

**Questions and Answers (Digest)**  
**The Financial Results Meeting**  
**for the fiscal year ended March 31, 2017**  
**held on May 1, 2017**

Q1 Please provide your thoughts on unit pricing and volume for this fiscal year.

- Growth of TA-Q-BIN delivery volume is slowing in the first half, but will continue upward momentum. Given the period of time required for negotiations and laying the groundwork, beginning in the second half we expect effects to begin emerging with respect to implementing various initiatives such as those that involve placing controls on total volume through negotiations.
- In order to ensure business continuity of TA-Q-BIN services functioning as a form of social infrastructure, we will rearrange operations to achieve a more adequate profit structure, rather than pursuing gains in delivery volume.
- We are currently engaging in negotiations regarding unit pricing for corporate clients, which are not intended as a one-time initiative. Instead, we intend to develop an environment that makes it possible for us to verify whether contracted fees are adequate or not, and we are accordingly building a system for ensuring that pricing comprehensively reflects transportation and delivery operation costs incorporating cost volatility resulting from changes in the external environment in terms of fuel expenses and other such expenses.
- With respect to placing control on total volume, we will take action in accordance with prevailing circumstances, in a manner that involves closely monitoring progress in negotiations with our clients.

Q2 Please convey your thoughts on adequate profit levels with respect to the Delivery Business.

- We are focusing on achieving adequate profits largely by carrying out initiatives geared to ensuring ongoing profits generated on the basis of a system that factors in costs that are contingent on the changing external environment, streamlining “last mile” pickup and delivery, and reducing re-deliveries.
- We are also working to boost productivity of our overall network by streamlining trunk-route network in addition to “last mile” network, and taking steps to achieve labor savings and automation at our base terminals.
- We first intend to soundly return to our past profit levels, and plan to furnish an explanation on our vision for subsequent growth as outlined in our Medium-Term Management Plan which we will release going forward.

Q3 Please give us your outlook with respect to setting up parcel lockers.

- We will accelerate the pace with respect to installing those lockers, on the basis of our strategy of intensively placing them in densely populated urban residential areas where there are high not-at-home rate. We will closely monitor use of the lockers as we forge ahead with this initiative.