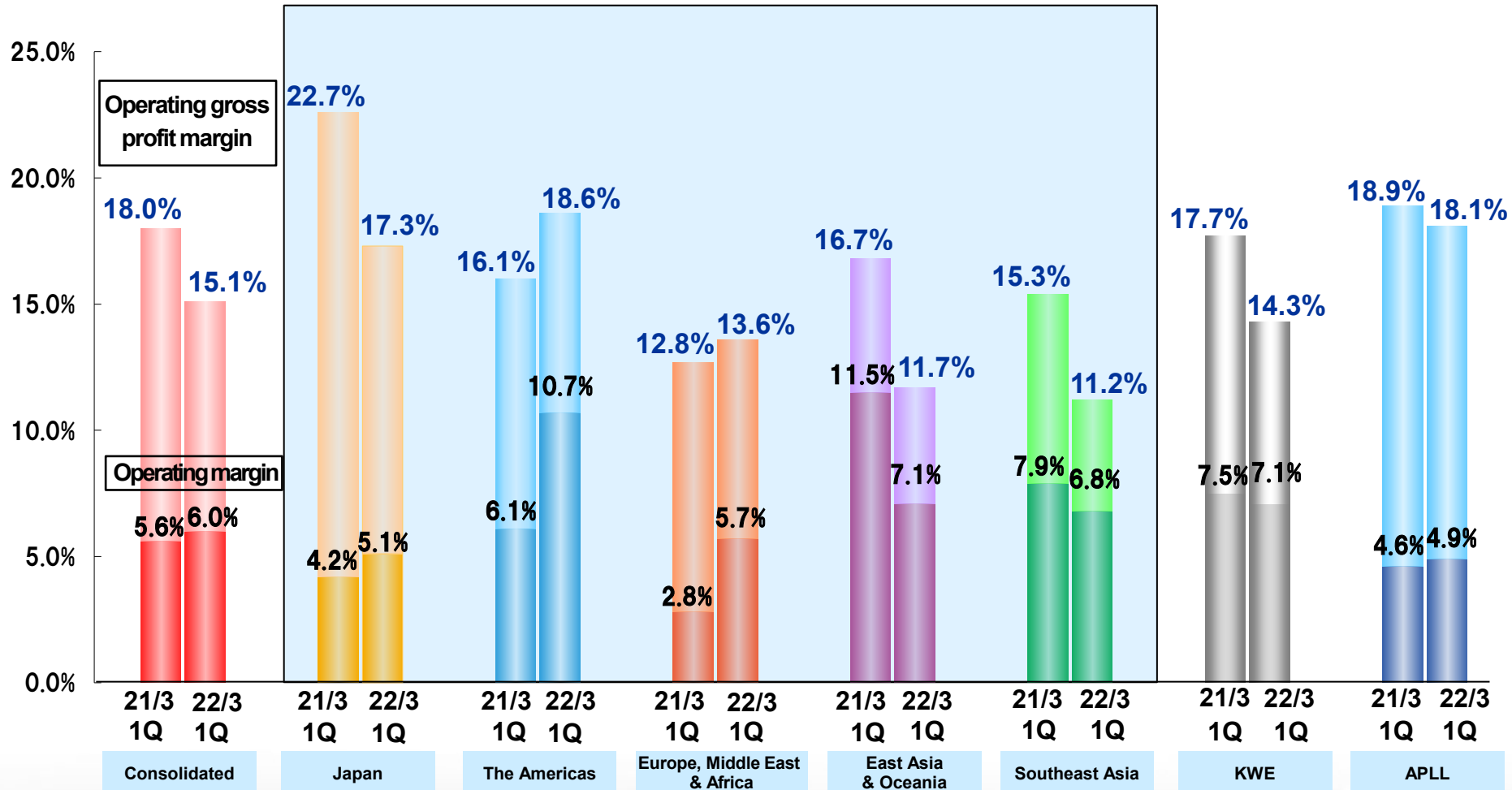
*Pie charts are prepared based on the amount before amortization of goodwill in APLL.



Operating Gross Profit Margins/ Operating Margins by Segment



Three months ended June 2020/Three months ended June 2021



* APLL's operating margin is calculated based on the amount before amortization of goodwill.



Review of Operations



Japan

(Lower cells in parentheses show the performance of KWE Japan)

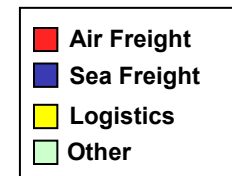
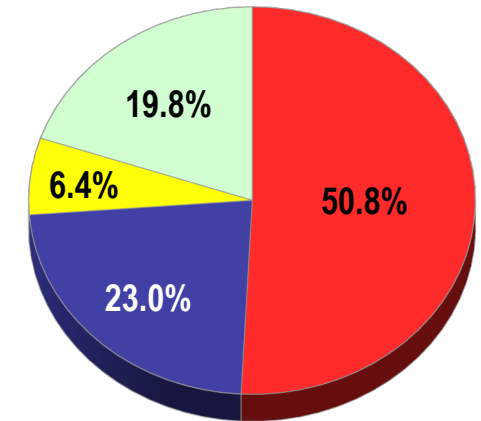
(Millions of yen)

	Three months ended June 2020	Three months ended June 2021	YoY change	
			Amount	%
Net sales	31,873 (24,968)	51,137 (43,459)	19,264 (18,491)	60.4 (74.1)
Operating income	1,349 (1,322)	2,633 (2,061)	1,283 (738)	95.2 (55.9)

Freight volume	Three months ended June 2020	Three months ended June 2021	YoY change (%)
Air freight exports (tons)	26,264	45,281	72.4
Air freight imports (shipments)	75,407	90,448	19.9
Sea freight exports (TEUs)	32,160	42,606	32.5
Sea freight imports (shipments)	27,645	27,267	(1.4)

- Profit increased due to volume recovery and freight rates remaining high
- Subsidiaries improved their performance and posted profit increase amid the recovery of demand

Net Sales by Business



The Americas

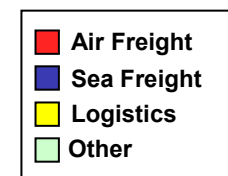
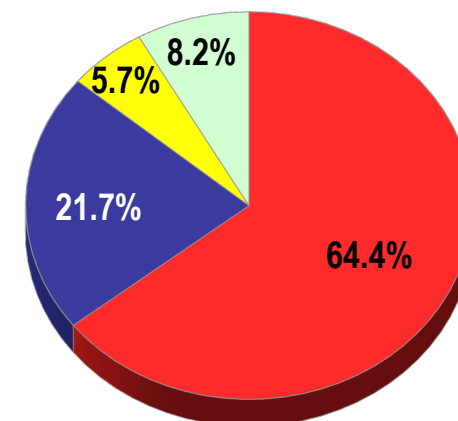
(Millions of yen)

	Three months ended June 2020	Three months ended June 2021	YoY change	
			Amount	%
Net sales	13,735	20,413	6,677	48.6
Operating income	842	2,188	1,346	159.9

Freight volume	Three months ended June 2020	Three months ended June 2021	YoY change (%)
Air freight exports (tons)	22,885	35,286	54.2
Air freight imports (shipments)	20,869	32,933	57.8
Sea freight exports (TEUs)	10,692	9,001	(15.8)
Sea freight imports (shipments)	8,049	10,427	29.5

- Profit increased due to an improvement in operating gross profit margin amid the recovery of overall volume
- FOREX impact Net sales: +¥594 million Operating income: +¥32 million

Net Sales by Business



Review of Operations



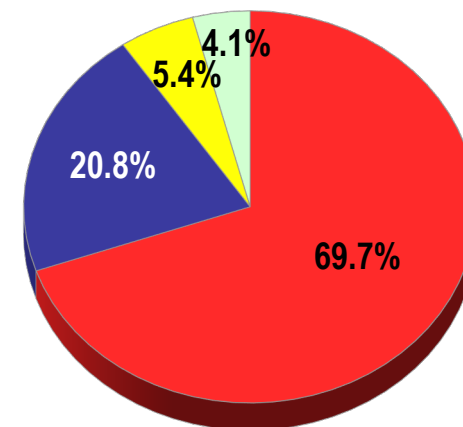
Europe, Middle East & Africa

(Millions of yen)

	Three months ended June 2020	Three months ended June 2021	YoY change	
			Amount	%
Net sales	9,003	12,748	3,745	41.6
Operating income	256	725	469	182.9

Freight volume	Three months ended June 2020	Three months ended June 2021	YoY change (%)
Air freight exports (tons)	9,469	15,474	63.4
Air freight imports (shipments)	16,107	23,908	48.4
Sea freight exports (TEUs)	3,774	5,739	52.1
Sea freight imports (shipments)	3,717	4,716	26.9

Net Sales by Business



- Profit growth due to an improvement in operating gross profit margin amid the recovery of volume
- FOREX impact Net sales: +¥1,127 million Operating income: +¥28 million

Review of Operations



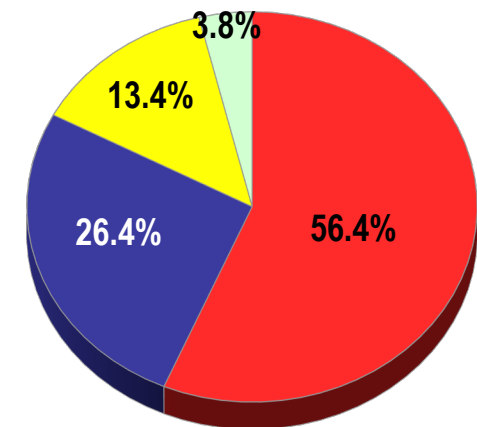
East Asia & Oceania

(Millions of yen)

	Three months ended June 2020	Three months ended June 2021	YoY change	
			Amount	%
Net sales	31,217	43,792	12,575	40.3
Operating income	3,582	3,126	(456)	(12.7)

Freight volume	Three months ended June 2020	Three months ended June 2021	YoY change (%)
Air freight exports (tons)	34,619	50,550	46.0
Air freight imports (shipments)	106,699	134,247	25.8
Sea freight exports (TEUs)	52,624	65,395	24.3
Sea freight imports (shipments)	15,246	15,425	1.2

Net Sales by Business



• Despite the recovery of volume, profit decreased due to a backlash of a significant improvement in operating gross profit margin a year earlier

• FOREX impact Net sales: +¥3,015 million Operating income: +¥277 million

Review of Operations



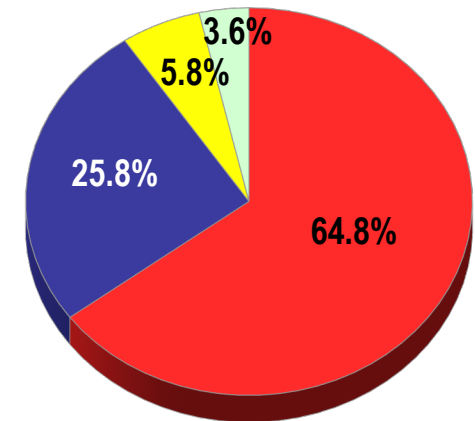
Southeast Asia

(Millions of yen)

	Three months ended June 2020	Three months ended June 2021	YoY change	
			Amount	%
Net sales	17,035	33,832	16,797	98.6
Operating income	1,340	2,286	945	70.5

Freight volume	Three months ended June 2020	Three months ended June 2021	YoY change (%)
Air freight exports (tons)	20,315	33,185	63.4
Air freight imports (shipments)	37,439	50,250	34.2
Sea freight exports (TEUs)	30,327	41,272	36.1
Sea freight imports (shipments)	11,430	13,020	13.9

Net Sales by Business



- Profit increased due to volume recovery and freight rates remaining high
- FOREX impact Net sales: +¥906 million Operating income: +¥82 million

APLL

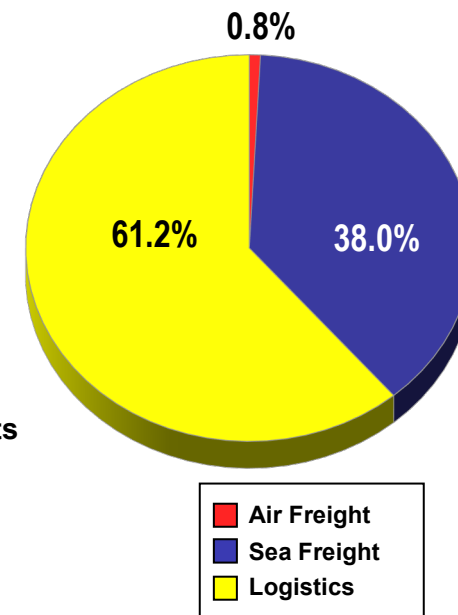
(Millions of yen)

	Three months ended June 2020	Three months ended June 2021	YoY change	
			Amount	%
Net sales	40,550	41,974	1,423	3.5
Operating income	404	663	259	64.2

• As for logistics service for automotive, the handling volume decreased mainly with major customers due to suspension of production attributable to a shortage of semiconductors. For retail-related logistics services, the handling volume showed a steady growth mainly with major customers, and consumer and other industrial products also showed a year-on-year increase

- Operating income of +¥2,060 million before amortization of goodwill (+11.0% YoY)
- FOREX impact Net sales: ¥(1,124) million Operating income: ¥(51) million

Net Sales by Business



Earnings Forecasts for FY Ending March 2022



<Unchanged from the forecasts released on May 12, 2021>

(Millions of yen)

Item	FY ended March 2021 (Results)		FY ending March 31, 2022 (Forecasts)	
		YoY change (%)		YoY change (%)
Net sales	609,110	11.9	630,000	3.4
Operating gross profit	104,777	11.6	103,900	(0.8)
Operating gross profit margin	17.2%	—	16.5%	—
Operating income	34,177	73.4	31,700	(7.2)
Ordinary income	34,529	98.1	30,700	(11.1)
Net income attributable to owners of the parent	21,644	358.2	19,200	(11.3)

Earnings Forecasts for FY Ending March 2022



<Unchanged from the forecasts released on May 12, 2021>

(Millions of yen)

Business	Net sales			
	FY2021 forecasts	YoY change (%)	FY2020 results	Differences
Air Freight	275,000	0.5	273,760	1,240
Sea Freight	160,000	5.8	151,232	8,768
Logistics	155,000	6.6	145,468	9,532
Other	40,000	3.5	38,649	1,351
Total	630,000	3.4	609,110	20,890

(Millions of yen)

Segment	Net sales				Operating income			
	FY2021 forecasts	YoY change (%)	FY2020 results	Differences	FY2021 forecasts	YoY change (%)	FY2020 results	Differences
Japan	151,000	0.2	150,680	320	7,800	(5.2)	8,229	(429)
The Americas	61,000	2.8	59,323	1,677	5,300	3.2	5,136	164
Europe, Middle East & Africa	46,000	20.7	38,097	7,903	1,800	34.8	1,335	465
East Asia & Oceania	126,000	(5.2)	132,972	(6,972)	8,500	(23.7)	11,134	(2,634)
Southeast Asia	94,000	0.6	93,449	551	6,800	(15.1)	8,013	(1,213)
APLL	165,000	11.4	148,108	16,892	1,200*	—	(19)	—
Other	3,000	9.6	2,738	262	300	(5.4)	317	(17)
Adjustment	(16,000)	—	(16,259)	—	0	—	30	—
Total	630,000	3.4	609,110	20,890	31,700	(7.2)	34,177	(2,477)

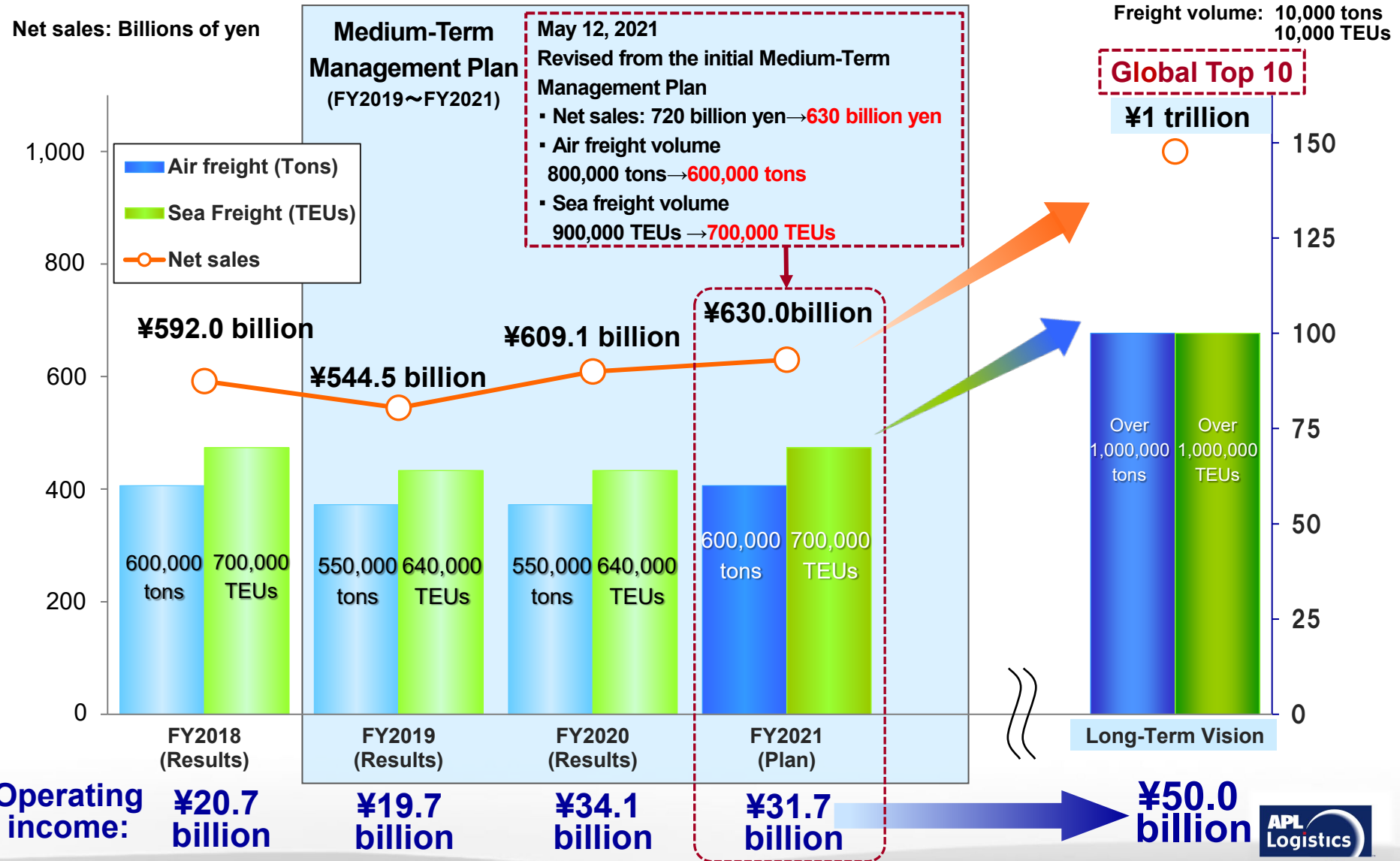
*APLL's operating income is calculated based on the amount after amortization of goodwill, etc. APLL's operating income before amortization of goodwill will be ¥6,800 million.



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Recent Business Environment and Countermeasures

Medium-Term Management Plan in Our Long-Term Vision

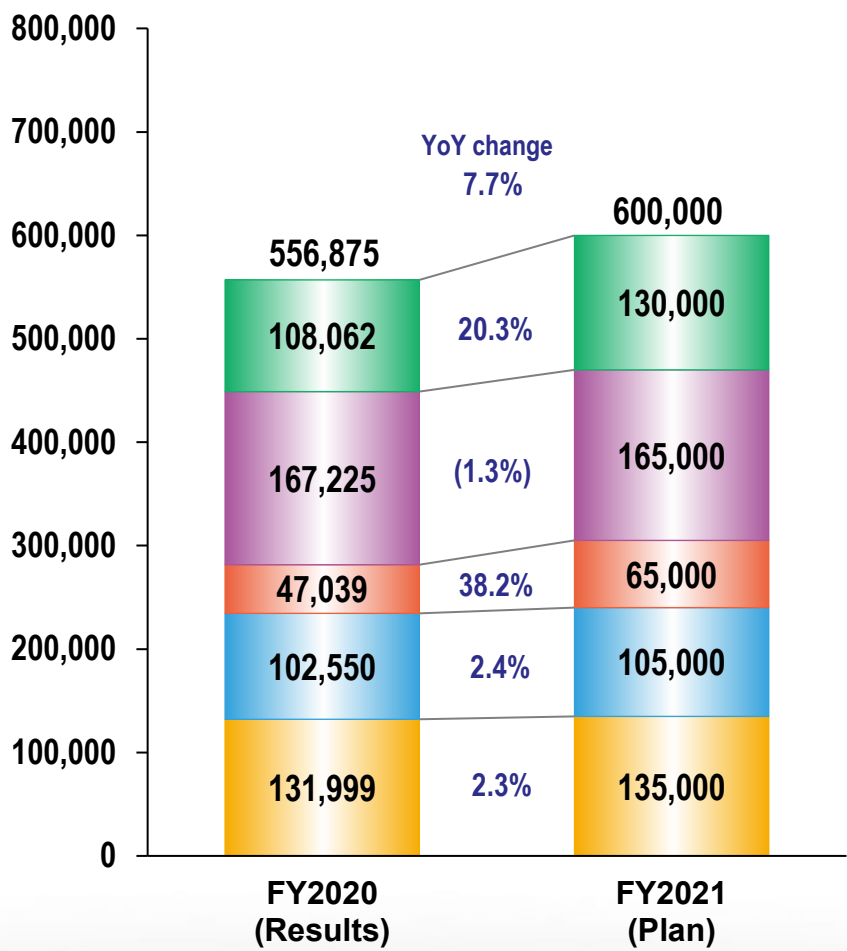


Forecast of Freight Volume by Segment in FY2021



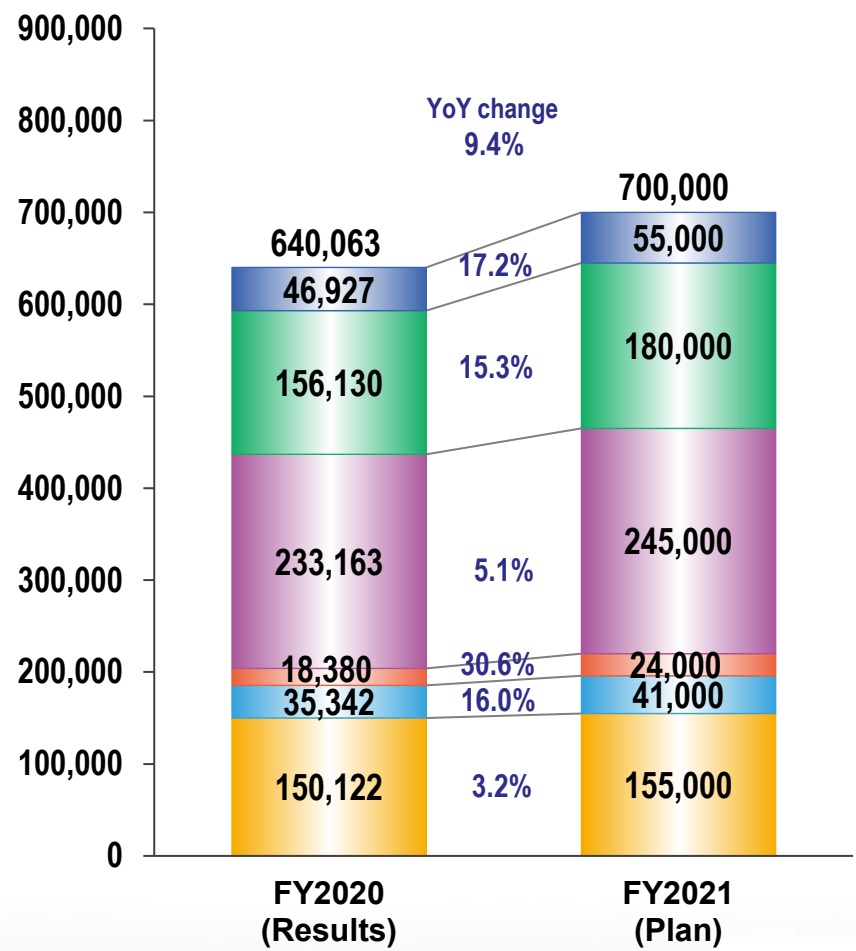
Air Freight Exports

(Weight: tons)



Sea Freight Exports

(Volume: TEUs)



■ Japan
 ■ The Americas
 ■ Europe, Middle East & Africa
 ■ East Asia & Oceania
 ■ Southeast Asia
 ■ APLL



Future Prospect

- Unpredictable COVID-19 situation which varies according to the regions, countries, or cities
- Uncertainty of the global situation including the U.S.-China trade friction
- Continuous shortage of semiconductors
- Prolonged sea freight congestion
- Further oligopoly by global major forwarders

Countermeasures



- Secured capacity for the lanes with strong demand
(Regular charter flights mainly from Asia to North America)
- Optimizing centralized procurement based on tight partnership with carriers
- Continuous approach to technological innovation customers
(IoT, AI, 5G, EV, etc.)
- Further expansion of our business with multinational Corporate Accounts (CA)
- Optimization of operations corresponding to the pandemic

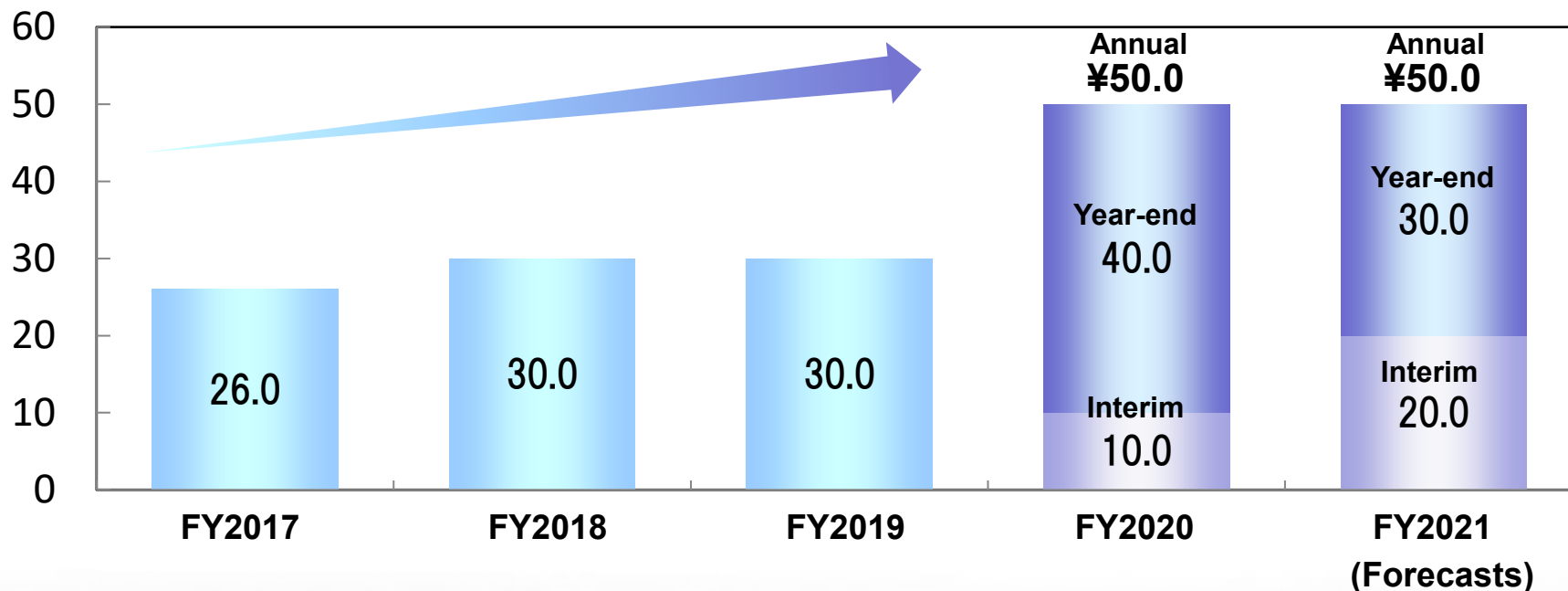
Dividends



With adequate profit return to shareholders positioned as an important policy, the Group's basic policy is to maintain stable dividends in comprehensive consideration of relevant factors, such as performance of each year, while strengthening its financial standing and preparing for the future business development.

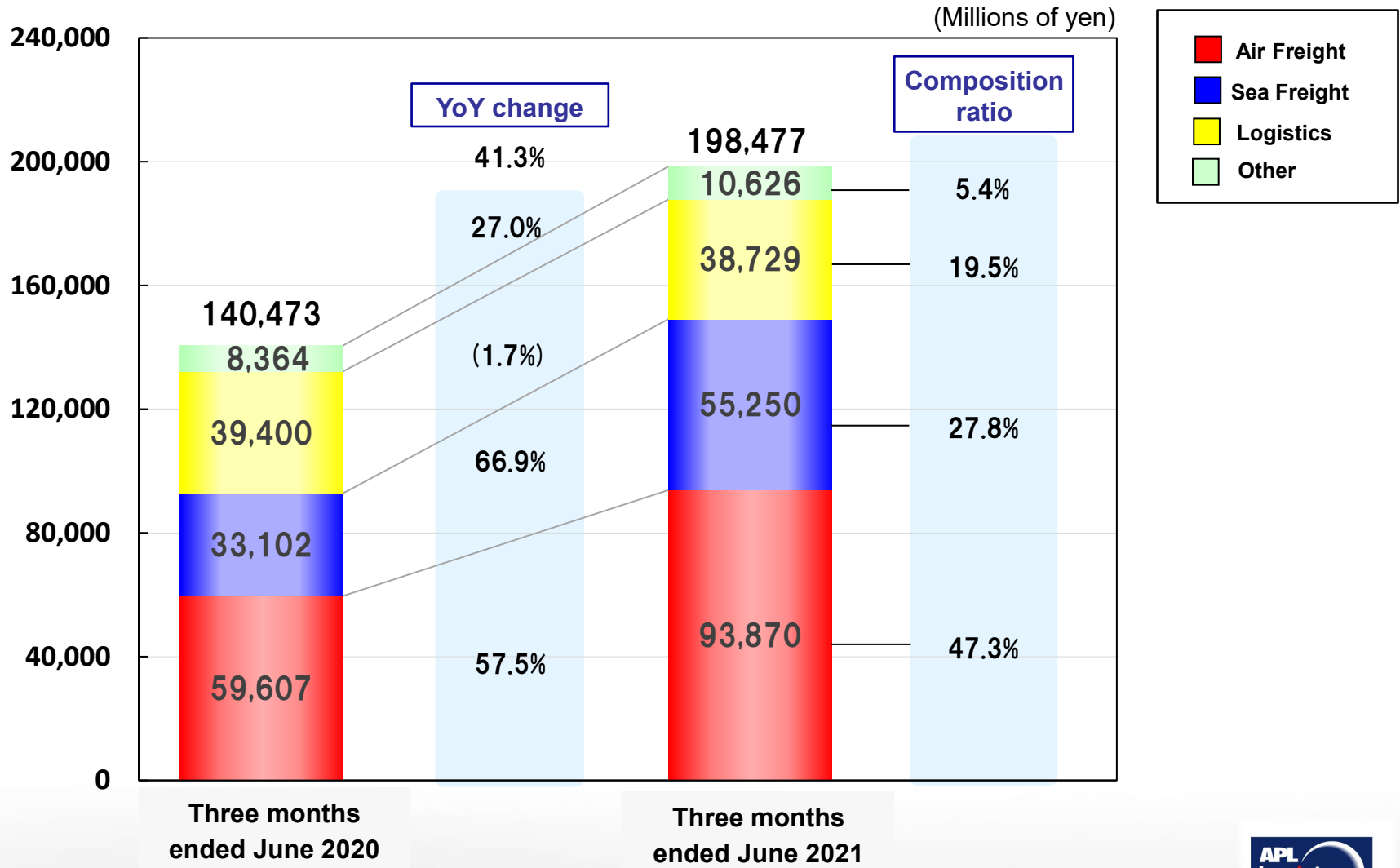
Annual dividend
per share (yen)

Annual dividend per share



Supplemental Materials

Net Sales by Business

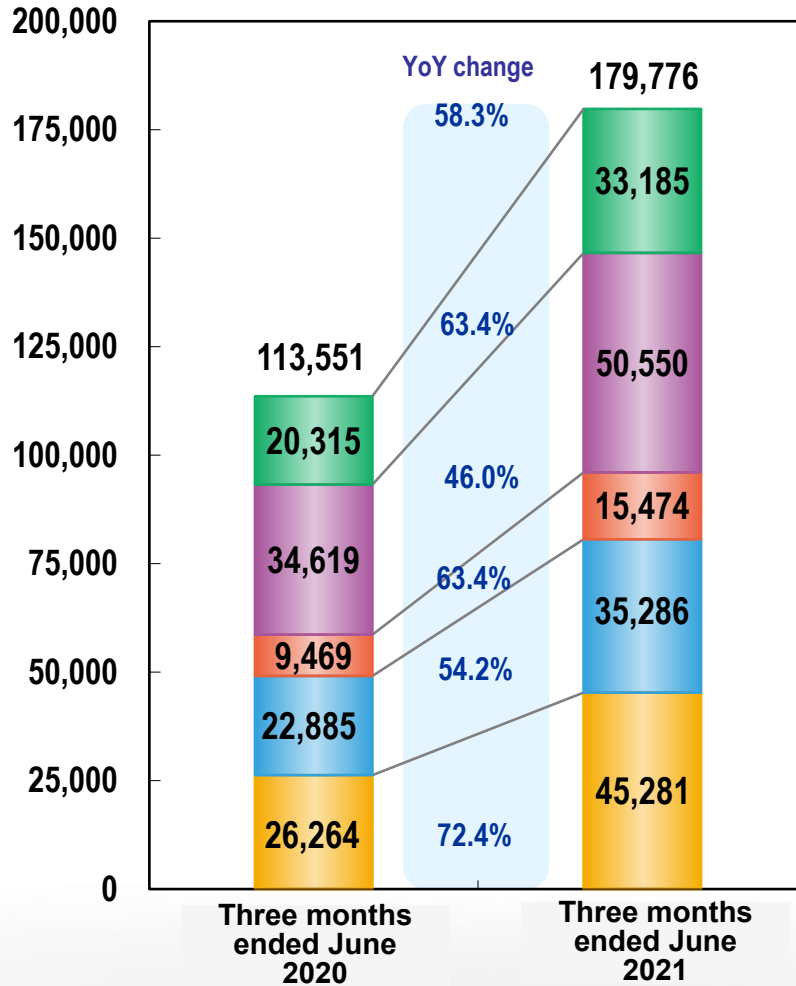


Freight Volume by Segment (Air Freight)



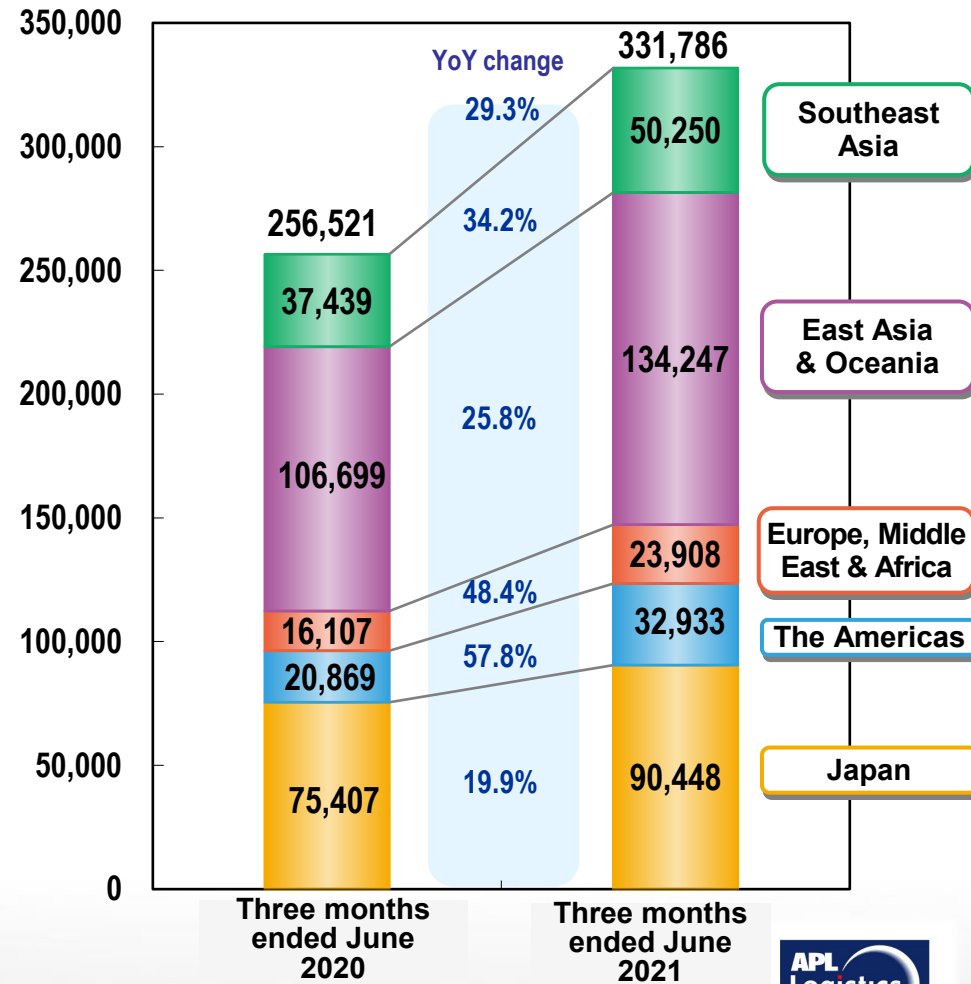
Air Freight Exports

(Weight: tons)



Air Freight Imports

(Shipments)

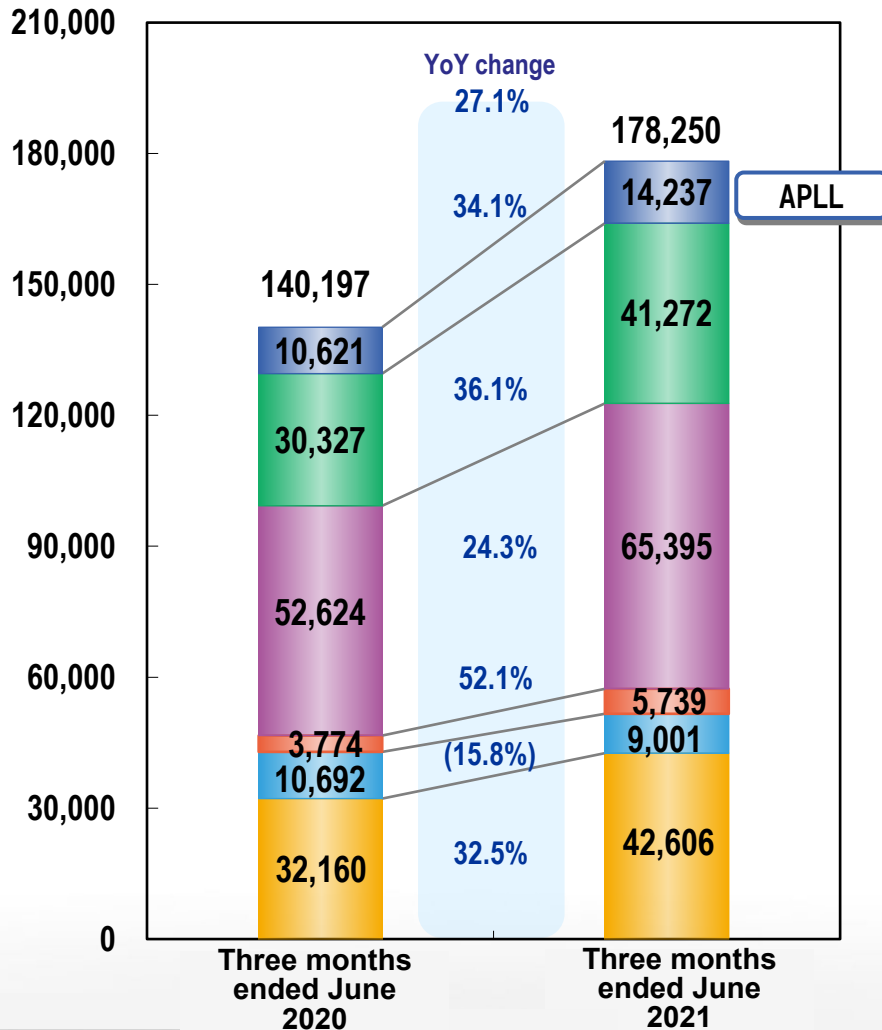


Freight Volume by Segment (Sea Freight)



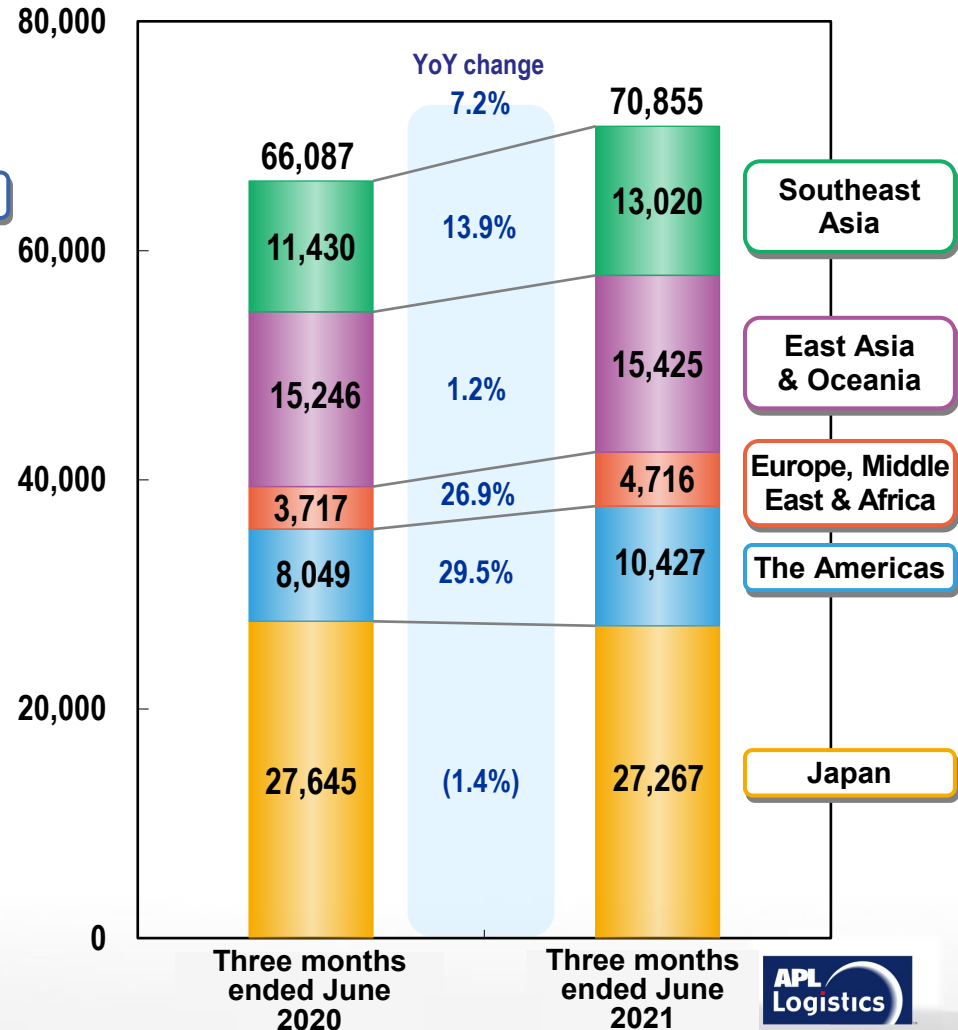
Sea Freight Exports

(Volume: TEUs)



Sea Freight Imports

(Shipments)



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Freight Volume by Segment (Air/Sea Freight)

Air Freight Exports	FY2019								FY2020								FY2021	
	1Q (Apr.-Jun.)		2Q (Jul.-Sep.)		3Q (Oct.-Dec.)		4Q (Jan.-Mar.)		1Q (Apr.-Jun.)		2Q (Jul.-Sep.)		3Q (Oct.-Dec.)		4Q (Jan.-Mar.)		1Q (Apr.-Jun.)	
	Weight (tons)	Y o Y	Weight (tons)	Y o Y	Weight (tons)	Y o Y	Weight (tons)	Y o Y	Weight (tons)	Y o Y	Weight (tons)	Y o Y	Weight (tons)	Y o Y	Weight (tons)	Y o Y	Weight (tons)	Y o Y
Japan	34,225	80.2%	34,667	87.0%	34,521	83.3%	33,324	90.5%	26,264	76.7%	28,850	83.2%	34,286	99.3%	42,600	127.8%	45,281	172.4%
The Americas	26,031	90.7%	26,050	93.4%	28,895	103.6%	25,430	94.5%	22,885	87.9%	22,767	87.4%	24,707	85.5%	32,191	126.6%	35,286	154.2%
Europe, Middle East & Africa	15,869	98.3%	15,895	95.5%	16,179	86.6%	14,134	86.7%	9,469	59.7%	9,869	62.1%	13,316	82.3%	14,385	101.8%	15,474	163.4%
East Asia & Oceania	33,178	89.7%	36,352	96.2%	41,206	99.7%	38,592	112.3%	34,619	104.3%	35,141	96.7%	47,239	114.6%	50,226	130.1%	50,550	146.0%
Southeast Asia	26,414	90.5%	24,704	92.3%	27,979	99.0%	23,168	88.2%	20,315	76.9%	23,375	94.6%	30,746	109.9%	33,626	145.1%	33,185	163.4%
Total	135,717	88.3%	137,668	92.5%	148,780	94.4%	134,648	95.7%	113,552	83.7%	120,002	87.2%	150,293	101.0%	173,028	128.5%	179,776	158.3%

Sea Freight Exports	FY2019								FY2020								FY2021	
	1Q (Apr.-Jun.)		2Q (Jul.-Sep.)		3Q (Oct.-Dec.)		4Q (Jan.-Mar.)		1Q (Apr.-Jun.)		2Q (Jul.-Sep.)		3Q (Oct.-Dec.)		4Q (Jan.-Mar.)		1Q (Apr.-Jun.)	
	Volume (TEUs)	Y o Y	Volume (TEUs)	Y o Y	Volume (TEUs)	Y o Y	Volume (TEUs)	Y o Y	Volume (TEUs)	Y o Y	Volume (TEUs)	Y o Y	Volume (TEUs)	Y o Y	Volume (TEUs)	Y o Y	Volume (TEUs)	Y o Y
Japan	34,095	88.7%	33,501	89.3%	35,630	89.2%	32,870	97.8%	32,160	94.3%	34,590	103.3%	43,908	123.3%	39,464	120.1%	42,606	132.5%
The Americas	12,752	97.2%	11,743	92.8%	10,035	90.2%	11,131	93.6%	10,692	83.8%	8,463	72.1%	8,069	80.4%	8,118	72.9%	9,001	84.2%
Europe, Middle East & Africa	4,624	99.3%	4,504	94.3%	4,404	91.0%	4,672	104.5%	3,774	81.6%	4,692	104.2%	4,802	109.0%	5,112	109.4%	5,739	152.1%
East Asia & Oceania	56,088	100.1%	60,528	102.2%	57,451	97.7%	46,412	88.6%	52,624	93.8%	58,689	97.0%	61,991	107.9%	59,859	129.0%	65,395	124.3%
Southeast Asia	38,042	94.9%	42,557	101.9%	43,585	99.6%	38,334	93.2%	30,327	79.7%	37,001	86.9%	43,807	100.5%	44,994	117.4%	41,272	136.1%
APLL*	16,852	71.6%	14,538	76.0%	16,709	74.5%	13,410	56.9%	10,621	63.0%	8,167	56.2%	13,282	79.5%	14,857	110.8%	14,237	134.1%
Total	162,453	92.6%	167,371	95.6%	167,814	92.8%	146,829	87.3%	140,198	86.3%	151,602	90.6%	175,860	104.8%	172,404	117.4%	178,250	127.1%

*For APLL whose year-end is December, the above results are for 1Q (Jan. to Mar.), 2Q (Apr. to Jun.), 3Q (Jul. to Sept.), and 4Q (Oct. to Dec.).



Global Logistics Partner

Kintetsu World Express, Inc.

Website: <https://www.kwe.com>

*** 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.**