August 7, 2026

To Whom It May Concern

Company Name:	NIPPON EXPRESS HOLDINGS, INC.
Representative:	Satoshi Horikiri, President and Representative Director and CEO (Code No. 9147 Tokyo Stock Exchange Prime Market)
Contact:	Koichiro Kamegawa, Executive Officer, Financial Planning Division and Accounting Division (TEL. 03-5801-1000)

Notice Concerning Changes to the Dividend Calculation Standard

Nippon Express Holdings, Inc. ("Company") has changed the calculation standard for basic dividends as described below.

1. Reasons for the Change

The Company considers returning profits to shareholders a key priority. The Company's basic policy is to determine dividends through a comprehensive assessment of profitability, payout ratio, and other relevant factors, while maintaining retained earnings to strengthen its management foundation and financial position. The capital policy under the business plan, *Nippon Express Group Business Plan 2028 Dynamic Growth 2.0 Accelerating Sustainable Growth*, called for a dividend payout ratio of 40% or more, a total return ratio of 55% or more (cumulative total, fiscal years 2024 through 2028), and a minimum annual dividend of 100 yen per share.

We continue to pursue initiatives to improve corporate value under this business plan. As part of these initiatives, we strive to improve ROE and advance growth strategies as part of a shift toward high-profit businesses and improved capital profitability based on asset replacement, transitioning from an asset-based business model to a solutions-based business model.

We seek to generate cash for growth investments and other purposes by selling low-yield real estate and other assets and realizing gains. To further expand the scale of and accelerate these initiatives, we plan to sell all investment real estate (excluding warehouses leased to external parties) and to focus on selling low- yield business-use real estate. At the same time, the gains or losses resulting from real estate sales are temporary in nature and, as a source of dividends, should be viewed separately from the profits generated on an ongoing basis through our core businesses.

Therefore, based on our approach of paying stable and consistent dividends, we intend to use earnings that exclude the impact of temporary fluctuations in profit arising from real estate sales as the basis for calculating dividends.

Furthermore, we will use the cash generated from the sale of investment real estate (excluding warehouses leased to external parties) and low- yield real estate for growth investments that contribute to enhanced corporate value, as well as the acquisition of treasury shares.

２． Changes to the Dividend Calculation Standard

Category	Description
Before the Change	Dividend payout ratio of 40% or more of profit attributable to owners of parent Minimum annual dividend of 100 yen per share
After the Change	Dividend payout ratio of 40% or more of adjusted profit (*), excluding gains or losses on the sale of real estate Minimum annual dividend of 100 yen per share

(*) Adjusted profit = Profit attributable to owners of parent - Gains (losses) on the sale of real estate (net of tax)

We plan to allocate approximately 50% of the after-tax proceeds from the sale of investment real estate (excluding warehouses leased to external parties) and low-yield real estate to additional shareholder returns. We have made no revisions to the original target of a total return ratio of 55% or more based on profit attributable to owners of parent (including gains or losses on the sale of real estate) (cumulative for FY2024 – FY2028).

３． Effective Date

The new calculation standard will apply from the fiscal year ending December 2026 through the fiscal year ending December 2028 (the term of the current business plan).

４． Other

This change to the dividend calculation standard forms part of the shareholder return policy set out in “Initiatives to Improve Corporate Value: Update Vol. 2,” which was released today. Please refer to the following pages for further details.

End

Update on Initiatives to Improve Corporate Value Vol.2

– Action to Implement Management that is Conscious of Cost of Capital and Stock Price

August 2026 Update

NIPPON EXPRESS HOLDINGS,INC.

August 7, 2026

5-A. Further Strengthening Initiative to Improve Corporate Value

We plan to expand the scale of and accelerate initiatives related to improving corporate value toward better capital efficiency, raising our stock price and corporate value, and widening our equity spread.

- During the term of the current business plan, ending FY2028, we intend to sell 500 billion yen worth of investment properties and other assets.
- Approximately 50% of the after-tax cash expected from the additional sale of real estate will be allocated to additional shareholder returns, and the remaining amount will be used in new management allocations.

Improve ROE

			Five-Year Plan 2024-2028	New Five-Year Plan 2024-2028	Results /Forecast 2024-2026	Plan 2027-2028
Shift to Highly Profitable Business	Expansion Real Estate	IN	Sale of low-profit real estate and Investment Properties ¥150.0billion～	¥500.0billion target	2024-2026 ¥167.2billion (Of which,2026 ¥50.0billion)	¥332.8billion Target
	Business Portfolio Strategy	IN	Restructuring of Non-Core Businesses —	—	Transfer of NX Real Estate Co., Ltd and Osaka Warehouse Co., Ltd.	—
Asset Replacement	Reduce strategic shareholdings	IN	Reduce strategic shareholdings ¥70.0billion	¥70.0billion	2024-2026 ¥60.7billion (Of which,2026¥10.0billion)	¥9.3billion
	Growth・Investments and M&A Strategy	OUT	Investment through M&A ¥450.0billion	¥450.0billion	2024-2026¥381.8billion (Of which,2026¥206.5billion) Metro Supply Chain Group acquisition financing	¥68.2 billion
New item	Management Allocations	OUT	Flexible Allocation of Funds (Growth and productivity improvement investments, shareholder returns, debt repayment, etc.) (New item)	¥100.0billion	—	¥100.0billion
Optimize Capital Structure	Expansion Capital・Shareholder Return Policies	OUT	Purchase of treasury stock ¥110.0 billion to ¥160.0 billion	¥220.0billion	2024-2026¥110.0billion (Of which,2026 50.0billion)	¥110.0billion
Use Financial Leverage Appropriately	Leverage Liabilities	IN	Utilization of Interest-Bearing Debt ¥300.0 billion to ¥350.0 billion	¥300.0 billion to ¥350.0 billion	2024-2026 ¥210.1billion (Of which,2026¥120.0billion)	¥89.9billion～

Real Estate
- We plan to sell all investment property (excluding lease warehouses) within the term of the current business plan.
- We will continue to focus on selling low-yield business-use property.

M&A
- We have not changed our investment budget.
- We will engage in M&A transactions in accordance with the new M&A investment policy.

Shareholder Returns and Management Allocations
- We expect to generate 210 billion yen in after-tax cash from the additional sale of real estate.
- Of this amount, approximately 50%, or 110 billion yen, will be allocated to share buybacks.
- We will use the remaining 100 billion yen for management allocations, while considering the best options for improving capital efficiency as appropriate.

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5-B. Cash allocation

Cumulative total for 2024–2028

Expanding shareholder returns through additional real estate sales
Scheduled to announce a strategic cash allocation, including management allocations, during the February 2027 rolling review of the business plan

February 2026 Update

IN

- **Operating CF (2024～2028)** ※Excluding the sale of real estate
  Net income（5-year cumulative）¥210.0billion
  Depreciation and amortization（excluding right-of-use assets）¥430.0billion
  Other Operating CF ¥20.0billion
  → **¥660.0 billion ***
- **Gain on sale of real estate**
  Total Amount150.0billion
  After taxes and other deductions
  → **¥110.0 billion***
- **Sale of strategic shareholdings** → **¥70.0 billion**
- **Borrowings** → **¥300.0 billion**
- **Cash on hand**
  Improved financial efficiency through the use of a global CMS
  → **¥80.0 billion**

OUT

- **Revised Capital Investment**
  Vehicle replacement
  Warehouse reconstruction
  Software replacement, etc
  ※Sustainable investments in environmentally friendly vehicles ¥25.0 billion
  → **¥350.0 billion**
- **Increased Capital Investment**
  DX investments ¥50.0 billion
  Other ¥100.0 billion
  → **¥150.0 billion**
- **M&A Investment**
  M&A for inorganic growth
  (Acquisition of cargo-partner Stock ¥130.0 billion)
  → **¥450.0 billion**
- **Return to Shareholders (2024～2028)**
  Dividend payout ratio 40% or greater (Excluding the sale of real estate)
  Minimum dividend (¥100 per share annual)
  Total return ratio(cumulative) 55% or greater
  → **¥270.0 billion**

¥1,220.0 billion | **¥1,220.0 billion**

Revisions

IN

- **Operating CF (2024～2028)** ※Excluding the sale of real estate
  Net income（5-year cumulative）¥210.0billion
  Depreciation and amortization（excluding right-of-use assets）¥430.0billion
  Other Operating CF ¥20.0billion
  → **¥660.0 billion**
- **Gain on sale of real estate**
  Total Amount 500.0billion
  After taxes and other deductions
  → **¥320.0 billion**
- **Sale of strategic shareholdings** → **¥70.0 billion**
- **Borrowings** → **¥300.0 billion**
- **Cash on hand**
  Improved financial efficiency through the use of a global CMS
  → **¥70.0 billion**

OUT

- **Revised Capital Investment**
  Vehicle replacement Warehouse reconstruction Software replacement, etc
  ※Sustainable investments in environmentally friendly vehicles ¥25.0 billion
  → **¥350.0 billion**
- **Increased Capital Investment**
  DX investments ¥50.0 billion
  Other ¥100.0 billion
  → **¥150.0 billion**
- **Management Allocations**
  Growth and productivity improvement investments, shareholder returns, debt repayment, etc.
  → **¥100.0 billion**
- **M&A Investment**
  M&A for inorganic growth
  → **¥450.0 billion**
- **Return to Shareholders (2024～2028)**
  Dividend payout ratio 40% or greater (Excluding the sale of real estate)
  Minimum dividend (¥100 per share annual)
  Total return ratio(cumulative) 55% or greater
  → **¥370.0 billion**

¥1,420.0 billion | **¥1,420.0 billion**

**Subsequent to the materials released on February 13, 2026, we revised our presentation method for tax deductions related to real estate sales.

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5-C. Shareholder Return Policy and M&A Investment Criteria FY2026 – FY2028

Shareholder Return Policy

- We continue to follow the policy of the current business plan, maintaining a dividend payout ratio of 40% or higher and a cumulative total return ratio of 55% or higher
- Cash proceeds from the additional sale of real estate will be returned to shareholders through share buybacks

☑ Dividend Policy

Dividend Payout Ratio
40% or higher

Total Return Ratio
55% or higher

Minimum Dividend
100 yen per share annually

- We calculate annual dividends per share based on profit for the year, excluding gain on sale of investment property (net of corresponding tax deductions)*
- If the calculated amount falls below the minimum threshold, the minimum dividend will be declared

☑ Share Buybacks

Allocating proceeds from additional real estate sales to share buybacks

- After the buybacks, we aim in general to increase EPS and then retire the shares

M&A Investment Policy

- In terms of future M&A during the current business plan, we intend to shift our focus from growth investments aimed at expanding scale to investments aimed at strengthening our functional capabilities and improving profitability; accordingly, we will concentrate efforts on these areas

M&A Investment Criteria

☑ ROIC Criteria

We aim to achieve a 10% ROIC for each investment (business profit before income tax), securing returns as quickly as possible

☑ Multiple Criteria

Invest in deals where the EV/EBITDA multiple—after factoring in synergies—does not exceed the Company's multiple

*Dividend payout ratio for FY2026 based on this criteria: 56.5%

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