

2004
ANNUAL REPORT

FUJI LOGISTICS CO., LTD.

PROFILE

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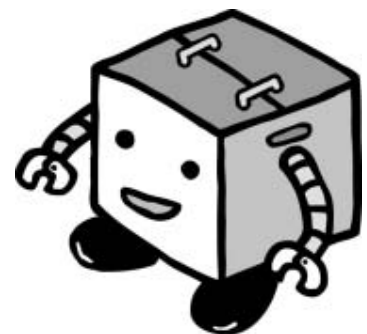


Fuji Logistics Co., Ltd. aims to contribute to society by creating leading-edge comprehensive logistics services and strengthening our relationships of trust with local communities, customers and partners.

With the patronage and support of our customers and stockholders we have been able to achieve a stable management base and grow to what we are today.

Fuji Logistics Co., Ltd. aims to become a logistics company with a superior ability to propose solutions, based on our corporate philosophy of “Comprehensively realizing the logistics innovation of our customers.” This objective derives from our corporate vision of “Being the pioneer of logistics service with heart” to fully meet the diversifying needs of our customers.

We have recently created the Company’s mascot, “Fuji Pack’n” a cardboard-box robot, who embodies the image of warmth and the sense of security implicit in our mission. From now, we will use “Fuji Pack’n” to communicate information on our mission and services to the public effectively.



FINANCIAL HIGHLIGHTS

Three-Year Summary

FUJI LOGISTICS CO., LTD. and consolidated subsidiaries

Years ended March 31

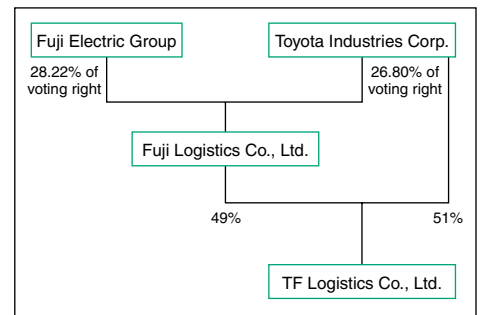
	Thousands of yen			Thousands of U.S. dollars (Note)
	2002	2003	2004	2004
For the year:				
Service revenues	¥ 33,359,810	¥ 34,087,692	¥ 34,069,320	\$ 324,470
Operating income	299,251	545,902	795,808	7,579
Ordinary income	353,443	571,398	805,501	7,671
Net income	124,687	662,493	358,953	3,419
At the year-end:				
Total assets	¥ 24,489,008	¥ 23,593,133	¥ 24,261,296	\$ 231,060
Shareholders' equity	9,953,170	10,348,451	10,528,198	100,269
		yen		U.S. dollars (Note)
	2002	2003	2004	2004
Per share:				
Net income	¥ 5.00	¥ 25.77	¥ 13.13	\$ 0.13
Shareholders' equity	401.39	422.20	429.12	4.09
Cash dividends	7.00	7.00	7.00	0.06
Other data:				
Number of employees	871	803	800	

Note: Yen amounts have been translated into U.S. dollars, solely for convenience, at the exchange rate of ¥105= U.S.\$1.00.

A MESSAGE FROM THE PRESIDENT



Toyota Industries Corp. in the general area of the logistics service. The purpose of this affiliation is to actively make proposals for and to provide a low-cost and highly efficient total logistics service that includes international logistics through cooperation among the three companies. We will also respond to the needs of our customers for the rationalization of logistics and outsourcing by developing and providing new high value-added services, such as fabrication and maintenance services for electric and electronic equipment, which represent an advance over conventional logistics services.



During this fiscal year, the Japanese economy saw signs of recovery, underpinned by exports and investments in plant and equipment, reflecting a recovery in the world economy. However, the deflationary trend continued and the business climate remained severe. In the logistics industry, the volume of production-related cargo remained steady because of the increase in investments in plant and equipment. However, the volume of construction-related cargo declined with the fall in public investment. The total transport volume is expected to be lower than in the previous year. Under these difficult conditions, in May 2003, our Group prepared and began implementing a three-year, medium-range business plan for fiscal years 2003-2005. We established our basic mission of "Comprehensively realizing logistics innovation for our customers" as a "Pioneer of logistics service with heart," with the aim of becoming a company with presence in the

logistics industry. To achieve these objectives, we provide our customers with superior logistics services even under harsh conditions, and actively endeavor to expand our business by clarifying our business area and identifying our expansion strategy.

Specifically, our logistics solution business achieved positive results through new orders for our 3PL and the excellent distribution and processing services from a trading company involved in artificial flowers, dried flowers and interior goods, and from companies selling used office automation equipment and machines. We also made a sustained effort to increase orders and enhance our broad-based, high-quality logistics services by adding a call center function to the conventional 24 hour 7 day logistics service for maintenance parts.

In March 2004, as part of our medium-range business plan, we entered into a business and capital affiliation with Fuji Electric Holdings Co., Ltd. and

As a first step in the business affiliation, on April 21, 2004, we established TF Logistics Co., Ltd., a joint corporation with Toyota Industries Corp. The capital stock of the corporation is ¥100 million, and the equity shares are 51% for Toyota Industries Corp. and 49% for Fuji Logistics Co., Ltd. We will call on the expertise and networks of both companies to develop and provide logistics outsourcing services and new highly value-added services.

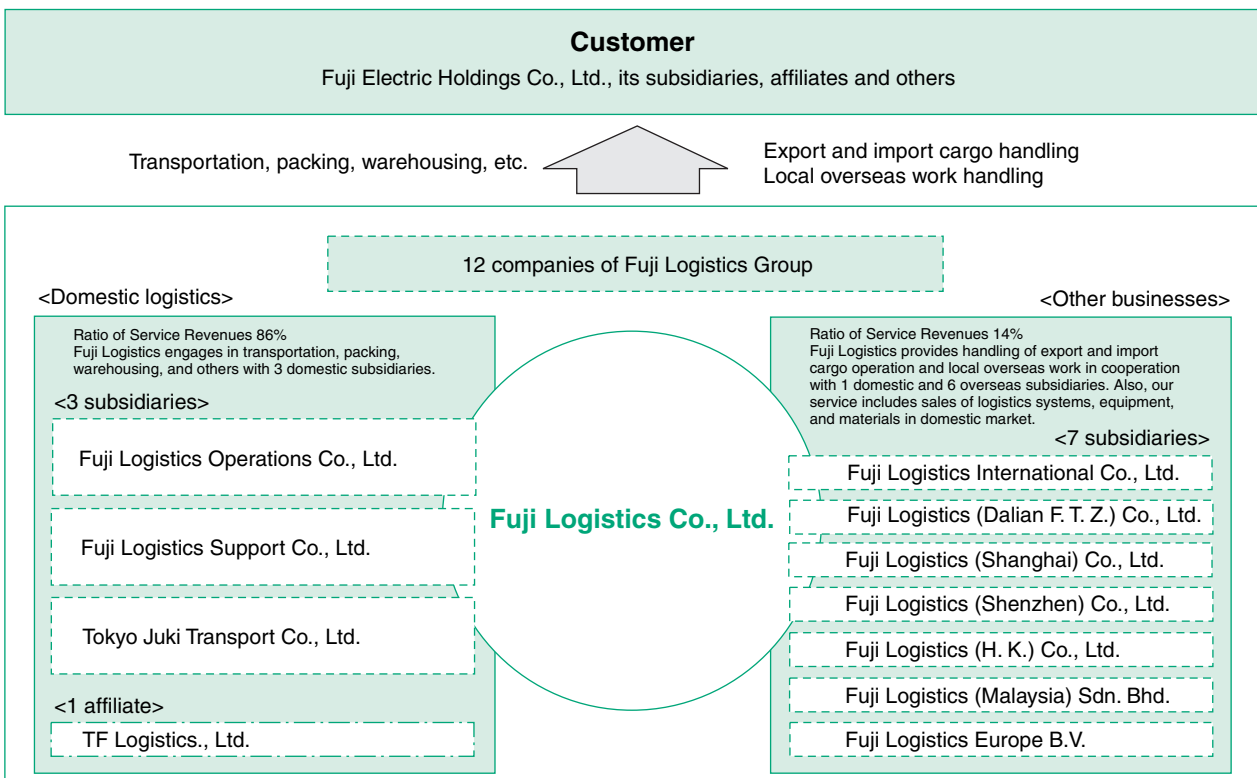
Moreover, we established an Ethics Panel on October 1, 2002 for promotion of compliance and established an internal ethics code "Fuji Logistics Code of Conduct." We are dedicated in our continuing efforts to enhance our corporate governance.

Yasuhiro Nakao

Yasuhiro Nakao
President and Representative Director



Fuji Logistics Co., Ltd. was established by spinning off and consolidating the logistics divisions of Fuji Electric group in 1975. Since that time, the firm has provided logistics services to Fuji Electric group companies. Today, we are providing services to a broader range of customers through the application of a range of skills and expertise acquired over many years. To meet the diversifying demands of our customers, we have proposed services that are superior to conventional logistics services, while retaining our logistics solution business as our core business.



Note:

1. Fuji Logistics (Shenzhen) Co., Ltd. was established as a wholly owned subsidiary of Fuji Logistics (H.K.) Co., Ltd. on December 13, 2003.
2. TF Logistics Co., Ltd. was established through a joint equity contribution by Toyota Industries Corp. and Fuji Logistics Co., Ltd. on April 21, 2004. The equity shares are 51% for Toyota Industries Corp. and 49% for Fuji Logistics Co., Ltd.

OPERATING RESULTS

outside of the Fuji Electric Group declined 368 million yen or 2.3% to 15,987 million yen (46.9% of the total). We received new orders for 3PL services and similar services from a trading company involved in artificial flowers, dried flowers and interior goods, and from companies selling used office automation equipment and machines. We also expanded 3PL services for industrial sewing machine makers in Fuji Europe (Holland). Orders for our 24 hour 7 day service also increased, however, the results declined from those of a year earlier because of the revision or termination of unprofitable transactions and the demand for price reductions from customers.

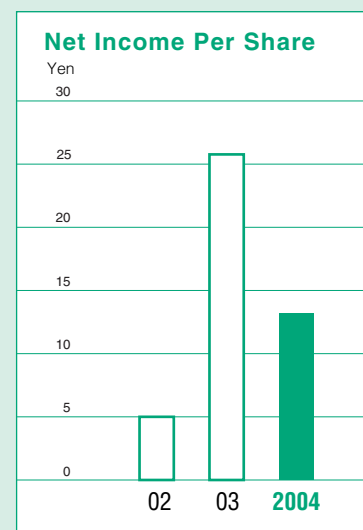
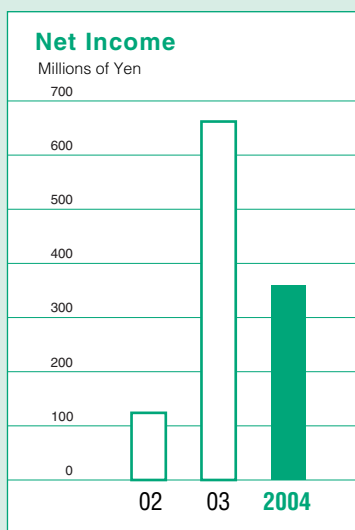
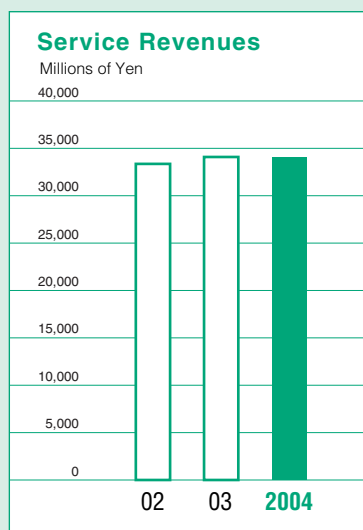
Operating income increased 250 million yen, or 45.8%, to 796 million yen because of the termination of unprofitable transactions and an overall reduction in operating costs.

Ordinary income rose 234 million yen or 41.0% to 806 million yen.

In the absence of the large other income recorded in the previous fiscal year from the return of the substitutional portion of the welfare pension fund plan, net income declined 304 million yen, or 45.8%, to 359 million yen, despite an increase in ordinary income.

Fuji Logistics posted a year-on-year decline in service revenues of 18 million yen (or 0.1% decrease), to 34,069 million yen. Service revenues relating to the Fuji Electric Group rose 350 million yen, or 2.0%, to 18,082 million yen (53.1% of the total). The volume of electronic parts handled by domestic and foreign affiliated companies and the volume of standard electric equipment handled in Japan

increased. As for vending machines, the domestic transport volume increased, but shippers reduced inventory, causing a decline in service revenues. The domestic transport volume for power generation and transformer plants increased, but service revenues decreased because of a decline in export-related orders. The domestic sales and logistics business suffered from a slowdown in cargo movement. The service revenues for customers



[Domestic logistics]

(Transportation, packing and warehousing businesses in Japan)

There was an increase in the volume of electronic parts and standard electric equipment handled for the Fuji Electric Group. The transportation volume increased for vending machines, but shippers reduced inventory, causing a decline in service revenues. Domestic sales and the logistics business suffered from the slowdown in the movement of cargo. With respect to business with customers

outside the Fuji Electric Group, new orders for 3PL services and similar services were received from a trading company of artificial flowers, dried flowers and interior goods, and companies selling used office automation equipment and machines. However, the results were below those of a year earlier because of the revision or termination of unprofitable transactions and customer demands for price reductions.

	Millions of Yen			
	FY2003	FY2004	Variation Amount	Variation (%)
Service revenues	29,188	29,278	90	0.3
Operating income	519	733	214	41.2

[Other businesses]

(Export and import handling in Japan, overseas local logistics, sales of logistics systems and equipment and materials)

We posted an increase in the volume of electronic parts handled for the foreign affiliates of the Fuji Electric Group and the expansion of 3PL services for industrial sewing machine makers in our European

subsidiary (Holland). However, service revenues decreased from those of a year earlier because of a decline in orders received for the export of power generation and transformer plants to the Fuji Electric Group.

	Millions of Yen			
	FY2003	FY2004	Variation Amount	Variation (%)
Service revenues	4,900	4,791	(109)	(2.2)
Operating income	28	63	35	124.1

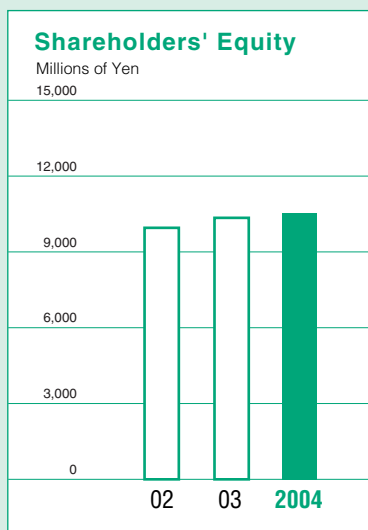
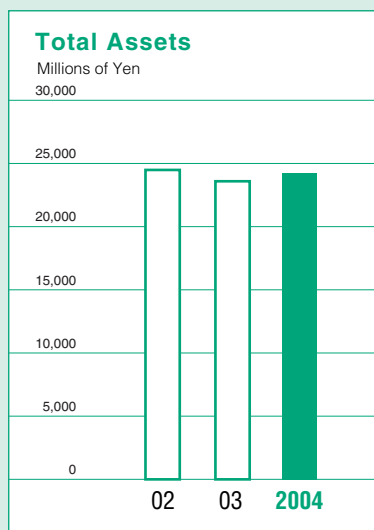
Cash Flows

Cash and cash equivalents at the end of the fiscal year decreased 513 million yen from the end of the previous fiscal year, to 2,515 million yen. The respective cash flow categories and the factors behind those flows are as follows.

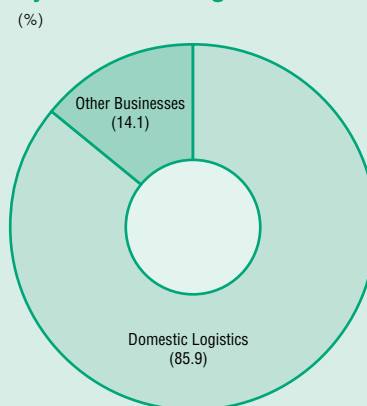
(Cash flows from operating activities)
Net cash flow increased 898 million yen as a result of the operating activities. This primarily reflected an increase in operating income (up 45.8% from the previous year), which was supported by an improvement in gross profit. This improvement was achieved through a number of initiatives, including rationalization, which offset basically flat revenues and the effects of a change in the payment terms for major customers.

(Cash flow from investing activities)
Net cash flows declined 1,168 million yen as a result of investing activities. The decline was due mainly to the major investment in acquiring land for a logistics center. Meanwhile, efforts were made to improve cash flows by securitizing guarantee deposits and selling assets, namely land and investment securities.

(Cash flows from financing activities)
Net cash flows decreased 232 million yen as a result of the financing activities. This decline was due to a 43 million yen increase in borrowings, a 100 million yen decrease in bonds and the payment of 171 million yen in dividends.



Service Revenues Composition Ratio by Business Segment (%)



CONSOLIDATED BALANCE SHEETS

FUJI LOGISTICS CO., LTD. and Consolidated Subsidiaries

As of March 31, 2004 and 2003	Thousands of yen		Thousands of U.S. dollars (Note 3)
	2004	2003	2004
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	¥ 2,515,122	¥ 3,028,150	\$ 23,954
Trade receivables	10,114,507	9,282,932	96,329
Allowance for doubtful accounts	(12,705)	(9,865)	(121)
Deferred income taxes (Note 9)	256,833	426,338	2,446
Prepaid expenses and other current assets	558,537	726,300	5,319
TOTAL CURRENT ASSETS	13,432,294	13,453,855	127,927
PROPERTY, PLANT AND EQUIPMENT (Notes 2 and 5):			
Land	3,592,729	2,512,994	34,216
Buildings and structures	9,187,436	9,095,104	87,499
Machinery and equipment	2,367,138	1,934,367	22,544
Other	1,011,580	1,341,230	9,635
	16,158,883	14,883,695	153,894
Less accumulated depreciation	(8,433,639)	(7,994,948)	(80,320)
PROPERTY, PLANT AND EQUIPMENT, NET	7,725,244	6,888,747	73,574
INTANGIBLE ASSETS	690,010	589,206	6,572
INVESTMENTS AND OTHER ASSETS:			
Investment securities (Notes 2 and 4)	223,757	124,413	2,131
Deferred income taxes (Note 9)	1,254,886	1,255,082	11,951
Deposits and guarantees	864,665	1,145,643	8,235
Other investments and other assets	85,940	140,687	818
Allowance for doubtful accounts	(15,500)	(4,500)	(148)
TOTAL INVESTMENTS AND OTHER ASSETS	2,413,748	2,661,325	22,987
TOTAL ASSETS	¥ 24,261,296	¥ 23,593,133	\$ 231,060

The accompanying Notes to the Consolidated Financial Statements are an integral part of these statements.



	Thousands of yen		Thousands of U.S. dollars (Note 3)
	2004	2003	2004
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Short-term borrowings (Note 5)	¥ 1,550,874	¥ 1,279,500	\$ 14,770
Current portion of long-term debt (Note 5)	238,000	238,000	2,267
Trade payables	6,178,255	5,720,141	58,841
Accrued income taxes (Note 9)	197,648	149,105	1,882
Accrued expenses and other current liabilities	1,398,117	1,357,325	13,315
TOTAL CURRENT LIABILITIES	9,562,894	8,744,071	91,075
LONG-TERM DEBT (Note 5)	834,248	1,162,500	7,945
RESERVE FOR EMPLOYEES' RETIREMENT BENEFITS (Notes 2 and 6)	2,993,884	3,011,463	28,513
RESERVE FOR OFFICERS' RETIREMENT BENEFITS (Note 2)	152,855	111,380	1,456
DEFERRED INCOME TAXES (Note 9)	64,178	63,234	611
OTHER LONG-TERM LIABILITIES (Note 2)	29,359	57,522	280
TOTAL LIABILITIES	13,637,418	13,150,170	129,880
MINORITY INTERESTS IN CONSOLIDATED SUBSIDIARIES	95,680	94,512	911
CONTINGENT LIABILITIES (Note 10):			
SHAREHOLDERS' EQUITY:			
Common stock, without par value:			
Authorized - 60,000,000 shares			
Issued - 24,970,000 shares in 2004 and 2003	2,979,675	2,979,675	28,378
Capital surplus	2,595,278	2,595,155	24,717
Retained earnings (Note 7)	5,037,555	4,874,747	47,977
Unrealized holding gain (loss) on other securities, net of taxes	22,184	(6,528)	211
Foreign currency translation adjustments	(7,897)	2,583	(75)
Less shares of treasury stock held by the Company			
524,000 shares in 2004 and 518,580 shares in 2003	(98,597)	(97,181)	(939)
TOTAL SHAREHOLDERS' EQUITY	10,528,198	10,348,451	100,269
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	¥ 24,261,296	¥ 23,593,133	\$ 231,060

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

FUJI LOGISTICS CO., LTD. and Consolidated Subsidiaries

	Thousands of yen					
	Common stock	Capital surplus	Retained earnings	Unrealized holding gain (loss) on other securities, net of taxes	Foreign currency translation adjustment	Treasury stock
BALANCE AT MARCH 31, 2002	¥ 2,979,675	¥ 2,595,155	¥ 4,410,822	¥ (12,697)	¥ 14,442	¥ (34,227)
Net income for the year	—	—	662,493	—	—	—
Dividends	—	—	(173,568)	—	—	—
Bonuses to directors	—	—	(25,000)	—	—	—
Change in Net unrealized holding gain on other securities, net of taxes	—	—	—	6,169	—	—
Change in foreign currency translation adjustment	—	—	—	—	(11,859)	—
Increase in treasury stock	—	—	—	—	—	(62,954)
BALANCE AT MARCH 31, 2003	¥ 2,979,675	¥ 2,595,155	¥ 4,874,747	¥ (6,528)	¥ 2,583	¥ (97,181)
Net income for the year	—	—	358,953	—	—	—
Dividends	—	—	(171,145)	—	—	—
Bonuses to directors	—	—	(25,000)	—	—	—
Change in Net unrealized holding gain on other securities, net of taxes	—	—	—	28,712	—	—
Change in foreign currency translation adjustment	—	—	—	—	(10,480)	—
Increase in treasury stock	—	—	—	—	—	(1,416)
Gain on disposal of treasury stock	—	123	—	—	—	—
BALANCE AT MARCH 31, 2004	¥ 2,979,675	¥ 2,595,278	¥ 5,037,555	¥ 22,184	¥ (7,897)	¥ (98,597)

	Thousands of U.S.dollars (Note 3)					
BALANCE AT MARCH 31, 2003	\$ 28,378	\$ 24,716	\$ 46,426	\$ (62)	\$ 25	\$ (926)
Net income for the year	—	—	3,419	—	—	—
Dividends	—	—	(1,630)	—	—	—
Bonuses to directors	—	—	(238)	—	—	—
Change in Net unrealized holding gain on other securities, net of taxes	—	—	—	273	—	—
Change in foreign currency translation adjustment	—	—	—	—	(100)	—
Increase in treasury stock	—	—	—	—	—	(13)
Gain on disposal of treasury stock	—	1	—	—	—	—
BALANCE AT MARCH 31, 2004	\$ 28,378	\$ 24,717	\$ 47,977	\$ 211	\$ (75)	\$ (939)

The accompanying Notes to the Consolidated Financial Statements are an integral part of these statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

FUJI LOGISTICS CO., LTD. and Consolidated Subsidiaries

Years ended March 31, 2004 and 2003	Thousands of yen		Thousands of U.S. dollars (Note 3)
	2004	2003	2004
CASH FLOWS FROM OPERATING ACTIVITIES:			
Income before income taxes and minority interests	¥ 776,044	¥ 1,312,137	\$ 7,391
Depreciation and amortization	725,781	720,572	6,912
Decrease in reserve for employees' retirement benefits	(17,579)	(1,657,299)	(167)
Interest and dividend income	(5,926)	(6,888)	(56)
Interest expense	23,983	21,857	228
Changes in operating assets and liabilities:			
Trade receivables	(847,352)	(75,051)	(8,070)
Trade payables	444,603	(326,053)	4,234
Other, net	30,925	1,044,981	294
Cash generated from operations	1,130,479	1,034,256	10,766
Interest and dividends received	5,956	6,983	57
Interest paid	(24,233)	(22,141)	(231)
Income taxes paid	(213,579)	(34,735)	(2,034)
Net cash provided by operating activities	898,623	984,363	8,558
CASH FLOWS FROM INVESTING ACTIVITIES:			
Acquisition of securities	(134,128)	(80,391)	(1,277)
Proceeds from sales of securities	116,572	86,594	1,110
Acquisition of property, plant and equipment	(1,395,317)	(200,226)	(13,289)
Acquisition of intangible fixed assets	(276,638)	(259,806)	(2,635)
Proceeds from sales of property, plant and equipment	282,246	28,738	2,688
Proceeds from sales of deposits	260,002	—	2,476
Other, net	(20,832)	—	(198)
Net cash used in investing activities	(1,168,095)	(425,091)	(11,125)
CASH FLOWS FROM FINANCING ACTIVITIES:			
(Decrease) increase in short-term borrowings	271,374	(245,500)	2,585
Proceeds from long-term borrowings	26,747	117,000	255
Repayment of long-term borrowings	(255,000)	(283,824)	(2,429)
Repayment of bonds	(100,000)	—	(952)
Purchased of common stock in treasury	(2,437)	—	(23)
Dividends paid to shareholders	(171,909)	(173,871)	(1,637)
Proceeds from bond issuance	—	1,000,000	—
Other, net	(1,478)	(81,459)	(15)
Net cash (used in) provided by financing activities	(232,703)	332,346	(2,216)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS			
.....	(10,853)	(11,736)	(103)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(513,028)	879,882	(4,886)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	3,028,150	2,148,268	28,840
CASH AND CASH EQUIVALENTS AT END OF YEAR	¥ 2,515,122	¥ 3,028,150	\$ 23,954

The accompanying Notes to the Consolidated Financial Statements are an integral part of these statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FUJI LOGISTICS CO., LTD. and Consolidated Subsidiaries

Note 1

BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of FUJI LOGISTICS CO., LTD. (the "Company") and consolidated subsidiaries are prepared on the basis of accounting principles generally accepted in Japan, which are different in certain respects as to application and disclosure requirements of International Financial Reporting Standards, and are compiled from the consolidated financial statements prepared by the Company as required by the Securities and Exchange Law of Japan.

In preparing these statements, certain reclassifications and rearrangements have been made to the consolidated financial statements issued in Japan in order to present these statements in a format that is more familiar to readers outside Japan.

In addition, the notes to the consolidated financial statements include additional information which is not required under accounting principles generally accepted in Japan.

Note 2

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Principles of Consolidation

1) Scope of Consolidation

The Company had 10 and 9 subsidiaries at March 31, 2004 and 2003, respectively.

The consolidated financial statements for the years ended March 31, 2004 and 2003 include the accounts of the Company and all subsidiaries.

The Company and its consolidated subsidiaries are referred to herein as "the Companies".

The Company had no affiliates for the years ended March 31, 2004 and 2003.

A list of subsidiaries is presented in the section entitled "BUSINESS OVERVIEW".

The fiscal year-end of the Company and domestic subsidiaries is March 31. However, all overseas subsidiaries have a fiscal year-end of December 31.

2) Balance Sheets of Subsidiaries

In this connection, consolidation is performed using overseas subsidiaries' financial statements at December 31, and adjusted to reflect any significant transactions occurring during the period from January 1 to March 31.

3) Valuation of Subsidiaries' Assets and Liabilities

Assets and liabilities of the consolidated subsidiaries are valued at fair value as of the date of acquisition of the controlling interest in such subsidiaries.

4) Difference between the Cost of an Investment and Equity in Net Assets of a Subsidiary

Any difference between the cost of an investment in a subsidiary and the amount of underlying equity in its net assets at fair value is amortized principally over a five-year period on a straight-line basis. The balances of the difference were included in other long-term liabilities in the amount of ¥27,933 thousand (\$226 thousand) and ¥55,866 thousand as of March 31, 2004 and 2003, respectively.

5) Elimination of Unrealized Intercompany Profits and Losses

All significant unrealized intercompany profits and losses included in assets have been eliminated in consolidation and the portion attributable to minority interests is charged to minority interests in the consolidated subsidiaries.

In connection with the elimination of unrealized intercompany profits and losses, depreciation is also adjusted to account for the effect of the profit eliminated from the cost of any assets purchased in intercompany transactions.

b. Cash Equivalents

For the purpose of the statements of cash flows, the Companies consider all short-term, highly liquid instruments with a maturity of three months or less to be cash equivalents.

c. Securities

Securities classified as other securities are stated at fair value. Unrealized holding gains and losses, net of taxes, are reported in a component of shareholders' equity.

Non-marketable available-for-sale securities are stated at cost determined by the moving-average method.

d. Depreciation

Depreciation is computed by the declining-balance method at rates based on the estimated useful lives of the respective assets, whereas the straight-line method is applied to buildings of the Company and domestic subsidiaries acquired after April 1, 1998. The range of the useful lives is from 7 to 38 years for buildings and structures and from 4 to 12 years for machinery and equipment.

e. Allowance for Doubtful Accounts

The allowance for doubtful accounts is determined on the Companies' historical experience of losses on bad debts written off as a percentage of the balance of total receivables plus an additional amount necessary to cover estimated future losses on specific doubtful account.

f. Retirement Benefits

The Companies have contributory funded pension plans, and unfunded retirement benefit plans which qualify as defined benefit plans.

Prior service cost is amortized by the straight-line method over the expected remaining years of service of the then-active employees participating in the plans.

Actuarial gain and loss are amortized by the straight-line method over the expected remaining years of service of the then-active employees participating in the plans. Amortization commences in the year following the year in which the gains or losses arise or are incurred.

Reserve for officers' retirement benefits has been provided to cover the vested benefits to which they would be entitled if they were to retire or terminate their services as of the balance sheet date.

g. Leases

Finance leases other than those which transfer the ownership of the leased assets to the lessee are accounted for as operating leases.

h. Income Taxes

The Companies have adopted the asset and liability method for deferred tax accounting, which takes all temporary differences into consideration in the recognition of assets and liabilities for tax and financial purposes.

i. Foreign Currency Translation

All monetary receivables and payables denominated in foreign currencies are translated into Japanese yen at the exchange rates in effect at the balance sheet date. The foreign exchange gains and losses arising from translation are credited or charged to income in the statements of operations.

j. Foreign Currency Financial Statements

Assets, liabilities, and revenue and expense accounts of the foreign consolidated subsidiaries are translated into Japanese yen at the current exchange rates prevailing at the balance sheet date except for the components of shareholders' equity which are translated at their historical rates.

k. Net Income per Share

Net income per share is computed by dividing net income available to common shareholders, which is more precisely computed than under previous practices, by the weighted-average number of common shares outstanding for the period, retroactively adjusted for stock splits.

Diluted net income per share is not disclosed because it is anti-dilutive.

l. Accounting for Consumption Taxes and Excise Tax

The Japanese consumption taxes withheld and consumption taxes paid are not included in the accompanying consolidated statements of income.

Note 3

U.S. DOLLAR AMOUNTS

The U.S. dollar amounts included in the accompanying consolidated financial statements and the notes thereto represent the arithmetic results of translating yen into U.S. dollars at $\text{¥}105 = \text{U.S.}\1.00 , the approximate exchange rate prevailing at March 31, 2004. The U.S. dollar amounts are presented solely for the convenience of readers outside Japan.



Note 4

SECURITIES

Other securities with a fair value at March 31, 2004 and 2003 were as follows:

	Thousands of yen			
	2004			
	Cost	Carrying amounts	Unrealized Gains	Unrealized Losses
March 31, 2004				
Other securities with a fair value				
Equity securities	¥ 71,444	¥ 108,667	¥ 39,306	¥ (2,083)
	¥ 71,444	¥ 108,667	¥ 39,306	¥ (2,083)

	Thousands of yen			
	2003			
	Cost	Carrying amounts	Unrealized Gains	Unrealized Losses
March 31, 2003				
Other securities with a fair value				
Equity securities	¥ 92,891	¥ 82,233	¥ 2,459	¥ (13,117)
	¥ 92,891	¥ 82,233	¥ 2,459	¥ (13,117)

	Thousands of U.S. dollars			
	2004			
	Cost	Carrying amounts	Unrealized Gains	Unrealized Losses
March 31, 2004				
Other securities with a fair value				
Equity securities	\$ 680	\$ 1,035	\$ 374	\$ (19)
	\$ 680	\$ 1,035	\$ 374	\$ (19)

Securities without a fair value as of March 31, 2004 and 2003 were as follows:

	Carrying amounts		
	Thousands of yen		Thousands of U.S. dollars
	2004	2003	2004
	Unquoted securities	¥ 115,090	¥ 42,180
	¥ 115,090	¥ 42,180	\$ 1,096

Note 5

SHORT-TERM BORROWINGS AND LONG-TERM DEBT

Short-term borrowings at March 31, 2004 and 2003 consisted of the following:

	Thousands of yen		Thousands of U.S. dollars
	2004	2003	2004
Loans from banks	¥ 1,550,874	¥ 1,279,500	\$ 14,770
	¥ 1,550,874	¥ 1,279,500	\$ 14,770

The weighed average interest rates on short-term borrowings at March 31, 2004 and 2003 was 0.7%.

Long-term debt at March 31, 2004 and 2003 consisted of the following:

	Thousands of yen		Thousands of U.S. dollars
	2004	2003	2004
Loans from banks	¥ 172,248	¥ 400,500	\$ 1,640
Bonds issued by the Company:			
0.48 % ¥ bonds due 2008	400,000	500,000	3,810
0.89 % ¥ bonds due 2008	500,000	500,000	4,762
	1,072,248	1,400,500	10,212
Less: Portion due within one year	238,000	238,000	2,267
	¥ 834,248	¥ 1,162,500	\$ 7,945

The weighed average interest rate on loans from banks at March 31, 2004 and 2003 was 2.2%.

Assets pledged as collateral for short-term borrowings and long-term debt at March 31, 2004 and 2003 were as follows:

	Thousands of yen		Thousands of U.S. dollars
	2004	2003	2004
Land	¥ 635,538	¥ 635,538	\$ 6,053
Buildings and structures	69,415	74,460	661
	¥ 704,953	¥ 709,998	\$ 6,714

The aggregate annual maturities of long-term debt subsequent to March 31, 2004 are as follows:

Year ending March 31	Thousands of yen		Thousands of U.S. dollars
	2004	2004	2004
2006	¥ 110,843		\$ 1,056
2007		106,687	1,016
2008		606,687	5,778
2009		6,687	64
2010 and thereafter		3,344	31
	¥ 834,248		\$ 7,945



Note 6

RESERVE FOR EMPLOYEES' RETIREMENT BENEFITS

The Companies have contributory funded pension plans and unfunded retirement benefit plans which qualify as defined benefit plans.

The contributory funded defined benefit pension plan, which is established under the Japanese Welfare Pension Insurance Law, covers a substitutional portion of the welfare pension fund plan managed by the Company on behalf of the government and a corporate portion established at the discretion of the company. According to the enactment of the Defined Benefit Pension Plan Law in April 2002, the Company applied for an exemption from obligation for benefits related to future employee services for the substitutional portion which would result in the transfer of the pension obligations and related assets to the government. The Company received an approval from the Ministry of Health, Labor and Welfare with respect to its application for exemption on January 17, 2003.

As a result of this exemption, the Company recognized a gain on exemption from future pension obligation of the governmental program in the amount of ¥1,496,607 thousand in accordance with a transitional measurement of the accounting standard for employees' retirement benefits for the year ended March 31, 2003.

The related assets as of March 31, 2003, which will be transferred to the government, were reasonably calculated at ¥3,013,188 thousand.

In certain cases, the Companies may pay additional retirement benefits in addition to those explained above.

The net liability for employees' retirement benefits at March 31, 2004 and 2003 is summarized as follows.

	Thousands of yen		Thousands of U.S. dollars
	2004	2003	2004
Projected benefit obligation	¥ (6,627,767)	¥ (6,463,883)	\$ (63,122)
Fair value of plan assets	1,578,983	1,204,129	\$ 15,038
Excess of projected benefit obligation over plan assets	(5,048,784)	(5,259,754)	(48,084)
Unrecognized actuarial loss	2,054,900	2,248,291	19,571
Unrecognized prior service cost	—	—	—
Carrying amount	(2,993,884)	(3,011,463)	(28,513)
Prepaid pension expenses	—	—	—
Net liability	¥ (2,993,884)	¥ (3,011,463)	\$ (28,513)

In computing projected benefit obligation, several simplified methods are permitted to small companies, and certain subsidiaries have adopted such methods.

The components of net periodic benefit cost are summarized as follows:

	Thousands of yen		Thousands of U.S. dollars
	2004	2003	2004
Service cost	¥ 225,160	¥ 299,386	\$ 2,144
Interest cost	158,635	366,709	1,511
Expected return on pension plan assets	(30,103)	(188,343)	(287)
Amortization of actuarial loss	146,146	86,262	1,392
Amortization of prior service cost	—	(14,665)	—
Net periodic retirement benefit cost	¥ 499,838	¥ 549,349	\$ 4,760

In addition to the above amounts, the Companies paid special retirement benefits of ¥23,121 thousand (\$221 thousand) and ¥21,719 thousand for the years ended March 31, 2004 and 2003, respectively.

The assumptions used for the years ended March 31, 2004 and 2003 are set forth as follows:

	2004	2003
Discount rate	2.5%	2.5%
Expected rate of return on pension plan assets	2.5%	4.0%
Method of attributing the projected benefits to periods of service	straight-line basis	straight-line basis
Amortization of unrecognized prior service cost	—	15years
Amortization of unrecognized actuarial gain/loss	15~16years	15years

Note 7

RETAINED EARNINGS AND DIVIDENDS

Annual appropriations of retained earnings are recorded in the financial year in which they are approved at the annual meeting of the shareholders.

Prior to October 1, 2001, the Commercial Code of Japan (the“Code”) also provided that an amount at least equal to 10% of the aggregate amount to cash dividends and certain other cash payments which are made as an appropriation of retained earnings applicable to each fiscal period shall be an appropriated and set aside as a legal reserve until such reserve equals 25% of stated capital. Effective October 1, 2001, the revised Code allows for such appropriations to be set aside as a legal reserve until the total capital surplus and legal reserve equal 25% of stated capital. The legal reserve amounted to ¥282,984 thousand (\$2,695 thousand) as of both March 31, 2004 and 2003. The Code provides that neither capital surplus nor the legal reserve is available for dividends, but both may be used to reduce or eliminate a deficit by resolution of the shareholders or may be transferred to common stock by resolution of the Board of Directors. On October 1, 2001, an amendment (the “Amendment”) to the Code became effective. The Amendment provides that if the total amount of capital surplus and the legal reserve exceeds 25% of the amount of common stock, the excess may be distributed to the shareholders either as a return of capital or as dividends subject to the approval of the shareholders.



Note 8

OTHER INCOME (LOSS), NET

Other loss, net for the years ended March 31, 2004 and 2003 comprised the following:

	Thousands of yen		Thousands of U.S. dollars
	2004	2003	2004
Other income			
Gain on sales of fixed assets	¥ 33,225	¥ —	\$ 316
Gain on sales of investment securities	23,494	7,172	224
Gain on return of the substitutional portion of the welfare pension fund plan	—	1,496,607	—
Other loss			
Loss on sales of deposits	(39,997)	—	(381)
Additional severance payments for early retirement	(27,512)	(18,817)	(262)
Loss on sales of Golf membership	(11,167)	—	(106)
Loss on devaluation of investment securities	(7,500)	(37,591)	(71)
Loss on disposal of fixed assets	—	(622,837)	—
Loss on sales of investment securities	—	(31,135)	—
Other	—	(52,660)	—
Other income (loss), net	¥ (29,457)	¥ 740,739	\$ (280)

Note 9

INCOME TAXES

The components of income taxes for the years ended March 31, 2004 and 2003 were as follows:

	Thousands of yen		Thousands of U.S. dollars
	2004	2003	2004
Current	¥ (261,819)	¥ (145,335)	\$ (2,494)
Deferred	(151,295)	(501,289)	(1,441)
	¥ (413,114)	¥ (646,624)	\$ (3,935)

The Company and its domestic subsidiaries are subject to corporation tax, prefectural and municipal inhabitants' taxes and enterprise tax based on income.

The significant components of deferred tax assets and liabilities at March 31, 2004 and 2003 were as follows:

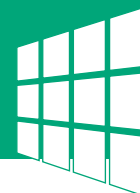
	Thousands of yen		Thousands of U.S. dollars
	2004	2003	2004
Deferred tax assets			
Investment securities	¥ 9,907	¥ 26,276	\$ 94
Accrued employees' bonuses	216,609	177,250	2,063
Accrued enterprise tax	17,543	9,181	167
Reserve for employees' retirement benefits	1,174,544	1,167,009	11,186
Reserve for officers' retirement benefits	61,753	44,997	588
Other	89,667	301,824	856
Gross deferred tax assets	¥ 1,570,023	¥ 1,726,537	\$ 14,954
Deferred tax liabilities			
Unrealized gain on other securities	¥ (15,239)	¥ —	\$ (145)
Retained earnings appropriated for tax deductible reserves	(11,884)	(12,992)	(113)
Differences in net equity of subsidiaries acquired at cost and fair value ...	(95,359)	(95,359)	(908)
Gross deferred tax liabilities	(122,482)	(108,351)	(1,166)
Net deferred tax assets	¥ 1,447,541	¥ 1,618,186	\$ 13,788

A reconciliation of the differences between the statutory tax rate and the effective tax rates is as follows:

	2004	2003
Statutory tax rate	41.7%	41.7%
Expenses not deductible for income tax purposes	3.5	1.8
Inhabitants' per capita taxes	5.7	3.3
Dividends not deductible for income tax purposes	(1.3)	(0.5)
Effect of change in statutory tax rate	1.7	2.7
Other	1.9	0.3
Effective income tax rates	53.2%	49.3%

Japanese Local Tax Law was amended and the new taxation will be effective from April 1, 2004. The statutory tax rate used for the calculation of current deferred tax assets and liabilities, which is based on temporary difference reversing by March 31, 2004, was the rate before the amendment (41.7%). Long-term deferred tax assets and liabilities reversing after April 1, 2004 was based on the rate after the amendment (40.4%).

Due to the change in tax rate, deferred tax assets (net of deferred tax liabilities) decreased ¥13,945 thousand, deferred income tax increased ¥13,462 thousand and unrealized loss on other securities, net of taxes increased ¥483 thousand for the year ended March 31, 2003.



Note 10

CONTINGENT LIABILITIES

Contingent liabilities at March 31, 2004 and 2003 were as follows:

	Thousands of yen		Thousands of U.S. dollars
	2004	2003	2004
Guarantees	¥ 54,647	¥ 45,883	\$ 520

Note 11

LEASES

The following pro forma amounts represent the acquisition costs, accumulated depreciation and net book value of the leased furniture as of March 31, 2004 and 2003, which would have been reflected in the consolidated balance sheets if finance lease accounting had been applied to the finance leases currently accounted for as operating leases:

	Thousands of yen		Thousands of U.S. dollars
	2004	2003	2004
Acquisition costs	¥ 72,728	¥ 75,848	\$ 693
Accumulated depreciation	56,070	49,337	534
Net book value of leased furniture	¥ 16,658	¥ 26,511	\$ 159

Obligations under finance leases:

	Thousands of yen		Thousands of U.S. dollars
	2004	2003	2004
Due within one year	¥ 11,493	¥ 12,388	\$ 110
Due after one year	5,165	14,123	49
Total	¥ 16,658	¥ 26,511	\$ 159

Lease and depreciation expenses under finance leases:

	Thousands of yen		Thousands of U.S. dollars
	2004	2003	2004
Lease expense	¥ 14,274	¥ 17,180	\$ 136
Depreciation expense	14,274	17,180	136

Note 12

DERIVATIVES

The Companies do not utilize derivative financial instruments.

Note 13

SEGMENT INFORMATION

(1) Industry segment information

2004	Thousands of yen				
	Domestic logistics	Other businesses	Total	Eliminations and Corporate	Consolidated total
Service revenues					
External customers	¥ 29,278,009	¥ 4,791,311	¥ 34,069,320	¥ —	¥ 34,069,320
Intersegment	4,832	28,716	33,548	(33,548)	—
Total sales	29,282,841	4,820,027	34,102,868	(33,548)	34,069,320
Cost of services	28,549,927	4,756,895	33,306,822	(33,310)	33,273,512
Operating income	¥ 732,914	¥ 63,132	¥ 796,046	¥ (238)	¥ 795,808
Total assets	¥ 18,712,801	¥ 2,022,638	¥ 20,735,439	¥ 3,525,857	¥ 24,261,296
Depreciation and amortization	¥ 700,587	¥ 25,194	¥ 725,781	—	¥ 725,781
Capital expenditures	¥ 1,651,161	¥ 54,668	¥ 1,705,829	—	¥ 1,705,829

1. Business segment description.

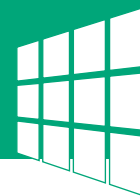
Each segment involves the following:

(a) Domestic logistics : Transportation, packing and warehousing.

(b) Other businesses : Export and import handling with overseas, local overseas logistics, sales of logistics systems, equipment and materials and the leasing of office buildings.

2. Corporate

Corporate assets consist principally of surplus funds (cash and cash equivalents) and deferred tax assets which, at March 31, 2004, amounted to ¥3,564,282 thousand.



2003	Thousands of yen				
	Domestic logistics	Other businesses	Total	Eliminations and Corporate	Consolidated total
Service revenues					
External customers	¥ 29,187,933	¥ 4,899,759	¥ 34,087,692	¥ —	¥ 34,087,692
Intersegment	7,065	20,475	27,540	(27,540)	—
Total sales	29,194,998	4,920,234	34,115,232	(27,540)	34,087,692
Cost of services	28,675,776	4,892,057	33,567,833	(26,043)	33,541,790
Operating income (loss)	¥ 519,222	¥ 28,177	¥ 547,399	¥ (1,497)	¥ 545,902
Total assets	¥ 17,528,731	¥ 1,893,257	¥ 19,421,988	¥ 4,171,145	¥ 23,593,133
Depreciation and amortization	¥ 699,964	¥ 20,698	¥ 720,662	¥ (90)	¥ 720,572
Capital expenditures	¥ 432,377	¥ 30,384	¥ 462,761	¥ —	¥ 462,761

Corporate assets consist principally of surplus funds (deposits) and deferred tax assets which, at March 31, 2003, amounted to ¥4,187,680 thousand.

2004	Thousands of U.S. dollars				
	Domestic logistics	Other businesses	Total	Eliminations and Corporate	Consolidated total
Service revenues					
External customers	\$ 278,838	\$ 45,632	\$ 324,470	\$ —	\$ 324,470
Intersegment	46	273	319	(319)	—
Total sales	278,884	45,905	324,789	(319)	324,470
Cost of services	271,904	45,304	317,208	(317)	316,891
Operating income	\$ 6,980	\$ 601	\$ 7,581	\$ (2)	\$ 7,579
Total assets	\$ 178,217	\$ 19,263	\$ 197,480	\$ 33,580	\$ 231,060
Depreciation and amortization	\$ 6,672	\$ 240	\$ 6,912	\$ —	\$ 6,912
Capital expenditures	\$ 15,725	\$ 521	\$ 16,246	\$ —	\$ 16,246

Corporate assets consist principally of surplus funds (cash and cash equivalents) and deferred tax assets which, at March 31, 2004, amounted to \$33,946 thousand.

(2) Geographic segment information

Geographic segment information is omitted because the amounts of service revenues and total assets in Japan exceeded 90% of the service revenues and total assets of all segments.

(3) Overseas sales

Sales to overseas customers have not been prepared or disclosed, since sales to overseas customers were not significant (less than 10 percent) in relation to total consolidated sales.



Shin Nihon & Co.

Certified Public Accountants
Hibiya Kokusai Bldg.
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Chiyoda-ku, Tokyo 100-0011
C.P.O. Box 1196, Tokyo 100-8641

Phone: 03 3503-1100
Fax: 03 3503-1197

Report of Independent Auditors

The Board of Directors
FUJI LOGISTICS CO., LTD.

We have audited the accompanying consolidated balance sheets of FUJI LOGISTICS CO., LTD. and consolidated subsidiaries as of March 31, 2004 and 2003, and the related consolidated statements of income, shareholders' equity, and cash flows for the years then ended, all expressed in yen. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of FUJI LOGISTICS CO., LTD. and consolidated subsidiaries at March 31, 2004 and 2003, and the consolidated results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in Japan.

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2004 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 3 to the consolidated financial statements.

Shin Nihon & Co.

June 25, 2004

SUPPLEMENTARY INFORMATION

NON-CONSOLIDATED BALANCE SHEETS

As of March 31, 2004 and 2003	Thousands of yen		Thousands of U.S. dollars (Note)
	2004	2003	2004
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	¥ 2,052,564	¥ 2,563,088	\$ 19,548
Trade receivables	9,115,296	8,341,019	86,812
Allowance for doubtful accounts	(6,500)	(4,400)	(62)
Inventories	45,189	39,903	430
Advance payments to suppliers	247,892	209,396	2,361
Deferred income taxes	193,853	377,628	1,846
Other accounts receivable	101,417	362,512	966
Prepaid expenses and other current assets	4,004	9,761	39
TOTAL CURRENT ASSETS	11,753,715	11,898,907	111,940
PROPERTY, PLANT AND EQUIPMENT			
Land	2,844,024	1,764,289	27,086
Buildings and structures	8,723,605	8,642,339	83,082
Machinery and vehicles	856,754	1,702,378	8,160
Other	2,205,899	1,267,885	21,008
	14,630,282	13,376,891	139,336
Less accumulated depreciation	(7,858,603)	(7,434,444)	(74,844)
PROPERTY, PLANT AND EQUIPMENT, NET	6,771,679	5,942,447	64,492
INTANGIBLE ASSETS	642,937	562,604	6,123
INVESTMENTS AND OTHER ASSETS:			
Investment securities:			
Subsidiaries	931,486	887,565	8,871
Other	221,257	113,693	2,107
Deferred income taxes	1,313,901	1,314,059	12,513
Deposits and guarantees	815,802	1,112,933	7,770
Other investments and other assets	44,720	49,722	427
Allowance for doubtful accounts	(15,500)	(4,500)	(148)
TOTAL INVESTMENTS AND OTHER ASSETS	3,311,666	3,473,472	31,540
TOTAL ASSETS	¥ 22,479,997	¥ 21,877,430	\$ 214,095

Note: Yen amounts have been translated into U.S. dollars, solely for convenience, at the exchange rate of ¥105 = U.S.\$1.00.

	Thousands of yen		Thousands of U.S. dollars (Note)
	2004	2003	2004
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Short-term borrowings	¥ 1,000,000	¥ 880,000	\$ 9,524
Current portion of long-term debt	220,000	220,000	2,095
Trade payables	5,800,600	5,375,611	55,244
Accounts payable	436,485	399,457	4,157
Accrued income taxes	157,885	97,032	1,504
Accrued expenses	428,273	414,499	4,079
Other current liabilities	229,895	238,861	2,189
TOTAL CURRENT LIABILITIES	8,273,138	7,625,460	78,792
LONG-TERM DEBT	800,000	1,020,000	7,619
RESERVE FOR EMPLOYEES' RETIREMENT BENEFITS	2,876,534	2,892,994	27,396
RESERVE FOR OFFICERS' RETIREMENT BENEFITS	152,854	111,380	1,455
TOTAL LIABILITIES	12,102,526	11,649,834	115,262
SHAREHOLDERS' EQUITY:			
Common stock, without par value:			
Authorized - 60,000,000 shares			
Issued - 24,970,000 shares in 2004 and 2003	2,979,675	2,979,675	28,378
Capital surplus	2,595,278	2,595,155	24,717
Retained earnings	4,878,930	4,757,765	46,466
Unrealized loss on other securities, net of taxes	22,185	(7,818)	211
Treasury stock	(98,597)	(97,181)	(939)
TOTAL SHAREHOLDERS' EQUITY	10,377,471	10,227,596	98,833
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	¥ 22,479,997	¥ 21,877,430	\$ 214,095

Note: Yen amounts have been translated into U.S. dollars, solely for convenience, at the exchange rate of ¥105 = U.S.\$1.00.

NON-CONSOLIDATED STATEMENTS OF INCOME

Years ended March 31, 2004 and 2003	Thousands of yen		Thousands of U.S. dollars (Note)
	2004	2003	2004
SERVICE REVENUES	¥ 30,008,283	¥ 30,168,748	\$ 285,793
COST OF SERVICES	27,667,749	28,167,991	263,502
GROSS PROFIT	2,340,534	2,000,757	22,291
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	1,644,389	1,529,198	15,661
OPERATING INCOME	696,145	471,559	6,630
NON-OPERATING INCOME (EXPENSES):			
Interest and dividend income	32,400	29,704	309
Interest expense	(10,566)	(14,003)	(101)
Other, net	(7,615)	(216)	(73)
	14,219	15,485	135
ORDINARY INCOME	710,364	487,044	6,765
OTHER INCOME	51,720	1,503,779	493
OTHER LOSS	(86,177)	(775,458)	(821)
INCOME BEFORE INCOME TAXES	675,907	1,215,365	6,437
INCOME TAXES	(358,597)	(612,156)	(3,415)
NET INCOME	¥ 317,310	¥ 603,209	\$ 3,022

	Yen		U.S. dollars (Note)
	2004	2003	2004
PER SHARE AMOUNTS:			
Net income	¥ 11.43	¥ 23.37	\$ 0.11
Cash dividends	7.00	7.00	0.07

Note: Yen amounts have been translated into U.S. dollars, solely for convenience, at the exchange rate of ¥105 = U.S.\$1.00.

BOARD OF DIRECTORS AND AUDITORS

(as of June 26, 2004)

Yasuhiro Nakao
President and Representative Director

Yoshikatsu Mizuno
Executive Vice President

Michio Kobayashi
Senior Managing Director

Katsuyoshi Hirai
Managing Director

Shinichi Yamamoto
Managing Director

Kazuhiko Takeuchi
Director

Masanori Iike
Director

Kazuki Ito
Director

Tadashi Sato
Director

Tadahiko Chizawa
Standing Auditor

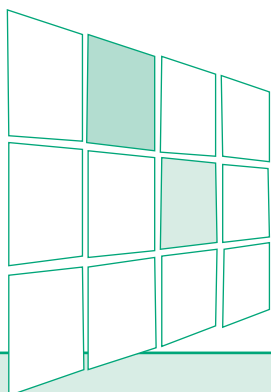
Yasuharu Toyoda
Auditor

Keiji Sato
Auditor

Junichi Matsumoto
Auditor

CORPORATE DATA

(as of March 31, 2004)



FUJI LOGISTICS CO., LTD.

Head office: 3-9-11, Mita, Minato-ku, Tokyo 108-0073, Japan

URL: <http://www.fujibuturyu.co.jp/en/>

Established: February 15, 1975

Paid-in capital: ¥ 2,979,675,000

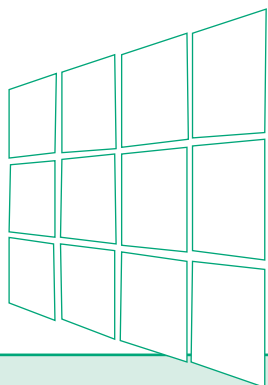
Number of employees: Consolidated: 800

Non-consolidated: 428

Business description: Comprehensive logistics business

- Logistics operations (transportation, packing, warehousing and other businesses)
- Logistics management (third party logistics management, plant export management)
- Logistics system design (system development, facility design, packing design and information system design)
- Delivery and installation operations (installation of machinery and tools, and electric work)
- Logistics streamlining consulting
- Selling of packing materials and packing products
- Selling of system equipment for logistics streamlining
- Gathering and transporting industrial waste

GROUP



Primary offices

Head office (Tokyo), Sapporo Sales Office, Tohoku Sales Office, Kita Kanto Branch, Tokyo Branch, Keihin Branch, Moving Techno Center, Omori Sales Office, Omiya Sales Office, Chiba Branch, Kawasaki Branch, Matsumoto Branch, Chubu Branch, Mie Branch, Suzuka Branch, Kansai Branch, Kobe Branch and Kyushu Branch

Subsidiaries

(Japan)

TOKYO JUKI TRANSPORT CO., LTD.

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FUJI LOGISTICS INTERNATIONAL CO., LTD.

12F., Shinagawa Crystal Square.
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Tel +81-3-5715-1481 Fax +81-3-5715-1489

FUJI LOGISTICS OPERATIONS CO., LTD.

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(Overseas)

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Affiliate

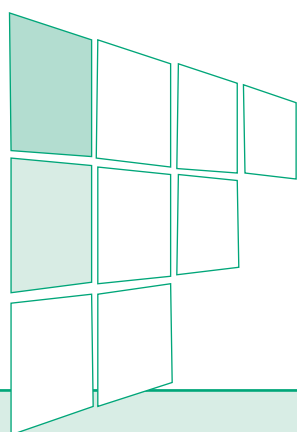
TF Logistics Co., Ltd.

3-9-11, Mita, Minato-ku,
Tokyo 108-0073, Japan
Tel +81-3-5476-8064 Fax +81-3-3454-8421

TF Logistics Co., Ltd. was established through the joint equity contribution of Toyota Industries Corp. and Fuji Logistics Co., Ltd. on April 21, 2004.

SHAREHOLDER INFORMATION

(as of March 31, 2004)



Authorized: 60,000,000
Issued and outstanding: 24,970,000
Number of shareholders: 2,724

Major shareholders

Name of Shareholder	Number of Shares Held	Percent of Shares Held (%)
Fuji Electric Holdings Co., Ltd.	6,493,800	26.01
Toyota Industries Corporation	6,491,000	26.00
Fujitsu Ltd.	1,265,000	5.07
Fuji Logistics Employees' Shareholding Association	1,024,613	4.10
Mizuho Bank Ltd.	392,150	1.57
The Bank of Yokohama, Ltd.	374,550	1.50
Hiroyuki Izuyama	220,000	0.88
Fuji Electric Retail Systems Co., Ltd.	189,750	0.76
Sompo Japan Insurance Inc.	189,000	0.76
Asahi Mutual Life Insurance Company	154,000	0.62

(Note) Treasury stock of 524,185 shares (2.10%) are not included in the above table.

FUJI LOGISTICS CO., LTD.

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