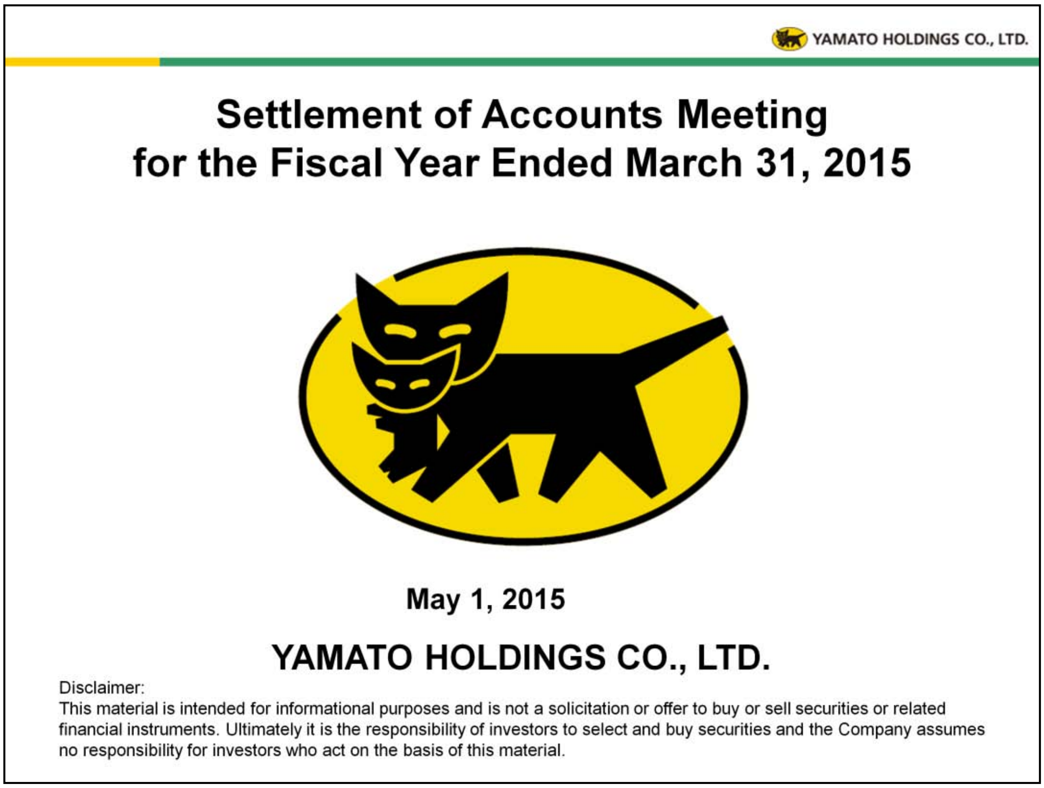


I am Masaki Yamauchi, Representative Director and President of Yamato Holdings Co., Ltd.
Thank you for participating in today's Settlement of Accounts Meeting.

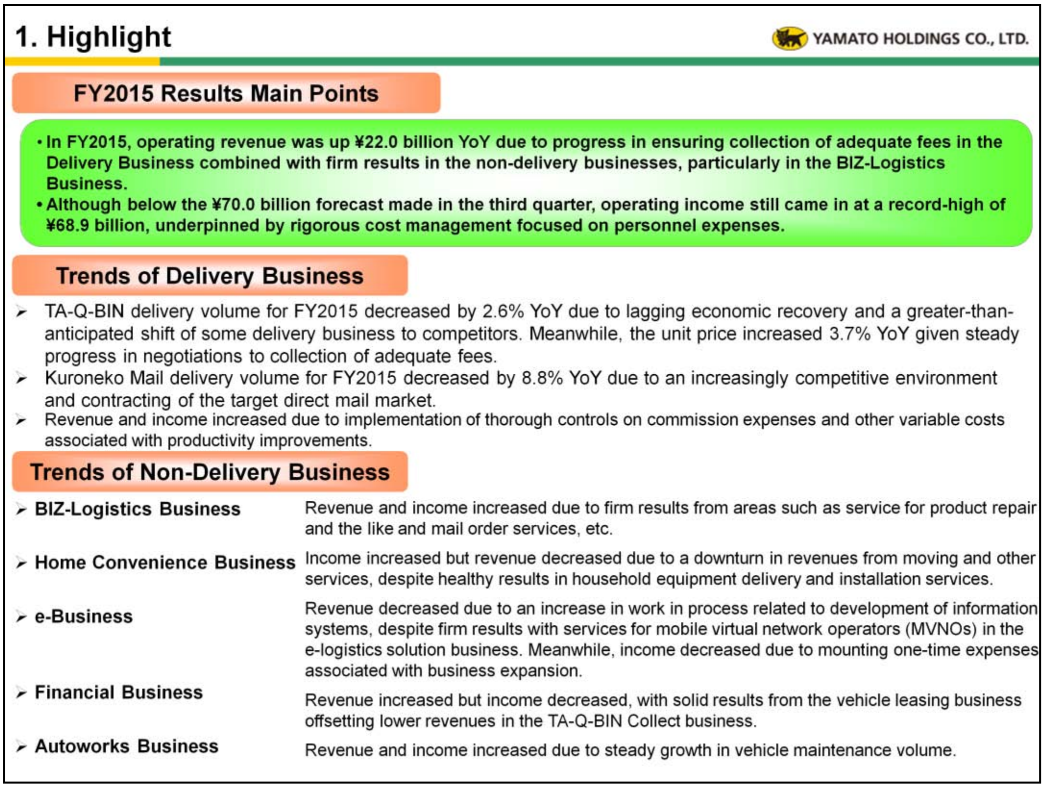
Yamato Holdings achieved year-on-year revenue and income gains, as I'm sure you are already aware from the earnings results released yesterday (April 30).

Operating income was a record-high ¥68.9 billion, yet still below our ¥70.0 billion forecast made in the third quarter.

While there were no major discrepancies between our figures and the consensus view of analysts, factors attributable to results falling short of the operating income target include:

(1) A greater-than-expected decrease in March delivery volumes stemming from the adverse impact of recoiling demand following the pre-consumption tax hike surge in spending, and
(2) Increases in advertising expenses and other costs attributed to changes in our service line-up.

I will now provide an explanation in line with the presentation materials.



I will start off with a summary for the fiscal year ended March 31, 2015.

(1) Although consumer spending remained weak, operating revenue increased by ¥22.0 billion YoY as a result of Delivery Business' collection of adequate fees along with firm performance in the non-delivery businesses, particularly in the BIZ-Logistics Business.

(2) With respect to expenses, amid a deteriorating cost environment such as a tightening labor market, we implemented robust cost controls and worked to curb outlays through initiatives that included promoting measures to boost productivity centered on the Delivery Business.

(3) Consequently, operating income increased by ¥5.8 billion YoY, to ¥68.9 billion.

(4) Since the third quarter, there were no significant changes in the trends of respective operating segments, as shown on this slide.
In the Delivery Business, revenues increased by ¥2.0 billion due to the effect of revenue gains brought about by steady progress made toward collecting adequate fees, amid a downturn in TA-Q-BIN and Kuroneko Mail delivery volumes.

In the non-delivery businesses, the BIZ-Logistics Business in particular acted as a driver of positive earnings results.
Operating revenue in the sub-segments increased substantially, in line with new orders in sales & logistics and multi maintenance.
Revenues were higher in the trading logistics business involved in international logistics due to an increase in deliveries switched over from sea freight to air cargo amid the recent U.S. West Coast dock strikes, and also due to effects of foreign exchange.

Meanwhile, the e-Business segment faced some difficulties.
However, we expect the segment to recover this fiscal year give that the poor performance was caused by an accounting period mismatch between timing of costs and revenues amid an increase in the amount of work in process related to development of information systems.

The Home Convenience Business emerged from its state of negative earnings with positive operating income of ¥0.6 billion, though this was slightly lower than the forecast made in the third quarter.

2. Overview of Operating Results

YAMATO HOLDINGS CO., LTD.

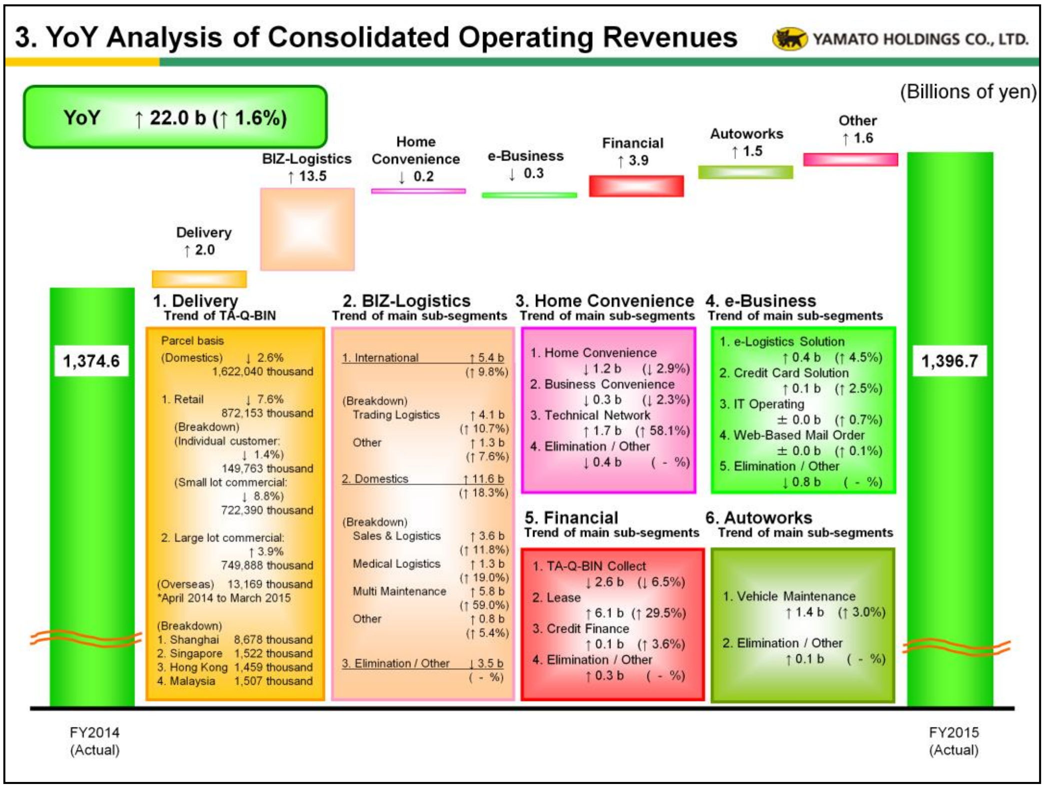
(Billions of Yen)	FY2015 (Actual)	FY2014 (Actual)	FY2015 (Jan. 2015 Forecast)	YoY Change		Forecast Change	
				Amount	[%]	Amount	[%]
Operating revenues							
Delivery	**1,101.4**	**1,099.3**	**-**	**2.0**	**0.2**	**-**	**-**
Non-Delivery	**295.2**	**275.2**	**-**	**20.0**	**7.3**	**-**	**-**
Total	**1,396.7**	**1,374.6**	**1,400.0**	**22.0**	**1.6**	**(3.2)**	**(0.2)**
Operating income	**68.9**	**63.0**	**70.0**	**5.8**	**9.3**	**(1.0)**	**(1.5)**
[Profit margin]	**4.9%**	**4.6%**	**5.0%**	**-**	**-**	**-**	**-**
Ordinary income	**70.8**	**64.6**	**71.0**	**6.2**	**9.6**	**(0.1)**	**(0.2)**
[Profit margin]	**5.1%**	**4.7%**	**5.1%**	**-**	**-**	**-**	**-**
Net income	**37.5**	**34.7**	**41.0**	**2.7**	**7.9**	**(3.4)**	**(8.5)**
[Profit margin]	**2.7%**	**2.5%**	**2.9%**	**-**	**-**	**-**	**-**

Next, let's move on to operating results.

(1) This table provides a summary of year-on-year results for operating revenue, operating income, and other earnings results.

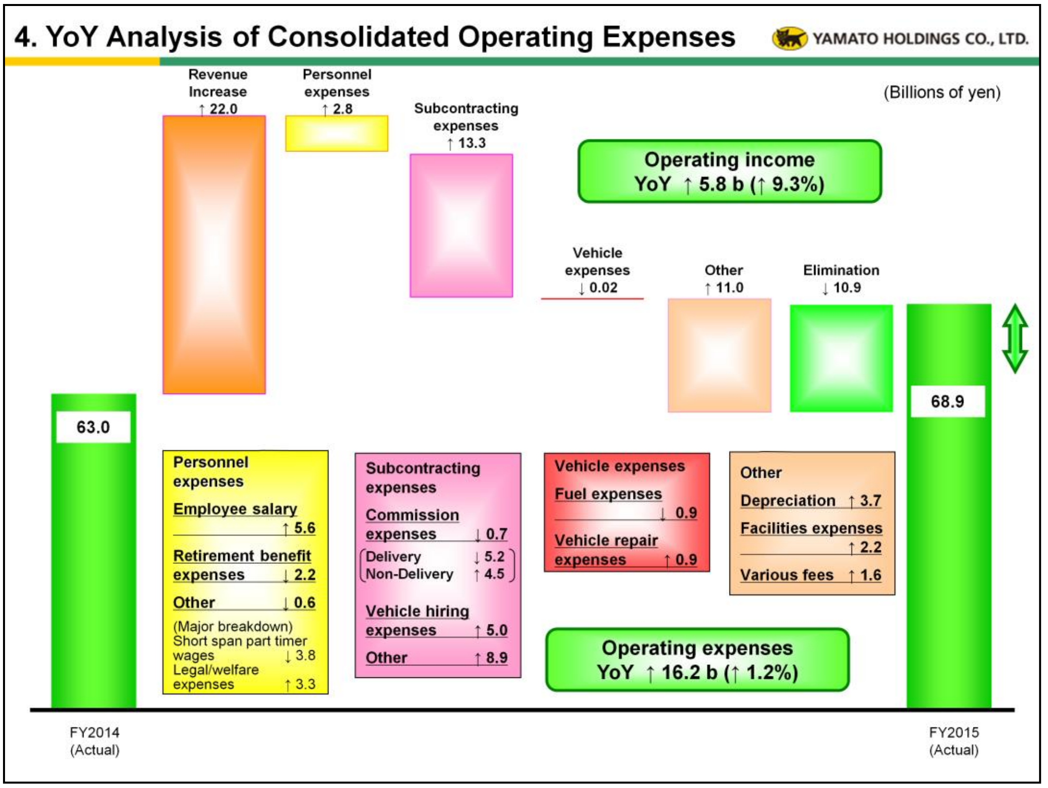
(2) Net income increased by ¥2.7 billion YoY, to ¥37.5 billion.
The government's tax reform plan resulted in reversing deferred tax assets, an increase of ¥3.7 billion in income taxes-deferred and an corresponding decrease in net income of the same amount.

(3) Nothing noteworthy has emerged in terms of extraordinary income and extraordinary losses.



Next is the YoY analysis of changes in consolidated operating revenues.

(1) Revenues by operating segment increased almost across the board, as these figures indicate.



Next for the analysis of changes in consolidated operating expenses.

(1) Consolidated operating expenses increased by 1.2% YoY. Please look at slide 5 to get a better understanding in this regard.

(2) We have continued with robust cost control measures which include initiatives to boost productivity, amid a deteriorating cost environment such as a tightening labor market. Accordingly, these results indicate that our controls have been quite effective.

(3) In the second half of last year, the Company incurred one-time costs that included outlays relating to initiatives to improve quality of Cool TA-Q-BIN deliveries and increased costs relating to pickup/deliveries due to record levels of heavy snowfall. However, we find that management has been able to sufficiently curb expenses, even net of that set of costs.

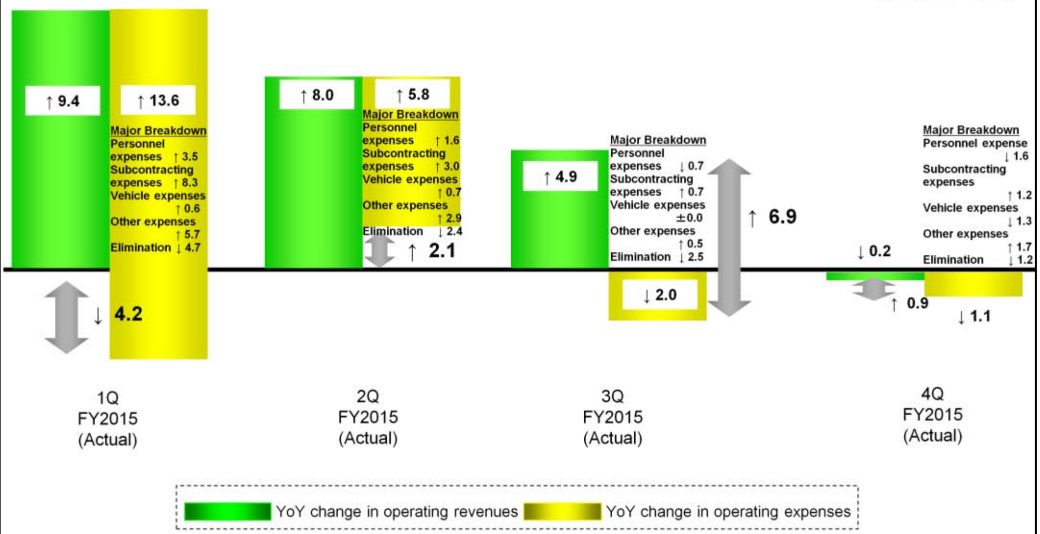
(4) Managing Executive Officer Shibasaki will cover specifics with slide 13 which provides an analysis of changes in consolidated operating expenses, and also with slide 14 which provides an analysis of changes in operating expenses of the Delivery Business.

5. Quarterly YoY Trends of Consolidated Operating Income

YAMATO HOLDINGS CO., LTD.

In 4Q FY2015 (January–March), operating revenues decreased ¥0.2 billion YoY as results in the non-delivery businesses held firm, despite a fall in revenues in the Delivery Business which could not compensate for the pull-back in demand following the pre-consumption tax hike surge in spending.
Continuing on from the third quarter, operating income increased by ¥0.9 billion YoY due to thorough implementation of cost controls centered on variable costs.

(Billions of yen)



Now we come to quarterly YoY trends for consolidated operating income.

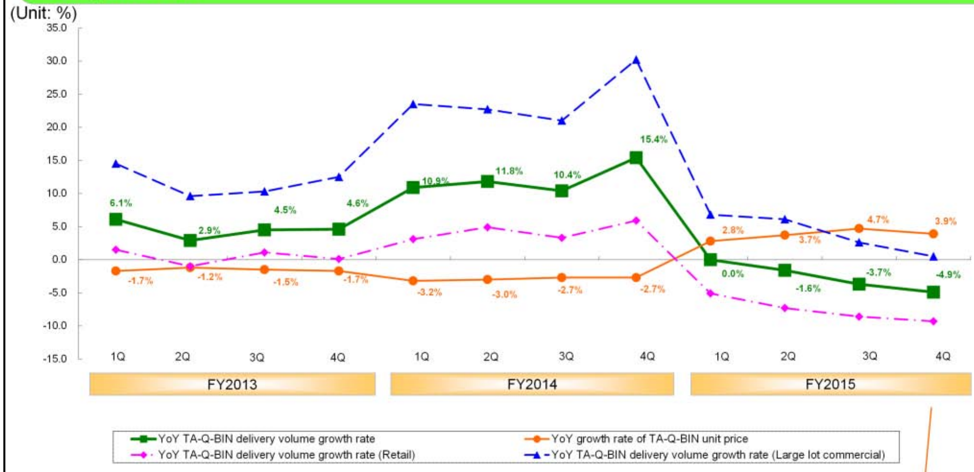
(1) As shown, in the first quarter of the fiscal year revenues increased while income decreased, in the second and third quarters both revenues and income gained, and in the fourth quarter revenues decreased by ¥0.2 billion while income increased by ¥0.9 billion.

(2) Partially due to the impact of recoiling demand following the pre-consumption tax hike surge in spending last year, revenues decreased by ¥5.5 billion in the Delivery Business but that was offset by results of the BIZ-Logistics Business.

6. Quarterly YoY Trends of TA-Q-BIN Delivery and Unit Price

YAMATO HOLDINGS CO., LTD.

- TA-Q-BIN delivery volume in 4Q FY2015 (January-March) decreased 4.9% YoY, due to lagging economic recovery and some delivery business shifting to competitors.
- The unit price increased 3.9% YoY given steady progress in negotiations to ensure collection of adequate fees.



4Q FY2015 unit price growth rate by market (YoY)
Retail: ↑ 6.6%   Large lot commercial: ↑ 2.5%

Next, we will move on to quarterly YoY trends of TA-Q-BIN delivery volume and unit price.

(1) Overall, prevailing trends remain largely unchanged.

(2) T A-Q-BIN delivery volume for the fourth quarter (January–March) decreased by 4.9% due to trends thus far such as sluggish personal consumption and a shift of some delivery business to our competitors, and also due to a greater-than-anticipated decline in delivery volume in March partially due to the impact of recoiling demand following the pre-consumption tax hike surge in spending.

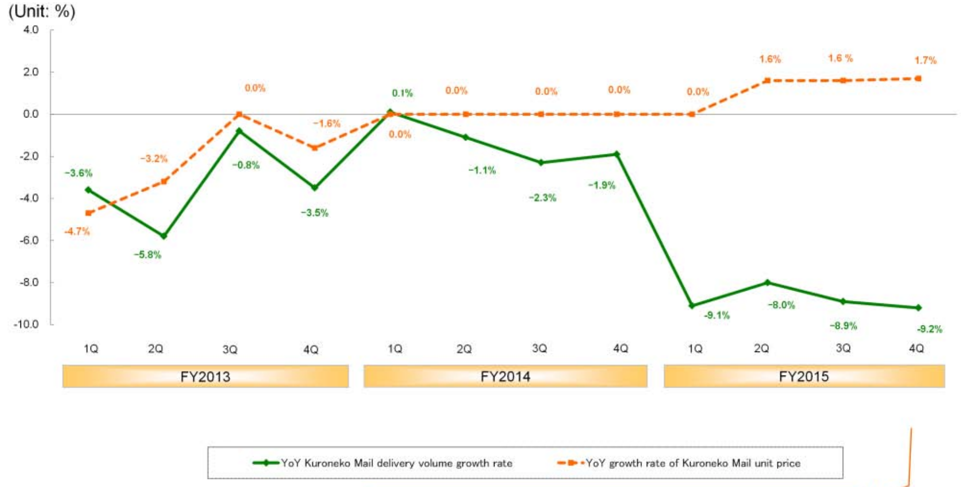
(3) The unit price increased by 3.9%, given steady progress in negotiations with customers to ensure collection of adequate fees.

(4) In the retail market, negotiations with customers have nearly finished. Meanwhile, negotiations are ongoing with some large-lot corporate clients as we continue to promote our pricing strategy.

7. Quarterly YoY Trends of Kuroneko Mail Delivery Volume and Unit Price

YAMATO HOLDINGS CO., LTD.

- **Kuroneko Mail delivery volume for 4Q FY2015 (January-March) decreased by 9.2% YoY due to an increasingly competitive environment and contracting of the target direct mail market.**
- **The unit price increased by 1.7% YoY.**



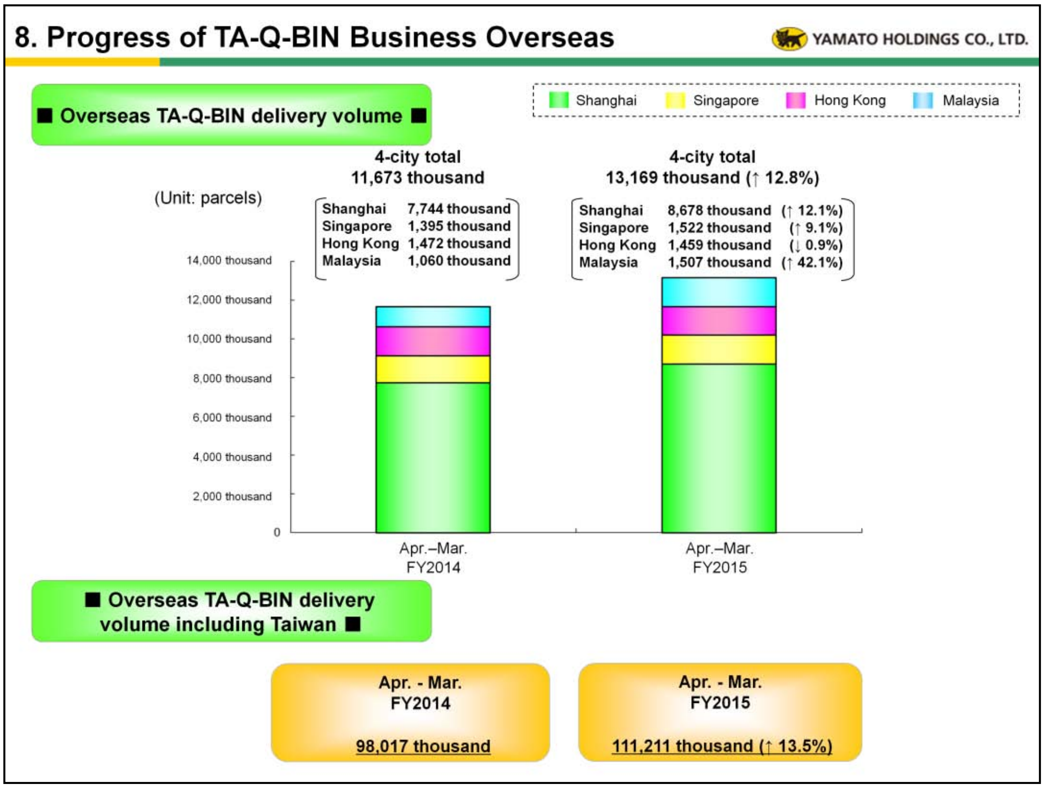
4Q FY2015 shipment volume by market (YoY)
From TA-Q-BIN Centers: ↓ 5.8%
From large lot commercial: ↓ 10.8%

Next we move on to quarterly YoY trends of Kuroneko Mail delivery volume and unit price.

(1) As with TA-Q-BIN delivery, trends with Kuroneko Mail delivery volume remain largely unchanged.

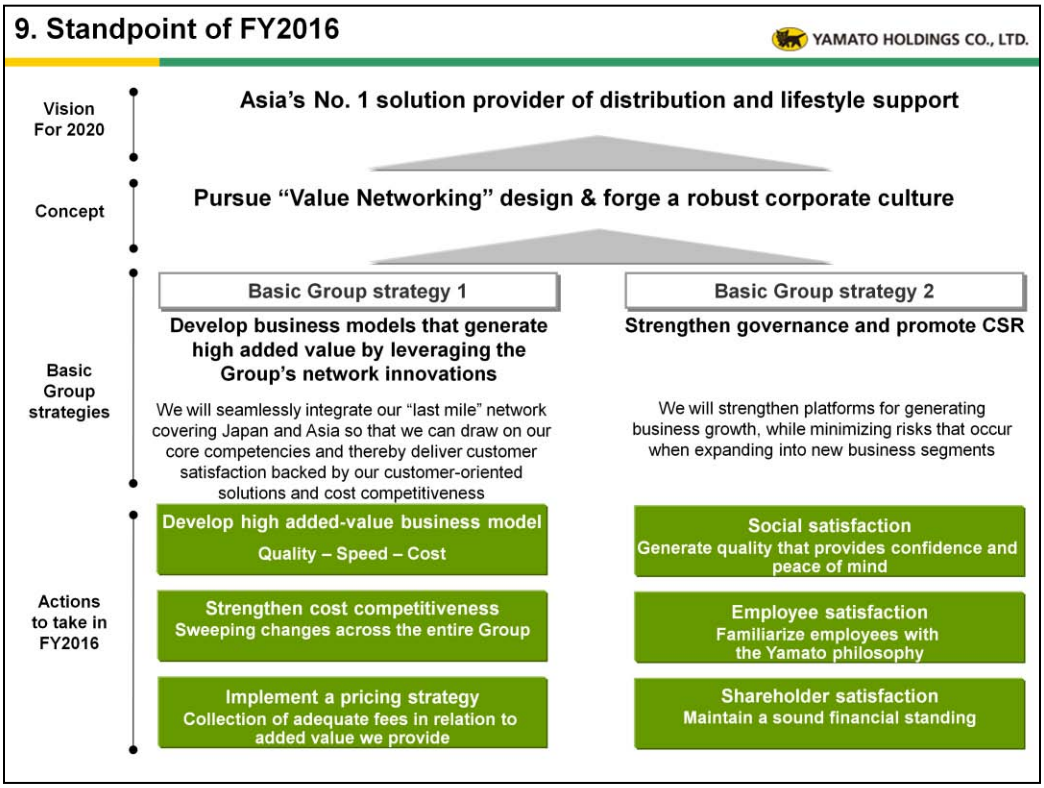
(2) Kuroneko Mail delivery volume in the fourth quarter (January–March) decreased by 9.2% YoY, due to a shrinking market and an increasingly competitive environment.

(3) The unit price began to increase in the second quarter (July–September), and was at ¥61.



Next we look at progress achieved by the TA-Q-BIN business overseas.

(1) As shown in this slide, delivery volume has been growing steadily.
The total delivery volume including that of Taiwan is listed in the lower part of this slide.



Now that we are at the start of a new fiscal year, as President I will once again explain the matter of our positioning for the fiscal year ending March 31, 2016.

(1) The Company aims to develop into "Asia's No. 1 solution provider of distribution and lifestyle support," under the long-term management plan which remains in effect until the fiscal year ending March 31, 2020, which marks the 100th anniversary of the Company's founding.

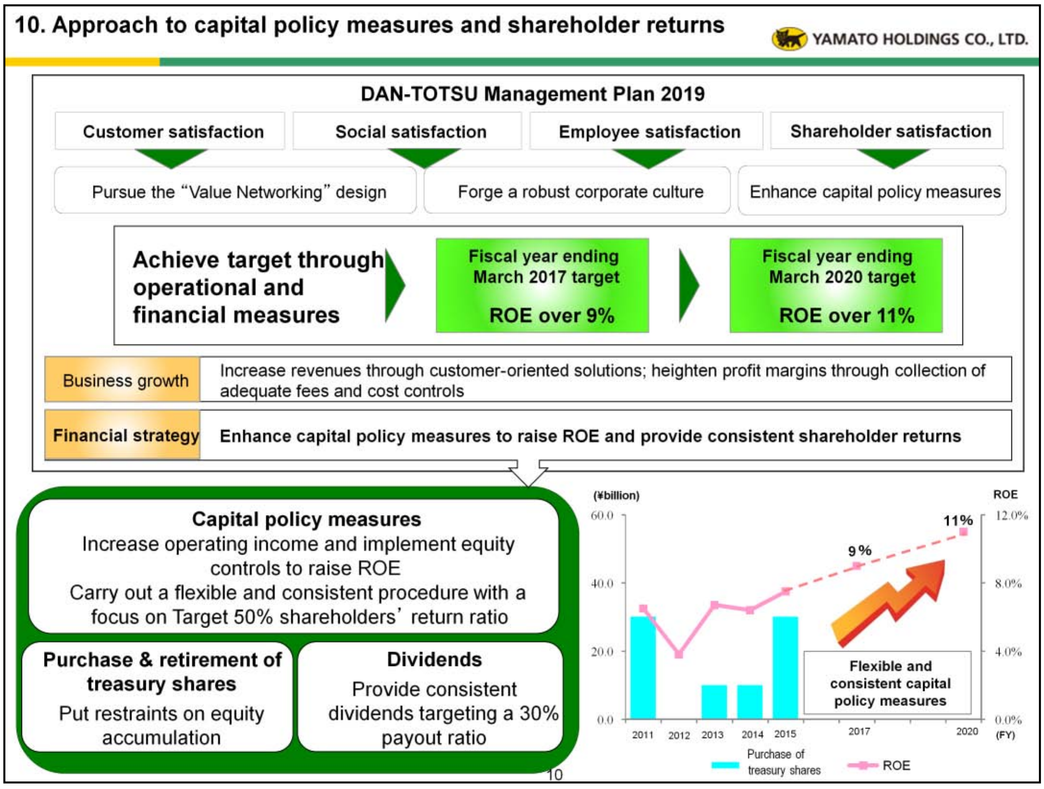
(2) The medium-term management plan consists of the three "DAN-TOTSU Three-Year Plans HOP", "STEP" and "JUMP". The fiscal year ending March 31, 2016 marks the second year of the medium-term management plan "DAN-TOTSU Three-Year Plan STEP."

(3) During the previous fiscal year, we steadily achieved outcomes that seem to be succeeding, including full-scale implementation of our business model for generating high added value at the Haneda Chronogate facility and initiatives to collect adequate fees from our TA-Q-BIN services.

(4) We will pursue our "Value Networking" design and forge a robust corporate culture, while our strategy remains fundamentally unchanged.

(5) As we have also started changing our service lineup in the Delivery Business, we will work to enable further acceleration.

(6) We intend to report on the rolling plan of the medium-term management plan when more appropriate, after having assessed developments involving our new services and other aspects of implementation a bit further.



Next, we will explain our views on the Company's capital policy measures and shareholder returns.

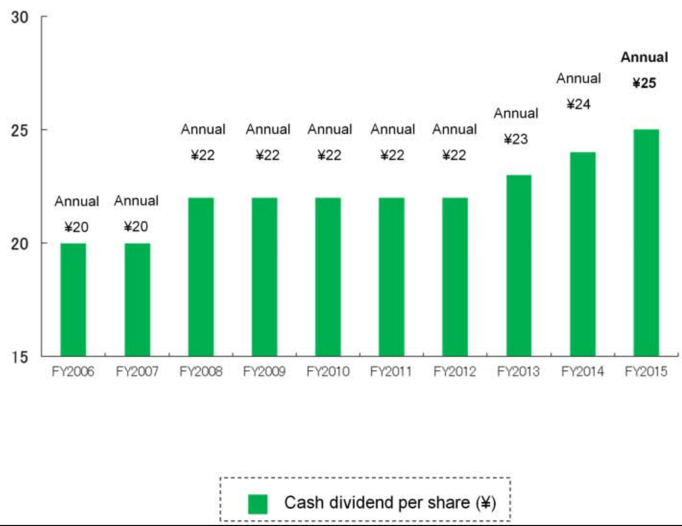
(1) In the previous fiscal year, purchase of treasury shares amounted to ¥30.0 billion and retirement of treasury shares amounted to ¥31.5 billion, with ROE subsequently at 6.7%.

(2) We intend to achieve our ROE target approaching the fiscal year ending March 31, 2020, by boosting operating income through steady implementation of the business strategy, as explained in the previous slide, while at the same time implementing capital policy measures targeting a total payout ratio of 50%.

11. FY2015 Dividends

YAMATO HOLDINGS CO., LTD.

We provide consistent dividends targeting a 30% payout ratio.
We intend to pay dividends of ¥25 per share for the fiscal year ended March 31, 2015.



(1) A year-end dividend for the fiscal year ended March 31, 2015 of ¥13 per share has been set, upon official resolution of the Board of Directors meeting in May which followed statutory audit of the Company’s financial statements.

(2) As such, our annual dividend amount is ¥25 per share, an increase of ¥1 per share YoY, for a payout ratio of 27.7%.

12. Forecasts of FY2016 Operating Results (1)

YAMATO HOLDINGS CO., LTD.

(Billions of Yen)	FY2016 Forecast	FY2015 Actual	YoY Change	
			Amount	[%]
Operating revenues	**1,430.0**	**1,396.7**	**33.2**	**2.4**
Operating income	**72.0**	**68.9**	**3.0**	**4.4**
[Profit margin]	**5.0%**	**4.9%**	-	-
Ordinary income	**73.0**	**70.8**	**2.1**	**3.0**
[Profit margin]	**5.1%**	**5.1%**	-	-
Net income	**43.0**	**37.5**	**5.4**	**14.6**
[Profit margin]	**3.0%**	**2.7%**	-	-

Finally, here are our full-year operating results forecasts for FY2016.

(1) As shown on this slide, we forecast operating revenues of ¥1,430.0 billion and operating income of ¥72.0 billion. This results in an operating profit margin of 5.0%, which constitutes a slight gain to achieve a higher profit margin.

This concludes my explanation.

YAMATO HOLDINGS CO., LTD.

Expense Analysis
Assumptions of Forecasts

My name is Kenichi Shibasaki, and I am in charge of Finance and Accounting, and Investor Relations.
Thank you for participating in today's Financial Results Meeting.

As President Yamauchi explained earlier, operating income for the fiscal year ended March 31, 2015 came in at record-high levels due to implementation of cost controls, yet fell somewhat short of the ¥70.0 billion target due to factors that include an adverse impact of recoiling demand following the pre-consumption tax hike surge in spending, lower-than-expected TA-Q-BIN and Kuroneko Mail service delivery volumes in March, and increases in costs (advertising expenses) involved in announcing our new service offerings.

Moreover, ROE was 6.7%, a 0.3% increase YoY, following purchase of treasury shares of ¥30.0 billion and retirement of treasury shares of ¥31.5 billion. Consequently, the total payout ratio of dividends and purchase of treasury shares combined exceeded 100%.

In addition, we intend to pay dividends for the entire fiscal year ending March 31, 2016 of ¥26 per share (estimate). We will review that amount in view of performance trends.

We will continue to set our sights on delivering a 50% total payout ratio as we work toward achieving our ROE target.

I will now go over the key points the settlement of accounts, in line with the presentation materials.

13. YoY Analysis of Consolidated Operating Expenses

YAMATO HOLDINGS CO., LTD.

(Millions of Yen)	FY2015 (Actual)	FY2014 (Actual)	FY2015 (Jan. 2015 Forecast)	YoY Change		Forecast Change	
				Amount	[%]	Amount	[%]
Operating revenues	1,396,708	1,374,610	1,400,000	22,098	1.6	(3,291)	(0.2)
Operating expenses	1,327,761	1,311,513	1,330,000	16,247	1.2	(2,238)	(0.2)
Personnel expenses	707,163	704,338	710,000	2,824	0.4	(2,836)	(0.4)
Employee salary	489,752	484,094	490,000	5,657	1.2	(247)	(0.1)
Retirement benefit expenses	12,629	14,834	13,000	(2,204)	(14.9)	(370)	(2.8)
Other personnel expenses	204,780	205,408	207,000	(628)	(0.3)	(2,219)	(1.1)
Subcontracting expenses	541,439	528,105	540,000	13,333	2.5	1,439	0.3
Commission expenses	211,116	211,837	210,000	(720)	(0.3)	1,116	0.5
Vehicle hiring expenses	173,167	168,104	174,000	5,062	3.0	(832)	(0.5)
Other subcontracting expenses	157,155	148,163	156,000	8,991	6.1	1,155	0.7
Vehicle expenses	46,265	46,288	47,500	(22)	(0.0)	(1,234)	(2.6)
Fuel expenses	26,699	27,622	28,500	(923)	(3.3)	(1,800)	(6.3)
Other operating expenses	289,005	277,920	290,500	11,084	4.0	(1,494)	(0.5)
Depreciation	46,058	42,265	46,000	3,792	9.0	58	0.1
Elimination	(256,112)	(245,140)	(258,000)	(10,972)	4.5	1,887	(0.7)

Here are the analysis of changes in consolidated operating expenses.

(1) Personnel expenses rose ¥2.8 billion YoY.

Employee salary and the retirement benefit expenses are as stated on this slide.

Other personnel expenses decreased ¥0.6 billion YoY.

The major breakdown of this is as follows:

1) Legal/welfare-related expenses : ↑ ¥3.3 billion
  * Due to a rate hike regarding legal welfare expenses

2) Short span part timer expenses : ↓ ¥3.8 billion
  * Decrease associated with lower delivery volumes and productivity improvements

(2) Subcontracting expenses rose ¥13.3 billion YoY.

Commission expenses decreased ¥0.7 billion, as shown on this slide.

By business segment,

1) In the Delivery Business: ↓ ¥5.2 billion

2) In the non-delivery businesses: ↑ ¥4.5 billion

* Vehicle hiring expenses increased by ¥5.0 billion YoY, in tandem with trends in delivery volumes, due to firm results in the non-delivery businesses, particularly in the BIZ-Logistics Business.
Vehicle hiring expenses increased substantially YoY in the first quarter in line with sharply fluctuating delivery volumes, but subsequently have been evening out over each successive quarter.

(3) Vehicle expenses are as shown.

The breakdown of this is as follows,

1) fuel expenses: ↓ ¥0.9 billion

2) Vehicle repair expenses: ↑ ¥0.9 billion

(4) “Other operating expenses” increased ¥11.0 billion YoY.

Of that amount, depreciation increased by ¥3.7 billion.

Excluding depreciation, ¥7.2 billion of the increase in “other operating expenses” is mainly attributable to higher facilities expenses and other such costs.

14. YoY Analysis of Delivery Business Expenses

YAMATO HOLDINGS CO., LTD.

(Millions of Yen)	FY2015 Actual	FY2014 Actual	YoY Change	
			Amount	[%]
Operating revenues	1,101,438	1,099,399	2,039	0.2
Operating expenses	1,062,233	1,063,615	(1,382)	(0.1)
Personnel expenses	599,973	600,036	(62)	(0.0)
Employee salary	411,608	408,504	3,103	0.8
Retirement benefit expenses	10,365	12,054	(1,689)	(14.0)
Other personnel expenses	177,999	179,476	(1,476)	(0.8)
Subcontracting expenses	314,253	318,251	(3,998)	(1.3)
Commission expenses	113,366	118,621	(5,254)	(4.4)
Vehicle hiring expenses	164,840	160,562	4,278	2.7
Other subcontracting expenses	36,046	39,068	(3,021)	(7.7)
Vehicle expenses	39,882	39,457	424	1.1
Fuel expenses	21,724	22,287	(562)	(2.5)
Other operating expenses	209,252	203,750	5,501	2.7
Depreciation	33,568	31,226	2,342	7.5
Elimination	(101,128)	(97,880)	(3,248)	3.3

(Notes)
1. Starting with FY2015, Yamato Contact service, which was previously included in e-Business segment, has been shifted to Delivery Business segment.
With this change between the segments, FY2014 results for e-Business segment and Delivery Business segment have been modified to meet the current structure.
2. The figures above include operating expenses related to overseas TA-Q-BIN services.

This slide contains the statement of operating expenses for the Delivery Business.
I have just covered these details, so will now move on to the next slide.

15. Forecast of FY2016 Operating Results (2)

YAMATO HOLDINGS CO., LTD.

(Millions of Yen)	FY2016 Forecast	FY2015 Actual	YoY Change	
			Amount	[%]
Operating revenues				
Delivery	1,125,000	1,103,188	21,811	2.0
BIZ-Logistics	105,000	103,821	1,178	1.1
Home Convenience	50,000	48,475	1,524	3.1
e-Business	43,000	40,486	2,513	6.2
Financial	72,000	66,649	5,350	8.0
Autoworks	28,000	27,153	846	3.1
Other	7,000	6,933	66	1.0
Total	1,430,000	1,396,708	33,291	2.4
Operating income				
Delivery	42,500	39,604	2,895	7.3
BIZ-Logistics	5,700	4,682	1,017	21.7
Home Convenience	1,000	613	386	63.1
e-Business	8,300	7,756	543	7.0
Financial	9,500	8,942	557	6.2
Autoworks	4,000	3,733	266	7.1
Other	26,000	23,939	2,060	8.6
Subtotal	97,000	89,272	7,727	8.7
Elimination	(25,000)	(20,325)	(4,674)	-
Total	72,000	68,947	3,052	4.4
[Profit margin]	5.0%	4.9%	-	-
Ordinary income	73,000	70,889	2,110	3.0
[Profit margin]	5.1%	5.1%	-	-
Net income	43,000	37,533	5,466	14.6
[Profit margin]	3.0%	2.7%	-	-

(Note)

Figures for the fiscal year ended March 31, 2015 are reclassified to the operating segments for the fiscal year ending March 31, 2016.

The forecasts for operating revenues and operating income by business segment for the full year ending March 31, 2016 are as follows.

(1) For the fiscal year ending March 31, 2016, we forecast operating revenues of ¥1,430.0 billion and operating income of ¥72.0 billion.

The forecast for operating income factors in a negative impact of a ¥1.5 billion increase in size-based enterprise tax due to the government's tax reform plan.

We anticipate a decrease in our tax burden of around ¥2.5 billion, which should boost net income by around ¥1.0 billion for the entire year.

This will provide a small measure of support with respect to our plan geared toward improving our operating profit margin.

(2) From the fiscal year ending March 31, 2016, staffing services business Yamato Staff Supply, which had been included in the Other business segment, will be included in the Delivery Business segment. Accordingly, results for the fiscal year ended March 31, 2015 have been restated under new standards, in accordance with this change.

The operating results forecasts may give the impression of relatively weak results in the BIZ-Logistics Business and relatively strong results from the e-Business segment. However, whereas previous fiscal year results of the BIZ-Logistics Business were buoyed by recall-related and other operations, the forecast for this fiscal year factors in the notion that such revenues will taper off.

The forecast for the e-Business segment factors in the probability of revenue recognition this fiscal year of amounts affected by an accounting period mismatch between timing of costs and revenues involving a higher figure for work in process related to information systems development in the previous fiscal year.

(3) Next, we turn to volume and unit price forecasts of TA-Q-BIN and Kuroneko Mail in the Delivery segment.
In that regard, please refer to the forecasts of slide 16 and page 10 and thereafter of the supplementary materials provided.
We project that TA-Q-BIN delivery volumes will increase by 11.0% YoY to 1,800 million parcels.

Although the aforementioned year-on-year rate of growth forecast may seem high, it reflects our introduction of the new TA-Q-BIN Compact and Nekopos services which will be offered in addition to our existing TA-Q-BIN service.

We are working to grow TA-Q-BIN services on the basis of existing operations excluding TA-Q-BIN Compact and Nekopos services.

We project that unit price will decrease 5.0% YoY to ¥565, due to the impact of our new product mix.

We expect the unit price of our existing TA-Q-BIN services not to increase, with pending negotiations involving some large-lot corporate clients seemingly about to wrap up.

(4) With respect to our Kuroneko DM-Bin, we estimate volume of 1,665 million units, 12.4% fewer YoY, and unit pricing of ¥58, due to our discontinuation of service involving deliveries of parcels and documents that entail risk of containing items legally defined as postal 'correspondence' mail.

We expect unit pricing to decrease due to our discontinuation of Kuroneko Mail Express services which had generated express delivery surcharges and our move to offer DM-Bin service only to corporate clients under pre-arranged contract with the Company.

16. Forecasts of FY2016 Operating Results (3)

YAMATO HOLDINGS CO., LTD.

(Millions of Yen)	FY2016 Forecast	FY2015 Actual	YoY Change	
			Amount	[%]
Operating revenues	1,430,000	1,396,708	33,291	2.4
Operating expenses	1,358,000	1,327,761	30,238	2.3
Personnel expenses	731,000	707,163	23,836	3.4
Employee salary	508,000	489,752	18,247	3.7
Retirement benefit expenses	14,000	12,629	1,370	10.8
Other personnel expenses	209,000	204,780	4,219	2.1
Subcontracting expenses	554,000	541,439	12,560	2.3
Commission expenses	218,000	211,116	6,883	3.3
Vehicle hiring expenses	177,000	173,167	3,832	2.2
Other subcontracting expenses	159,000	157,155	1,844	1.2
Vehicle expenses	44,000	46,265	(2,265)	(4.9)
Fuel expenses	24,000	26,699	(2,699)	(10.1)
Other operating expenses	302,000	289,005	12,994	4.5
Depreciation	47,000	46,058	941	2.0
Elimination	(273,000)	(256,112)	(16,887)	6.6

Assumptions of forecasts

Operating revenues

Delivery Business
- TA-Q-BIN parcels (forecast) 1,800,000 thousand (YoY ↑ 11.0 %)
- TA-Q-BIN unit price (forecast) ¥565 (YoY ↓ 5.0%)
- Kuroneko DM-Bin units (forecast) 1,665,000 thousand (YoY ↓ 12.4%)
- Kuroneko DM-Bin unit price (forecast) ¥58 (YoY ↓ 4.9%)

Personnel expenses

- Employee salary (consolidated; forecast)
  Total 203,800 persons (YoY ↑ 6,744 / ↑ 3.4%)
  Full-time 90,000 persons (YoY ↑ 1,753 / ↑ 2.0%)
  Part-time 113,800 persons (YoY ↑ 4,991 / ↑ 4.6%)
- Other personnel expenses
  Increase due to revision to the rate of social insurance

Capital Expenditure

Capital Expenditure (Millions of Yen, forecast) ¥69,000

Finally, this slide shows our full-year forecasts for consolidated operating expenses.

(1) In terms of overall forecasts, we project a 2.3% YoY increase in expenses, against a 2.4% YoY increase in revenues.

The breakdown of these figures is as shown in this slide.

I will go over the main points regarding these forecasts, given that the numbers seem to be fairly straightforward.

1) The personnel expenses forecast reflects an increase in employee numbers and hikes in base pay.

2) We project a ¥12.5 billion increase in subcontracting expenses, attributed to higher delivery volumes and higher revenues generated by the non-delivery businesses.

3) The vehicle expenses forecast is ¥2.2 billion lower due to the downturn in crude oil prices.

Other operating expenses forecast is ¥12.9 billion higher, resulting from cumulative increases in a number of specific expense items.

(2) Capital expenditure forecast is ¥69.0 billion, an increase of ¥4.4 billion YoY. Please look at this slide in conjunction with page 16 of the supplementary materials for an itemized breakdown of the capital expenditures forecast.

(3) Approximately ¥3.0 billion of the ¥4.4 billion increase in capital expenditure is attributable to outlays for buildings. However, in the previous fiscal year, renovations were postponed in the Delivery Business with respect to facilities where it was possible to put off such work.

That concludes my explanation.

These presentation materials (with explanatory notes) and the minutes of the financial results meeting Q&A are posted in PDF format on the Company's website in the Investor Relations section.

Disclaimer:
This material is intended for informational purposes only and is not a solicitation or offer to buy or sell securities or related financial instruments. Ultimately it is the responsibility of investors to select and buy securities and the Company assumes no responsibility for investors who act on the basis of this material.