

Questions and Answers (Digest)

**The Financial Results Meeting
for the first nine months of the fiscal year ending March 31, 2014
held on January 30, 2014**

Q1

The consolidated financial results for the third quarter of the fiscal year ending March 31, 2014 (Oct. to Dec.), reveal higher revenue but lower profits in comparison to the previous year. Please tell us your expectations and related factors with respect to whether you see the higher expenses as a one-off increase or whether you anticipate rising expenses into the future as well.

A1

- Revenues in the Delivery Business climbed steadily due to significant increases in TA-Q-BIN delivery volumes centered on the internet mail-order market. However, there was also a large one-off increase in expenses as a result of implementing preventative measures with respect to insufficiencies that became apparent regarding the company's Cool TA-Q-BIN rules.
- Moreover, the third quarter is a time when we see significant increases in TA-Q-BIN delivery volumes. Accordingly, we took steps to upgrade our operational systems, primarily by increasing numbers of key employees in an effort to ensure quality of deliveries, even during that time of higher delivery volumes. That was one factor underpinning the increased expenses for the quarter.

Q2

Your outlook calls for record-high operating income results in the fourth quarter of the fiscal year ending March 31, 2014 (Jan. to Mar.). In that regard, please go over the cost control measures you intend to implement in order to achieve those results.

A2

- We will keep costs associated with pickup and delivery outsourcing under control by developing capabilities of employees who were hired in the third quarter, and by properly allocating personnel.

Q3

Could you discuss TA-Q-BIN unit price trends as of the third quarter of the year ending March 31, 2014, and also customer reactions with respect to measures to ensure adequate collection of freight charges?

A3

- Whereas TA-Q-BIN unit prices have declined 2.7% compared to the previous year, our analysis indicates the decrease is due to changes in the freight product mix.
- Customers are gradually coming to accept the adequate freight charge collection, which are geared toward sustaining and improving consistent TA-Q-BIN quality, amid tightening labor market conditions and other expecting changes to the Company's business environment.