

February 9, 2017

Kintetsu World Express, Inc.

Notice of Revision of Earnings Forecasts

We have made the following revisions to our consolidated earnings forecasts for the fiscal year ending March 31, 2017 announced on November 8, 2016.

1. Revision of Consolidated Earnings Forecasts for the fiscal year ending March 31, 2017

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Net income per share
Previous forecast(A) (Announced on November 8, 2016)	481,000	12,500	13,000	7,000	¥97.23
Revised forecast(B)	462,000	11,500	11,300	2,800	¥38.89
Differences (B) – (A)	(19,000)	(1,000)	(1,700)	(4,200)	—
Change (%)	(4.0)	(8.0)	(13.1)	(60.0)	—
(Ref.) Year ended March 31, 2016	420,252	15,356	17,907	9,773	¥135.74

2. Reason of revision

Due to sluggish airfreight volume and increase in air freight cost ratio in the Americas and East Asia & Oceania, consolidated net sales and operating income are expected to be below our projection. Also, we recorded non-operating expenses due to impairment loss of 774 million yen for goodwill associated with a non-consolidated subsidiary accounted for using equity method in Hong Kong. In addition, we recorded provision for loss on arbitration ruling of 678 million yen in extraordinary losses following the arbitration ruling ordering us to pay the damages related to a vessel charter agreement in India.

(Note) Cautionary Statement concerning Earnings Forecasts

The forecasts above are based on information currently available. Actual performance may differ from the above forecasts due to various factors.