



**SG Holdings Co., Ltd.**  
**Results Presentation for**  
**Fiscal Year Ended March 31, 2021**

**April 30, 2021**

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## Highlights of the fiscal year ended March 31, 2021

The Group handled the increase in volume, caused by the expansion of the e-commerce market, with stable quality by bringing forward the full-scale operation of the transfer center established in X FRONTIER. In the Logistics Business, the overseas freight forwarding business undertook many new contracts by exhibiting the Group's presence amid the global container shortage caused by the novel coronavirus (COVID-19). The Group's performance was steady primarily due to these factors.

- (Industry)
  - The e-commerce market grew rapidly due to the impact of COVID-19, and the number of BtoC packages increased significantly
  - Delivery methods diversified, such as non-contact delivery and non-face-to-face delivery, due to the spread of COVID-19
  - In addition to the lack of air cargo space, the global container shortage led to tight supply-demand balance in air and marine cargo
- (Overview of the fiscal year ended March 31, 2021)
  - The change in sales mix continued as COVID-19 spread
    - BtoB decreased despite being on a recovery trend, and BtoC increased due to the expansion of the e-commerce market
    - The average unit price increased slightly year-on-year due to the continued increase in BtoC packages
  - Capacity increased with the full-scale operation of X FRONTIER's transfer center
  - The Logistics Business handled the emergency transportation of personal protective equipment overseas in the first half of the fiscal year, and secured marine and air cargo space while the volume of goods of existing customers recovered and the supply-demand balance tightened in the second half of the fiscal year)

## Summary of consolidated financial results

(Units: billion yen)	FY2020/3	FY2021/3	YoY change
Operating revenue	1, 173. 4	1, 312. 0	111. 8%
Operating income [Operating margin]	75. 4 [6. 4%]	101. 7 [7. 8%]	134. 8%
Ordinary income	80. 5	103. 6	128. 7%
Net income attributable to owners of the parent	47. 2	74. 3	157. 2%
EBITDA	98. 8	128. 1	129. 6%

**Note** Amounts less than 100 million yen are rounded down.

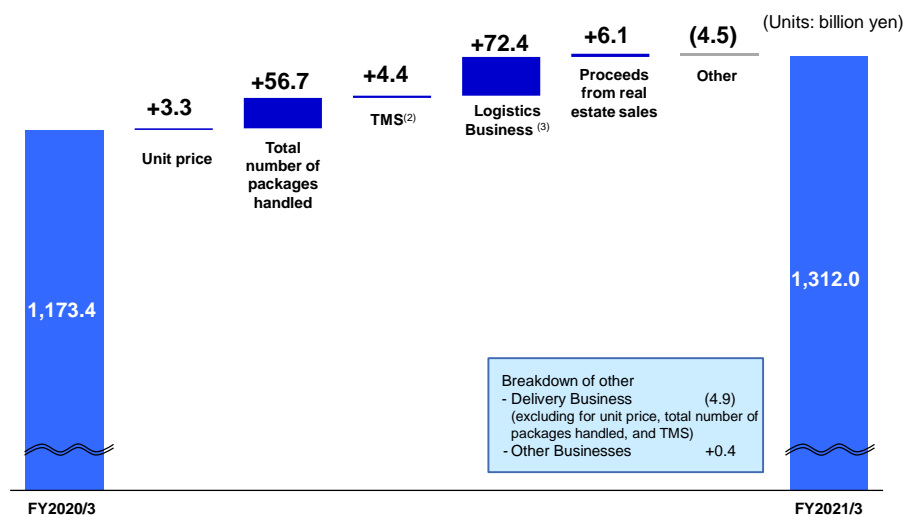
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### ■ Results of the Group (YoY comparison)

- Operating revenue: +138.5 billion yen
- Operating income: + 26.2 billion yen
- Ordinary income: + 23.1 billion yen
- Net income attributable to owners of the parent: + 27.0 billion yen
- EBITDA: + 29.2 billion yen

## Analysis of changes in operating revenue



**Notes** (1) Amounts less than 100 million yen are rounded down. (2) TMS: Transportation Management System. A value-added transportation service other than express package delivery service utilizing the Group's logistics network. (3) Excludes TMS sales

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## ■ Results

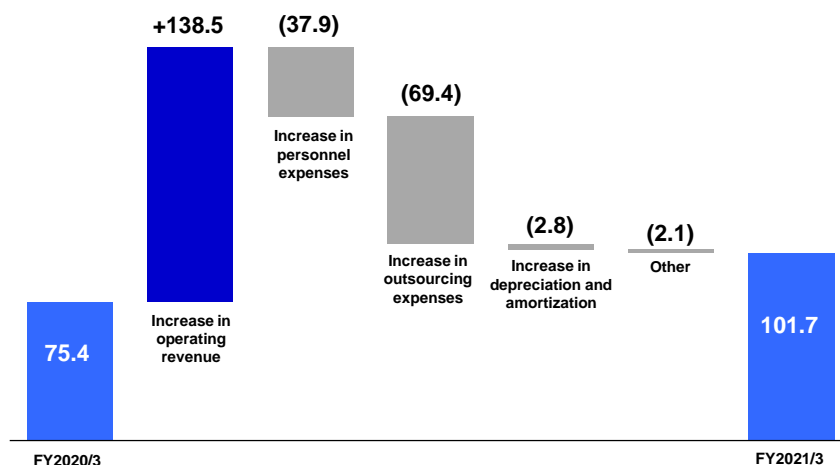
- Average unit price : 644 yen [100.4% YoY]
- Number of packages handled : 1,403 million packages [106.7% YoY]
- TMS : +93.2 billion yen [105.0% YoY]

(Reference) Increase/decrease in days:

Weekdays +5, Saturdays (1), Sundays and holidays (5)

## Analysis of changes in operating income

(Units: billion yen)



Note Amounts less than 100 million yen are rounded down.

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## ■ Results

- Operating revenue : +1,312.0 billion yen [111.8% YoY]
- Personnel expenses : 443.3 billion yen [109.4% YoY]
  - Increase in number of packages handled and temporary expenses such as COVID-19 compensations
- Outsourcing expenses : 578.8 billion yen [113.6% YoY]
  - Increase in the Logistics Business's outsourcing expenses [177.0% YoY]
- Depreciation and amortization : 26.0 billion yen [112.3% YoY]
  - Increase in depreciation and amortization of X FRONTIER

## Results by segment

(Units: billion yen)	FY2020/3	FY2021/3	YoY change
<b>Total operating revenue</b>	1,173.4	1,312.0	111.8%
Delivery Business	955.4	1,014.9	106.2%
Logistics Business	135.8	207.8	153.0%
Real Estate Business	16.2	22.8	140.7%
Other Businesses	66.0	66.4	100.7%
<b>Total operating income</b>	75.4	101.7	134.8%
Delivery Business	59.8	71.4	119.5%
Logistics Business	2.0	12.7	617.8%
Real Estate Business	7.8	11.3	143.3%
Other Businesses	4.3	4.2	97.9%
Adjustments	1.3	1.9	144.7%

Notes (1) Amounts less than 100 million yen are rounded down. (2) Due to part of the "Other Businesses" being changed to "Delivery Business" from the fiscal year ended March 31, 2021, the comparison was made by reclassifying the figures for the previous fiscal year according to the change.

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### <<Increase in revenue and income>>

Delivery Business, Logistics Business, Real Estate Business

### <<Increase in revenue and decrease in income>>

Other Businesses

### (Changes in measurement method for business segment profit and loss)

The Company has changed the allocation method of the Delivery Business and Other Businesses from the fiscal year ended March 31, 2021. This is based on actual business activities and management methods.

As a result, the performance for previous fiscal year has changed as follows:

	Fiscal year ended March 31, 2020 Operating income (billion yen)			Number of employees as of March 31, 2020 (within, number of partner employees)		
	Before change	After change	YoY change	Before change	After change	YoY change
Delivery Business	58.7	59.8	+1.1	58,732 [18,145]	78,017 [36,208]	19,285 [18,063]
Other Businesses	5.4	4.3	(1.1)	22,762 [19,551]	3,477 [1,488]	(19,285) [(18,063)]

## Overview of results by segment

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### Delivery Business

- The overall number of packages handled increased as the increase in BtoC packages surpassed the decrease in BtoB packages, which is on a recovery trend
- Although efforts to receive appropriate freight tariffs continued, the increase in average unit price was marginal due to the increase in relatively compact BtoC packages
- The early full-scale operation of X FRONTIER's transfer center enabled stable service quality despite the increase in volume, while contributing to improving productivity of the overall transportation network through decrease in driver waiting time, etc.
- Continued to promote remote work and initiatives such as online sales as measures to address COVID-19

### Logistics Business

- In the first half of the fiscal year, emergency international shipments of personal protection equipment increased
- In the second half of the fiscal year, the profitability of freight forwarding in general increased due to the recovery in the volume of goods of existing customers and the securing of container space in the midst of tight supply-demand balance in both air and marine transportation due to the impact of the shortage of marine containers

### Real Estate Business

- Sold real estate according to plan (inclusion in private REITs)

### Other Businesses

- Vehicle sales decreased, while cash-on-delivery settlement increased



## Consolidated Statement of Cash Flows

### Major cash flow items

(Units: billion yen)	As of March 31, 2020	As of March 31, 2021
Cash flows from operating activities	53.5	121.2
Cash flows from investing activities	(61.5)	0.5
Free cash flows	(7.9)	121.7
Cash flows from financing activities	(24.3)	(121.9)
Net increase (decrease) in cash and cash equivalents	(32.9)	0.4
Cash and cash equivalents at end of the year	68.7	69.1

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

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### ■ Consolidated cash flows

#### • Cash flows from operating activities 121.2 billion yen

##### Major components:

Income before income taxes	111.7 billion yen
Depreciation and amortization	25.8 billion yen
Net changes in accrued bonuses (parenthesis indicates decrease)	3.9 billion yen
Gain/loss on sale of investment securities (parenthesis indicates gain)	(11.3) billion yen
Net changes in trade notes and accounts receivable (parenthesis indicates increase)	(32.7) billion yen
Net changes in inventories (parenthesis indicates increase)	7.9 billion yen
Net changes in trade notes and accounts payables (parenthesis indicates decrease)	17.3 billion yen
Income taxes paid	(21.8) billion yen

#### • Cash flows from investing activities 0.5 billion yen

##### Major components:

Purchases of property, plant and equipment	(59.1) billion yen
Purchases of intangible assets	(5.7) billion yen
Proceeds from sales of shares of subsidiaries and associates	69.7 billion yen

#### • Cash flows from financing activities (121.9) billion yen

##### Major components:

Proceeds from long-term bank loans	20.0 billion yen
Repayment of long-term bank loans	(22.1) billion yen
Cash dividends paid	(21.3) billion yen
Purchase of shares of subsidiaries	(88.3) billion yen

## Consolidated Balance Sheet

(Units: billion yen)	As of March 31, 2020	As of March 31, 2021	(Units: billion yen)	As of March 31, 2020	As of March 31, 2021
<b>Current assets</b>	<b>270.8</b>	<b>303.6</b>	<b>Liabilities</b>	<b>349.6</b>	<b>385.4</b>
Cash and deposits	68.7	69.1	Accounts payable	62.7	79.7
Accounts receivable and other receivables	155.9	187.8	Interest-bearing debt	131.7	123.7
Inventories	28.8	30.7	Other	155.1	181.8
Other current assets	17.4	15.8			
<b>Non-current assets</b>	<b>501.8</b>	<b>486.6</b>	<b>Net assets</b>	<b>423.0</b>	<b>404.8</b>
Property, plant and equipment	321.6	352.8	Portion attributable to owners of the parent	383.9	398.3
Goodwill	4.0	4.0	Non-controlling interests	39.1	6.5
Other non-current assets	176.1	129.7			
<b>Total assets</b>	<b>772.7</b>	<b>790.2</b>	<b>Total liabilities and net assets</b>	<b>772.7</b>	<b>790.2</b>

Note Amounts less than 100 million yen are rounded down.

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### ■ Equity ratio

- Equity ratio: 50.4% [+0.7 points from the previous fiscal year end]

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## Initiatives for the fiscal year ending March 31, 2022

### Fiscal 2019-2021 Mid-term Management Plan Second Stage 2021

#### <Management strategy>

- (1) Advance in logistics solutions
- (2) Optimal performance of management resources
- (3) Promotion of digitalization and latest technologies
- (4) Expansion of global business
- (5) Competitive advantages from inclusive corporate culture
- (6) Higher governance standard

Note GOAL is a registered trademark of SG Holdings Co., Ltd.

### Initiatives for the fiscal year ending March 31, 2022

#### Delivery Business

- Strengthening of solutions such as TMS centered on GOAL®
- Continued efforts to receive appropriate freight tariffs
- Increased capacity and strengthened transportation network through X FRONTIER
- Improvement of productivity through implementation of digitalization and promotion of work style reforms

#### Logistics Business

- Enhancement and expansion of entire supply chain including overseas 3PL
- Expansion of global freight forwarding network
- Expansion of services to and from Japan, such as cross border e-commerce

#### Real Estate Business

- Development of facilities for strengthening logistics functions
- Continued sales of real estate

#### Other Businesses

- Improvement of service quality as services ancillary to logistics
- Development of new functions and services in coordination with logistics

## Consolidated earnings and dividend forecast

(Units: billion yen)	FY2021/3 results	FY2022/3 earnings forecast	YoY change	FY2022/3 Mid-term Management Plan	Comparison with plan
Operating revenue	1,312.0	1,325.0	101.0%	1,230.0	107.7%
Operating income [Operating margin]	101.7 [ 7.8% ]	107.0 [ 8.1% ]	105.2%	80.0 [ 6.5% ]	133.8%
Ordinary income	103.6	108.5	104.7%	84.5	128.4%
Net income attributable to owners of the parent	74.3	74.0	99.5%	49.0	151.0%
EBITDA	128.1	137.0	106.9%	109.0	125.7%
Dividend per share	Interim	18 yen	18 yen	-	
	Year-end	17 yen	18 yen		
	Total	35 yen	36 yen		

Notes (1) Amounts less than 100 million yen are rounded down. (2) Assumptions for the earnings forecast for the fiscal year ending March 31, 2022: Average unit price of 647 yen and 1,403 million packages to handle in Delivery Business. (3) A common stock split on a 2-for-1 basis was carried out on November 1, 2020. The dividend per share for the fiscal year ended March 31, 2021 assumes the split had been carried out at the beginning of the fiscal year.

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### ■ Forecast for the fiscal year ending March 31, 2022 (YoY change)

Forecasts for the fiscal year ending March 31, 2022 were formulated based on the results for the fiscal year ended March 31, 2021, and the current situation.

- Operating revenue: +12.9 billion yen
- Operating income : +5.2 billion yen
- Ordinary income : +4.8 billion yen
- Net income attributable to owners of the parent: (0.3) billion yen
- EBITDA: +8.8 billion yen

- Expected average unit price 647 yen + 3 yen
- Expected number of packages handled 1,403 million packages ± 0 million packages

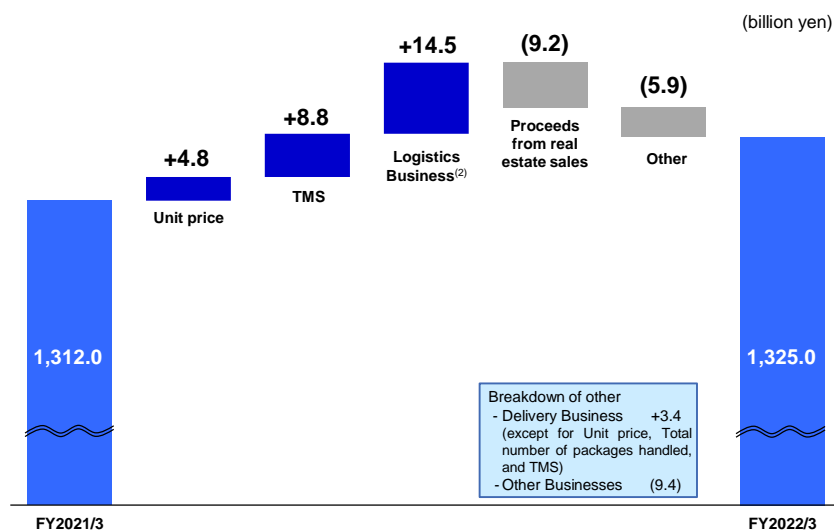
### ■ Dividend forecast

- A 2-for-1 common stock split was implemented effective on November 1, 2020. The dividend per share for the fiscal year ended March 31, 2021 assumes the above split had been carried out at the beginning of the fiscal year.
- The breakdown of the interim dividend of 18 yen is a normal dividend of 13 yen and a special dividend of 5 yen

### [Reference] Breakdown of year-on-year change in operating expenses

- Personnel expenses: (15.8) billion yen
- Outsourcing expenses: +27.1 billion yen
- Depreciation and amortization: +3.9 billion yen
- Other: (7.6) billion yen

## Analysis of changes in operating revenue forecast



Note (1) Amounts less than 100 million yen are rounded down. (2) Excludes TMS

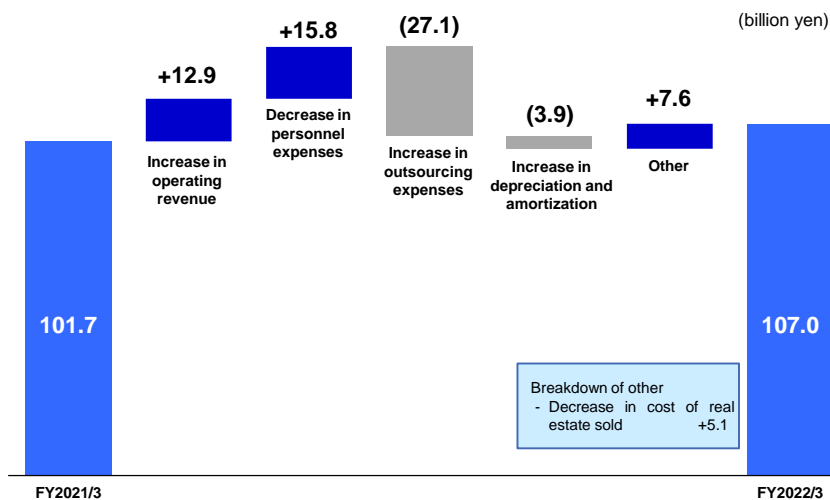
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## ■ Earnings forecast for the fiscal year ending March 31, 2022

- Average unit price: 647 yen [100.5% YoY]
- Number of packages handled: 1,403 million packages [100.0% YoY]
- TMS: 102.0 billion yen [109.5% YoY]

## Analysis of changes in operating income forecast



Note Amounts less than 100 million yen are rounded down.

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## ■ Earnings forecast for the fiscal year ending March 31, 2022

- Operating revenue: 1,325.0 billion yen [101.0% YoY]
- Personnel expenses: 427.5 billion yen [96.4% YoY]
- Outsourcing expenses: 606.0 billion yen [104.7% YoY]
- Depreciation and amortization: 30.0 billion yen [115.2% YoY]

## Consolidated earnings forecast (six months ending September 30, 2021)

(Units: billion yen)	FY2021/3 1H results	FY2022/3 1H earnings forecast	YoY change
Operating revenue	634.8	660.0	104.0%
Operating income [Operating margin]	52.4 [ 8.3% ]	46.0 [ 7.0% ]	87.6%
Ordinary income	52.7	46.5	88.1%
Net income attributable to owners of the parent	37.2	32.0	85.8%

**Note** Amounts less than 100 million yen are rounded down.

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### ■ Forecast for the six months ending September 30, 2021 [YoY change]

- Operating revenue: +25.1 billion yen
- Operating income: (6.4) billion yen
  - Decrease in operating income is mainly due to scheduling real estate sales in the second half of the fiscal year
- Ordinary income: (6.2) billion yen
- Net income attributable to owners of the parent: (5.2) billion yen



## Overview of forecasts by segment

(Units: billion yen)	FY2021/3 results	FY2022/3 earnings forecast	YoY change	FY2022/3 Mid-term Management plan	Comparison with plan
<b>Total operating revenue</b>	1,312.0	1,325.0	101.0%	1,230.0	107.7%
Delivery Business	1,014.9	1,031.0	101.6%	988.9	104.3%
Logistics Business	207.8	223.5	107.6%	160.0	139.7%
Real Estate Business	22.8	13.5	59.1%	14.4	93.8%
Other Businesses	66.4	57.0	85.7%	66.7	85.5%
<b>Total operating income</b>	101.7	107.0	105.2%	80.0	133.8%
Delivery Business	71.4	83.5	116.8%	62.8	133.0%
Logistics Business	12.7	10.5	82.4%	4.7	223.4%
Real Estate Business	11.3	7.0	61.9%	6.1	114.8%
Other Businesses	4.2	4.0	95.0%	4.8	83.3%
Adjustments	1.9	2.0	102.1%	1.6	125.0%

Notes (1) Amounts less than 100 million yen are rounded down. (2) Part of the "Other Businesses" was changed to "Delivery Business" from the fiscal year ended March 31, 2021. The mid-term targets are figures prior to changing segments.

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## ■ YoY change by segment

- Operating revenue +12.9 billion yen

Delivery Business +16.0 billion yen

Logistics Business +15.6 billion yen

Real Estate Business (9.3) billion yen

Other Businesses (9.4) billion yen

- Operating income +5.2 billion yen

Delivery Business +12.0 billion yen

Logistics Business (2.2) billion yen

Real Estate Business (4.3) billion yen

Other Businesses (0.2) billion yen

Adjustments +0.0 billion yen

- Delivery Business: Assumptions for the earnings forecast

Number of packages handled and sales mix used in calculation are roughly the same as the previous year.

Average unit price is +3 yen due to the effort to receive appropriate freight tariffs.

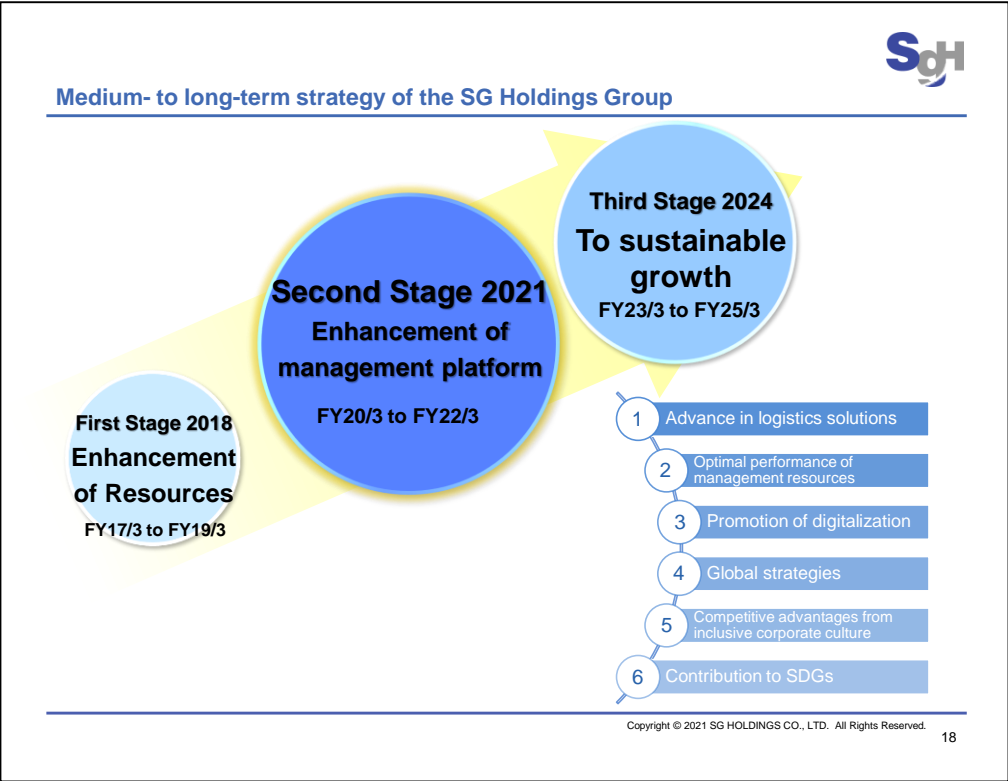
- Logistics Business: Assumptions for the earnings forecast

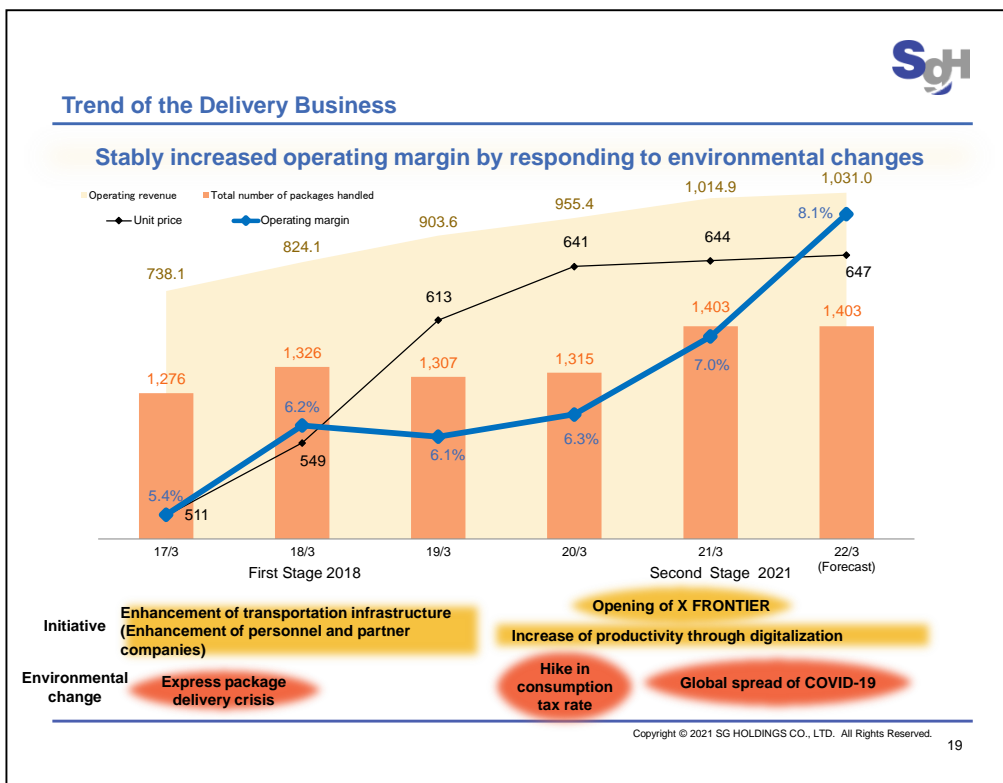
The rise in sea freight due to the container shortage and the rise in air freight due to the shift from sea freight to air freight are assumed to continue during the first half of the fiscal year.

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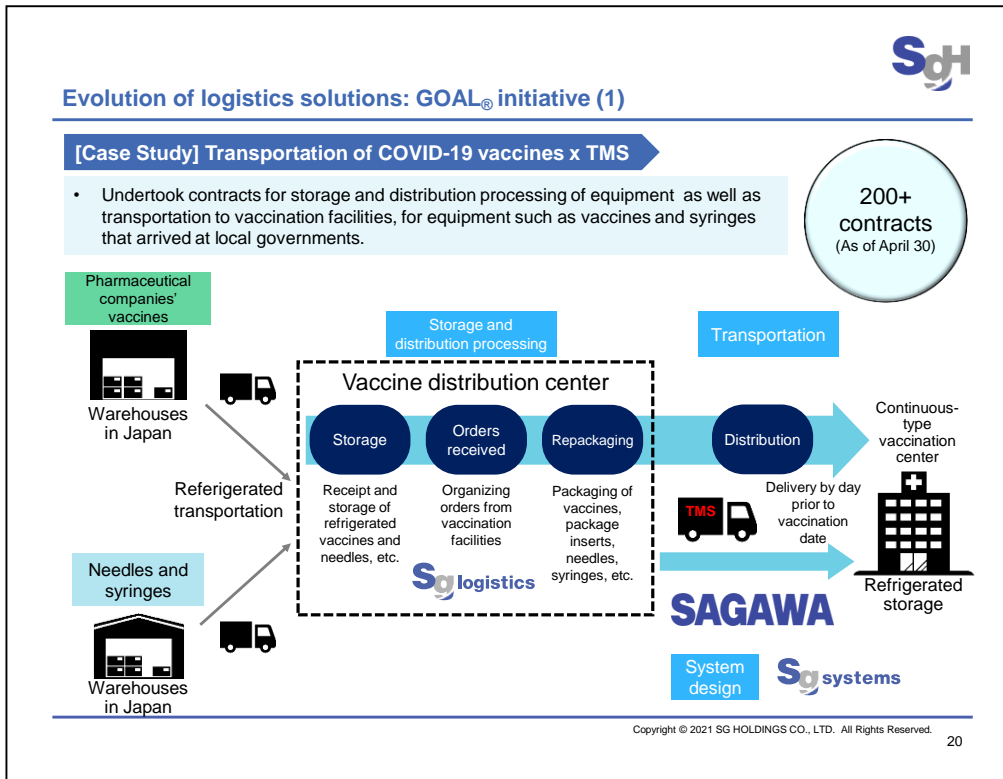


## ■ Flexible response to environmental changes in the core Delivery Business

- Controlled the number of packages handled considering the capacity
- Continued the efforts to receive appropriate freight tariffs
- Strengthening of network represented by X FRONTIER
- Work reform and increase in productivity through digitalization, etc.

↓

Flexibly responding to changes in the environment while balancing the above four points led to a stable increase in operating income margin



## ■ GOAL<sup>®</sup> initiatives (1)

### Transportation of COVID-19 vaccine

- The Group conducted over 1,000 business negotiations with local governments nationwide regarding the transportation of vaccines from local governments to vaccination sites
- By utilizing the facilities operated by the SG Holdings Group nationwide, the Group undertook bundle contracts including storage (temperature control), repackaging and delivery to vaccination sites
- As of April 30, undertook over 200 contracts
- In order to respond to increasing needs of local governments, the Group will promote standardization and systemization of operations to create a system enabling swift responses

## Evolution of logistics solutions: GOAL<sup>®</sup> initiative (2)

[Case Study] Antenna installation x Nationwide transportation x TMS  
Supplying for 5G telecommunication infrastructure construction



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### ■ GOAL<sup>®</sup> initiatives (2)

#### Antenna Installation and Transportation (Example of Special Transportation by TMS)

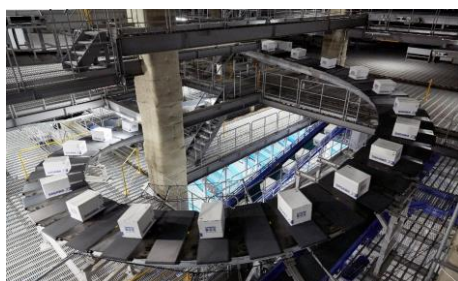
- Efficient installation of antennas nationwide through TMS
1. Arrangement of vehicles according to location by utilizing the nationwide TMS network
  2. Established relay centers in order to separate logistics from factories to relay centers and logistics from relay centers to installation sites
  3. Responded to emergency transportation
  4. Implemented installation and transportation to remote islands by ship transportation

## Maximizing the value of management resources (1) : X FRONTIER



### Effect

Number of packages  
handled per day  
Achieved **over 135%** of  
expected level



### [Schedule]

End of January 2020

Facility completed, partial operation of  
warehouses on 5-6F

October 2020 -

Start of operation of 1-2F transfer center

January 2021 -

Start of operation of 3-4F transfer center

⇒ March 2021

Full operation

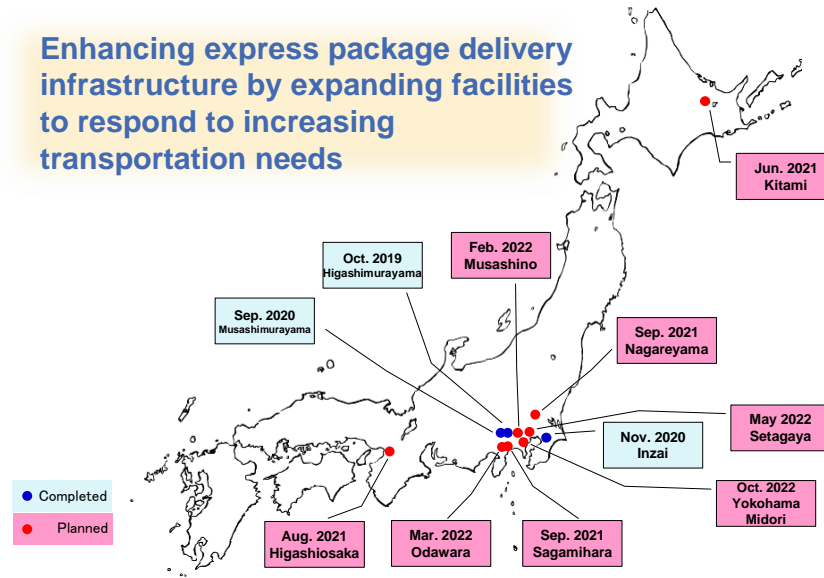
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## ■ X FRONTIER

- The facility went into full operation in the fiscal year ended March 2021, and has achieved higher than anticipated performance at 135% of the expected level. It provided stable service in response to the increase in number of packages resulting from the expansion of the EC market
- In addition to responding to continuously expanding express package delivery needs, considering a medium- to long-term network strategy based on the effect of X FRONTIER.

Enhancing express package delivery infrastructure by expanding facilities to respond to increasing transportation needs



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■ Development of express package delivery infrastructure

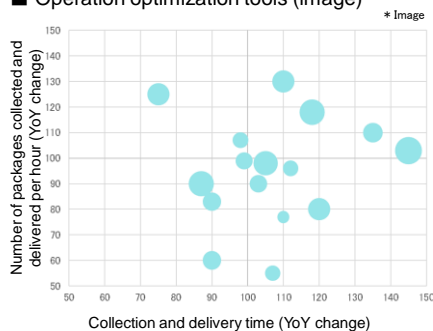
- Enhanced existing facilities and developed new facilities to respond to the increase in transportation needs
- Strengthened collection and delivery functions by strategically developing sales offices in locations throughout Japan, in addition to strengthening transfer functions through X FRONTIER



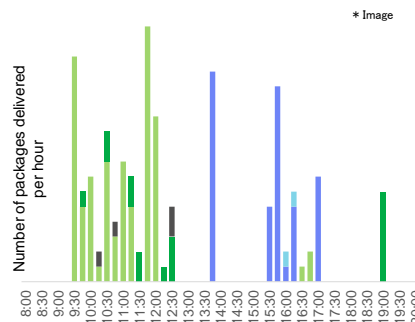
## Promoting digitalization (1): Initiatives to Date

### Improving driver productivity through digitalization

#### ■ Operation optimization tools (image)



- Visualization of productivity improvement of each team in sales office



- Visualization of each driver's delivery status in 15-minute increments

Equalization of operations

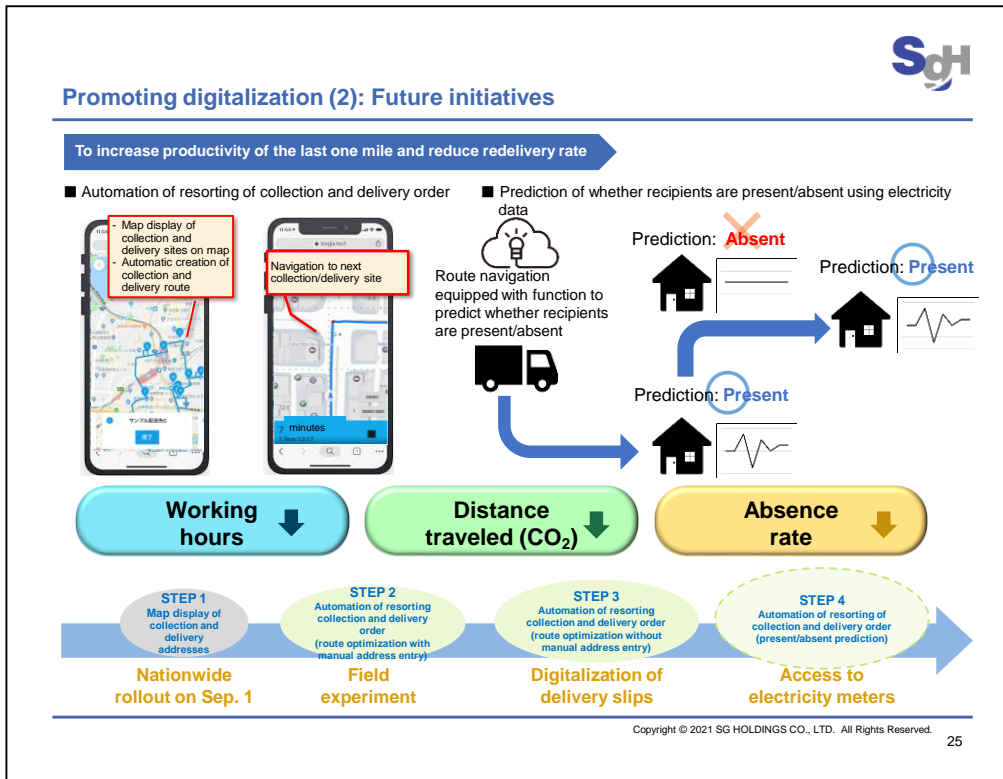
Improvement of productivity

Improvement of profitability

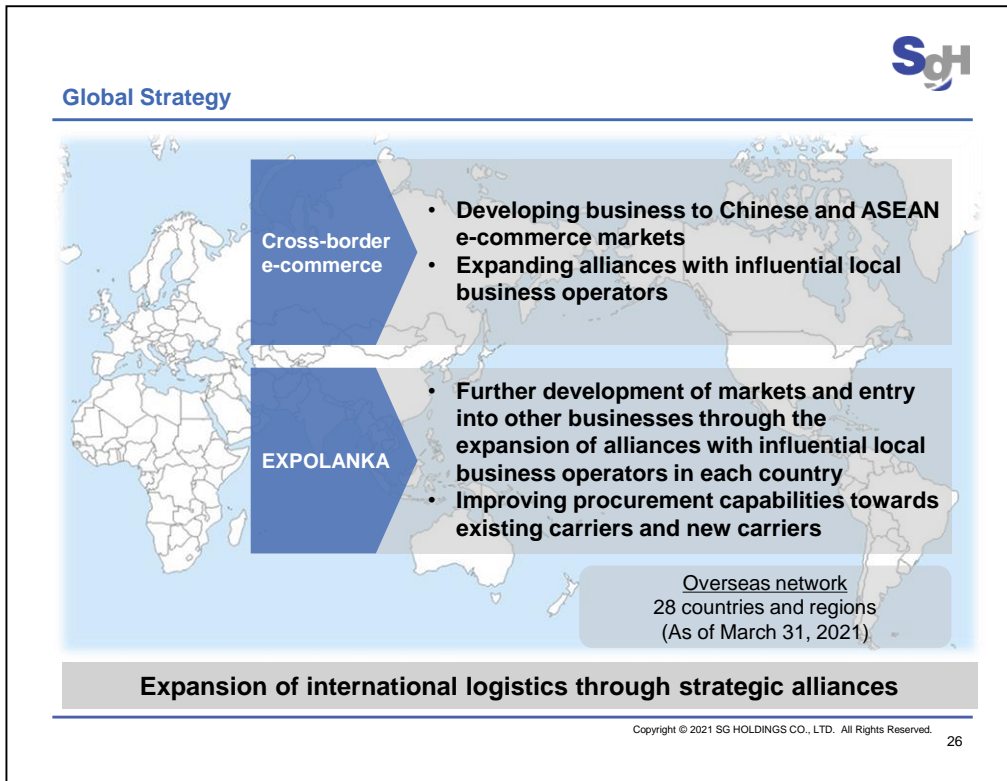
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#### ■ Increase in driver productivity through digitalization

- Implementation of detailed monitoring such as productivity of each driver by time band
- Realized appropriate personnel and vehicle allocation, improvement of productivity and standardization of operations by visualizing information
- Improving working environment by analyzing drivers' collection and delivery results and reviewing delivery rout



- Working towards increasing productivity of the last one mile and reducing redelivery rate
    - Realized reduction of workload, equalization of operations and reduction of environmental impact through the digitalization of delivery slips and utilization of external data
- (1) Automation of resorting collection and delivery order
    - Automatic setting of collection and delivery routes based on road conditions, etc. in each area in addition to information on collection and delivery sites
    - Realized reduction of work hours and distance traveled regardless of drivers' proficiency enabling collection and delivery in an efficient order
  - (2) Consideration of using electricity power data to predict presence/absence of recipients
    - Implemented field experiments and so forth, considering the dissemination of smart meters to households
    - Seek possibility of further improvement in operational efficiency through various methods



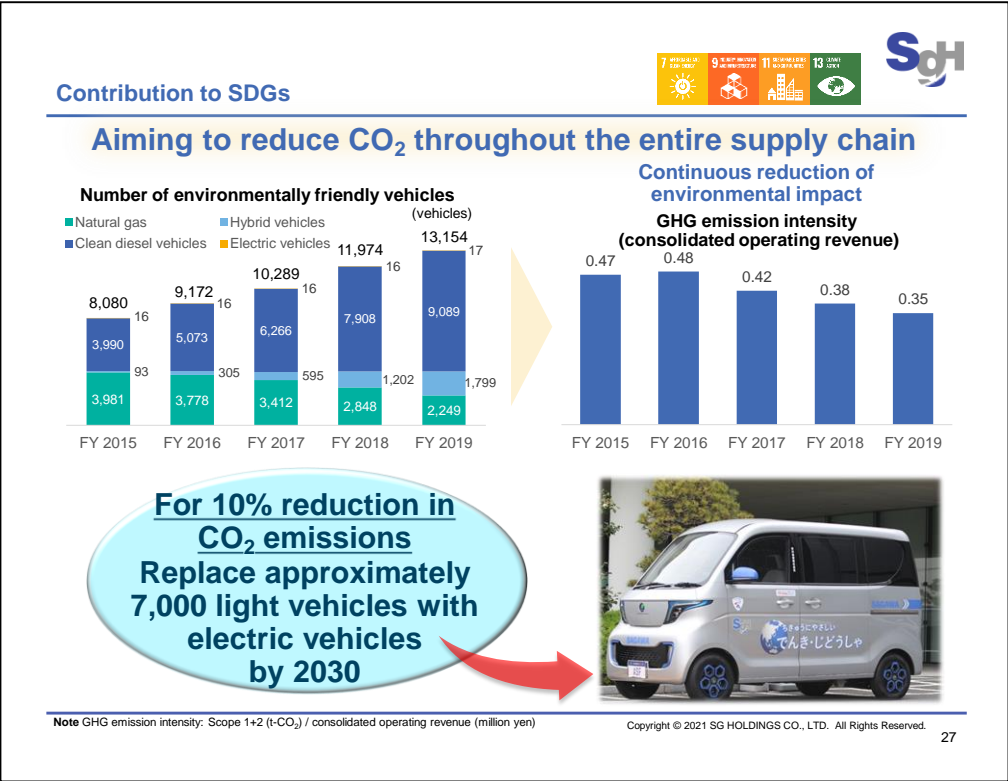
## ■ Global strategy

### (1) Cross-border e-commerce:

- Work on developing Chinese and ASEAN markets and expanding alliances to strengthen international logistics arriving to and departing from Japan

### (2) EXPOLANKA:

- Work on strengthening competitiveness and expanding customer base in each country through organic growth and expanding strategic alliances



- Working towards the realization of sustainable society
- The Group has been working on the reduction of CO<sub>2</sub> throughout the entire supply chain from the past, and has continuously reduced its environmental impact
- In particular, the Group's core company Sagawa Express has actively introduced environmentally friendly vehicles ahead of the industry
- As one of the initiatives aimed at further reducing environmental impact, the Group has set a target to replace all of approximately 7,000 light vehicles it owns with electric vehicles by 2030

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## Summary of consolidated financial results (single quarters)

(Units: billion yen)	Q1		Q2		Q3		Q4		Full year	
	FY2021/3	YoY change	FY2021/3	YoY change	FY2021/3	YoY change	FY2021/3	YoY change	FY2021/3	YoY change
Operating revenue	317.6	109.1%	317.2	106.9%	347.1	112.8%	330.0	118.8%	1,312.0	111.8%
Operating income [Operating margin]	27.7 [8. 7%]	147.7%	24.7 [7. 8%]	134.4%	36.0 [10. 4%]	134.5%	13.1 [4. 0%]	115.1%	101.7 [7. 8%]	134.8%
Ordinary income	28.8	149.7%	23.9	121.9%	37.2	129.7%	13.6	105.8%	103.6	128.7%
Net income attributable to owners of the parent	17.2	170.3%	20.0	169.6%	25.8	161.2%	11.1	120.3%	74.3	157.2%
EBITDA	34.0	138.4%	31.2	129.8%	42.5	130.5%	20.3	115.4%	128.1	129.6%

Note Amounts less than 100 million yen are rounded down.

## Results by segment (single quarters)

(Units: billion yen)	Q1		Q2		Q3		Q4		Full year	
	FY2021/3	YoY change	FY2021/3	YoY change	FY2021/3	YoY change	FY2021/3	YoY change	FY2021/3	YoY change
<b>Total operating revenue</b>	317.6	109.1%	317.2	106.9%	347.1	112.8%	330.0	118.8%	1,312.0	111.8%
Delivery Business	243.2	104.4%	249.2	103.5%	274.2	108.0%	248.1	109.1%	1,014.9	106.2%
Logistics Business	40.7	129.0%	49.2	139.2%	54.8	155.1%	62.9	188.0%	207.8	153.0%
Real Estate Business	17.2	159.4%	1.8	104.3%	1.9	104.9%	1.7	100.3%	22.8	140.7%
Other Businesses	16.3	105.0%	16.8	90.6%	16.1	97.1%	17.1	112.7%	66.4	100.7%
<b>Total operating income</b>	27.7	147.7%	24.7	134.4%	36.0	134.5%	13.1	115.1%	101.7	134.8%
Delivery Business	15.6	126.8%	18.0	120.8%	29.5	124.8%	8.2	93.0%	71.4	119.5%
Logistics Business	2.0	399.3%	4.2	555.5%	3.7	475.8%	2.6	–	12.7	617.8%
Real Estate Business	8.4	180.8%	1.1	120.4%	1.1	93.4%	0.6	58.1%	11.3	143.3%
Other Businesses	0.9	92.4%	0.9	68.8%	0.9	137.8%	1.3	114.5%	4.2	97.9%
Adjustments	0.6	257.7%	0.3	92.2%	0.6	171.0%	0.2	81.8%	1.9	144.7%

**Notes** (1) Amounts less than 100 million yen are rounded down. (2) Due to part of the "Other Businesses" being changed to "Delivery Business" from the fiscal year ended March 31, 2021, the comparison was made by reclassifying the figures for the previous fiscal year according to the change.

## Status of the products and services

### Delivery Business: Status of number of packages handled and unit price

(Millions of packages, yen)	Q1		Q2		Q3		Q4		Full year	
	FY2021/3	YoY change	FY2021/3	YoY change	FY2021/3	YoY change	FY2021/3	YoY change	FY2021/3	YoY change
Total number of packages handled	342	104.7%	344	104.4%	376	108.8%	340	109.0%	1,403	106.7%
Hikyaku Express <sup>(1)</sup>	329	105.5%	329	104.8%	361	109.2%	326	109.2%	1,347	107.2%
Other <sup>(2)</sup>	12	89.0%	14	95.2%	14	100.2%	13	104.8%	55	97.1%
Average unit price	634	100.6%	643	100.1%	650	100.2%	646	100.5%	644	100.4%

### e-Collect<sup>(3)</sup>: Status of number of packages and value of payments settled

(Millions of packages, billion yen)	Q1		Q2		Q3		Q4		Full year	
	FY2021/3	YoY change	FY2021/3	YoY change	FY2021/3	YoY change	FY2021/3	YoY change	FY2021/3	YoY change
Number of packages	22	101.6%	22	101.5%	23	103.9%	19	99.7%	87	101.7%
Value of payments settled	246.7	101.7%	253.8	99.3%	273.3	107.2%	225.1	102.0%	999.1	102.6%

### Status of TMS

(Billion yen)	Q1		Q2		Q3		Q4		Full year	
	FY2021/3	YoY change	FY2021/3	YoY change	FY2021/3	YoY change	FY2021/3	YoY change	FY2021/3	YoY change
Sales	21.2	102.2%	23.4	102.1%	24.7	105.1%	23.8	110.8%	93.2	105.0%

### Sales by region

(Billion yen)		FY2021/3	YoY change
Operating revenue		1,312.0	111.8%
Japan		1,164.5	106.5%
Overseas		147.5	184.5%

Notes (1) Hikyaku Express shows the number of packages Sagawa Express Co., Ltd. reported to the Ministry of Land, Infrastructure, Transport and Tourism. (2) Other shows the number of packages handled by Hikyaku Large Size Express and other companies. (3) e-Collect is a registered trademark of SG Holdings Co., Ltd.



## Breakdown of operating expenses

### Major expense items in consolidated accounts

(Units: billion yen)	Q1		Q2		Q3		Q4		Full year	
	FY2021/3	YoY change	FY2021/3	YoY change	FY2021/3	YoY change	FY2021/3	YoY change	FY2021/3	YoY change
Total operating expenses	289.9	106.5%	292.4	105.1%	311.1	110.7%	316.8	118.9%	1,210.3	110.2%
Personnel expenses	109.6	109.3%	109.4	106.5%	110.4	109.6%	113.8	112.1%	443.3	109.4%
Outsourcing expenses	130.0	104.6%	137.9	106.5%	155.5	114.9%	155.2	129.2%	578.8	113.6%
Fuel expenses	2.0	74.9%	2.5	86.6%	2.4	85.5%	2.3	97.6%	9.3	85.8%
Depreciation and amortization	6.2	111.3%	6.4	115.3%	6.4	110.9%	6.8	111.8%	26.0	112.3%
Other expenses	41.9	106.7%	36.1	96.4%	36.2	99.8%	38.4	106.6%	152.7	102.4%

### Major expense items in Delivery Business<sup>(2)</sup>

(Units: billion yen)	Q1		Q2		Q3		Q4		Full year	
	FY2021/3	YoY change	FY2021/3	YoY change	FY2021/3	YoY change	FY2021/3	YoY change	FY2021/3	YoY change
Total operating expenses	238.0	103.5%	240.9	102.4%	256.7	106.9%	250.2	110.0%	986.0	105.7%
Personnel expenses	96.4	110.7%	94.8	106.1%	96.3	110.6%	98.7	111.6%	386.4	109.7%
Outsourcing expenses	109.7	99.0%	112.8	99.8%	125.7	105.3%	117.7	111.0%	466.1	103.7%
Fuel expenses	2.0	76.3%	2.5	87.8%	2.3	87.1%	2.3	95.7%	9.2	86.5%
Depreciation and amortization	4.4	117.5%	4.4	115.3%	4.4	113.2%	4.8	112.7%	18.1	114.6%
Other expenses	25.3	99.3%	26.2	101.3%	27.7	103.0%	26.6	101.4%	106.0	101.3%

Notes (1) Amounts less than 100 million yen are rounded down. (2) Due to part of the "Other Businesses" being changed to "Delivery Business" from the fiscal year ended March 31, 2021, the comparison was made by reclassifying the figures for the previous fiscal year according to the change.

## Status of employees, vehicles and locations

(Employees, vehicles, locations)		As of March 31, 2020	As of March 31, 2021
Total number of employees [Within, number of partner employees <sup>(1)</sup> ]	Total	95,291 [43,928]	97,774 [45,753]
	Delivery Business <sup>(2)</sup>	78,017 [36,208]	79,902 [36,839]
	Logistics Business	12,954 [5,995]	13,172 [6,886]
	Real Estate Business	69 [-]	63 [-]
	Other Businesses <sup>(2)</sup>	3,477 [1,488]	3,888 [1,801]
	Corporate (common)	774 [237]	749 [227]
Sagawa Express	Number of vehicles	26,661	26,673
	Number of major locations	857	864
	Transfer centers	24	23
	Sales offices	427	428
	Small stores <sup>(3)</sup>	406	413

Notes (1) Average number of persons during the period. (2) Due to part of the "Other Businesses" being changed to "Delivery Business" from the fiscal year ended March 31, 2021, the comparison was made by reclassifying the figures for the previous fiscal year according to the change. (3) Total number of service centers and delivery centers.

## Reference: Outlook for Consolidated Free Cash Flow

### Major cash flow items

(Units: billion yen)	FY2021/3 actual results	FY2022/3 outlook <sup>(3)</sup>
Cash flows from operating activities	121.2	90.0
Cash flows from investing activities	0.5	[35.0]
Free cash flows	121.7	55.0

#### ■ Major investments in FY2021/3 (results) <sup>(3)</sup>

- Investment related to X FRONTIER : 34.0 billion yen
- Vehicle investment : 13.0 billion yen
- IT investment (new) : 4.0 billion yen

#### ■ Major investments in FY2022/3 (outlook) <sup>(3)</sup>

- Vehicle investment : 15.0 billion yen
- Facility investment (new development) : 11.5 billion yen

\* Cash flows from investing activities in FY 2021/3 includes proceeds from sales of shares of subsidiaries and associates of 69.7 billion yen.

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

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