Kintetsu World Express, Inc.

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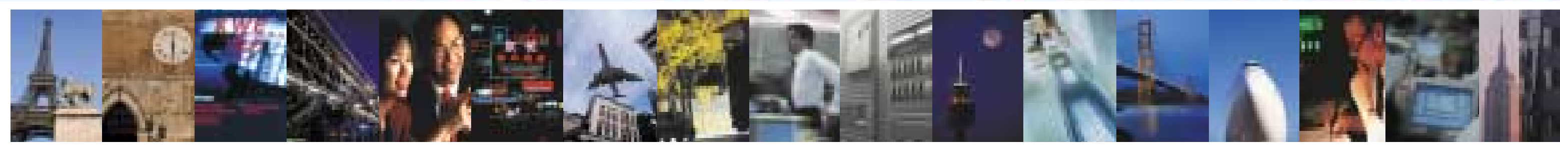

ANNUAL REPORT 2000

kintetsu world express

A total logistics provider, Kintetsu World Express had its start in 1948 as a logistics operation division of Kinki Nippon Railways Co., Ltd., and later became independent in 1970.

Today, KWE has established 50 locally incorporated companies and 10 overseas offices in 34 countries that comprise KWE's quadrilateral management system of Japan, the Americas, Europe and Africa, and Asia and Oceania, covering 151 major cities and 204 bases around the world. It is a global corporation that ranks among the top in the world in sales of international airfreight, providing a variety of logistics services to customers around the world.

KWE, with 3,633 employees overseas, generates more than 80% of its operating income from transactions overseas. This puts KWE in a unique position among Japan's logistics companies.

By striving to further integrate its facilities, equipment and other tangible features with its services, technology and other intangible features, KWE aims to become a world logistics provider that offers seamless logistics services.

On September 12, 2000, Kintetsu World Express was listed on Nasdaq Japan.

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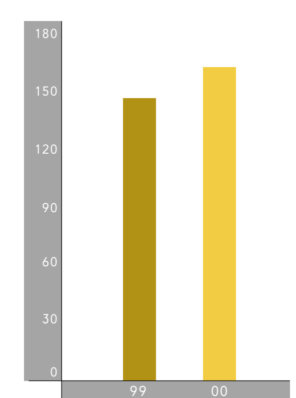
Consolidated Financial Highlights

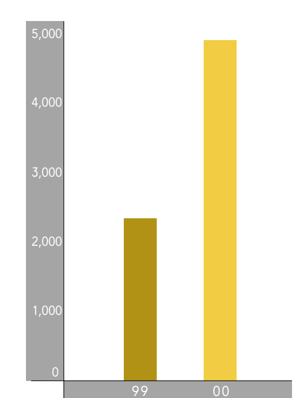
Kintetsu World Express and Consolidated Subsidiaries
Years ended March 31, 2000 and 1999

	Yen in millions except per share amounts		% change	Dollars in thousands except per share amounts
	2000	1999	2000/1999	2000
FOR THE YEAR				
Net sales	¥ 162,778	¥ 148,309	9.8 %	$ 1,533,472
Operating income	4,908	2,288	114.5	46,236
Income (loss) before income taxes	4,425	2,389	85.2	41,686
Net income	2,241	932	140.5	21,112
Per share data				
Net income	¥ 74.70	¥ 155.40		$ 0.70
Cash dividends	7.50	50.00		0.07
AT YEAR-END				
Shareholders' equity	¥ 20,225	¥ 17,890	13.1 %	$ 190,532
Total assets	92,734	87,157	6.4	873,613

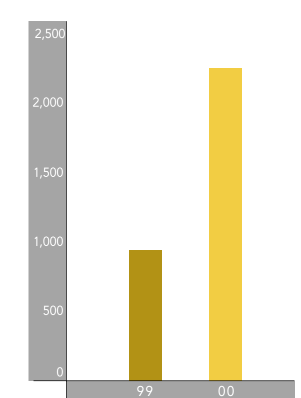
Note: 1. U.S. dollar amounts have been translated from yen for convenience only, at the rate of ¥106.15=U.S.$1, the approximate Tokyo foreign exchange market rate as of March 31, 2000.



Net Sales (¥ Million)



Operating Income (¥ Million)



Net Income (¥ Million)

To Our Shareholders and Friends

Toshio Kumokawa
President and Chief Executive Officer

Message from The President

These days, every aspect of the world that we all live in –whether it's technology, the economics, society, or culture– is changing at an amazing speed. These earthshaking revolutions have largely altered people's values, and have also brought about dramatic changes in their ways of life.

Our area of endeavor, the distribution business, is no exception. The complexities of the changes in distribution that began with innovations in information technology transcend national boundaries and have brought about a structural revolution in the industry as a whole.

In the midst of all these changes, this fiscal year ended March 31, 2000, we not only increased our net sales 9.8% over the previous year to 162.78 billion yen, but also expanded our net income 140.5% to 2.24 billion yen. The significant success is the result of our having anticipated these changes and laid out a strategy for achieving growth in this new era.

The Business Climate and Our Performance

The Japanese economy began to show signs of a slight overall improvement during this fiscal year, thanks to a variety of government policies and the effects of the recovery of the Asian economies. Yet capital investment and individual consumer spending remained stagnant, and with these problems still unsolved, the business climate for the domestic distribution industry continued to be harsh. On the other hand, the healthy U.S. economy continued to expand this fiscal year, acting as an engine to pull the Western European and Asian economies into recovery, which led to an increase in exports from Japan.

At the same time, it is the survival of the fittest in the freight industry, especially in its airfreight sector. The growing trend of strategic cooperation within the industry, aiming to dramatically expand the amount of goods handled, threatens to drive minor forwarders from the market. It will soon be clear who the winners and losers are. With that, integrators, intent on combining the functions of forwarders and airlines – functions of both the contracting and performing carriers – have appeared on the scene and assumed a higher profile in the market. These trends have led to an intensification of price competition, which will eventually determine who survives in the industry.

However, these changes have not been entirely negative. The innovations in information technology in particular have changed the way that clients and distribution companies relate to each other. We have taken better advantage of third-party logistics (3PL) and supply-chain management (SCM), which attempt to optimize every aspect of logistics, from door-to-door transport to inventory management, distribution processing, and delivery, creating new markets and opportunities for growth. New businesses, which have at their command all the necessary facilities and expertise, take care of all the functions that go with the distribution of goods. Customers' desires for zero inventories and controlled distribution costs have encouraged the move toward outsourcing the entire distribution process to a single company. I am confident that this will be a new area of growth for KWE, one which will let us give full reign to the strengths that we have built up over the years.

In particular, because our main client base is made up of international high tech companies from Japan and elsewhere, we anticipate increasing demand from these clients. To meet the demand, we put our Tokyo terminal into operation this fiscal year. As is the case with our Narita terminal having opened during the previous fiscal year, this is a strategic, large-scale, comprehensive distribution facility, containing temperature and humidity-controlled storage areas, a 24-hour shipping terminal, and even client office space. Given the current business climate, this fiscal year has been a period of revolutionary transition, as we move from the conventional distribution system to a new, "thinking" distribution system. I think we can say that our efforts this year have been decisive factors in ensuring our future prosperity.

In this environment, we have been able to increase sales 9.8% to 162.78 billion yen, and operating income have increased 114.5% to 4.98 billion yen. We were also able to increase net income a whopping 140.5% to 2.24 billion yen. I believe that this growth is the result of our long-standing practice of putting our customers' needs first, our group's ability to work together to meet upcoming challenges, and our bold ventures into new fields of endeavor.

Medium-to-Long-Term Prospects

This fiscal year, we instituted a five-year management plan aimed at anticipating the revolutionary changes that will engulf the distribution industries and allowing us to grow strong and healthy in the new era. The plan constitutes of five key measures.

1. Promoting unified marketing by the KWE Group

- ○ We will place major emphasis on our core business of international airfreight forwarding, aiming for a 20% market share in export consolidated airfreight and a 15% market share for import air transport customs brokerage.
- ○ In order to build up a support structure in the next generation, we will expand our use of supply chain management (SCM) and third-party logistics (3PL).
- ○ We will sharpen our focus on marketing to growth-producing, high value-added product groups (communications devices, computer-related items, semiconductor-related items, medical devices, etc.)
- ○ We will take advantage of our strength, the quadrilateral regional management structure with both its local and far-reaching powers, to enhance our marketing efforts. We will also try to win the business of high-quality multinational corporations.
- ○ We will expand targeted efforts and marketing in e-commerce and other network markets.
- ○ We will continue opening branch offices and carrying out marketing efforts to bring us closer to our customers.

2. Moving into new markets and enhancing our networks.

- ○ We will open up new markets in regions that offer prospects for growth the interior regions of China, eastern Europe (Czech Republic, Poland, Hungary) and India
- ○ We will reassess the performance of our existing agencies and create new alliances with high-quality agents overseas.

3. Early adoption of Global Information Technology (GIT) and its effective implementation in marketing

- ○ We will offer the same high-quality service throughout the world.
- ○ We will standardize our information technology to enhance and streamline our operations.
- ○ We will be among the first to use GIT as a marketing tool.

4. Serious efforts to move into SCM and 3PL

◯We will take full advantage of the human, technical and material resources of the Narita and Tokyo terminals as we step up our efforts to market high value-added services.
◯We will set up more laterally organized specialized groups and 3PL facilities, and make efforts to acquire more specialized personnel and expertise.
◯ We will form strategic alliances with the TNT Post Group and institute pragmatic measures such as acquisition of companies and formation of subsidiaries.

5. Enhancement of our status as a global corporate group

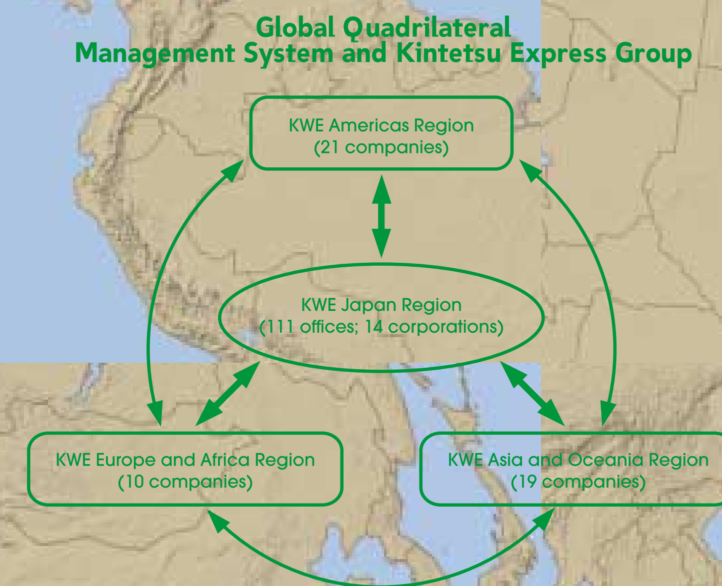
◯We will streamline our operations and increase productivity.
◯We make further improvements by instituting a system of global standards to ensure the quality of our operations.
◯We will create a more comprehensive management structure for our group companies, including the establishment of a world headquarters.
◯ We will foster the growth of an innovative and ambitious workforce for our international distribution operation, developing employees who are truly worthy of being called “human resources.”
◯ We will take measures to help preserve our environment and play our part in being a responsible corporate citizen. Measures include implementing “Eco-Logistics” by employing the international environmental standard, ISO14000.

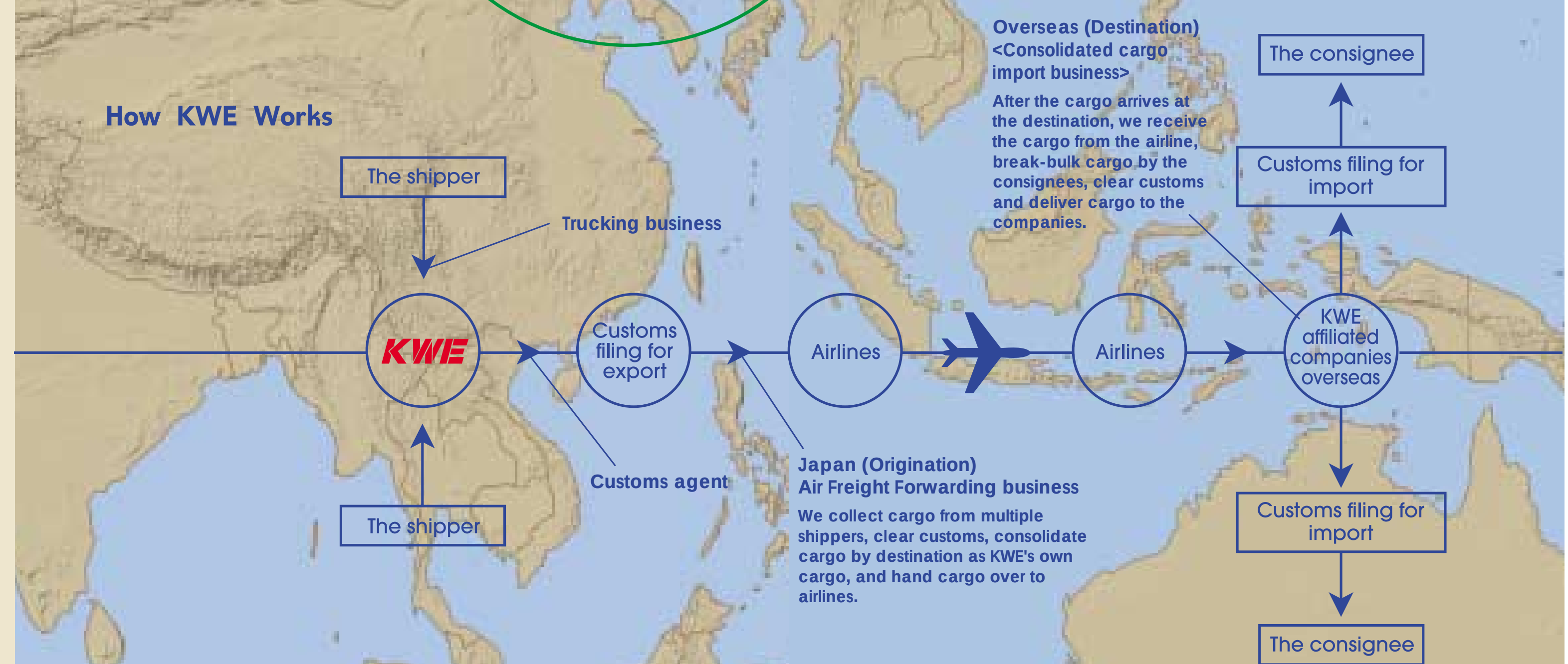
These key measures were established to realize our philosophy in the 21st century that “Together with our customers, shareholders and employees, we shall use logistics to contribute to the advancement of the global community to create new values and the best environment.” I am confident that with this plan, we will achieve our Mission 10 management guideline to secure 10% of the global share, rank among the world’s top 10 logistics providers, and win the business of world’s leading corporations to take a firm step forward in becoming a global logistics provider.

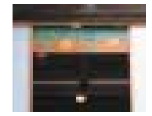
Toshio Kumokawa
President and Chief Executive Officer

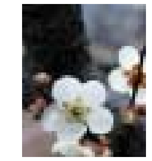
KWE has built a solid foundation in its quadrilateral regions consisting of Japan, the Americas, Europe and Africa, and Asia and Oceania. Based on this quadrilateral management system, there are presently 3,633 KWE Group employees hard at work in 50 locally incorporated companies and 10 overseas offices in 34 countries around the world, spreading among151 cities and 204 bases.

Japan
Americas
Europe & Africa
Asia & Oceania









Japan

OVERVIEW

Kintetsu World Express, Inc. is the central company within the KWE Group in Japan, utilizing airlines and ocean liners to contract international and domestic cargo forwarding. Its primary operations also include customs brokerage and cargo transportation that relate to the forwarding business. KWE boasts of being Japan's second largest forwarder of export and import airfreight in volume and in numbers. The Company has continued to be a step ahead of the rest as it became the first in the industry to expand outside Japan, and was the first among the distribution-service industry to build information systems and to obtain the ISO 9000 series of certifications - international standards for quality assurance. It proceeds to grow with its world-class clients who are leaders mainly in the electronics industry and other industries that produce cutting-edge products.

On a non-consolidated basis, KWE's operating income in Japan consists of export sales at 58.3%, import sales at 17.8%, ocean cargo sales at 5.8% and domestic sales at 18.1%. Currently, KWE primarily handles highly advanced products including computers, electronics parts such as semiconductors, semiconductor manufacturing devices, information-communication devices such as mobile phones, as well as medical equipment, office equipment and measuring devices.

In the past dozen years or so in Japan, KWE had continued to establish related companies such as cargo delivery, packaging, insurance agency, temporary staff agency, package delivery, warehouse-related and local sales companies. By separating accompanying businesses and by specializing in the main business, the Company has efficiently managed human resources and costs.

FEATURES AND STRENGTH

KWE has been especially active among the leading forwarders in Japan to promote overseas expansion and employ sophisticated information systems. By building its global quadrilateral management system, utilizing it's Narita Terminal - the industry's largest - and it's Tokyo Terminal for providing temporary storage and distribution processing services, and using its global information system that is accessible from all KWE overseas corporations, KWE continues to improve the quality of its logistics services. Particularly conducted with foresight was a series of businesses that the Company had begun, such as the temporary storage, distribution processing, and assorted delivery services using distribution facilities. Such businesses became the leading force in the industry into providing third-party logistics; their forward thinking has been highly regarded by the Company's clients.

KWE does not spare efforts to employ and train qualified people to support these businesses. More than 140 KWE employees are sent from Japan to work all over the world. Nearly half of all KWE employees have experience being posted overseas or being sent on a long-term business trip overseas, making KWE a truly global corporation. Meanwhile, the Company also focuses on the local community to meet customer needs. Throughout Japan are sales offices and centers each specializing in exports, imports, sea transportation or domestic services. Such a system allows KWE to provide thorough and attentive services to its clients.

OVERVIEW OF FISCAL YEAR ENDED MARCH 31, 2000

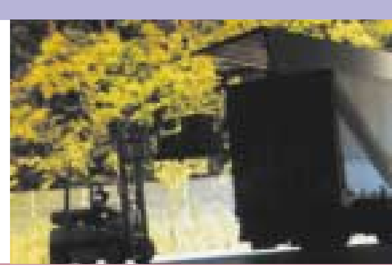
The Japanese economy during fiscal year ended March 31, 2000 showed signs of gradual improvement albeit with a mixture of advances and retreats. Exports at KWE fared well primarily among computer-related equipment and electronics parts to the United States. Exports to Europe and Asia also had a similar trend. Imports of information-related devices, chemicals and high-quality fresh foods increased under a strong yen. In the latter half of the fiscal year, special demands induced by the so-called Year 2000 Problem were observed among the cargo handled. Demands for domestic airfreight continued to be low due to domestic economy not quite recovering from the recession. The volume of domestic cargo handled only increased slightly from the previous year, due to intense competition with the trucking industry. To enhance its operating foundation, KWE established Kintetsu Express Hokkaido, Inc. as a regional corporation to handle domestic cargo.

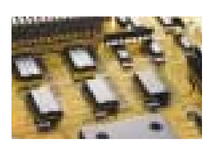
At the beginning of this fiscal year, the Company rearranged its marketing-headquarters system to a marketing-by-product system, enhancing sales management and profit responsibility under a new system that keeps in touch with the customers. As part of the Company's strategic measures against integrators, KWE joined hands with the TNT Post Group in December 1999 in the field of logistics in the European and Asian markets, including Japan.

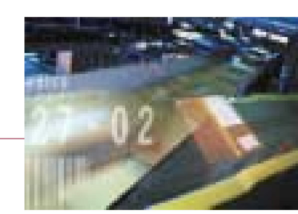
FUTURE STRATEGIES

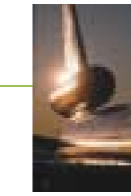
The fiscal year ending March 31, 2001 is expected to see a generally steady cargo movement fueled by favorable economy in the United States and in Asia. Asia, in particular, is projected to experience a two-figure growth having recovered from recession, with feverish investments being made in plant and equipment as the export industry is bustling again. KWE will actively expand on its philosophy to "Work together as one Group to promote sales" as declared in the Corporate Philosophy and Policy Statement established in November 1999. The Company will cultivate good clients in the field of growth industries. In addition, the Company plans to expand sales by building high-value-added services in the field of third-party logistics, supply chain and e-commerce, taking full advantage of the features of it's Narita and Tokyo terminals, and by standardizing, and enhancing the features of, the Group's information network system.

The globally expanding Company will continue to strive for a healthy growth of the entire Group as it further improves the management system to oversee the Group companies.









Americas

OVERVIEW

Since 1969 when KWE USA, along with KWE Hong Kong, became the first among the KWE Group of companies to expand outside Japan, KWE USA has continued to lead the industry and secure its place, expand its business operations network of offices. Today, it oversees 21 corporations in the United States, Canada and Mexico. Mainly handling export and import airfreight forwarding, KWE companies in the Americas are expanding their business to third-party logistics such as ocean freight forwarding, customs brokerage and temporary storage services using warehouses. In recent years, the KWE Group also established specialized companies for handling specific items such as race horses and liquids to expand its operations. KWE is widely known among clients as one of the two leading forwarders in the industry for handling cargo from North America to Asia. The KWE companies have continued to grow with customers whose cutting-edge products lead the times.

In the Americas, the products handled are mainly computers, electronics parts such as semiconductors; semiconductor manufacturing device; information-communication devices such as mobile phones; as well as medical equipment, pharmaceutical products, office equipment, measuring devices and aircraft parts. In Central and South Americas, the KWE companies cater mostly to multi-national corporations as they expand their third-party logistics business that involves warehousing and distribution.

FEATURES AND STRENGTH

KWE companies in the Americas have secured their place as a dominating airfreight forwarder in the Pacific Rim, competing neck and neck for the title of the No. 1 North-America-to-Asia airfreight forwarder in terms of volume. Such an achievement is the combined result of 1) a comprehensive sales service network that is the largest among Japanese companies; 2) state-of-the-art global information system; 3) good clients whose cutting-edge products lead the times; and 4) diversity in business areas even as the growing airfreight business is emphasized. Management strategies to meet customer needs include promoting local-oriented management in which local national staff members are given authorities and responsibilities while KWE employees from Japan are posted at strategic positions. The establishment of Central and South American corporations has contributed not only to improving airfreight forwarding services from North America but also to meet - through third-party logistics such as ocean freight forwarding, customs brokerage and temporary storage service at warehouses - the local distribution needs of American multinational companies spread across the Central and South American countries.

OVERVIEW OF FISCAL YEAR ENDED MARCH 31, 2000

The American economy for this fiscal year continued on its steady trend as with the previous year. Cargo movement was especially vigorous among airfreight such as high-value-added products including semiconductors, semiconductor-manufacturing devices and information-communication-related products. Volume of cargo also continued to expand owing to the revitalized Asian export industry and demands for materials procurement mainly in Japan. Meanwhile, to take further advantage of the upbeat economy, KWE companies in the Americas have promoted a joint sales system for the Group to improve service standards, as well as streamlining operations in all of America by employing the gateway system, and increasing the floor capacity of logistics facilities.

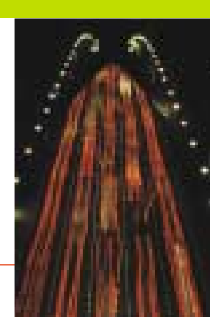
However, in the United States, the center of the KWE companies in the Americas, profitability dropped due to higher purchasing prices and lowered selling rates for major consignors despite the volume of export airfreight increasing to more than 5,000 tons a month after June.

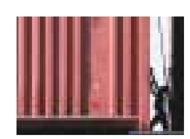
To enhance the service system, the KWE companies established new operation bases in Green Bay and Columbus, as well as expanding the facilities in Seattle.

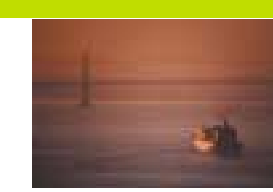
FUTURE STRATEGIES

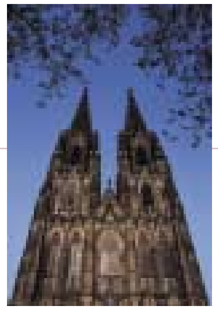
Backed by favorable economic activities in the United States, cargo movement for the coming fiscal year is expected to be good. Indexes announced by International Air Transport Association also project an average annual growth of 5.5% until 2003. KWE Group's Americas companies will aim to improve the profitability of airfreight forwarding, enhance the sales system, establish a diversified sales network, pave the way for conducting third-party logistics business, implement measures to strengthen the structure of Central and South American companies, and most of all, obtain good clients through the entire Group's joint sales effort. Specifically, the aggressive measures include:

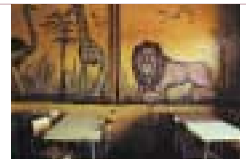
- Gaining a profit of $5 million
- Transitioning from a four-region system to a five-region system
- Plant operation of the global information system in the United States
- Enhancing the ocean cargo division
- Further enhancing customs brokerage functions
- Full commitment to conduct third-party logistics business
- Establishing a gateway system for export air and marine freights
- Improving cash flow by selling assets and collecting accounts receivables
- Eliminating uncollected payments of 60 days or more to 5% or less
- Enhancing Asia Pacific and Trans Atlantic sales

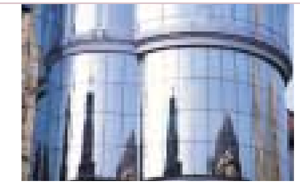


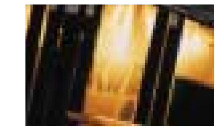












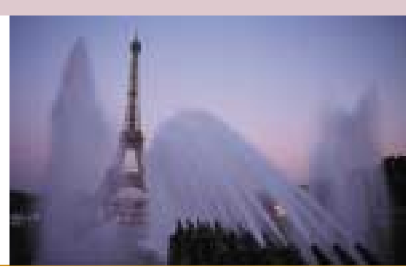
OVERVIEW

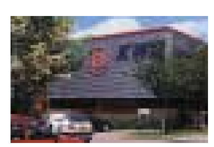
KWE's Europe and Africa headquarters consists of 10 subsidiaries of the KWE Group, covering regions as north as Sweden in Scandinavia, as east as Russia and as south as South Africa on the southern most tip of Africa. KWE's Russian and South African corporations are the only Japanese corporations founded locally in the respective countries. All subsidiaries mainly handle airfreight forwarding, as well as ocean freight forwarding, customs brokerage, collection and delivery and third-party logistics. They also emphasize land transportation to the now-unified Euro economic region and to Eastern Europe. Rotterdam is the hub for handling ocean freight forwarding that centers on transportation between Japan and Europe and between Asia, Oceania and Europe, contributing to more profits.

In Western European nations, KWE mainly handles imported goods from Japan, as well as semiconductors, semiconductor-manufacturing-device-related products, office equipment, automobile parts, information-communication devices and precision machinery. As for exports, products include machinery and automobile parts from Germany, CD and books from the United Kingdom, apparel and machinery from Italy, and pharmaceutical products from Switzerland. Somewhat unique are the numerous transportation of fresh food that KWE handles, such as paprika from the Netherlands, cheese from France and wine from South Africa. Many of the main clients are Japanese corporations such as the Matsushita Group, Alpine, Alps Electric, Asahi Glass, Fuji Electric, NEC, Epson, Mitsubishi Electric and Toyota Tsusho, as well as multinational corporations such as Quantum, Volvo, Lucent Technology and Ericsson.

FEATURES AND STRENGTH

KWE Group companies in Europe and Africa are not as large as those in the United States or in Asia and Oceania. The quality of their operation, however, is high, gaining praise among foreign-based Japanese companies and local companies alike for their thorough and attentive services. Compared to other KWE Group companies, these companies were established relatively new and are full of young energy. They also are the more localized ones in the Group, with the presidents of flagship companies in Russia, South Africa, Ireland, Switzerland and Italy being local nationals. The Group also includes Kintetsu Euro Transport, a company specializing in land transport, making it possible for large volumes of air- or sea- transported cargo to be delivered throughout Europe. In the United Kingdom, Germany and in South Africa, the KWE companies also are working to provide third-party logistics using distribution facilities. Catering, for instance, to a leading electric manufacturer's expansion in Europe, the companies feature a combination of two distinguished faces: that of a global forwarder and that of a corporate forwarder.





Europe & Africa

OVERVIEW OF FISCAL YEAR ENDED MARCH 31, 2000

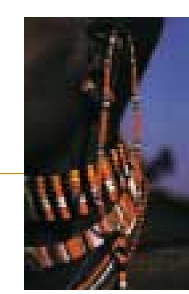
The economy in the European and African regions for fiscal year ended March 31, 2000 showed signs of recovery fueled by the introduction of the euro and the recovery of the Asian economy, and led by the export industry such as information-communication devices, office-automation-related devices and automobile parts for export to Asia. The fall of the local currency led to growth in exports. Although some of our purchasing rates from airlines were raised, the volume of cargo handled by KWE companies generally continued to be high. From France, KWE forwarded a large amount of Beaujolais Nouveau to Japan, using chartered flights in addition to regular flights. The project was so successful that KWE was again designated to handle it the next year.

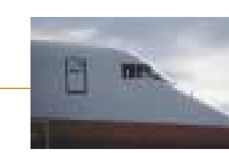
To enhance sales, KWE UK expanded its facilities in Blacknell. In addition, a strategic joint-sales agreement in the field of express cargo and logistics was concluded with the TNT Post Group for services between the Asian market, including Japan, and Europe.

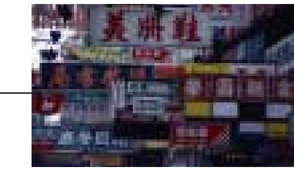
FUTURE STRATEGIES

The business environment for the Europe and Africa region is generally expected to be good, with a steady cargo movement backed by economic effects of the introduction of the common European currency, euro, and the favorable economy in Asian countries, including Japan. By countries, the Russian economic turmoil is expected to settle and boost cargo movement, while Eastern Europe, Hungary, Poland, Czech Republic and other industrialized nations may become the next target of Japanese corporations' advance. When the time is right, KWE plans to send employees from Japan to set up offices in these countries. Projects under consideration include expanding into providing third-party logistics using warehouses in South Africa, handling more industrial products and fashion products mainly from Milan in northern Italy, and KWE's Swiss corporation advancing into Lugano, an industrial city in Switzerland.

KWE's Europe and Africa companies plan to promote the comprehensive business tie-up with TNT for express cargo and logistics operations in the Asian region including Japan, striving to establish new businesses that are mutually beneficial. Specific plans that may be considered include developing services using the distribution facilities at the TNT Post Group's centrally located hub airport in Europe.







Asia & Oceania

OVERVIEW

In Asia and Oceania, there are 19 subsidiaries of the KWE Group. The headquarters covers the largest region among KWE's quadrilateral system, ranging as far north as the northeastern region of China, as south as Australia and Indonesia and as west as India. Like other regional corporations, these companies derive their income mainly from airfreight forwarding, ocean cargo forwarding , customs brokerage, collection and delivery, and warehouse-related businesses. KWE companies in Asia and Oceania focus especially on temporary storage and distribution processing operations. In Singapore, in Taiwan's Taoyen and in China's Futian and Shanghai, the KWE companies own or lease large-scale distribution facilities to meet the needs of European, American and Japanese corporate clients. From these regions where many such corporations have advanced, products such as computers and electronics parts, information-communication products such as mobile telephones, as well as household appliances, are directly shipped to Europe, and especially, the United States. By combining a variety of transportation modes through KWE's service network that spreads throughout nearby countries, KWE companies provide detailed services in forwarding product parts and semi-completed products between plants.

KWE's companies in the Asia and Oceania regions boast of being one of the largest in each country, ranking among the top in the industry in the amount of business handled in Singapore, Hong Kong, Malaysia, Taiwan and South Korea. The sheer volume of cargo handled by KWE companies gives them leverage in their purchasing rate negotiations with airlines. Computers, electronics parts such as semiconductors, semiconductor-manufacturing devices, information-communication devices such as mobile phones, household appliances such as TVs, and office equipment are the products of some of the world's best corporations whose distributions in this region are handled by KWE.

FEATURES AND STRENGTH

Catering mainly to foreign corporation, strong in a variety of freight forwarding and third-party logistics services using distribution facilities, KWE's services - combined with its information system - are second to none in the industry. KWE companies in each country built the foundation of distribution facilities soon after the companies were established. Such a move helped the companies meet the customer needs, and rapidly secured KWE's place among the top in each country. The Taoyen warehouse in Taiwan was bonded soon after it was established, facilitating temporary storage, distribution processing and re-exports of bonded export and import cargo. The distribution facilities in Singapore boast of being the largest among Japanese forwarders in the area, and are efficiently operated using computers, giving a whole new image of a distribution facility. In China, KWE was the first in the industry to advance there in the form of a merger. Headquartered in Beijing, KWE's network in China has expanded to include Dalian, Qingtao, Shanghai and Tienjin along the coastline where large volumes of cargo are handled. Network also stretches from Hong Kong to China's coastline such as Shenzheu, Zhuhai and Xiamen, as well as inland. Also busy are forwarding within East Asia, Southeast Asia and West Asia, using air, ocean and land transportation means. Here, the KWE companies worked as one with several European- and American-owned plants to establish their transportation system.

OVERVIEW OF FISCAL YEAR ENDED MARCH 31, 2000

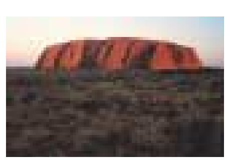
Economy in the Asia and Oceania regions for the fiscal year ended March 31, 2000 made a drastic recovery mainly with airfreight exports to Japan and the United States of information-communication devices, office-automation-related equipment, computers and peripheral electronics parts. All the KWE Group companies improved their results. Cargo movement was also seen in the latter half of the fiscal year for special demands related to the Year 2000 Problem. The rapid economic recovery, however, caused major problems in securing cargo space on airplanes. This supply-and-demand relationship prompted some airlines to raise their selling rates.

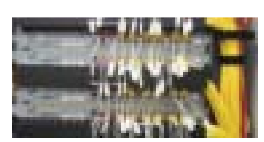
By cultivating mid-size good clients, KWE companies were able to increase the amount of export and import cargo handled in Asia. Sales enhancement measures included establishing a warehouse company in the Philippines and marketing offices in China's Dalian Airport, Malaysia's Kuching, and South Korea's Kangnam region in Seoul.

FUTURE STRATEGIES

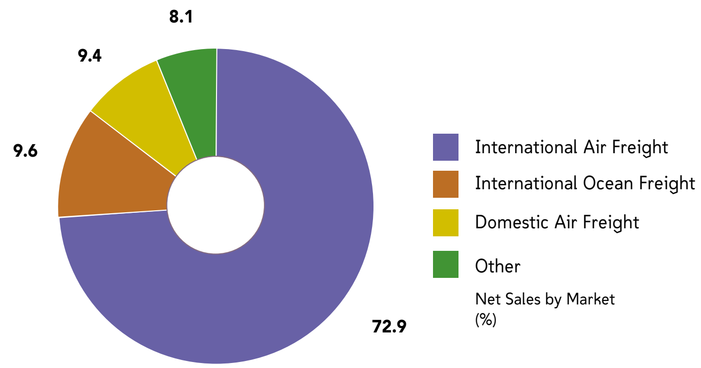
Backed by the booming economy in the United States and Asia, including Japan, cargo movement is generally projected to be favorable in the Asia and Oceania regions. Regional economy is expected to grow as much as by double digits with the recovering export industry actively investing in plants and equipment. While still placing airfreight forwarding at the center of its business, KWE companies plan to expand sales by incorporating the KWE Group's information network system in the field of third-party logistics, supply chain and e-commerce that characterize the region. In addition, new markets will be cultivated in addition to the coast region of China: More focus will be given on the inland regions as well as on India. At the same time, to enhance the financial structure of existing corporations and to improve the quality of sales, KWE will further develop its network of strategically located offices such as its Malaysian, Taiwanese and South Korean corporations.

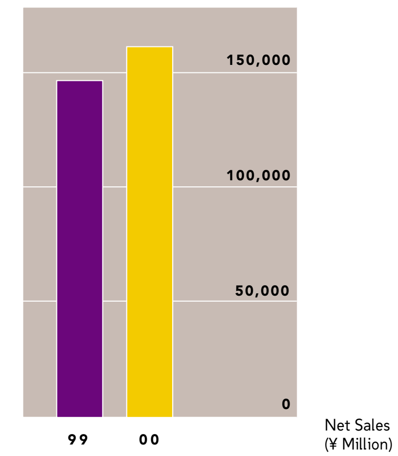
KWE companies plan to promote the comprehensive business tie-up with TNT for logistics operations in the Asian region including Japan, striving to establish new businesses that are mutually beneficial.

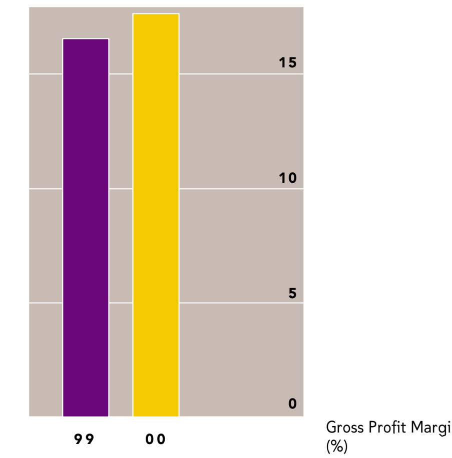




Unless otherwise noted, the financial information contained in this section is all based on the consolidated financial statements included in the annual report of Kintetsu World Express, Inc. (KWE), which were prepared on the basis of generally accepted accounting principles in Japan.







OVERVIEW

The consolidated financial statement for the fiscal year ended March 31, 2000 is composed of figures for Kintetsu World Express, Inc. 62 of its affiliated subsidiaries, and 3 companies which have been accounted for by the equity method.

The Compan's principal businesses are contracting for international and domestic freight transport, using airlines and ship companies as the means of transport and acting as an agent for airlines. The Company and the KWE Group as a whole also are involved in related fields of operation, including airfreight agency business, airfreight forwarding business, break-bulk business, customs brokerage business, transport brokerage business, general trucking business, temporary freight storage and storage space leasing service, indemnity insurance agency business, and foreign freight forwarding business.

The KWE Group is an individual segment of a freight transport, but it is divided into international air transport, international marine transport, domestic air transport, and other divisions for management purposes, and these divisions accounted for 72.9%, 9.6%. 9.4%, and 8.1% of Net Sales for the fiscal year, respectively.

A total of 44.5% of Net Sales came from overseas operations during this fiscal year: 16.6% from the Americas Division, 7.7% from the Europe and Africa Division, and 20.2% from the Asia and Oceania Division.

OPERATIONS

This fiscal year, KWE put forth a variety of measures to respond to the needs of its customers and to deal with the rapid changes in the business environment.

First, the company restructured its global management system from its previous five-polar structure to the present four-polar structure, combining its East Asia Division and its Southeast Asia/Oceania Division. This step has facilitated more timely and speedy management decision making.

In order to augment our sales bases overseas, KWE set up a warehouse company in Subic Bay, Philippines. To reinforce its overseas service structure, the Company also opened up new sales offices in Green Bay, Wisconsin, and Columbus, Ohio, U.S.A.; Lyon, France; China's Dalian Airport; Kuching, Malaysia; and Kangnam, South Korea. The Company also expanded its distribution facilities in Seattle, Washington, U.S.A., and Bracknell, England. On the domestic front, the Company set up a system to meet local needs by founding Kintetsu World Express Hokkaido, Inc. In order to deal with competition from integrators, KWE also formed a strategic alliance with TNT Post Group this fiscal year, setting up a structure for cooperation in the three areas of forwarding, logistics, and express freight in Europe and Asia, including Japan.

Thus the Company put forth a variety of policy measures on a global level this fiscal year. Helped also by the reinvigorated markets due to the overall recovery of the world economy, the Company's air and ocean imports and exports (by number of items and by weight) increased broadly over the previous year.

By number of items, air exports increased 14%, air imports increased 16%, ocean exports increased 17%, and ocean imports increased 16%. By weight, air exports increased 23%, air imports increased 25%, ocean exports increased 48%, and ocean imports increased 26%.

Market		Logistics Service Provided by KWE	
		Cargo handled	Type of service
International Airfreight Forwarding	Export	High-value-added products and parts, household appliances and parts, electronics parts, computers and parts	Export customs clearing, temporary storage, export consolidated dispatching, express cargo handling
	Import	High-value-added products and parts, computers and parts, electronics parts, high-quality apparels, express cargo	Import consolidated journalizing, import customs clearing, third-party logistics
International Ocean Freight Forwarding		Computers and parts, medical equipment and parts	Marine export/import consolidated, marine export/import customs clearing
Domestic Airfreight Forwarding			Domestic consolidated, third-party logistics

Net Sales

Net sales this fiscal year rose 9.8% over the previous year to 162.78 billion yen.

Operating Costs

Operating costs increased 8.4% during this fiscal year to 134.18 billion yen, but the percentage of Net Sales declined from 83.5% to 82.4%. This decline was attributable mainly to a reduction in domestic airfares caused by splitting off Kintetsu World Express Kyushu and Kintetsu World Express Hokkaido into separate companies and through efforts to economize on indirect costs.

The Company has no transport aircraft or ships of its own, so cost of sales consist mainly of the cost of freightage purchased from the airlines and shipping companies that its uses for transport, as well as the indirect costs of freight operation such as wages.

These direct costs rose 10.6% this year, to a total of 114.06 billion yen. For this reason, they amounted to 70.1% of net sales, a slight rise over the previous year's figure of 69.5%. One factor in this rise was increased business activity in the Asian region, which led to a shortage of cargo space and a corresponding increase in the freightage rates.

In addition, looking at the percentages for international airfreight, international ocean freight, domestic airfreight, and other areas, the percentage of net sales taken up by freight charges increased slightly in each line of business. The main factors for this includes the fierce price competition within the industry.

Future efforts to deal with this situation include pouring efforts in to value-added business areas, such as third-party logistics, with the idea of maintaining and raising profits.

Selling Expenses and General Administrative Expenses

KWE's selling and administrative expenses rose 6.5% to 23.69 billion yen, but their percentage to net sales declined from 15.0% to 14.6%.

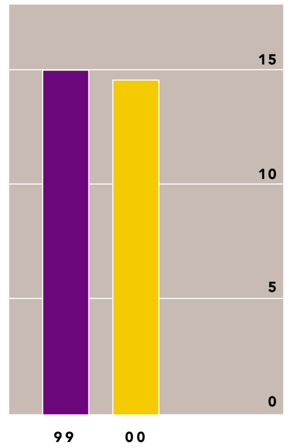
The Company made efforts to reduce costs, especially in domestic operations. This reduction was due mainly to holding down increases in personnel expenses.

Operating Income

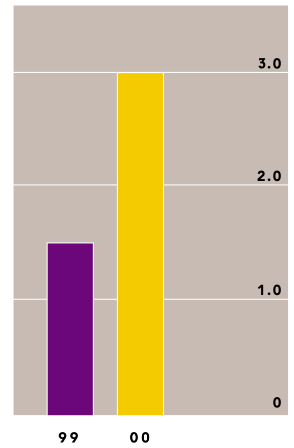
Operating income shows a significant increase over the previous fiscal year, rising 114.5% to 4.91 billion yen. A major factor in this rise was a decrease in the percentage of selling and administrative expenses. The operating income margin also improved, rising from 1.5% to 3.0%.

Other Income and Expenses

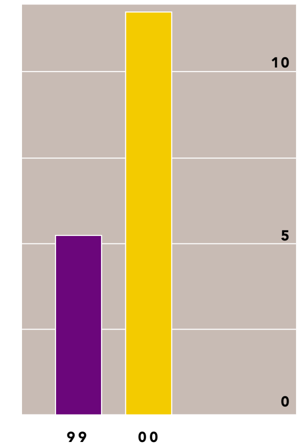
The net amount of other income and expenses added up to a loss of 483 million yen for the fiscal year. A major factor in this loss was 1.11 billion yen of interest payments. The amount of interest paid was nearly the same as in the previous fiscal year.



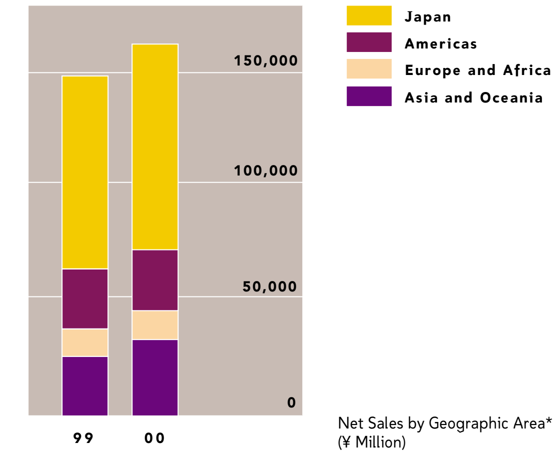
SGA Expenses to Net Sales
(%)



Operating Income Margin
(%)



ROE
(%)



Net Sales by Geographic Area*
(¥ Million)
* To outside customers

This fiscal year, however, unlike the previous year when the Company recorded a profit of 101 million yen in other income and expenses, there were no profits from the sale of marketable securities. This in turn led to the Company's recording a loss.

Income Before Income Taxes

This year's income before income taxes was 4.43 billion yen, an increase of 85.2% over the previous year.

Income Taxes

The company's income taxes rose 33.6% to 2.07 billion yen. This caused the effective tax rate to decline from the pervious year's 64.9% to 46.8% after adjustments were included. Beginning with this fiscal year, the company has adopted tax-effect accounting for use in its consolidated financial statement, but part of the difference in the effective tax rate is due to a reduction of the statutory tax this year from 47.68% to 42.05%.

Net Income

The Company's net income this fiscal year increased 140.4% to 2.24 billion yen. Because of this, net income per share of stock went from the previous year's 155.40 yen to 74.70 yen. The return on equity for this year was 11.8%.

According to the current annual report, earnings per share decreased from 155.40 yen to 74.70 yen, but that is because the stock split that occurred in November 1999 was calculated for reasons of convenience as if it had occurred only during this fiscal year. (See financial notes 2 and 7.)

TRENDS IN SEGMENTS BY LOCATION

Japan

This fiscal year, the Company took full advantage of its Group Network and made aggressive efforts in shared marketing. There were moves in the direction of recovery, especially in exports, as the Asian economies began to recover, and export airfreight moved into a favorable position, especially in the areas of computer-related devices and electronic components for the North American market, and electronic components, and semiconductor-related and information-related components for Asian markets.

In the area of import airfreight, sales improved with growth in information devices and high-quality perishable goods from Asia. On the other hand, the quantities of goods handled by the Company's domestic freight business remained flat, due to a stagnant economy and intensified competition.

As a result of these factors, net sales increased 7.0% to 91.23 billion yen, and operating income also increased 286.9% to 3.40 billion yen.

The Americas

This year, net sales from the Americas were 28.51 billion yen, an increase of 1.9% over the previous year. Although favorable economic conditions continued in the United States with KWE's main clients, information technology-related firms, serving as economic engines, the effects of the El niño phenomenon led to economic stagnation in the South American region. The result was a slight increase overall.

On the other hand, operating income decreased 39.5% to 370 million yen, due to the effects of economic stagnation in Central and South America.

In addition, KWE moved forward with a gateway system for exports and began moving into the area of third-party logistics. In Canada, the Company has also set up a new warehouse division at its Toronto headquarters and launched third-party logistics operations.

Although the Americas region saw an increase in net sales this year, most of the growth was in the Asia-Oceania region. Thus, net sales from the Americas region declined from last year's 18.1% of total Net sales to 16.6%.

Europe and Africa

This year, KWE has further developed its third-party logistics operations in the United Kingdom by expanding its distribution warehouses. The Company also carried out structural reform in Europe, consolidated its German ocean freight division at Rotterdam, the Netherlands, and otherwise attempted to strengthen its strategic base in Europe.

Net sales for this year in Europe was 13.14 billion yen, an increase of 1.0 % over the previous fiscal year, and operating income was 65 million yen, an increase of 52.1% over the previous fiscal year. However, as was the case for the Americas region, Asia and Oceania showed a greater increase in income, so Europe's percentage of total net sales fell from last year's 8.3% to 7.7%.

Asia and Oceania

This fiscal year, net sales in the Asia-Oceania region showed significant growth, increasing 32.2%, and operating income was 1.03 billion yen, a 46.0% increase over the previous fiscal year. In addition, this region's percentage of total net sales grew from 16.7% to 20.2%. The main reasons for this increase in revenue were signs of recovery in the Asian economies, especially their exporting industries, and the Company's active cultivation of leading medium-sized clients. On the other hand, however, the major growth in exports has led to problems with insufficient cargo space and increases in freightage purchase rates.

FINANCIAL POSITION

This fiscal year, KWE's total assets increased 6.4% to 92.73 billion yen.

Looking at the individual factors, the Company's current assets grew 13.6% to 55.90 billion yen. This, however, was due mainly to an increase in liquidity caused by this fiscal year's net income, as well as in increase in accounts receivable. Cash and cash equivalents increased 31.5% this year to 12.32 billion yen, while accounts receivable rose 11.6% to 40.28 billion yen.

Since the Company disposed of some long-term receivables this year in order to improve asset efficiency, investment accounts decreased 4.2% to 7.45 billion yen, and the total amount of tangible fixed assets was reduced 6.2% to 26.92 billion yen.

On the other hand, total liabilities increased 4.5% to 71.87 billion yen. Current liabilities increased 14.7% to 54.03 billion yen, but this was attributable mainly to 4.31 billion yen in long-term debts that have remaining maturity of less than one year, and an 18.7% increase in accounts payable to 22.75 billion yen.

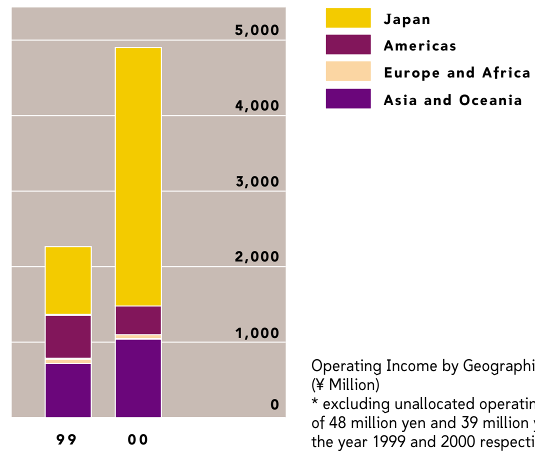
Long-term debts decreased 20.3% to 15.55 billion yen. These were a main factor in this year's 17.8% decrease in the Company's fixed liabilities to 17.83 billion yen.

Meanwhile, the Company's shareholders' equity rose 13.0% to 20.22 billion yen. This was due mainly to a 15.7% rise in retained earnings this fiscal year to 17.22 billion yen, caused by this fiscal year's net income. Another reason for this increase in the retained earnings was the adoption of tax effect accounting this fiscal year, which caused the Company to post retained earnings of 672 million yen at the end of the fiscal year. As a result, equity ratio rose from 20.5% at the end of the previous fiscal year to 21.8%.

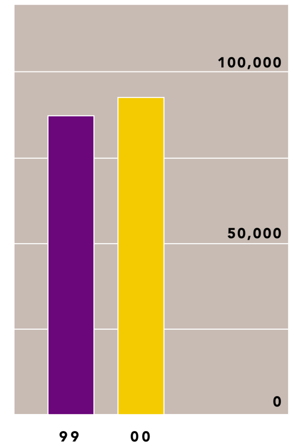
LIQUIDITY AND SOURCES OF CAPITAL

The Company's ability to generate cash flow from its operations and continue investment in new growth fields for the 21st century is recognized as one of the most important elements in increasing its corporate value.

During this fiscal year, KWE generated 3.68 billion yen in cash flow and 3.66 billion yen in free cash flow from its operations. This contributed to the Company's investment capacity for increasing long-term stock values and strengthening the Company's balance sheet. In addition, the Company's management team has always striven to maintain sufficient



Operating Income by Geographic Area*
(¥ Million)
* excluding unallocated operating income of 48 million yen and 39 million yen for the year 1999 and 2000 respectively.



Total Assets
(¥ Million)

liquidity in order to ensure flexible development and expansion of corporate strategies and respond to changes in the business environment. As a result, by the end of this fiscal year, the Company's cash and cash equivalents had increased 2.92 billion yen to 12.25 billion yen.

Since KWE began creating its consolidated cash flow account statements in accordance with changes in Japanese accounting standards this fiscal year, comparisons cannot be made with the previous year. During this fiscal year, however, the Company obtained cash and cash equivalents worth 3.68 billion yen.

Cash used in investment activities this year amounted to 22 million yen, while payment for the purchase of property and equipment were 1.01 billion yen. This was attributable mainly to expenditures for the expansion and augmentation of terminal and office facilities aimed to enhance the Company's distribution services.

Finally, cash used for financial purposes amounted to 466 million yen, and this was attributable mainly to repayment of loans.

RISK MANAGEMENT

In the normal course of its operations, the Company is exposed to market risks from the currency exchange rates, interest rates, and stock prices. In order to partly diminish or completely eliminate the market risks from fluctuations in foreign exchange rates, the Company makes use of exchange forward contracts. Otherwise, the Company makes no use of these products for purposes of investment or short-term trading.

Moreover, all exchange forward contracts carried out by KWE is within the range of the risk borne on the balance sheet, and the Company does not purchase leveraged products or take part in options trading. Furthermore, the Company's financial managers strictly supervise any transactions involving these products. Thus, the Company's derivative financial products are cancelled out by the risks in the assets and liabilities on the balance sheet. In addition, there are no transactions off the balance sheets, since any foreign currency-based bonds and debt concluded along with foreign exchange contracts are shown on the balance sheet in Japanese currency.

Otherwise, KWE may be exposed to non-financial or non-quantifiable risk in the course of its normal operations. These include country risks, credit risks and legal risks. Because of their unpredictability, however, they have not been recorded in this year's annual report.

The Year 2000 Problem

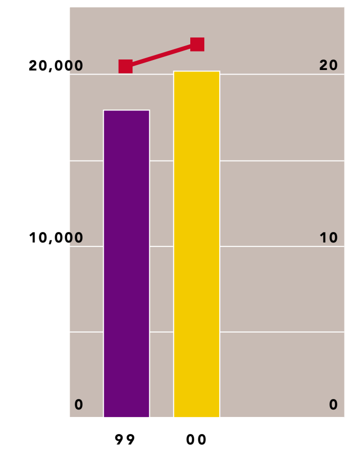
In the interest of continuity in its day-to-day operations, KWE made company-wide efforts to minimize the possibility of any effects of the so-called Year 2000 problem on the Company's operations.

Between December 31, 1999 and January 1, 2000, KWE deployed staff members well-versed in this problem to oversee its main computer systems, and implemented a comprehensive set of checking operations by managers at every branch of the Company, both in Japan and overseas. It was determined that the Year 2000 Problem had no significant effect on the Company.

Modifications to Pension Accounts

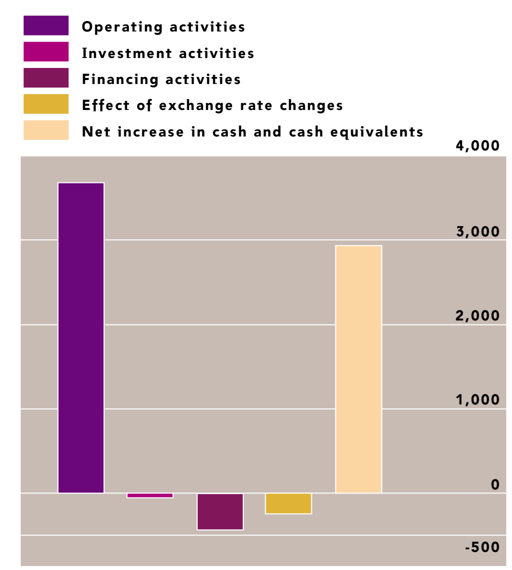
At present, employees of KWE and several of its subsidiaries are normally qualified to receive a lump-sum retirement payment, the amount of which varies depending on the benefits at that time and the employee's years of continuous service. In addition, they are qualified to receive a defined-benefit company pension partly covered by the employees' pension scheme under the Welfare Pension Insurance Law.

At the end of this fiscal year, the current value of the Company's estimated future retirement benefit liabilities was 13.5 billion yen, discounted 3.5%. Since the balance in the pension fund was 9.9 billion yen, there was a shortfall of 3.6 billion yen.

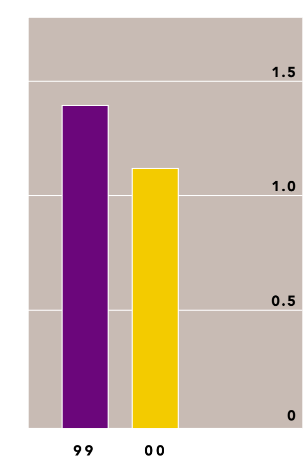


Shareholders' Equity and Equity Ratio
(¥ Million, %)
Equity Ratio

KWE plans to meet this shortfall by amortizing its pension benefit reserve fund on an equal basis over 15 years, beginning in the fiscal year ending March 31, 2001. Thus, over the next 15 years, the Company will post about 240 millions yen of operating expenses each year.



Cash Flows
(¥ Million)



Working Capital to Net Sales
(%)

Toshio Kumokawa
President and
Chief Executive Officer

Hirokazu Tsujimoto
Senior Managing Director
and
Chief Operating Officer

Akira Takei
Managing Director and
Chief Administration Officer

Yutaka Moriyasu
Managing Director and
Chief Marketing Offier,
Domastic Cargo

Yoshiaki Matsuda
Managing Director and
Chief Corporate Planning and
Finance Officer

Shigeru Mori
Managing Director and
Chief Group Strategic
Management Officer

Norihiro Fujita
Director and Vice President-
the Amerias

Kiyoshi Kataoka
Director and
Chief Marketing Officer
Air Imports

Eiji Ushio
Director and Chief
Information Officer

Takeo Shimomura
Director and Chief Marketing
Officer, Air Exports

Yoichi Tanaka
Director and Vice President-
Asia and Oceania

JAPAN

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Kintetsu Almax, Inc.
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<Fax> 03-3259-8465

Kintetsu Cosmos Tokyo, Inc.
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<Fax> 03-5755-6599

"Q" Net Osaka, Inc.
2-1-25 Umemachi, Konohana-Ku, Osaka-city 554-0032
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<Fax> 06-6466-9002

KWE Logistics, Inc.
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<Fax> 0479-78-0881

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<Fax> 03-5443-2757

Kintetsu World Express Sales West, Inc.
Minamisenba Yuzu Bldg. 3-2-4 Minami-Senba, Chuo-ku, Osaka-City, Osaka 542-0081
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<Fax> 06-6241-0291

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<Fax> 011-864-5128

Kintetsu e- Support, Inc.
4th Fl., Kyodo Bldg., 7-15-5 Ginza, Chuo-Ku, Tokyo 104-0061
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<Fax> 03-5565-5471

AMERICAS

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Kintetsu Intermodal (U.S.A), Inc.
1035 Watson Center RD., Carson. Ca 90745. U.S.A.
<Tel> 1-310-522-1060
<Fax> 1-310-834-3880

Kintetsu World Express (Canada), Inc.
6405 Northam Drive, Mississauga, Ontario L4V 1J2, Canada
<Tel> 1-905-677-8830
<Fax> 1-905-673-8689

Kintetsu World Express Do Brasil Servicos S/C Ltda.
AV. Miruna, 700-Moema, Cep 04084-002, Sao Palou, SP. Brasil
<Tel> 55-11-536-0642
<Fax> 55-11-240-0229

World Wide Customs Brokers Ltd.
106, 2730-39Th Avenue. N.E Calgary, Alberta, T1Y 7H6 Canada
<Tel> 1-403-291-2543
<Fax> 1-403-291-0361

Kintetsu World Express De Mexico S.A De C.V.
Ave. Fuerza Aerea Mexicana No. 128, Local 4 Col. Federal, C.P. 15700. Mexico City.
<Tel> 52-5-260-7576
<Fax> 52-5-260-8123

Gsxxi, Inc.
1031 Watson Center Road, Carson, Ca 90745 U.S.A.
<Tel> 1-310-522-9818
<Fax> 1-310-522-1001

Kintetsu World Express Latin America Inc.
8551 Kintetsu Way, Miami, Fl33122, U.S.A.
<Tel> 1-305-592-8414
<Fax> 1-305-592-8809

Kintetsu World Express Panama Inc.
Galeria Alvear, Via Argentina #2, Bella Vista Panama, Republic Of Panama
<Tel> 507-223-7806
<Fax> 507-223-9172

Kintetsu World Express Del Peru S.A.
Gonazales Olaecheo No. 271, San Isidro, Lima 27, Peru
<Tel> 51-442-4162
<Fax> 51-421-5297

Kintetsu World Express De Colombia Ltda.
Cra, 70 No. 115-33 Of. 405 Torre Abn Amro Bank Santa Fe De Bogota, Colombia
<Tel> 57-1-6400567
<Fax> 57-1-6401049

Kintetsu Blue Grass, Inc.
Suite 326, Jericho Quadrangle, Jericho, NY 11753 U.S.A.
<Tel> 1-516-933-7100
<Fax> 1-516-933-7701

Kintetsu World Express Venezuela, S.A.
Edificio Kintetsu, AV. Milan, Los Ruices Sur / AP. 1071, Caracas, Venezuela
<Tel> 58-2-257-2322
<Fax> 58-2-257-9166

Kintetsu Flexipak, Inc.
3414 YALE Street, Houston, TX 77018, U.S.A
<Tel> 1-713-862-2232
<Fax> 1-713-862-2343

Kintetsu Glocal I.T., Inc.
1950 N. Stemmons, Suite 3061 Dallas, TX 75207, U.S.A.
<Tel> 1-214-775-1400
<Fax> 1-214-775-1401

Kintetsu World Express Chile Limitada
Padre Mariano 115, Providencia-Santiago, Chile
<Tel> 56-2-236-3439
<Fax> 56-2-235-4666

KWE Agentes Aduanales, S.A.
Edificio Kintetsu, AV. Milan, Los Ruices Sur / AP. 1071, Caracas, Venezuela
<Tel> 58-2-257-2322
<Fax> 58-2-257-0823

Kintetsu Aduanas S.A.
Gonzales Olaechea No. 271, San Isidro, Lima 27, Peru
<Tel> 51-1-442-9993
<Fax> 51-1-421-5297

Kintetsu World Express De Costa Rica S.A.
Edificio Plaza Dorada 2, Colegios Este Moravia, San Jpse, Costra Rica
<Tel> 50-6-236-1829
<Fax> 50-6-236-0897

Kintetsu Almacenes Generales
Edificio Kintetsu AV. Milan. Los Ruices Sur AP. 1071, Caracas, Venezuela
<Tel> 58-2-2572322
<Fax> 58-2-2579166

EUROPE

Kintetsu World Express (U.K) Ltd.
Unit 2, Poyle 14, Newlands Drive, Colnbrook, Slough, Berkshire, SL3 ODX, U.K.
<Tel> 44-1753-684997
<Fax> 44-1753-682054

Kintetsu World Express (Deutschland) Gmbh.
Wahlerstrasse 37, 40472 Duesseldorf, Germany
<Tel> 49-211-6559-0
<Fax> 49-211-6559-189

Kintetsu World Express (France) S.A.
Batiment10, Garonor 93611 Aulnay Sous Bois
<Tel> 33-1-4814-5959
<Fax> 33-1-4814-5960

Kintetsu World Express (Benelux) B.V.
Valkweg 126, 1118 ED. Schiphol -South, The Netherlands
<Tel> 31-20-6010481
<Fax> 31-20-6041015

Kintetsu World Express (Ireland) Ltd.
Unit L2, North Ring Business Park, Santry. Dublin 9, Ireland
<Tel> 353-1-8623455
<Fax> 353-1-8623555

Kintetsu World Express South Africa (PTY) Ltd.
8 Geertsema Rd., Jet Park, Boksburg, Gauteng, South Africa
<Tel> 27-11-397-1900
<Fax> 277-11-397-1030

Kintetsu Euro Transport Ltd.
Willoughby Rond, Bracknell. Berkshire, RG12 8FD U.k.
<Tel> 44-1344-488767
<Fax> 44-1344-488768

Kintetsu World Express (Switzerland) Ltd.
Grindelstrasse 9, Ch-8303 Bassersdorf, Switzerland
<Tel> 41-1-8384488
<Fax> 41-1-8384489

Kintetsu World Express (Italia) S.R.L.
Via Londra 22, Milano Oltre, 20090 Segrate Milano, Italia
<Tel> 39-02-26950092
<Fax> 39-02-26950188

Kintetsu World Express (R), Inc.
Chasonova ST. 24, Bldg. 1 Office 401, Moscow 125315 Russia
<Tel> 7-095-155-4592
<Fax> 7-502-937-3265

Kintetsu World Express, Inc. Sweden Representative Office
c/o Air Cargo Express AB
Soderbyvagen 13 Marsta 195 60, P.O.Box 18, S-190 45 Stockholm-Arlanda, Sweden
<Tel> 46-8-591-28620/28955
<Fax> 46-8-591-29490

Kintetsu World Express, Inc. Dubal Representative Office
P.O.Box 29543, Dubai, U.A.E
<Tel> 971-4-3946983
<Fax> 971-4-3946984

ASIA & OCEANIA

Kintetsu World Express (H.K.) Ltd.
C/F, Sunshine Kowloon Bay Cargo Center, 59 Tai Yip St., Kowloon, Hongkong
<Tel> 852-2796-1176
<Fax> 852-2756-8803

KWE-Kintetsu World Express (S) Pte Ltd.
20 Changi South Avenue 2, Singapore 486547 Singapore
<Tel> 65-542-7778
<Fax> 65-545-6008

Kintetsu World Express (Taiwan), Inc.
3FL., No.99, Sec.2, Chang An E. Rd., Taipei, Taiwan
<Tel> 886-2-2506-3151
<Fax> 886-2-2506-9290

Kintetsu Integrated Air Services Sdn Bhd
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<Tel> 60-3-733-2466
<Fax> 60-3-737-2142

Kintetsu World Express (Thailand) Co., Ltd.
Green Tower Bldg., 3Rd Fl., 3656/7 Rama 4 Road, Klongton, Klongtoey, Bangkok 10110. Thailand
<Tel> 66-2-367-3161
<Fax> 66-2-249-3982

Kintetsu World Express (Australia) Pty Ltd.
Unit 8. Harcourt Estate, 2-16 Harcourt Parade, Rosebery, N.S.W. 2018 Australia
<Tel> 61-2-9667-2300
<Fax> 61-2-9667-2262

Kintetsu World Express (Shenzhen) Co., Ltd.
51-5, Hongliu Load, Futian Free Trade Zone, Shenzhen, Guandong Province, China
<Tel> 86-755-359-8777
<Fax> 86-755-359-0782

Kintetsu World Express (Korea) , Inc.
Insong Bldg., 395-3, Hapjung-Dong, Mapo-ku, Seoul, Korea
<Tel> 82-2-322-2508
<Fax> 82-2-326-0387

Beijing Kintetsu World Express Co., Ltd.
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Chaoyang District, Beijing 100020, P.R.China
<Tel> 86-10-6561-1662
<Fax> 86-10-6561-1658

Kintetsu World Express (India) Pvt Ltd.
Unit 106, Embassy Square, 148, Infantry Road,
Bangalore 560001, INDIA
<Tel> 91-80-228-3891
<Fax> 91-80-228-3894

Kintetsu World Express (Philippines) , Inc.
Units 103 & 104 Jjm Bldg., 11 Ninoy Aquino Av.,
Paranaque City, Metro Manila, Philippines
<Tel> 63-2-852-9220
<Fax> 63-2-852-9212

Kintetsu Logistics (M) Sdb. Bhd
No. 15, Jalan Pjs 7/19, Bandar Sunway, Petaling
Jaya, Selangor Darul Ehsan, Malaysia
<Tel> 60-3-733-2466

Kintetsu South China Co., Ltd.
C/F, Sunshine Kowloon Bay Cargo Centre, 59 Tai
Yip St., Kowloon, Hong Kong
<Tel> 852-2796-1176
<Fax> 852-2756-8803

Kintetsu Far East Development Co., Ltd.
C/F, Sunshine Kowloon Bay Cargo Centre, 59 Tai
Yip St., Kowloon, Hong Kong
<Tel> 852-2796-1176
<Fax> 852-2756-8803

Kintetsu Intermodal (Thailand) Co,. Ltd.
Green Tower Bldg., 3Rd Fl., 3656/8 Rama 4 Road,
Klongton, Klongtoey, Bangkok 10110, Thailand
<Tel> 66-2-367-3176
<Fax> 66-2-249-3950

Kintetsu South Asia Development Pte Ltd.
20 Changi South Avenue 2, Singapore 486547,
Singapore
<Tel> 65-542-7778

Shanghai Kintetsu Logistics Co., Ltd.
Waigaoqiao Free Trade Zone, Pu-Dong New District,
Shanghai P.R.O.C.
<Tel> 86-21-5048 1166
<Fax> 86-21-5048 1472

Kintetsu World Express (Subic) Inc.
Building 8116 Argonaut Highway, Cubi Point, Subic
Bay Free Port Zone, Philippines
<Tel> 63-47-252-8668/8669
<Fax> 63-47-252-8669

Kintetsu Intermodal (Taiwan), Inc.
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Taiwan Roc.
<Tel> 886-2-2506-3151
<Fax> 886-2-2506-9290

Kintetsu World Express, Inc. Vietnam Representative Office
Vietrans Saigon Bldg., 147 Nguyen Tat Thanh
Street, Dist. 4, Hochiminh City
<Tel> 84-8-8261323/8261324
<Fax> 84-8-8261325

Jakarta Representative Office : KWE Division of P.T. Ritra Cargo Indonesia
2nd Fl., Rutra Bldg., Ji. Wr. Buncit Raya No. 6, P.O.
Box 4747 JKT, Jakarta 12740
<Tel> 62-21-797-0917
<Fax> 62-21-798-2193

Kintetsu World Express, Inc. (KWE)

Head Office:
Otemachi Bldg., 1-6-1
Otemachi, Chiyoda-ku, Tokyo 100-0004, Japan
Phone: 03-3201-2580

Established:
January 1970

Paid-in Capital:
¥ 3,000 million

Number of Common Stocks:

Authorized	120,000,000 shares
Issued and outstanding	30,000,000 shares

Investor Relations:
Kintetsu World Express, Inc. (KWE)
Public Relations
Otemachi Bldg., 1-6-1
Otemachi, Chiyoda-ku, Tokyo 100-0004, Japan
Phone: 03-3201-2654
Fax: 03-3201-2666

No. of Employees:
5,213 (consolidated)

Web Site Address:
www.kwe.com

(as of March 31, 2000)

Subsequent Event:
On September 12, 2000, Kintetsu World Express, Inc. was listed on The Nasdaq Japan Market, a section of Osaka Securities Exchange. The following are the information after this listing.

Paid-in Capital:
¥ 5,212 million

Number of Common Stocks:
Issued and outstanding 34,000,000 shares

General Annual Meeting:
The annual meeting of shareholders of the Company is held every June in Tokyo, Japan.

Transfer Agent:
Daiko Shoken Business Co., Ltd.
Transfer Agent Department
Phone: 03-3666-2233