Grow the new Story.
New logistics, nurturing a new society together.

SG Holdings Co., Ltd.

Results Presentation for FY2023/3

April 28, 2023

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Highlights of FY2023/3

Delivery Business: The number of packages were steady due to the relaxation of restrictions on economic and social activity and the expansion of the e-commerce market, however, the downward trend has begun since the latter part of the third quarter.
Logistics Business: Ocean and air cargo volumes decreased significantly due to excess inventory caused by disruptions in the supply chain in the United States. Meanwhile, the domestic logistics sector has been steady due to receiving new orders as a result of comprehensive solution proposals by GOAL®(1).

Industry

- Lifestyles have changed due to the COVID-19 pandemic and delivery services have diversified accordingly
- Major land transportation companies including SG Holdings Group have made price revisions in response to limiting overtime hours in the "2024 problem(3)" and rapid acceleration of inflation
- International logistics demand has decreased due to a slowdown in the global economy. The high freight charges caused by supply chain disruptions have returned to normal

Overview of the Group's performance

- Express package delivery has declined since the latter part of the third quarter due to weaker price-adjusted consumer spending
- A decrease in large packages resulted in a slight decrease in the average unit price despite continuous efforts to obtain appropriate freight tariffs
- The inflation-related costs were controlled by allocating personnel based on the number of packages and by improving productivity
- TMS(2) exceeded the previous year due to active proposal sales activities
- Ocean and air cargo volumes decreased significantly due to excess inventory in the United States

Notes (1) GOAL® is a registered trademark of SG Holdings Co., Ltd.
(2) TMS: Transportation Management System. A value-added transportation service other than express package delivery utilizing the Group's logistics network.
(3) 2024 Problem: Problems triggered by promotion of workplace reform relevant laws. The limit for overtime work of 960 hours per year is applied to vehicle drivers starting from April 1, 2024, leading to decrease in number of packages that can be transported, etc

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Summary of consolidated financial results

(Units: billion yen)	FY2022/3	FY2023/3	YoY (%)
Operating revenue	1,588.3	1,434.6	90.3%
Operating income [Operating margin]	155.7 [9.8%]	135.2 [9.4%]	86.9%
Ordinary income	160.2	137.9	86.1%
Net income attributable to owners of the parent	106.7	126.5	118.5%
(Units: yen)			
Annual dividends	50	51	

Note (1) Amounts less than 100 million yen are rounded down.

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■ Results of the Group [YoY change]

- Operating revenue : (153.7) billion yen
- Operating income : (20.4) billion yen
- Ordinary income : (22.3) billion yen
- Net income attributable to owners of the parent : + 19.7 billion yen

*Major extraordinary income: sales of investment securities of LOGISTEED, Ltd. (trade name changed from Hitachi Transport System, Ltd. on April 1, 2023)

■ FY2023/3 dividends

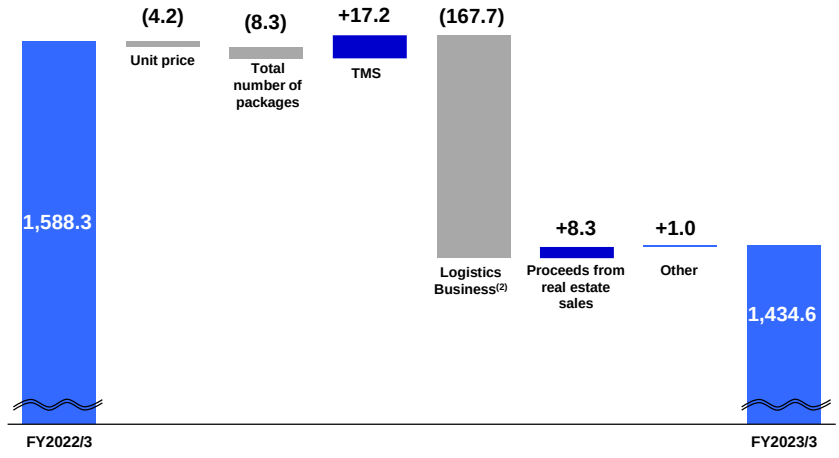
- Interim : 25 yen (FY2022/3 : 20 yen)
- Year-end : 26 yen (FY2022/3 : 30 yen)

[Reference]

- Return on Equity (ROE): 24.1 % (FY2022/3 : 23.9%)

Analysis of changes in operating revenue

(Units: billion yen)



Notes (1) Amounts less than 100 million yen are rounded down.
(2) Excluding TMS.

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■ Performance [YoY change]

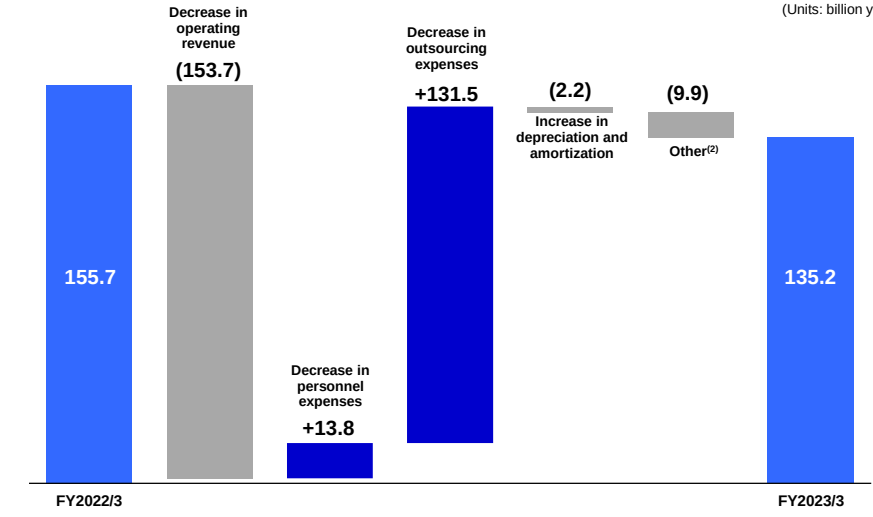
- Average unit price: 643 yen [(3) yen]
- Total number of packages:
  1,410 million packages [(12) million packages]
- TMS: 119.7 billion yen [+ 17.2 billion yen]

(Reference) Increase/decrease in operating days:
Weekdays +1, Saturdays -1, Sundays and holidays ±0

■ Expolanka (Logistics Business) Performance

- Operating revenue: 207.3 billion yen [YoY change: (170.3) billion yen, YoY: 54.9%]

Analysis of changes in operating income



Notes (1) Amounts less than 100 million yen are rounded down.
(2) "Other" includes fuel expenses.

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■ Breakdown of main operating expenses

(Units: billion yen)

Subjects	FY2023/3	YoY Change	YoY (%)	Main factors
Personnel expenses	430.1	(13.8)	96.9%	Optimization of personnel and operation efficiency in Delivery Business, etc. (Special causes: compensation payment in previous fiscal year)
Outsourcing expenses	672.9	(131.5)	83.6%	Decrease in Logistics Business revenue, etc.
Depreciation and amortization	32.6	+2.2	107.3%	Facility investment in Overseas Business and Sagawa Express, etc.
Other (including fuel expenses)	163.5	+9.9	106.4%	Increase in fuel, utility and real estate sales cost, etc.
Total	1,299.3	(133.3)	90.7%	

Results by segment

(Units: billion yen)	FY2022/3	FY2023/3	YoY (%)
Total operating revenue	1,588.3	1,434.6	90.3%
Delivery Business	1,043.1	1,047.3	100.4%
Logistics Business	477.0	314.8	66.0%
Real Estate Business	11.2	19.5	173.1%
Other Businesses	56.8	52.8	92.9%
Total operating income	155.7	135.2	86.9%
Delivery Business	93.2	99.7	107.0%
Logistics Business	48.4	19.2	39.7%
Real Estate Business	6.6	9.9	150.3%
Other Businesses	4.6	4.2	92.2%
Adjustments	2.7	2.0	73.2%

Note (1) Amounts less than 100 million yen are rounded down.

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■ Breakdown of main changes in operating income [YoY change]

- Delivery Business : + 6.5 billion yen
  - Expansion of TMS
  - Improve efficiency such as digitalization
  - Appropriate personnel allocation

  (Special causes: Compensation payment in previous fiscal year)
- Logistics Business : (29.2) billion yen
  - Expolanka : (30.2) billion yen
- Real Estate Business : + 3.3 billion yen
  - Difference due to real estate properties for sale

Overview of results by segment

Delivery Business

- A decrease in large packages resulted in a slight decrease in the average unit price despite continuous efforts to obtain appropriate freight tariffs
- The number of total packages has declined since the latter part of the third quarter which resulted in a decrease from the previous year
- The inflation-related costs were controlled by allocating personnel based on the number of packages and by improving productivity
- TMS exceeded the previous year due to active proposal sales activities
- Continuous Investment in maintaining and improving the delivery network for medium- to long-term parcel delivery market growth. Establishment plans for a large transfer center (Amagasaki-shi, Hyogo; to begin operations in July 2026) was announced in October 2022

Logistics Business

- Ocean and air cargo volumes decreased significantly due to excess inventory in the United States
- There was a marked decline in ocean and air freight tariffs because high freight charges caused by supply chain disruptions returned to normal
- An American customs clearing company and a Canadian forwarding company were merged into subsidiaries for medium- to long-term growth
- The domestic logistics sector has been steady due to receiving new orders as a result of comprehensive solution proposals by GOAL®(1)

Real Estate Business

- Real estate holdings were sold in the fourth quarter according to the initial plan

Other Businesses

- Transactions for logistics IT projects increased in total logistics proposals by GOAL®
- Sales of new vehicles decreased due to the shortage of semiconductors, etc.

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Consolidated Statement of Cash Flows

Major cash flow items

(Units: billion yen)	End of FY2022/3	End of FY2023/3
Cash flows from operating activities	81.8	165.3
Cash flows from investing activities	(45.2)	28.0
Free cash flows(2)	36.5	193.4
Cash flows from financing activities	(25.3)	(105.4)
Net increase (decrease) in cash and cash equivalents	18.2	90.8
Cash and cash equivalents at end of the year	87.3	178.2

Notes (1) Amounts less than 100 million yen are rounded down. (2) Free cash flows = cash flows from operating activities + cash flows from investing activities.

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• Cash flows from operating activities 165.3 billion yen

Major components:

Income before income taxes	187.4 billion yen
Depreciation and amortization	32.4 billion yen
Net changes in accrued bonuses	(7.0) billion yen
Loss (gain) on sale of investment securities	(49.7) billion yen
Net changes in trade notes and accounts receivable	68.6 billion yen
Net changes in inventories	6.2 billion yen
Net changes in trade notes and accounts payable	(19.1) billion yen
Net changes in deposits received	(3.1) billion yen
Income taxes paid	(53.0) billion yen

• Cash flows from investing activities 28.0 billion yen

Major components:

Purchases of property, plant and equipment	(24.6) billion yen
Purchases of intangible assets	(6.7) billion yen
Proceeds form sales of investment securities	72.0 billion yen
Payments from changes in ownership interests in new subsidiaries	(12.0) billion yen

• Cash flows from financing activities (105.4) billion yen

Major components:

Net changes in short-term bank loans	(17.9) billion yen
Repayment of long-term bank loans	(26.4) billion yen
Repayments of lease obligations	(6.9) billion yen
Proceeds from sale and leaseback	3.5 billion yen
Additional purchase of shares of Expolanka	(11.2) billion yen
Purchase of treasury shares	(10.0) billion yen
Cash dividends paid	(36.6) billion yen

Consolidated Balance Sheet

(Units: billion yen)	End of FY2022/3	End of FY2023/3
Current assets	389.6	406.5
Cash and deposits	87.3	178.2
Accounts receivable and other receivables	247.8	185.3
Inventories	29.7	21.9
Other current assets	24.7	21.0
Non-current assets	532.1	498.4
Property, plant and equipment	387.2	392.2
Goodwill	2.3	12.0
Other non-current assets	142.4	94.1
Total assets	921.7	904.9

(Units: billion yen)	End of FY2022/3	End of FY2023/3
Liabilities	409.8	337.5
Accounts payable	93.7	76.5
Interest-bearing debt	135.2	97.2
Other	180.8	163.7
Net assets	511.9	567.4
Portion attributable to owners of the parent	496.3	553.8
Non-controlling interests	15.5	13.5
Total liabilities and net assets	921.7	904.9

Note (1) Amounts less than 100 million yen are rounded down.

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Equity ratio

- Equity ratio : 61.2 % [+7.4 points from end of FY2022/3]

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Mid-term Management Plan “SGH Story 2024”

Fiscal 2022-2024
Mid-term Management Plan
SGH Story 2024

<Basic Policy>

Creation of next-generation competitive advantages to realize sustainable growth

<Key Strategies>

(1) Enhancement of comprehensive logistics solutions (GOAL®)

(2) Expansion of management resources leading to the creation of competitive advantages

(3) Further advancement of governance

Management strategy

(1) Enhancement of comprehensive logistics solutions (GOAL®)

- Promotion of services aimed at solving social and environmental issues such as decarbonization
- Expansion of TMS/3PL networks and enhancement of ancillary solutions
- Strengthening of international and overseas services
- Improvement of profitability through enhancement of service and improvement of efficiency in express package delivery service

(2) Expansion of management resources leading to the creation of competitive advantages

- Strengthening domestic and overseas transportation network including alliances
- Investment in human capital and improvement of employee engagement
- Creation of competitive advantages through investment in DX
- Creation of new value through open innovation

(3) Further advancement of governance

- Creation of governance structure that meet global standards
- Ongoing advancement of compliance

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Progress of “SGH Story 2024” and Policy for FY2024/3

Progress of Key Strategies

	Enhancement of comprehensive logistics solutions (GOAL®)	Expansion of management resources leading to the creation of competitive advantages	Further advancement of governance
Results	● Expand TMS, 3PL and international freight from / to Japan ● Enhancing the efficiency of Express Package Delivery	● Strengthening collaboration with partner companies ● IT investment to improve productivity and enhance existing services	● Establishment of internal controls for overseas subsidiaries
Tasks	● Further growth of TMS, 3PL and international freight from / to Japan ● Improvement in quality and efficiency in Express Package Delivery	● Recruiting and developing highly specialized personnel ● Acceleration of open innovation	

Environmental changes
- Domestic inflation
- Global economic slowdown

Policy for FY2024/3

Continue the 10 key strategies in the Mid-term Management Plan “SGH Story 2024”

Point: Establish a growth base through “strengthening of internal and external resources” and “expansion of service areas”

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“SGH Story 2024” - Approach to Strengthening Points for FY2024/3

Responding to environmental change and Strengthening Points

Environmental changes anticipated in future

- Global economic slowdown
- Technological advancement
- Decarbonization
- Inflation and cost increases
- Decrease in working population
- Shift to e-commerce

Short term

Enhancing resources to stabilize existing business models

- Raising wages
- Receiving appropriate freight tariffs
- Strengthening collaboration with partner companies

Mid-long term

Fundamental transformation of cost structure, investment for creating competitive advantage

- Expansion of international business
- Investment in automation and labor saving
- Creation of new business and expansion of service areas

Achieving Basic Policy of “SGH Story 2024”:
Creation of Next-generation Competitive Advantages to Realize Sustainable Growth

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Consolidated earnings and dividend forecast

(Units: billion yen)		FY2023/3 results	FY2024/3 earnings forecast	YoY (%)
Operating revenue		1,434.6	1,380.0	96%
Operating income [Operating margin]		135.2 [9.4%]	105.5 [7.6%]	78%
Ordinary income		137.9	106.5	77%
Net income attributable to owners of the parent		126.5	71.5	57%
(Units: yen)				
Dividend per share	Interim	25	26	+1
	Year-end	26	26	
	Total	51	52	

***Acquisition of treasury stock for maximum 10 billion yen are to be implemented for strengthening shareholder returns and improving capital efficiency (period: May 1, 2023 to September 22, 2023)**

Notes (1) Amounts less than 100 million yen are rounded down.
(2) Assumptions for the earnings forecast for FY2024/3 : Average unit price of 648 yen and 1.40 billion packages in Delivery Business.

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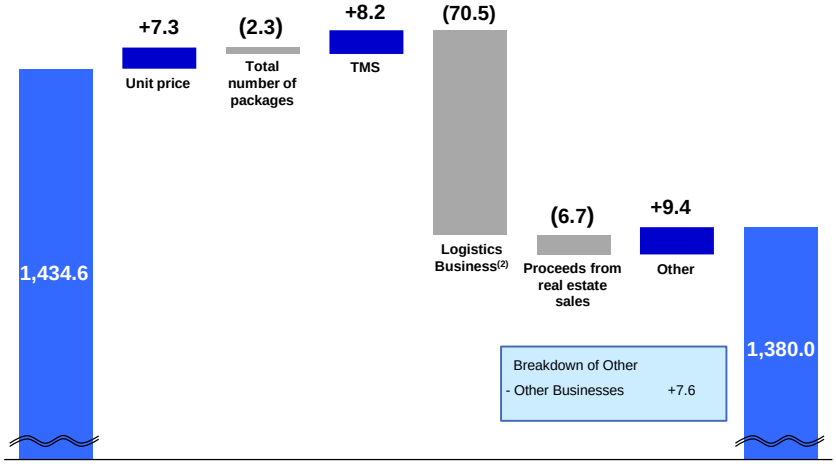
- Earnings forecast for FY2024/3 [YoY change]

  - Operating revenue : (54.6) billion yen
  - Operating income : (29.7) billion yen
  - Ordinary income : (31.4) billion yen
  - Net income attributable to owners of the parent : (55.0) billion yen

Analysis of changes in operating revenue forecast

(Units: billion yen)



Notes (1) Amounts less than 100 million yen are rounded down.
(2) Excluding TMS.

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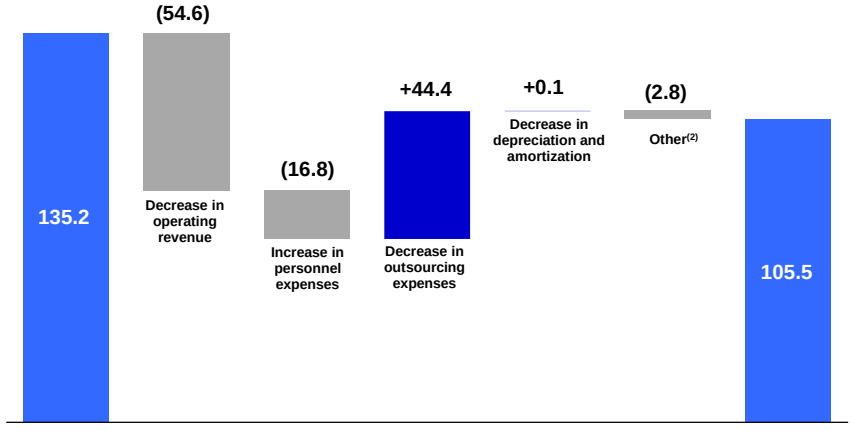
- Earnings forecast for FY2024/3

  - Average unit price : 648 yen [YoY change + 5 yen]
  - Total number of packages :1.40 billion packages [YoY 99%]
  - TMS : 128.0 billion yen [YoY 107%]

Analysis of changes in operating income forecast

(Units: billion yen)



Notes (1) Amounts less than 100 million yen are rounded down.
(2) "Other" includes fuel expenses.

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- Earnings forecast for FY2024/3

  - Personnel expenses: 447.0 billion yen [YoY 104%]
  - Outsourcing expenses: 628.5 billion yen [YoY 93%]
  - Depreciation and amortization: 32.5 billion yen [YoY 99%]

Consolidated earnings forecast (FY2024/3 1H)

(Units: billion yen)	FY2023/3 1H results	FY2024/3 1H earnings forecast	YoY (%)
Operating revenue	751.3	667.0	89%
Operating income [Operating margin]	64.1 [8.5%]	43.0 [6.4%]	67%
Ordinary income	66.5	43.0	65%
Net income attributable to owners of the parent	51.9	28.5	55%

Note (1) Amounts less than 100 million yen are rounded down.

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- Forecast for FY2024/3 1H [YoY change]

  - Operating revenue: (84.3) billion yen
  - Operating income: (21.1) billion yen
  - Ordinary income: (23.5) billion yen
  - Net income attributable to owners of the parent: (23.4) billion yen

Earnings forecast by segment

(Units: billion yen)	FY2023/3 results	FY2024/3 earnings forecast	YoY (%)
Total operating revenue	1,434.6	1,380.0	96%
Delivery Business	1,047.3	1,062.0	101%
Logistics Business	314.8	245.0	78%
Real Estate Business	19.5	12.5	64%
Other Businesses	52.8	60.5	115%
Total operating income	135.2	105.5	78%
Delivery Business	99.7	83.0	83%
Logistics Business	19.2	9.5	49%
Real Estate Business	9.9	7.5	75%
Other Businesses	4.2	4.5	105%
Adjustments	2.0	1.0	49%

Note (1) Amounts less than 100 million yen are rounded down.

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■ YoY change by segment

・Operating revenue (54.6) billion yen
Delivery Business +14.6 billion yen
Logistics Business (69.8) billion yen
Real Estate Business (7.0) billion yen
Other Businesses +7.6 billion yen

・Operating income (29.7) billion yen
Delivery Business (16.7) billion yen
Logistics Business (9.7) billion yen
Real Estate Business (2.4) billion yen
Other Businesses +0.2 billion yen
Adjustments (1.0) billion yen

- Logistics Business: Assumptions for the earnings forecast

Forecast of Expolanka's earnings and volume of freight

Earnings: Operating revenue: 137.0 billion yen [YoY 66%]
Operating income : 6.0 billion yen [YoY 44%]
Volume of freight : Air 80 kt [YoY 76%]
Ocean 160k TEU [YoY 79%]

The exchange rate is assumed to be $ 1 = 130 yen

*Expolanka's earnings are based on IFRSs accounting standards

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4. ***Appendix*** **20–27**

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Summary of consolidated financial results (single quarters)

(Units: billion yen)	Q1		Q2		Q3		Q4		Full year	
	FY2023/3	YoY (%)	FY2023/3	YoY (%)	FY2023/3	YoY (%)	FY2023/3	YoY (%)	FY2023/3	YoY (%)
Operating revenue	386.9	111.3%	364.3	96.3%	364.2	82.7%	319.0	75.7%	1,434.6	90.3%
Operating income [Operating margin]	33.2 [8.6%]	115.1%	30.8 [8.5%]	103.1%	42.4 [11.7%]	75.8%	28.6 [9.0%]	70.2%	135.2 [9.4%]	86.9%
Ordinary income	35.7	120.8%	30.7	105.3%	43.6	75.5%	27.7	63.6%	137.9	86.1%
Net income attributable to owners of the parent	23.4	113.5%	28.5	148.7%	56.0	139.5%	18.5	69.3%	126.5	118.5%

Note (1) Amounts less than 100 million yen are rounded down.

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Results by segment (single quarters)

(Units: billion yen)	Q1		Q2		Q3		Q4		Full year	
	FY2023/3	YoY (%)	FY2023/3	YoY (%)	FY2023/3	YoY (%)	FY2023/3	YoY (%)	FY2023/3	YoY (%)
Total operating revenue	386.9	111.3%	364.3	96.3%	364.2	82.7%	319.0	75.7%	1,434.6	90.3%
Delivery Business	258.4	101.6%	258.9	102.4%	284.8	100.6%	245.0	96.9%	1,047.3	100.4%
Logistics Business	114.0	148.0%	90.4	83.5%	64.3	45.5%	45.9	30.6%	314.8	66.0%
Real Estate Business	1.9	95.6%	1.7	97.9%	1.7	97.1%	14.0	249.4%	19.5	173.1%
Other Businesses	12.4	88.4%	13.1	85.3%	13.2	92.4%	13.9	107.3%	52.8	92.9%
Total operating income	33.2	115.1%	30.8	103.1%	42.4	75.8%	28.6	70.2%	135.2	86.9%
Delivery Business	21.9	108.5%	21.9	123.5%	36.8	100.6%	19.0	102.4%	99.7	107.0%
Logistics Business	8.3	145.5%	6.1	68.5%	3.4	20.9%	1.2	7.5%	19.2	39.7%
Real Estate Business	1.0	74.9%	0.9	87.6%	1.0	108.5%	6.8	218.6%	9.9	150.3%
Other Businesses	1.2	133.0%	1.2	83.8%	0.9	84.7%	0.8	76.2%	4.2	92.2%
Adjustments	0.6	114.2%	0.5	94.5%	0.1	20.3%	0.6	88.7%	2.0	73.2%

Note (1) Amounts less than 100 million yen are rounded down.

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Results of Expolanka

(Units: billion yen)	Q1		Q2		Q3		Q4		Full year	
	FY2023/3	YoY (%)	FY2023/3	YoY (%)	FY2023/3	YoY (%)	FY2023/3	YoY (%)	FY2023/3	YoY (%)
Operating revenue	87.7	164.5%	62.5	74.8%	36.6	30.6%	20.5	17.0%	207.3	54.9%
Operating income	7.1	164.5%	4.3	53.7%	1.6	11.1%	0.3	2.5%	13.6	31.2%
Air volume (kt)(2)	32	76.7%	29	49.0%	24	42.9%	17	47.2%	105	52.9%
Ocean volume (kTEU)(2)	78	109.2%	50	69.8%	37	56.3%	35	51.5%	202	72.2%

Notes (1) Amounts less than 100 million yen are rounded down. (2) Rounded down to the nearest whole number.

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Status of the products and services

Delivery Business: Status of number of packages and unit price

(Units: Millions of packages, yen)	Q1		Q2		Q3		Q4		Full year	
	FY2023/3	YoY (%)	FY2023/3	YoY (%)	FY2023/3	YoY (%)	FY2023/3	YoY (%)	FY2023/3	YoY (%)
Total number of packages	352	101.3%	347	101.1%	377	98.4%	333	95.6%	1,410	99.1%
Hikyaku Express[2][3]	339	101.6%	334	101.4%	363	98.6%	322	95.8%	1359	99.3%
Other[3]	13	94.9%	12	94.3%	13	93.3%	11	91.0%	50	93.4%
Average unit price	640	99.2%	643	99.3%	647	99.7%	640	99.9%	643	99.5%

e-Collect [4]: Status of number of packages and value of payments settled

(Units: Millions of packages, billion yen)	Q1		Q2		Q3		Q4		Full year	
	FY2023/3	YoY (%)	FY2023/3	YoY (%)	FY2023/3	YoY (%)	FY2023/3	YoY (%)	FY2023/3	YoY (%)
Number of packages	17	86.2%	16	91.8%	17	93.2%	14	87.4%	65	89.6%
Value of payments settled	199.1	87.5%	194.3	93.3%	220.0	95.4%	176.3	90.8%	789.8	91.8%

Status of TMS

(Units: Billion yen)	Q1		Q2		Q3		Q4		Full year	
	FY2023/3	YoY (%)	FY2023/3	YoY (%)	FY2023/3	YoY (%)	FY2023/3	YoY (%)	FY2023/3	YoY (%)
Sales	28.6	120.7%	30.6	119.1%	31.9	120.3%	28.4	107.7%	119.7	116.9%

Sales by region

(Units: Billion yen)	FY2023/3	YoY (%)
Operating revenue	1,434.6	90.3%
Japan	1,193.0	100.9%
Overseas	241.5	59.5%

Notes
(1) Amounts less than 100 million yen are rounded down.
(2) Hikyaku Express shows the number of packages Sagawa Express Co., Ltd. notified to the Ministry of Land, Infrastructure, Transport and Tourism.
(3) Other shows the number of packages by Hikyaku Large Size Express[4] and other companies.
(4) Hikyaku Express, Hikyaku Large Size Express and e-Collect are registered trademark of SG Holdings Co., Ltd. in Japanese.

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Breakdown of operating expenses

Major expense items in consolidated accounts

(Units: billion yen)	Q1		Q2		Q3		Q4		Full year	
	FY2023/3	YoY (%)	FY2023/3	YoY (%)	FY2023/3	YoY (%)	FY2023/3	YoY (%)	FY2023/3	YoY (%)
Total operating expenses	353.6	111.0%	333.5	95.7%	321.8	83.7%	290.3	76.2%	1,299.3	90.7%
Personnel expenses	110.6	101.3%	107.7	96.7%	109.6	96.4%	102.0	93.2%	430.1	96.9%
Outsourcing expenses	197.9	119.4%	178.1	93.3%	163.4	72.8%	133.3	59.7%	672.9	83.6%
Fuel expenses	3.2	119.7%	3.4	110.5%	3.2	101.9%	2.8	95.5%	12.8	106.5%
Depreciation and amortization	8.0	110.7%	8.0	108.1%	8.2	106.5%	8.3	104.4%	32.6	107.3%
Other expenses	33.8	100.4%	36.0	101.2%	37.0	104.8%	43.7	118.3%	150.7	106.4%

Major expense items in Delivery Business

(Units: billion yen)	Q1		Q2		Q3		Q4		Full year	
	FY2023/3	YoY (%)	FY2023/3	YoY (%)	FY2023/3	YoY (%)	FY2023/3	YoY (%)	FY2023/3	YoY (%)
Total operating expenses	248.5	101.3%	249.1	101.0%	260.6	101.0%	237.3	96.6%	995.6	100.0%
Personnel expenses	92.6	98.6%	89.4	93.7%	91.3	95.6%	84.3	94.0%	357.8	95.5%
Outsourcing expenses	121.5	103.2%	124.1	106.1%	133.1	104.6%	118.0	98.0%	496.8	103.0%
Fuel expenses	3.1	118.7%	3.4	110.2%	3.2	101.0%	2.8	96.3%	12.6	106.2%
Depreciation and amortization	5.4	105.7%	5.3	101.7%	5.5	102.9%	5.5	102.2%	21.9	103.1%
Other expenses	25.7	99.9%	26.7	103.6%	27.3	102.6%	26.5	98.2%	106.3	101.1%

Note (1) Amounts less than 100 million yen are rounded down.

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Status of employees, vehicles and locations

(Units: Employees, vehicles, locations)

		End of FY2022/3	End of FY2023/3
Total number of employees [Within, number of partner employees(1)]	Total	96,536 [44,211]	94,087 [41,819]
	Delivery Business	78,073 [34,862]	75,105 [32,321]
	Logistics Business	13,466 [6,992]	13,891 [7,104]
	Real Estate Business	72 [–]	98 [–]
	Other Businesses	4,179 [2,148]	4,223 [2,206]
	Corporate (common)	746 [209]	770 [188]
Sagawa Express	Number of vehicles	26,742	26,270
	Number of major locations	873	852
	Transfer centers	23	22
	Sales offices	429	427
	Small stores(2)	421	403

Notes (1) Average number of persons during the period. (2) Total number of service centers and delivery centers.

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Reference: Outlook for Consolidated Free Cash Flow

Major cash flow items

(Units: billion yen)	FY2023/3 results	FY2024/3 outlook[3]
Cash flows from operating activities	165.3	78.0
Cash flows from investing activities	28.0	(46.0)
Free cash flows[2]	193.4	32.0

■ Major investments in FY2023/3 (results)[3]

- Capital investment : 12.0 billion yen
- Real estate investment : 16.0 billion yen
- Vehicle investment : 8.5 billion yen
- IT investment : 7.0 billion yen

■ Major investments in FY2024/3 (outlook)[3]

- Real estate investment : 20.0 billion yen
- Vehicle investment : 14.0 billion yen
- IT investment : 10.0 billion yen

Notes (1) Amounts less than 100 million yen are rounded down. (2) Free cash flows = cash flows from operating activities + cash flows from investing activities.
(3) Figures are approximate values.

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