

November 8, 2018

Kintetsu World Express, Inc.

Notice of Differences between the Consolidated Earnings Forecasts and  
the Results for the First Six Months ended September 30, 2018, and  
Revision of Earnings Forecasts

Kintetsu World Express, Inc. today announced differences between the consolidated earnings forecasts for the first six months of the fiscal year ending March 31, 2019, released on May 11, 2018, and the results announced today. Also, we made the following revisions to our consolidated earnings forecasts for the fiscal year ending March 31, 2019, announced on May 11, 2018.

1. Differences between the Consolidated Earnings Forecasts and the Results for the First Six Months for the Fiscal Year Ending March 31, 2019 (April 1, 2018 – September 30, 2018)

(Millions of yen)

|   | Net sales | Operating income | Ordinary income | Net income attributable to owners of the parent | Net income per share |
|---|-----------|------------------|-----------------|---|----------------------|
| Previous forecasts (A)<br>(Announced on May 11, 2018) | 285,000   | 8,000            | 7,700           | 2,700   | ¥37.70               |
| Results (B)   | 291,321   | 8,859            | 10,504          | 5,014   | ¥69.65               |
| Differences (B) – (A)                                 | 6,321     | 859              | 2,804           | 2,314   |                      |
| Change (%)  | 2.2       | 10.7             | 36.4            | 85.7  |                      |
| (Ref.) First six months ended<br>September 30, 2017   | 262,450   | 6,877            | 6,909           | 2,471   | ¥34.33               |

2. Revision of Consolidated Earnings Forecasts for the Fiscal Year Ending March 31, 2019  
(April 1, 2018 – March 31, 2019)

(Millions of yen)

|   | Net sales | Operating income | Ordinary income | Net income attributable to owners of the parent | Net income per share |
|---|-----------|------------------|-----------------|---|----------------------|
| Previous forecasts (A)<br>(Announced on May 11, 2018) | 585,000   | 19,200           | 18,600          | 8,700   | ¥120.84              |
| Revised forecasts (B)                                 | 600,000   | 19,200           | 20,700          | 10,500  | ¥145.84              |
| Differences (B) – (A)                                 | 15,000    | —                | 2,100           | 1,800   |                      |
| Change (%)  | 2.6       | —                | 11.3            | 20.7  |                      |
| (Ref.) Year ended March 31, 2018                      | 553,197   | 17,551           | 17,345          | 7,002   | ¥97.26               |

3. Reason of the differences and the revision

During the first six months ended September 30, 2018, net sales saw steady growth as a result of our group-wide efforts toward volume growth as well as continuing strong demand. Ordinary income and net income attributable to owners of the parent exceeded the initial plan due to recording of non-operating income including foreign exchange gains, which were not factored in.

In light of the results for the first six months and a recent upward trend in direct costs including freight costs, we have also revised the consolidated earnings forecasts for the year ending March 31, 2019 as above.

(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.