

Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2016 <under Japanese GAAP>

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 Listing: Tokyo Stock Exchange
 Stock code: 9064
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Scheduled date of the submission of quarterly securities report: August 12, 2015

Scheduled date of the commencement of dividend payment: —

Preparation of supplementary materials on quarterly financial results: Yes

Holding of quarterly financial results meeting: Yes

(Amounts less than 1 million yen are discarded.)

1. Consolidated financial results for the first quarter of fiscal year 2016 (cumulative: from April 1, 2015 to June 30, 2015)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Operating revenue		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
For the three months ended June 30, 2015	328,932	1.5	4,130	(16.3)	4,770	(11.2)	1,908	(14.9)
June 30, 2014	323,968	3.0	4,933	(46.0)	5,370	(42.9)	2,243	(53.0)

(Note) Comprehensive income: For the three months ended June 30, 2015: 2,083 million yen ((19.5)%
 For the three months ended June 30, 2014: 2,588 million yen ((61.4)%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
For the three months ended June 30, 2015	4.61	4.57
June 30, 2014	5.36	5.22

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2015	1,070,550	568,274	52.5
March 31, 2015	1,082,531	571,199	52.2

(Reference) Equity: As of June 30, 2015: 562,520 million yen As of March 31, 2015: 565,521 million yen

2. Dividends

	Annual dividends				
	First quarter	Second quarter	Third quarter	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal 2015	—	12.00	—	13.00	25.00
Fiscal 2016	—	—	—	—	—
Fiscal 2016 (Forecast)	—	13.00	—	13.00	26.00

(Note) Revisions to the forecasts most recently announced: None

3. Consolidated earnings forecasts for fiscal year 2016 (from April 1, 2015 to March 31, 2016)

(Percentages indicate year-on-year changes.)

	Operating revenue		Operating income		Ordinary income		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Half year	689,000	2.3	22,000	3.4	22,500	0.8	12,500	2.9	30.32
Full year	1,430,000	2.4	72,000	4.4	73,000	3.0	43,000	14.6	104.53

(Note) Revisions to the forecasts most recently announced: None

* Notes

(1) Changes in significant subsidiaries during the three months under review (changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Application of specific accounting for preparing the quarterly consolidated financial statements: Yes

(Note) For details, please see "2. Matters Regarding Summary Information (Notes), (1) Application of specific accounting for preparing the quarterly consolidated financial statements" of the attached materials to the quarterly financial results report on page 7.

(3) Changes in accounting policies, changes in accounting estimates, and restatement

- a. Changes due to revision to accounting standards, etc.: None
- b. Changes other than a: None
- c. Changes in accounting estimates: None
- d. Restatement: None

(4) Number of issued shares (common shares)

- a. Number of issued shares as of the end of the period (including treasury shares)
 - As of June 30, 2015: 435,564,792 shares
 - As of March 31, 2015: 435,564,792 shares
- b. Number of treasury shares as of the end of the period
 - As of June 30, 2015: 21,787,648 shares
 - As of March 31, 2015: 22,370,985 shares
- c. Average number of shares during the period (cumulative from the beginning of the fiscal year)
 - For the three months ended June 30, 2015: 413,757,509 shares
 - For the three months ended June 30, 2014: 418,942,670 shares

*Indication regarding execution of quarterly review procedures

At the time of the disclosure of this quarterly financial results report, the quarterly review procedures in accordance with the Financial Instruments and Exchange Act are in progress.

*Proper use of earnings forecasts and other noteworthy events

- Descriptions of the above financial projections and other data are based on information currently available to the Company and certain assumptions that we consider to be reasonable. Actual financial results may differ significantly from the projections for various reasons. For points to note when using such assumptions and financial projections, please see "1. Qualitative Information on Settlement of Accounts for the Three Months, (3) Qualitative information on consolidated earnings forecasts" of the attached materials to the quarterly financial results report on page 7.
- The Company plans to post supplementary materials on quarterly financial results on the Company's website promptly after the announcement of the quarterly financial results.

Attached Materials

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1. Qualitative Information on Settlement of Accounts for the Three Months

(1) Qualitative information on consolidated operating results

During the three months ended June 30, 2015, the business environment overall was one of the economies on a trajectory toward recovery amid a visible trend of growing incomes associated with favorable corporate earnings. There were also signs of a personal consumption rebound, albeit modest, as the adverse effect of the pull-back in demand following the consumption tax hike subsided, thereby providing tailwinds for growth in the mail-order and other markets. On the other hand, the Company also continued to face harsh operating circumstances as tight labor market conditions persisted. Operating in this environment, we worked toward achieving the objectives of the Long-Term Management Plan “DAN-TOTSU Management Plan 2019” and the Medium-Term Management Plan “DAN-TOTSU Three-Year Plan STEP.” To that end, we focused on creation of a business model for generating substantial added value by building a premium-quality network to enable efficient logistics and fusing together the Group’s business resources.

In the Delivery Business, we launched new services that enable us to address needs for shipping small parcels previously sent by customers using our former Kuroneko Mail service. Use of the new services has been growing steadily as we engage in ongoing marketing efforts geared mainly toward operators of mail-order businesses. However, because we began offering access to the services through convenience stores, etc. in June, those results will not contribute to the bottom line until the second and subsequent quarters. On the other hand, revenues increased overall in the Delivery Business due to higher TA-Q-BIN volumes underpinned by the expanding mail-order market. As for profits, however, earnings decreased due to factors that included lower delivery volumes of Kuroneko DM-Bin and mounting advertising expenses to promote the new services launched in April.

In the non-delivery businesses, we took steps to expand our existing service offerings by enlisting the strengths of Group companies, while also drawing on Group-wide ties as we aggressively pursued solution sales geared toward addressing customers’ business challenges.

Our consolidated financial results for the three months ended June 30, 2015 are as follows.

Item	(Millions of yen)			
	For the three months ended June 30, 2014	For the three months ended June 30, 2015	Change	Growth (%)
Operating revenue	323,968	328,932	4,963	1.5
Operating income	4,933	4,130	(802)	(16.3)
Ordinary income	5,370	4,770	(600)	(11.2)
Profit attributable to owners of parent	2,243	1,908	(335)	(14.9)

Initiatives for the entire Yamato Group

- a. The Yamato Group has been pursuing its “Value Networking” design, on the basis of creating business models for generating a high level of added value through the combined efforts of our respective businesses, while at the same time contributing to growth strategies and international competitive strengths of the Japanese economy. Meanwhile, we are also taking steps to forge a robust corporate culture that acts as a foundation for business creation and development.
- b. To further promote our “Value Networking” design, we have been drawing on alliances with Group companies in promoting solution sales, and crafting business models that deliver a high level of added value by leveraging our business network. Also, to address varied customer needs in Japan and overseas, we have been making more effective use of our innovative network platform consisting of the “Haneda Chronogate,” “Atsugi Gateway” and “Okinawa International Logistics Hub” facilities, in addition to our existing “last mile” network.
- c. We continued to drive initiatives geared toward forging a more robust corporate culture. To that end, we worked on enhancing the efficiency and dependability of operations, in part by improving our transport systems and by using our information technology network to enable visual monitoring of operating volumes. In addition, we redoubled our employee education efforts and focused on building systems for ensuring that we honor promises made to our customers. Moreover, we actively engaged in CSR-related activities linked to Yamato Group business endeavors, such as through environmental and safety measures, and efforts to prosper communities.

- d. Given expectations for future growth in the mail-order market, we launched sales of the “YES!” (Yamato Ec Solutions) service which involves drawing on capabilities of the Group in providing packages of services in order to serve that market. We aggressively forged ahead with efforts to increase sales by developing total solutions geared toward the respective needs of operators of mail-order businesses of all types and sizes, such as in terms of enabling initial costs, operational streamlining and expanding sales channels.
- e. We have been taking aggressive action to reduce costs through efforts that include implementing thorough controls on costs linked to operating volumes and also pursuing measures to improve productivity, amid a deteriorating external cost environment marked by a tightening labor market.

Summary of each operating segment

● Delivery

The delivery volumes of TA-Q-BIN and Kuroneko DM-Bin services are as follows.

Category	(Million parcels / units)			
	For the three months ended June 30, 2014	For the three months ended June 30, 2015	Change	Growth (%)
TA-Q-BIN	374	389	15	4.2
Kuroneko DM-Bin	489	393	(95)	(19.5)

Results shown for Kuroneko DM-Bin in the three months ended June 30, 2014 are those of the Kuroneko Mail service.

- a. In the Delivery Business, the Yamato Group concentrated on TA-Q-BIN-centered business development, aiming to provide infrastructure that best suits our customers and contribute to enriching people’s lives.
- b. We engaged in efforts to expand sales by launching the “TA-Q-BIN Compact” and “Nekopos” services in April. The two new services enable customers in the growing mail-order business a simple means of sending small parcels for reasonable fees. To achieve future growth in delivery volume, we took steps to provide more locations where customers can make use of the “TA-Q-BIN Compact” service, such as by successively launching convenience store-based operations handling the service beginning in June. With our “Nekopos” service, we are offering options that differentiate us from our competitors, including the capability for customers to receive notification when a delivery is sent out, while also actively developing sales operations geared primarily to the flea market website business which is a rapidly growing segment of the mail-order market. We also launched our new “Kuroneko DM-Bin” mailbox posting service which takes the place of our Kuroneko Mail service which was discontinued as of the previous fiscal year, thereby enabling us to respond to demand in areas such as direct mail sent by corporate clients.
- c. With respect to corporate clients, we have been leveraging our front-line business network to gather customer information to make use of in actively proposing solutions tailored to our clients’ management objectives. We worked to boost profitability by making proposals that provide high added value using the Group’s business resources. Continuing on from the previous fiscal year, we took on initiatives for ensuring collection of adequate fees for the task of providing consistent quality with respect to deliveries.
- d. Efforts in our business geared toward revitalizing communities have involved various initiatives to address locally-based hardships and challenges. For instance, we are working in collaboration with municipalities and other entities in providing support with regard to helping those living in remote areas who face difficulties doing their shopping, and providing support in expanding sales channels for local products. To ensure safe and secure living environments for elderly residents, we collaborated with municipalities and Yamato Group companies in launching services where we combine support involving product-recall notifications and collection support that entails looking out for elderly residents in the course of calling on our customers.
- e. Operating revenue amounted to 254,987 million yen, up 0.3% from the year-ago period as a result of an increase in TA-Q-BIN delivery volume stemming from factors such as robust performance of the mail-order market. As for profits, the segment posted an operating loss of 2,683 million yen due to a decrease in Kuroneko DM-Bin delivery volume and mounting advertising expenses incurred to promote our new services launched in April.

● BIZ-Logistics

- a. In the BIZ-Logistics Business, the Yamato Group is providing customers with innovative logistics systems by combining management resources such as the TA-Q-BIN network with logistics functions, maintenance and recall handling functions, cleansing functions for medical devices and international transportation functions.
- b. For the mail-order industry, we are offering one-stop services involving various types of logistical support in line with customer needs, including support for facilitating everything from placing and accepting orders to visual monitoring of inventories and enabling speedier shipments. During the three months ended June 30, 2015, we handled a steadily increasing volume of business from existing customers given their growing needs for same-day shipping and delivery.
- c. The Yamato Group provides a variety of solutions targeting clients who depend on international transportation, including air and sea transportation services, small-lot international intermodal transportation services that are interlinked with our TA-Q-BIN network, as well as a packaging and customs services in line with customer needs. During the three months ended June 30, 2015, we made steady progress in landing business involving overseas relocations and transport of art objects for display in temporary exhibitions overseas.
- d. For medical service providers, we have been developing medical device loaner support (storage, cleaning and delivery) and other services that help revolutionize logistics operations. During the three months ended June 30, 2015, the segment achieved revenue growth amid a steadily increasing volume of business mainly from existing customers.
- e. Operating revenue amounted to 25,882 million yen, up 10.8% from the year-ago period mainly due to favorable results from services related to medical devices along with solid growth with overseas relocations and transport of art objects. Operating income was 1,222 million yen, up 7.8% from the year-ago period.

● Home Convenience

- a. In the Home Convenience Business, we are working toward enabling customers to achieve greater convenience and comfort in their lives through lifetime lifestyle support businesses and corporate enterprise support business that draw on the Yamato Group's nationwide network.
- b. With respect to individual customers, the Yamato Group operated a variety of services to assist in daily life such as the "Raku Raku Household TA-Q-BIN" service for delivering large furniture items and home appliances and moving-related services. During the three months ended June 30, 2015, we engaged in aggressive sales activities geared toward achieving greater profitability on weekdays by promoting our "e-commerce Total Support Service" and our "Comfortable Lifestyle Support Service," the former of which entails collaborating with mail-order business operators in providing additional functions to our previous service offerings that include hauling away used furniture and appliances when making deliveries of new items and moving large furniture items, and the latter of which entails resolving everyday inconveniences associated with house cleaning and collection of unwanted items.
- c. For our corporate clients, we have been developing our "Technical Network Business" where we combine the networks of the Yamato Group and our construction and installation contractors so that we can provide one-stop support in handling everything from household equipment delivery and set-up, to installation and maintenance of such equipment, as well as business support services such as office relocation services and procurement services for sourcing goods. During the three months ended June 30, 2015, the segment achieved favorable results with respect to use of our office relocation services.
- d. Operating revenue amounted to 12,136 million yen, down 4.4% from the year-ago period mainly due to the drop in previously brisk demand amid a delayed impact of purchases made before the consumption tax hike in the previous fiscal year, despite firm growth with respect to offerings such as our "Comfortable Lifestyle Support Service" and office relocation services. As for profits, the segment curbed its operating loss to 64 million yen, which was an improvement of 46 million yen compared with the year-ago period, as a result of initiatives that included implementing thorough management of personnel-related expenses and enhancing efforts to achieve greater profitability on weekdays.

● e-Business

- a. In the e-Business, the Yamato Group helps customers streamline their business processes and solve potential issues by proactively conducting solution platform business that combine logistics technology and financial technology with information technology.
- b. With respect to services for assisting with order-acceptance and dispatching operations, the Yamato Group provides a “Web-based Shipment Control” that comprehensively supports such operations as dispatch information processing, printing of delivery slips, and freight tracking. In the three months ended June 30, 2015, use of this service increased particularly among our existing large-lot customers, against a backdrop that included mail-order market growth.
- c. The Yamato Group has been developing services for customers whose needs involve managing products on an individual basis, such that combine serial acceptance/dispatch control in warehouses, inventory tracking and other information-related services with services involving affixing data to products and partial processing of merchandise. In the three months ended June 30, 2015, these services achieved favorable results particularly with respect to their use by telecommunications equipment-related customers.
- d. In its e-money related services, the Yamato Group offers solutions through collaboration between the e-Business and the Financial Business, and provides services that involve installation and operation of “Multi e-money Settlement Terminals” that allow settlements in multiple types of e-money using a single device. In the three months ended June 30, 2015, we worked on expanding services in this area, with such efforts including the full-scale launch of an e-money settlement system geared toward the amusement industry.
- e. Operating revenue amounted to 10,327 million yen, up 6.1% from the year-ago period mainly due to growth in mail-order services and e-money services. Operating income was 1,740 million yen, up 6.1% from the year-ago period.

● Financial

- a. In the Financial Business, the Yamato Group has been developing settlement and financial services tailored to a range of customer needs for payment collection on mail-order product deliveries, B2B transaction settlement, and vehicle leasing.
- b. With respect to our payment settlement services, in addition to providing our mainstay service “TA-Q-BIN Collect,” we have also been promoting increased customer use of both our “Kuroneko Web Collect” comprehensive internet-based transaction settlement service and our e-money settlement services. In the three months ended June 30, 2015, we engaged in efforts to increase profitability by promoting our “Kuroneko Web Collect” and “Kuroneko Pay After Delivery” services to our customers who use only the “TA-Q-BIN Collect” service. Moreover, with respect to our services related to e-money, we expanded sales involving our “Multi e-money Settlement Terminal” rental services geared toward large nationwide events and other activities.
- c. In the lease services business, we achieved steadily increasing use of our services by promoting proposals for total solutions related to the Group’s network and vehicles. This includes finance leases primarily involving large vehicles, operating leases that enable customers to cut costs by providing them with new vehicles premised on the condition of vehicle purchase or re-use after lease expiration, and leases of previously-owned cars linked with such purchase or re-use.
- d. Operating revenue amounted to 17,353 million yen, up 10.6% from the year-ago period mainly due to increased use of our payment settlement services primarily among operators of mail-order businesses, and also due to an increase in contracts for truck leases in the lease services business. Operating income was 2,204 million yen, up 3.2% from the year-ago period.

● Autoworks

- a. In the Autoworks Business, the Yamato Group develops its “24-hour-a-day, 365-day-a-year service that enables customers to service their vehicles without stopping operation,” thereby providing value to logistics operations and logistics service providers primarily in the form of “improvement of vehicle maintenance convenience” and “reduced maintenance expenses.” Furthermore, to better provide one-stop service solutions geared toward customer business operations, we have added services for “maintaining and safeguarding logistics facilities and equipment, and improving such workplace environments,” along

with “insurance agency services where we offer risk management-related insurance plans tailored to customer needs.”

- b. In the three months ended June 30, 2015, we aggressively marketed our “Repairworks” services entailing periodic on-site customer visits. Moreover, we took steps to further differentiate ourselves from our competitors through initiatives that included developing new service locations capable of performing maintenance of facilities and equipment, and also began offering our “Anshin Recovery Expense Insurance” policies which provide enhanced support with respect to involuntary and voluntary recalls.
- c. Operating revenue amounted to 6,426 million yen, down 7.7% from the year-ago period mainly due to lower unit price of fuel. Operating income was 1,075 million yen, down 5.0% from the year-ago period.

● Other

- a. The “JITBOX Charter service” provides transportation by transport box. The service takes advantage of its network consisting of multiple companies and provides added value to customers through timely delivery and frequent, right-volume delivery. In the three months ended June 30, 2015, use of the service steadily increased partially as a result of our initiatives to develop information systems and improve service quality, and also due to favorable results from existing service offerings.
- b. Operating income in Other excluding dividends which Yamato Holdings Co., Ltd. received from the Group companies increased 540.8% from the year-ago period to 433 million yen.

CSR Initiatives

- a. The Yamato Group places utmost priority on protecting human life and conducts a range of safety measures. In the three months ended June 30, 2015, the Group promoted various initiatives geared toward achieving greater safety awareness among employees, with such efforts including our “Zero Accident Campaign” which is a safety campaign deployed horizontally throughout the entire group including our TA-Q-BIN operators overseas. In addition, since 1998 we have been holding our “Safety Classes for Children,” through which we convey the importance of traffic safety, in day care facilities, kindergartens and elementary schools across Japan. A total of more than 2.68 million people have now participated.
- b. The Yamato Group has established the “Environmental Conservation Declaration” on the basis of the Group corporate philosophy, and moreover works to ensure that our distribution mechanisms are environmentally sound. At the same time, the Yamato Group works to heighten employee awareness of environmental conservation issues and promote such initiatives, which we pursue under our policy of “Nekology” (combining “Kuroneko” with “ecology”). We also hold “Kuroneko Yamato Environmental Class” sessions designed to provide support for environmental education of children who will bear responsibilities of the next generation. We have held such classes on an ongoing basis nationwide since 2005, attracting over 210 thousand participants so far.
- c. Aspiring to be a company that continually evolves in step with society, led by Yamato Welfare Foundation, the Yamato Group conducts various activities to help realize a society in which disabled people can freely enjoy a lifestyle as a member of the workforce. Specifically, we engage in ongoing programs that support economic independence of people with disabilities, such that include actively employing people with disabilities at the Swan Bakery which makes and sells bread, providing them with workplaces through the consigned delivery of Kuroneko DM-Bin, and operating job-finding support facilities where they take part in training to acquire skills and knowledge necessary for employment.
- d. Aiming to create more sustainable social value, the Yamato Group promotes initiatives for sharing value with society based on “Creating Shared Value (CSV).” In the three months ended June 30, 2015, the Yamato Group worked in collaboration with government bodies on 1,152 separate occasions in providing ongoing support with regard to watching over elderly residents, helping those living in remote areas who face difficulties doing their shopping, lending support for community revitalization efforts in conjunction with municipal governments and local businesses, and other such initiatives taken in the course of performing myriad services that draw on the Yamato Group’s managerial resources.

(2) Qualitative information on consolidated financial position

Total assets were 1,070,550 million yen as of June 30, 2015, down 11,980 million yen from the end of the previous fiscal year. The major factor in this was a decrease of 24,407 million yen in cash and deposits. Liabilities decreased 9,055 million yen to 502,276 million yen from the end of the previous fiscal year. The major factors in this were an increase in loans payable of 4,326 million yen while income taxes payable decreased 15,330 million yen due to the payment of income taxes.

Total net assets were 568,274 million yen, down 2,925 million yen from the end of the previous fiscal year. This was mainly attributable to a decrease in retained earnings of 3,374 million yen due to the recording of profit attributable to owners of parent of 1,908 million yen and payment of dividends of surplus of 5,371 million yen.

Accordingly, the equity ratio changed to 52.5% from the previous fiscal year's 52.2%.

(3) Qualitative information on consolidated earnings forecasts

Looking ahead at the economy, we expect the economy to gradually recover in line with improvement in the employment situation and personal consumption. However, uncertainties are likely to remain given factors such as a tightening supply of labor and the economic downturn overseas.

In this environment, the Yamato Group will persist with efforts in the Delivery Business to provide highly convenient services from the customers' viewpoint and maintain and improve quality, while also working to improve profitability through adequate pricing in line with the benefits of our service offerings. We will also forge ahead with initiatives to expand sales of our "TA-Q-BIN Compact," "Nekopos" and "Kuroneko DM-Bin" services. In the non-delivery businesses, we will expand the revenue base through ongoing efforts to create and develop a business model for generating a high level of added value by leveraging the Group's business resources. On the cost front, we will ensure positive operating income results by implementing thorough controls on variable costs and improving productivity.

The Yamato Group has not made any changes to the consolidated earnings forecasts for the half year and for the full year of the fiscal year ending March 31, 2016 since the announcement made on April 30, 2015.

2. Matters Regarding Summary Information (Notes)

(1) Application of specific accounting for preparing the quarterly consolidated financial statements

Calculation of tax expenses

Tax expenses are calculated by multiplying the income before income taxes by the reasonably estimated effective tax rates after the application of tax effect accounting to the income before income taxes for the fiscal year including the first quarter under review.

(2) Additional information

The Company has applied provisions of Paragraph 39 of the "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, September 13, 2013), etc., and has accordingly made changes in the presentation of net income, etc. and has also made changes in presentation from minority interests to non-controlling interests. To reflect these changes, the Company has restated its quarterly and full-year consolidated financial statements for the first three months of the previous fiscal year and the previous fiscal year.

3. Consolidated Financial Statements

(1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2015	As of June 30, 2015
Assets		
Current assets		
Cash and deposits	247,398	222,991
Notes and accounts receivable - trade	187,833	186,628
Accounts receivable - installment	42,007	43,926
Lease investment assets	44,948	46,290
Merchandise and finished goods	721	757
Work in process	512	390
Raw materials and supplies	2,101	1,837
Other	42,020	49,408
Allowance for doubtful accounts	(1,338)	(1,055)
Total current assets	566,205	551,176
Non-current assets		
Property, plant and equipment		
Buildings and structures	334,119	331,668
Accumulated depreciation	(185,622)	(184,950)
Buildings and structures, net	148,497	146,718
Vehicles	194,198	195,368
Accumulated depreciation	(176,205)	(175,643)
Vehicles, net	17,992	19,725
Land	187,964	187,963
Lease assets	24,028	17,718
Accumulated depreciation	(17,181)	(9,464)
Lease assets, net	6,846	8,253
Other	156,845	156,013
Accumulated depreciation	(98,045)	(98,190)
Other, net	58,800	57,822
Total property, plant and equipment	420,101	420,484
Intangible assets	17,600	18,397
Investments and other assets		
Investment securities	34,567	35,926
Other	45,173	45,559
Allowance for doubtful accounts	(1,116)	(993)
Total investments and other assets	78,624	80,492
Total non-current assets	516,325	519,374
Total assets	1,082,531	1,070,550

(Millions of yen)

	As of March 31, 2015	As of June 30, 2015
Liabilities		
Current liabilities		
Notes and accounts payable - trade	157,479	144,081
Short-term loans payable	34,443	45,877
Current portion of bonds with subscription rights to shares	9,660	8,580
Lease obligations	2,733	2,676
Income taxes payable	20,024	4,693
Deferred installment income	5,655	5,765
Provision for bonuses	30,236	12,396
Other	96,800	129,344
Total current liabilities	357,034	353,414
Non-current liabilities		
Long-term loans payable	83,876	76,769
Lease obligations	4,655	5,324
Net defined benefit liability	53,023	53,689
Other	12,742	13,078
Total non-current liabilities	154,297	148,862
Total liabilities	511,331	502,276
Net assets		
Shareholders' equity		
Capital stock	127,234	127,234
Capital surplus	70,209	69,323
Retained earnings	395,352	391,977
Treasury shares	(43,007)	(41,886)
Total shareholders' equity	549,789	546,649
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	13,847	14,327
Foreign currency translation adjustment	1,169	695
Remeasurements of defined benefit plans	715	848
Total accumulated other comprehensive income	15,731	15,871
Non-controlling interests	5,678	5,753
Total net assets	571,199	568,274
Total liabilities and net assets	1,082,531	1,070,550

(2) Consolidated statement of income and consolidated statement of comprehensive income
Consolidated statement of income (cumulative)

(Millions of yen)

	For the three months ended June 30, 2014	For the three months ended June 30, 2015
Operating revenue	323,968	328,932
Operating cost	310,239	314,796
Operating gross profit	13,729	14,136
Selling, general and administrative expenses	8,796	10,005
Operating income	4,933	4,130
Non-operating income		
Interest income	16	13
Dividend income	281	329
Other	408	485
Total non-operating income	705	828
Non-operating expenses		
Interest expenses	88	115
Other	179	73
Total non-operating expenses	268	189
Ordinary income	5,370	4,770
Extraordinary income		
Gain on sales of non-current assets	1	30
Compensation for damage received	257	—
Total extraordinary income	258	30
Extraordinary loss		
Loss on retirement of non-current assets	43	29
Loss on litigation	598	—
Other	—	0
Total extraordinary loss	641	30
Income before income taxes and minority interests	4,988	4,771
Income taxes	2,815	2,794
Profit	2,172	1,976
Profit (loss) attributable to non-controlling interests	(71)	68
Profit attributable to owners of parent	2,243	1,908

Consolidated statement of comprehensive income (cumulative)

(Millions of yen)

	For the three months ended June 30, 2014	For the three months ended June 30, 2015
Profit	2,172	1,976
Other comprehensive income		
Valuation difference on available-for-sale securities	582	446
Foreign currency translation adjustment	(230)	(473)
Remeasurements of defined benefit plans, net of tax	64	133
Total other comprehensive income	416	106
Comprehensive income	2,588	2,083
(Breakdown)		
Comprehensive income attributable to owners of parent	2,587	2,047
Comprehensive income attributable to non-controlling interests	1	35

**(3) Notes to consolidated financial statements
(Notes to premise of going concern)**

Not applicable.

(Segment information, etc.)

[Segment information]

Information regarding the amounts of operating revenue and income or loss by reportable segment
For the three months ended June 30, 2014

(Millions of yen)

	Delivery	BIZ-Logistics	Home Convenience	e-Business	Financial
Operating revenue					
(1) Operating revenue from customers	254,123	23,359	12,691	9,735	15,692
(2) Inter-segment operating revenue or transfers	15,540	2,879	3,075	6,667	834
Total	269,663	26,238	15,767	16,402	16,527
Segment income (loss)	(2,061)	1,134	(111)	1,641	2,135

	Autoworks	Other (Notes 1, 2)	Total	Reconciliation (Note 3)	Amount recorded in consolidated statement of income (Note 4)
Operating revenue					
(1) Operating revenue from customers	6,960	1,406	323,968	—	323,968
(2) Inter-segment operating revenue or transfers	7,328	28,103	64,428	(64,428)	—
Total	14,288	29,509	388,397	(64,428)	323,968
Segment income (loss)	1,132	22,444	26,313	(21,380)	4,933

- Notes: 1. Other includes business-to-business distribution via JITBOX Charter and shared services.
2. Operating revenue in Other includes dividends which the Company received from the Group companies as a pure holding company and the effect of this on operating revenue and segment income is 22,100 million yen.
3. The adjustment of segment income resulted from eliminating transactions among segments, etc.
4. We made an adjustment between segment income and operating income in the consolidated statement of income.

For the three months ended June 30, 2015

(Millions of yen)

	Delivery (Note 1)	BIZ-Logistics	Home Convenience	e-Business	Financial
Operating revenue					
(1) Operating revenue from customers	254,987	25,882	12,136	10,327	17,353
(2) Inter-segment operating revenue or transfers	16,212	3,092	3,107	6,895	837
Total	271,199	28,974	15,244	17,223	18,190
Segment income (loss)	(2,683)	1,222	(64)	1,740	2,204

	Autoworks	Other (Notes 1, 2, 3)	Total	Reconciliation (Note 4)	Amount recorded in consolidated statement of income (Note 5)
Operating revenue					
(1) Operating revenue from customers	6,426	1,818	328,932	—	328,932
(2) Inter-segment operating revenue or transfers	7,109	31,095	68,350	(68,350)	—
Total	13,535	32,914	397,283	(68,350)	328,932
Segment income (loss)	1,075	25,089	28,583	(24,453)	4,130

- Notes: 1. Effective from the first quarter under review, the Company has made changes to business segment classifications to ensure that such classifications more adequately accord with actual circumstances related to management and administration. These changes mainly involve inclusion of the human resources management business in the Delivery Business segment, from the Other segment previously. The segment information for the three months ended June 30, 2014 has been prepared and presented according to the new classification.
2. Other includes business-to-business distribution via JITBOX Charter and shared services.
3. Operating revenue in Other includes dividends which the Company received from the Group companies as a pure holding company and the effect of this on operating revenue and segment income is 24,889 million yen.
4. The adjustment of segment income resulted from eliminating transactions among segments, etc.
5. We made an adjustment between segment income and operating income in the consolidated statement of income.

(Notes on significant changes in the amount of shareholders' equity)

Not applicable.

(Important Subsequent Matters)

Purchase and retirement of treasury shares

At the meeting held on July 30, 2015, the Board of Directors resolved matters related to the purchase of treasury shares of the Company, in accordance with the provisions of the Articles of Incorporation, pursuant to Article 459, Paragraph 1, Item 1 of the Companies Act of Japan, and also resolved to retire treasury shares of the Company in accordance with the provisions of Article 178 of the Companies Act of Japan.

1. Reason of purchase and retirement of treasury shares

The Company purchases and retires its treasury shares to implement flexible capital policies in accordance with changes in the business environment with the aim of enhancing shareholder value.

2. Contents of matters related to the purchase of treasury shares

Type of shares to be purchased	Common shares of the Company
Total number of shares to be purchased	Up to 10,000,000 shares (ratio to the total number of issued shares (excluding treasury shares) 2.42%)
Total acquisition price of shares to be purchased	Up to 20 billion yen
Acquisition period	From July 31, 2015 to September 30, 2015
Acquisition method	Through the market

3. Contents to retirement of treasury shares

Type of shares to be retired	Common shares of the Company
Total number of shares to be retired	10,403,100 shares (ratio to the total number of issued shares 2.39%)
Scheduled date of share retirement	August 13, 2015

4. Supplementary Information

Operating revenue by business

Business segment		For the three months ended June 30, 2014		For the three months ended June 30, 2015		Change (%)	Fiscal year ended March 31, 2015	
		Amount (Millions of yen)	Ratio (%)	Amount (Millions of yen)	Ratio (%)		Amount (Millions of yen)	Ratio (%)
Delivery	TA-Q-BIN	220,683	68.1	228,642	69.5	3.6	969,923	69.4
	Kuroneko DM-Bin *1	30,065	9.3	22,755	6.9	(24.3)	116,619	8.4
	Express	10,495	3.2	10,201	3.1	(2.8)	42,918	3.1
	Others *2	20,374	6.3	22,011	6.7	8.0	87,619	6.3
	Eliminations	(27,496)	(8.5)	(28,624)	(8.7)	4.1	(113,891)	(8.2)
	Total	254,123	78.4	254,987	77.5	0.3	1,103,188	79.0
BIZ-Logistics	Trading logistics service	9,139	2.8	9,809	3.0	7.3	43,215	3.1
	Sales and Logistics	8,455	2.6	8,986	2.7	6.3	34,767	2.5
	Multi maintenance	3,808	1.2	3,266	1.0	(14.2)	15,689	1.1
	Export Factory	995	0.3	1,073	0.3	7.8	4,185	0.3
	Others	9,238	2.9	10,767	3.3	16.5	39,416	2.8
	Eliminations	(8,278)	(2.6)	(8,021)	(2.4)	(3.1)	(33,453)	(2.4)
	Total	23,359	7.2	25,882	7.9	10.8	103,821	7.4
Home Convenience	Home convenience	11,106	3.4	10,802	3.3	(2.7)	41,561	3.0
	Business convenience	3,387	1.0	3,610	1.1	6.6	16,665	1.2
	Technical Network	1,280	0.4	838	0.3	(34.5)	4,817	0.3
	Eliminations	(3,083)	(0.9)	(3,115)	(1.0)	1.0	(14,568)	(1.0)
	Total	12,691	3.9	12,136	3.7	(4.4)	48,475	3.5
e-Business	e-logistics solution *2	2,341	0.7	2,414	0.7	3.1	9,829	0.7
	Credit card solution	1,981	0.6	2,458	0.7	24.1	8,087	0.6
	IT operating solution	1,659	0.5	1,499	0.5	(9.6)	6,253	0.4
	Web-based mail order solution	1,372	0.4	1,309	0.4	(4.6)	6,074	0.4
	Others *2	9,959	3.1	10,359	3.1	4.0	41,500	3.0
	Eliminations	(7,578)	(2.3)	(7,713)	(2.3)	1.8	(31,258)	(2.2)
	Total	9,735	3.0	10,327	3.1	6.1	40,486	2.9
Financial	TA-Q-BIN Collect	9,000	2.8	9,095	2.8	1.1	37,549	2.7
	Lease	6,153	1.9	7,674	2.3	24.7	27,065	1.9
	Credit & Finance	858	0.3	853	0.3	(0.6)	3,354	0.2
	Others	533	0.2	587	0.2	10.1	2,160	0.2
	Eliminations	(853)	(0.3)	(857)	(0.3)	0.4	(3,481)	(0.2)
	Total	15,692	4.9	17,353	5.3	10.6	66,649	4.8
Autoworks	Truck solution *3	13,062	4.0	12,225	3.7	(6.4)	51,122	3.6
	Others	1,814	0.6	1,893	0.6	4.3	7,070	0.5
	Eliminations	(7,917)	(2.4)	(7,692)	(2.3)	(2.8)	(31,039)	(2.2)
	Total	6,960	2.2	6,426	2.0	(7.7)	27,153	1.9
Other	JITBOX Charter service	1,251	0.4	1,641	0.5	31.1	6,035	0.4
	Others *2	28,771	8.9	32,142	9.7	11.7	48,268	3.5
	Eliminations	(28,616)	(8.9)	(31,964)	(9.7)	11.7	(47,369)	(3.4)
	Total	1,406	0.4	1,818	0.5	29.3	6,933	0.5
Total		323,968	100.0	328,932	100.0	1.5	1,396,708	100.0

*1. Results shown for Kuroneko DM-Bin in the three months ended June 30, 2014 are those of the Kuroneko Mail service for that period.

*2. Effective from the first quarter under review, the Company has made changes to business segment classifications as shown below to ensure that such classifications more adequately accord with actual circumstances related to management and administration. The figures presented for the three months ended June 30, 2014, and for the fiscal year ended March 31, 2015, have been restated in accordance with these changes.

- The human resources management business, previously included in the Other segment, is now presented in the Others category of the Delivery segment.
- The setup and logistics solutions business, previously included in the e-logistics solutions category of the e-Business segment, is now presented in the Others category.

*3. Effective from the first quarter under review, the name of the Truck maintenance category in the Autoworks segment has been changed to the Truck solution.