

Notice of Revision of Consolidated Earnings Forecasts for
the Fiscal Year Ending March 31, 2020

We made the following revisions to our consolidated earnings forecasts for the fiscal year ending March 31, 2020, announced on July 24, 2019.

1. Revision of Consolidated Earnings Forecasts

Forecasts for the Fiscal Year Ending March 31, 2020 (April 1, 2019 - March 31, 2020)

(Millions of yen)

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Net income per share
Previous forecasts (A) (Announced on July 24, 2019)	560,000	17,000	13,500	5,000	¥69.45
Revised forecasts (B)	545,000	18,500	15,500	7,000	¥97.30
Differences (B) - (A)	(15,000)	1,500	2,000	2,000	-
Change (%)	(2.7)	8.8	14.8	40.0	-
(Ref.) Year ended March 31, 2019	592,009	20,797	19,939	9,857	¥136.91
(Ref.) YoY change (%)	(7.9)	(11.0)	(22.3)	(29.0)	-

2. Reason of the Revision

For the first nine months ended December 31, 2019, the Group's air/sea freight volume continued to experience a year-on-year decrease due to the U.S.-China trade friction and global economic slowdown. However, all segments except Europe, Middle East & Africa, performed beyond expectations through the group-wide efforts to reduce direct cost ratio, etc.

In light of such circumstances, the Group carefully reviewed the consolidated earnings forecasts for the year ending March 31, 2020 and revised them as shown above.

(Ref.)

(1) Revised Forecasts for FY Ending March 2020 Net Sales and Operating Income by Segment

(Millions of yen)

Segment	Net sales	YoY change (%)	Change before revision (%)	*Forecasts before revision	Operating income	YoY change (%)	Change before revision (%)	*Forecasts before revision
Japan	135,000	(7.3)	(1.5)	137,000	4,200	(27.3)	18.3	3,550
The Americas	59,000	(4.1)	1.0	58,400	3,300	(2.7)	3.1	3,200
Europe, Middle East & Africa	36,000	(14.2)	(6.7)	38,600	700	(50.1)	(41.7)	1,200
East Asia & Oceania	91,000	(10.2)	(1.0)	91,900	4,400	(15.3)	22.2	3,600
Southeast Asia	56,000	(3.4)	1.1	55,400	2,200	(17.3)	22.2	1,800
APLL	179,000	(9.1)	(6.5)	191,500	3,500	58.8	1.4	3,450
Other	3,000	11.7	36.4	2,200	200	37.4	0.0	200
Adjustment	(14,000)	-	-	(15,000)	-	-	-	-
Total	545,000	(7.9)	(2.7)	560,000	18,500	(11.0)	8.8	17,000

*Forecasts before revision were announced on July 24, 2019.

(2) Revised Forecasts for FY Ending March 2020 Net Sales by Business

(Millions of yen)

Business	Net sales	YoY change (%)	Change before revision (%)	*Forecasts before revision
Air Freight	183,000	(13.4)	(4.2)	191,100
Sea Freight	157,000	(5.2)	(3.9)	163,300
Logistics	164,000	(6.9)	(1.8)	167,000
Other	41,000	5.3	6.2	38,600
Total	545,000	(7.9)	(2.7)	560,000

*Forecasts before revision were announced on July 24, 2019.

(3) Freight Volume Forecasts for FY Ending March 2020 Not Changed from the Forecasts Announced on July 24, 2019

Segment	Air Freight exports (tons)	YoY change (%)	Sea Freight exports (TEUs)	YoY change (%)
Japan	136,000	(15.4)	130,000	(13.0)
The Americas	109,000	(2.2)	48,000	(1.6)
Europe, Middle East & Africa	66,000	(2.6)	18,000	(4.0)
East Asia & Oceania	136,000	(9.6)	221,000	(2.9)
Southeast Asia	103,000	(6.8)	160,000	(4.0)
APLL	-	-	73,000	(17.7)
Total	550,000	(8.5)	650,000	(7.1)

(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.

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