

Questions and Answers (Digest)

**The Financial Results Conference Call
for the first three months of the fiscal year ending March 31, 2015
held on August 1, 2014**

Q1

Please update us on the current status of TA-Q-BIN delivery volumes and unit pricing and your outlook in that regard for this fiscal year.

A1

- We have changed our outlook for growth in delivery volumes to a forecast of a 2.0% year-on-year increase projected at the end of the first quarter, from a forecast of a 3.5% year-on-year increase projected at the beginning of the fiscal year. The forecast was revised in light of a longer-than-anticipated impact from the pull-back in the wake of last-minute demand that emerged ahead of the consumption tax hike, as was evident from freight movements in the first quarter, and also of an assumption of some customer defections spurred by our initiatives to ensure receipt of adequate fees. Nevertheless, as we have taken on new businesses, we believe it is possible to meet our target.
- Successful negotiation outcomes regarding receipt of adequate fees have increased TA-Q-BIN unit price by 2.8% year on year. Our fundamental position on our pricing strategy remains unchanged, and we will continue with negotiations to ensure receipt of adequate fees. We are also progressively negotiating with customers with whom an agreement has yet to be reached, and accordingly anticipate that TA-Q-BIN unit price levels will continue to trend higher.

Q2

Please detail the factors underlying your decision to lower the full-year forecast for personnel expenses from a 5.6% year-on-year increase projected at the beginning of the fiscal year to a 3.5% year-on-year increase projected at the end of the first quarter. Also, what progress has been made in regard to securing human resources?

A2

- We decreased our forecast for personnel expenses due in part to lower anticipated TA-Q-BIN delivery volumes, and also on the basis of plans to get employee hiring under control as we improve operational productivity.
- The personnel expense forecast also factors in the risk of rising hourly wages and increases in basic wages.
- Difficulties securing human resources in some regions aside, we have been able to get hiring under control overall.

Q3

Please fill us in on the current scenario regarding vehicle hiring expenses and your outlook in that regard for this fiscal year.

A3

- We have changed our outlook on vehicle hiring expenses from a forecast of a 3.5% year-on-year increase projected at the beginning of the fiscal year to an 8.3% increase projected at the end of the first quarter, given expectations of rising unit prices for hiring vehicles.
- In the current first quarter, we faced difficulties maintaining control of vehicle hiring expenses amid challenges in dealing with rapid changes in delivery volumes. We have since made improvements in that regard.

Q4

Please brief us on the current status of quality controls with respect to Cool TA-Q-BIN.

A4

- Preliminary measures taken in regard to temperature controls and other aspects pertaining to Cool TA-Q-BIN quality have been successful, and we are making steady progress with further improvements in that regard.