

Consolidated Financial Results for the Year Ended March 31, 2013 <under Japanese GAAP>

Company name: Yamato Holdings Co., Ltd.
 Listing: Tokyo Stock Exchange
 Stock code: 9064
 URL: <http://www.yamato-hd.co.jp/>
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Scheduled date of the ordinary general meeting of shareholders: June 25, 2013

Scheduled date of the commencement of dividend payment: June 4, 2013

Scheduled date of the submission of annual securities report: June 20, 2013

Preparation of supplementary materials on financial results: Yes

Holding of financial results meeting: Yes

(Amounts less than 1 million yen are discarded.)

1. Consolidated financial results for fiscal year 2013 (from April 1, 2012 to March 31, 2013)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Operating revenue		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
For the year ended								
March 31, 2013	1,282,373	1.7	66,202	(0.7)	67,991	0.1	35,144	77.6
March 31, 2012	1,260,832	2.0	66,650	3.6	67,902	3.0	19,786	(40.4)

(Note) Comprehensive income: For the year ended March 31, 2013: 38,954 million yen (86.9 %)
 For the year ended March 31, 2012: 20,838 million yen ((32.4) %)

	Net income per share	Net income per share - fully diluted	Return on equity	Ratio of ordinary income to total assets	Ratio of operating income to operating revenue
For the year ended	Yen	Yen	%	%	%
March 31, 2013	81.85	79.84	6.7	7.3	5.2
March 31, 2012	46.00	44.87	3.8	7.5	5.3

(Reference) Equity in earnings of affiliates: For the year ended March 31, 2013: — million yen
 For the year ended March 31, 2012: — million yen

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
March 31, 2013	950,152	542,914	56.2	1,261.35
March 31, 2012	919,294	523,783	56.0	1,197.26

(Reference) Equity: As of March 31, 2013: 534,451 million yen As of March 31, 2012: 514,996 million yen

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
For the year ended	Millions of yen	Millions of yen	Millions of yen	Millions of Yen
March 31, 2013	73,949	(50,539)	(21,022)	212,641
March 31, 2012	71,843	(41,092)	(32,916)	208,393

2. Dividends

	Annual dividends					Total annual dividends	Payout ratio (consolidated)	Dividends on equity (consolidated)
	First quarter	Second quarter	Third quarter	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Fiscal 2012	—	11.00	—	11.00	22.00	9,463	47.8	1.9
Fiscal 2013	—	11.00	—	12.00	23.00	9,816	28.1	1.9
Fiscal 2014 (Forecast)	—	12.00	—	12.00	24.00		25.4	

3. Consolidated earnings forecasts for fiscal year 2014 (from April 1, 2013 to March 31, 2014)

(Percentages indicate year-on-year changes.)

	Operating revenue		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Half year	640,000	3.7	21,500	19.2	22,000	16.2	11,000	36.1	25.96
Full year	1,337,000	4.3	70,000	5.7	71,000	4.4	40,000	13.8	94.40

* Notes

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements after error corrections

- | | |
|--|------|
| a. Changes due to revision to accounting standards, etc.: | Yes |
| b. Changes other than a: | None |
| c. Changes in accounting estimates: | Yes |
| d. Restatement of prior period financial statements after error corrections: | None |

(Note) Effective from the fiscal year ended March 31, 2013, a change has been made to the depreciation method and this change falls into the case where "it is difficult to distinguish between a change in accounting policy and a change in accounting estimate." For details, please see "4. Accounting policies, (2) Depreciation and amortization methods of major depreciable or amortizable assets" of the attached materials to the financial results report on page 25.

(3) Number of issued shares (common stock)

- | | |
|---|--------------------|
| a. Number of issued shares as of the end of the period (including treasury stock) | |
| As of March 31, 2013: | 461,345,492 shares |
| As of March 31, 2012: | 468,052,892 shares |
| b. Number of treasury shares as of the end of the period | |
| As of March 31, 2013: | 37,631,001 shares |
| As of March 31, 2012: | 37,905,955 shares |
| c. Average number of shares during the period | |
| For the year ended March 31, 2013: | 429,377,413 shares |
| For the year ended March 31, 2012: | 430,181,252 shares |

(Note) For details of the number of shares used to calculate consolidated net income per share, please refer to "Per Share Information" on page 44.

(Reference) Overview of non-consolidated financial results

1. Non-consolidated financial results for fiscal year 2013 (from April 1, 2012 to March 31, 2013)

(1) Non-consolidated operating results

(Percentages indicate year-on-year changes.)

For the year ended	Operating revenue		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2013	22,697	60.2	18,373	65.8	19,188	61.5	12,497	29.6
March 31, 2012	14,172	(35.4)	11,083	(43.5)	11,882	(41.4)	9,641	(52.5)

For the year ended	Net income per share		Net income per share - fully diluted	
	Yen		Yen	
March 31, 2013	29.10		28.39	
March 31, 2012	22.41		21.86	

(2) Non-consolidated financial position

As of	Total assets		Net assets		Equity ratio		Net assets per share	
	Millions of yen		Millions of yen		%		Yen	
March 31, 2013	466,899		380,996		81.6		899.18	
March 31, 2012	480,502		385,053		80.1		895.17	

(Reference) Equity: As of March 31, 2013: 380,996 million yen As of March 31, 2012: 385,053 million yen

* Indication regarding execution of audit procedures

At the time of the disclosure of this financial results report, the audit 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 "Analysis of operating results and financial position" on pages 5 to 10.
- The Company plans to hold a financial results meeting for analysts on May 1, 2013. The materials distributed at this financial results meeting shall be posted on the Company's website after the meeting has been held.

Attached Materials

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1. Analysis of operating results and financial position

(1) Analysis of operating results

Regarding the business environment during the fiscal year ended March 31, 2013, the conditions improved partially since December 2012. This was due to positive factors such as a reversal of the strong yen trend and rise in stock prices on the back of anticipation of the new Abe administration's growth strategies toward revival of the Japanese economy. Meanwhile, the economic recovery remained in the balance due to uncertain factors such as concerns about a resurgence of the debt crisis in Europe. Operating in this environment, the Yamato Group worked to achieve greater sophistication of its existing businesses, particularly the TA-Q-BIN Business, to realize the objectives of the Long-Term Management Plan "DAN-TOTSU Management Plan 2019" and the Medium-Term Management Plan "DAN-TOTSU Three-Year Plan HOP," and took steps to create new value by utilizing a multiple assortment of the management resources within the Group and construct an intermodal transportation platform in the Asian region.

In the Delivery business, in addition to the strong expansion of usage by corporate customers mainly in the mail-order market, we implemented measures to expand the "Kuroneko Members" membership service for individual customers. As a result, the TA-Q-BIN delivery volume increased from the year-ago period, but the delivery volume of Kuroneko Mail declined, affected by stricter parcel acceptance policies and a more competitive environment. Moreover, the Yamato Group pursued measures to improve productivity, with the focus on reforms in the pickup and delivery operations, and worked to constrain costs by constructing appropriate personnel structures to suit the workload.

In the non-delivery businesses, while working to create new services that utilize the management resources of each business, we conducted aggressive sales activities, focusing on intra-group cooperation.

As a result, operating revenue grew 1.7% from the year-ago period. While operating income declined 0.7% from the year-ago period, ordinary income rose 0.1% from the year-ago period. Net income surged 77.6% from the year-ago period, due in part to the effect of our donation of 14.2 billion yen for earthquake recovery initiatives relating to the Great East Japan Earthquake in the year-ago period.

During the fiscal year ended March 31, 2013, we acquired treasury stock of 6.42 million shares, for a total acquisition cost of about 10.0 billion yen, and retired 6.70 million shares of treasury stock as measures for shareholder return, based on a resolution passed at the Board of Directors meeting on February 21, 2013.

(Millions of yen)

Item	Fiscal 2012	Fiscal 2013	Change	Growth (%)
Operating revenue	1,260,832	1,282,373	21,540	1.7
Operating income	66,650	66,202	(448)	(0.7)
Ordinary income	67,902	67,991	89	0.1
Net income	19,786	35,144	15,357	77.6

Initiatives for the entire Yamato Group

- a. Aiming to realize borderless logistics in Asia, the Yamato Group is accelerating evolution of TA-Q-BIN in Asia and expansion of its international intermodal transportation service. Moreover in Japan, while working to create new services and proposal-based sales through intra-group cooperation, we are providing local community-oriented services and functions in each region throughout Japan.
- b. In its business development in the Asian region, the Yamato Group is boosting sales activities in the areas where TA-Q-BIN is being promoted and strengthening its logistics function that interlinks the countries and regions. In the fiscal year ended March 31, 2013, the Yamato Group launched in November 2012 an international small-lot intermodal transportation service that utilizes Okinawa's international logistics hub and realized a service that delivers documents to destinations inside overseas TA-Q-BIN service areas as early as the next day.
- c. In the Japanese market, in addition to creating new services in each operating segment, we pursued comprehensive proposal-based sales to corporate customers through intra-group cooperation. In addition, the Yamato Group, through collaboration with the governments of each region, has commenced the

provision of services that support regional society such as shopping assistance for the elderly.

Summary of each operating segment

● Delivery

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

Category	(Million parcels/units)			
	Fiscal 2012	Fiscal 2013	Change	Growth (%)
TA-Q-BIN	1,423	1,487	63	4.5
Kuroneko Mail	2,187	2,112	(74)	(3.4)

- a. In the Delivery Business, the Yamato Group concentrated on TA-Q-BIN-centered business evolution, aiming to provide infrastructure that best suits our customers and contribute to enriching people's lives.
- b. With respect to services for individual customers, the Yamato Group rolled out the "Kuroneko Point Campaign," whereby Kuroneko Members can collect points such as when sending or receiving TA-Q-BIN, and exchange those points for original goods. In addition, we improved convenience when sending or receiving TA-Q-BIN by launching a service that allows customers to choose participating convenience stores as the delivery receiver for mail-order product purchases and introducing a new point-of-sales terminal at TA-Q-BIN centers.
- c. For corporate clients, the TA-Q-BIN delivery volume increased firmly mainly for customers in the mail-order market. In addition, we had increased volume of delivery through "intra-building/intra-area logistics" that centralize delivery within large commercial facilities and large multi-function complexes.
- d. Aiming to realize improved delivery quality and productivity, the Yamato Group has established team-based pick-up and delivery involving part-time employees called "Field Casts" and Sales Drivers to conduct en-masse delivery during the time zones that our customers are most frequently at home. In the fiscal year ended March 31, 2013, we closely scrutinized and verified the results of introducing part-time employees called "Field Casts" and concentrated further development at the stores with high results.
- e. Operating revenue amounted to 1,028,219 million yen, up 1.3% from the year-ago period, as a result of TA-Q-BIN delivery volumes that have continued to fare well, particularly for corporate clients, although the delivery volume of Kuroneko Mail recovered only moderately not reaching the level of the year-ago period due to the impact of stricter parcel acceptance policies and a strongly competitive environment. Operating income was 41,908 million yen, up 2.3% from the year-ago period.

● 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 international transportation functions and logistics functions.
- b. For corporate clients requiring international transportation, the Yamato Group provides a variety of services, including air and sea transportation services, small-lot international intermodal transportation service that is interlinked with the TA-Q-BIN network, as well as a packaging and customs services. In the fiscal year ended March 31, 2013, we worked to shorten lead time and cut costs in transportation between Japan and China such as by studying the feasibility of a new transportation route linking Tottori Prefecture and China, in addition to enhancing domestic and overseas bases.
- c. As part of logistics systems provided to the mail-order industry, the Yamato Group focused on business evolution centered on the "Today Shopping Service" that offers delivery in as short a time as four hours from ordering. In the fiscal year ended March 31, 2013, there was a strong expansion of usage, particularly by new customers such as a cosmetics maker, bringing about an increase in revenue.
- d. For customers who handle pharmaceutical products and medical devices, the Group has constructed advanced sanitary management and security systems. By utilizing distribution centers dedicated to these customers, the Group provides services that support all these customers' needs ranging from the warehousing of pharmaceutical products through to the delivery of these products as well as cleaning and maintenance services for medical devices. In the fiscal year ended March 31, 2013, the delivery volume of existing customers increased and use by new customers expanded.
- e. Operating revenue amounted to 86,806 million yen, up 5.2% from the year-ago period, due to an expansion of use of services for the mail-order industry and services for manufacturers of pharmaceutical

products and medical devices, among other factors. Operating income was 4,094 million yen, up 11.8% from the year-ago period.

● **Home Convenience**

- a. In the Home Convenience Business, we are working to offer convenience and comfort to customers' lives by providing lifestyle support services that utilize the nationwide network of the Yamato Group.
- b. With respect to individual customers, the Yamato Group operated a variety of services, centering on moving-related services including rental and recycling of electric home appliances. In the fiscal year ended March 31, 2013, we worked to improve customer convenience through new moving-related services such as our small-volume moving services for individuals and short-distance, same-day moving services. In addition, we offered lifestyle support services suited to various customer life stages, such as comprehensive cleaning services, including house cleaning, tidying and organizing, and collection of unwanted items.
- c. In our services for corporate customers, in addition to moving services such as office relocation services, we also provide delivery and installation agent services for electronic products and household equipment. In the fiscal year ended March 31, 2013, the number of delivery, installation and maintenance requests grew for eco-household facilities such as domestic solar panel installations.
- d. Operating revenue amounted to 44,601 million yen, down 6.5% from the year-ago period. This was because of the lull in comparison with the heavy moving demand following the Great East Japan Earthquake and the increased demand for furniture and electronic appliance delivery associated with the switch to terrestrial digital TV that existed in the year-ago period. On the cost front, moreover, although steps were taken to improve productivity and constrain costs, this was insufficient to cover the decline in revenue, and operating loss was 527 million yen.

● **e-Business**

- a. In the e-Business, the Yamato Group helps customers streamline their business processes and solve potential issues by proactively proposing solutions that combine logistics technology and financial technology functions with information technology function.
- b. To customers who must manage products on an individual basis, the Yamato Group provides services that combine logistics functions with information technology functions for acceptance/dispatch control in warehouses and inventory management. In the fiscal year ended March 31, 2013, in addition to the expanded use of existing services, we accelerated the development of this business by promoting services to assist reservation management, acceptance/dispatch warehouse control and inventory management for precision equipment and medical device manufacturers when they lease products to hospitals, etc.
- c. In the e-money related services, the Yamato Group offers solutions through collaboration between the e-Business and the Financial Business. It has been promoting installation and operation of a multi e-money settlement terminal that allows settlement by multiple types of e-money with a single device. In the fiscal year ended March 31, 2013, the installation and operation of the terminals expanded among customers of various sizes and types including national-scale distribution companies and medium-and-small retail and service companies.
- d. Operating revenue amounted to 37,060 million yen, an increase of 4.4% from the year-ago period, as a result of the expansion of services combining logistics functions with information technology functions. Operating income was 6,986 million yen, up 4.2% from the year-ago period, although there was anticipatory investment for e-money related services, due to our efforts for productivity enhancement and cost reduction.

● **Financial**

- a. In the Financial Business, the Yamato Group is endeavoring to respond to every means of payment settlement to meet the needs of customers from payment collection on mail-order product delivery to B2B transaction settlement.
- b. For the mail-order industry, the Yamato Group proactively promoted sales of "Kuroneko Web Collect", a service that allows settlement by multiple types of method of payment such as credit card and e-money

simultaneously. We also worked to propose a total solution in which we provide not only a settlement method but also assist in sales promotion activities of customers. As a result, the number of transactions in the fiscal year ended March 31, 2013 was higher than that of the year-ago period, which reflected an increase in the delivery volume for TA-Q-BIN Collect.

- c. For business-to-business settlement services, the Yamato Group provides "Kuroneko Anshin Settlement Service," which, in addition to assisting sellers expand sales channels and buyers perform credit transactions, provides value through improving business efficiency, managing accounts receivable and reducing risk of debt collection. In the fiscal year ended March 31, 2013, through a sales promotion utilizing intra-group cooperation, we increased the number of participating stores with contracts, including businesses in the food wholesale industry and the printing industry.
- d. Operating revenue was up 4.8% from the year-ago period to 56,710 million yen due to an increase in the number of payment settlement transactions of the TA-Q-BIN Collect and e-money. Operating income was 8,516 million yen, down 14.3% from the year-ago period, due to the effect of a reversal of an allowance for doubtful accounts in the year-ago period.

● Truck Maintenance

- a. In the Truck Maintenance Business, the Yamato Group is offering customers who use trucks, buses and other vehicles in their operations the value of improved vehicle maintenance convenience, compliance with statutory vehicle inspections, and reduced maintenance expenses.
- b. In the fiscal year ended March 31, 2013, in addition to expanding sales of the "12-Month Fixed-Price Maintenance Package," which evens out the monthly vehicle maintenance expenses, the Yamato Group worked to establish the Okayama Plant and provide new functions such as installation of a tail gate for vehicles. As a result, we solidly increased the number of vehicles serviced.
- c. Operating revenue amounted to 23,228 million yen, up 9.6% from the year-ago period due to an increase in the number of vehicles serviced. Operating income was 2,666 million yen, up 6.1% from the year-ago period.

● Other

- a. The "JITBOX Charter service" is a service that provides transportation by transport box. The service takes advantage of its Group network consisting of multiple companies and provides value to customers through timely delivery and frequent, right-volume delivery. In the fiscal year ended March 31, 2013, the Group increased the number of transportation orders of precision equipment and transportation orders related to events, and the handling volume exceeded that of the year-ago period. In addition, we developed returnable material suited for the transportation of precision equipment, among other items, and strove to provide an environmentally friendly and safe transportation service.
- b. Operating income in Other excluding dividends which Yamato Holdings Co., Ltd. received from the Group companies decreased 22.4% from the year-ago period to 898 million yen.

CSR Initiatives

- a. The fundraising campaign the "Great East Japan Earthquake Life, Industry Infrastructure Recovery, and Rebuilding Relief Fund" that was administered by Yamato Welfare Foundation to assist in the recovery from the Great East Japan Earthquake ended on June 30, 2012. The total amount of funds raised, mostly from a program carried out by Yamato Transport last year to donate 10 yen for every TA-Q-BIN parcel we deliver, amounted to 14,200 million yen, and the funds have been provided to 31 projects, including those to rehabilitate industry in the affected region and those to revive agriculture and fisheries.
- b. The Yamato Group places utmost priority on protecting human life and conducts a range of safety measures. In the fiscal year ended March 31, 2013, the Yamato Group continuously conducted activities in the local communities. For example, we have held a total of 20,000 "Safety Classes for Children" in day-care facilities, kindergartens and elementary schools across Japan, and more than 2.15 million people have participated in them. In addition, we held a national safety contest, aimed at further enhancing safety awareness and driving skills, and promoted the introduction and expansion of "See-T Navi," an on-board system designed with safety in mind.
- c. The Yamato Group recognizes that initiatives to address environmental problems are challenges to be shared by all humanity, and we take the initiative to proactively promote environmental protection

activities. In the fiscal year ended March 31, 2013, focusing on regions conducting environmental protection activities and regions with world heritage, we pursued initiatives such as deciding to introduce 70 electric vehicles. We base such initiatives on "Nekology" (combining "Kuroneko" with "ecology"), which is an environmental protection philosophy and guideline for environmental activities for the entire Yamato Group.

- d. Aspiring to be a company that has a strong bond of trust with the local community, the Yamato Group promotes various activities to help realize a society in which disabled people can freely enjoy a lifestyle as a member of the workforce. For example, led by Yamato Welfare Foundation, we actively employ disabled people in the Swan Bakery that makes and sells bread, provide workplaces through the consigned delivery of Kuroneko Mail, and operate job-finding support facilities that conduct training of skills and knowledge necessary for employment.
- e. Aiming to create more sustainable social value, the Yamato Group promoted initiatives for sharing value with society based on "Creating Shared Value (CSV)," a development of the existing concept of CSR. Specifically, the Group provided a service called "Magokoro TA-Q-BIN," an initiative carried out in cooperation with local governments and corporations, designed to check up on the well-being of elderly residents and provide them with a service that delivers their daily purchases.

Outlook for fiscal 2014

Looking at the future of the economy, while the Japanese economy is picking up on the back of the anticipation of the government's growth strategies, the economic outlook is expected to remain uncertain due to the ongoing risk of an economic downturn such as a resurgence of the debt crisis in Europe.

In this environment, the Yamato Group will pursue the following revenue and profit objectives. In the Delivery business, we will strive to expand our share of TA-Q-BIN delivery volume in the mail-order market by improving convenience when receiving deliveries, and restructure the Kuroneko Mail delivery service. In the non-delivery business, we will expand the revenue base by creating new businesses and further reinforce solution sales to accelerate our growth potential.

On the cost front, we aim to enhance our cost competitiveness by further pursuing reforms in the pickup and delivery operations tailored to regional characteristics, while improving productivity.

We expect operating revenue will be 1,337.0 billion yen, with operating income at 70.0 billion yen, ordinary income at 71.0 billion yen and net income at 40.0 billion yen.

(2) Analysis of financial position

a. Analysis of assets, liabilities, net assets and cash flows

Total assets were 950,152 million yen as of March 31, 2013, up 30,858 million yen from the end of the previous fiscal year. The major factor in this was an increase in construction in progress of 5,840 million yen following construction of logistics terminals and an increase in notes and accounts receivable-trade of 5,614 million yen.

Liabilities were 407,238 million yen as of March 31, 2013, up 11,727 million yen from the end of the previous fiscal year. The major factor behind this increase was increases in notes and accounts payable-trade of 8,834 million yen and in loans payable of 3,783 million yen.

Total net assets were 542,914 million yen, up 19,130 million yen from the end of the previous fiscal year. The major factor included 35,144 million yen in net income on one hand, and the acquisition of treasury stock of 10,005 million yen and 9,463 million yen dividends from surplus on the other hand. Accordingly, the equity ratio increased to 56.2% from 56.0% in the previous fiscal year.

Net cash provided by operating activities amounted to 73,949 million yen, which is an increase of 2,106 million yen compared to the previous fiscal year. The major factor included 64,283 million yen in net income before income taxes and minority interests and 37,944 million yen in depreciation and amortization, as well as a payment of 28,077 million yen in income taxes.

Net cash used in investing activities was 50,539 million yen, which is an increase of 9,447 million yen compared to the previous fiscal year. The major reason for the year-on-year difference was an increase in

cash used for the purchase of property, plant and equipment of 47,098 million yen, which is an increase of 11,185 million yen compared to the previous fiscal year.

Net cash used in financing activities was 21,022 million yen. The amount of net cash used decreased by 11,894 million yen compared to the previous fiscal year. The main reasons for the year-on-year decrease include a decrease in cash used for the acquisition for treasury stock of 1,880 million yen and an increase in net loans payable of 10,180 million yen.

As a result, cash and cash equivalents were 212,641 million yen as of March 31, 2013, up 4,247 million yen from the end of the previous fiscal year.

b. Trends in cash flows

	144th term Fiscal 2009	145th term Fiscal 2010	146th term Fiscal 2011	147th term Fiscal 2012	148th term Fiscal 2013
Equity ratio (%)	54.7	58.4	57.3	56.0	56.2
Equity ratio on market value basis (%)	47.2	67.9	63.0	59.8	77.6
Ratio of interest-bearing debts to cash flows	1.3	1.1	1.2	1.3	1.3
Interest coverage ratio	39.7	44.1	57.9	57.0	75.8

Note: Equity ratio: Equity/total assets
 Equity ratio on market value basis: Stock market capitalization/total assets
 Ratio of interest-bearing debts to cash flows: Interest-bearing debts/operating cash flows
 Interest coverage ratio: Operating cash flows/interest payment

- Every indicator is calculated based on consolidated financial figures.
- Stock market capitalization is calculated by multiplying closing stock price at fiscal year end by the number of shares issued at fiscal year end (excluding treasury shares).
- Operating cash flows represent net cash provided by operating activities in the consolidated statements of cash flows.
- Interest-bearing debts represent the liabilities in the consolidated balance sheets on which interest is paid.
- Interest payment represents interest expenses paid in the consolidated statements of cash flows.

(3) Basic profit distribution policy and dividends for fiscal 2013 and 2014

As a pure holding company, the Company conducts its business with the goal of maximizing the entire Group's corporate value. Accordingly, with respect to the dividends from surplus, the Company's policy is to pay dividends with the goal of having a payout ratio of 30% of consolidated net income. Retained earnings are used to facilitate the growth of the Group as a whole through capital expenditure—to strengthen the network, one of our management resources, and develop new businesses and products, for example—and investments are aimed at raising the corporate value in the future. Finally, the use of treasury stock is strategically positioned for flexible utilization, such as M&A, as a part of our capital policy.

For the fiscal year under review, we plan to pay a 12 yen dividend per share, bringing the annual dividend to 23 yen, of which 11 yen has already been disbursed as an interim dividend. We will decide on dividends for the next fiscal year based on consolidated net income in accordance with our basic profit distribution policy.

2. Status of the Corporate Group

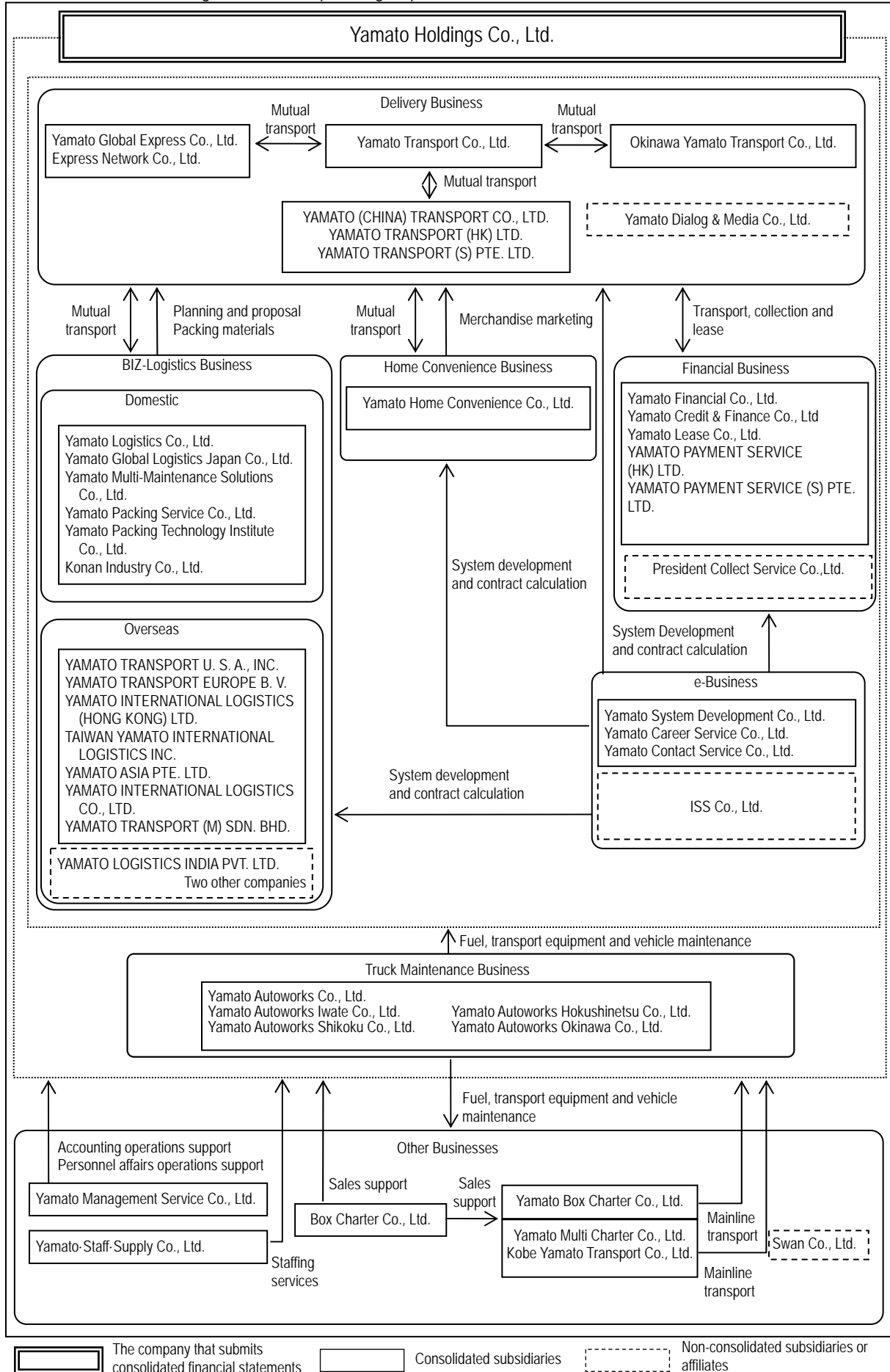
The Yamato Group consists of Yamato Holdings Co., Ltd. (the Company), 44 subsidiaries and 3 affiliates. The main businesses are Delivery business, BIZ-Logistics business, Home Convenience business, e-Business, Financial business, Truck Maintenance business, and other services related to these businesses.

The relationship among contents of business, the position of each subsidiary or affiliate in aforementioned businesses and reportable segments are as follows:

Business segment	Content of business and main products	Main companies
Delivery	TA-Q-BIN, Cool TA-Q-BIN, TA-Q-BIN Time Service, Worldwide Delivery Service, Golf, Ski & Airport Round Trip TA-Q-BIN, Super-Speed TA-Q-BIN, Kuroneko Mail, domestic air cargo transport and Express Delivery Service	Yamato Transport Co., Ltd.; Okinawa Yamato Transport Co., Ltd.; Yamato Global Express Co., Ltd.; Express Network Co., Ltd.; YAMATO (CHINA) TRANSPORT CO., LTD.; Yamato Transport (HK) Ltd.; YAMATO TRANSPORT (S) PTE. LTD.; and one other company (Total: 8 companies)
BIZ-Logistics	Logistics, medical products distribution services, Maintenance Support Service, recall support service, international intermodal transportation service and overseas lifestyle support services	Yamato Logistics Co., Ltd.; Yamato Global Logistics Japan Co., Ltd.; Yamato Multi-Maintenance Solutions Co., Ltd.; Yamato Packing Service Co., Ltd.; Yamato Packing Technology Institute Co., Ltd.; Konan Industry Co., Ltd.; YAMATO TRANSPORT U. S. A., INC.; YAMATO TRANSPORT EUROPE B. V.; YAMATO INTERNATIONAL LOGISTICS (HONG KONG) LTD.; TAIWAN YAMATO INTERNATIONAL LOGISTICS INC.; YAMATO ASIA PTE. LTD.; YAMATO INTERNATIONAL LOGISTICS CO., LTD.; YAMATO TRANSPORT (M) SDN. BHD. and three other companies (Total: 16 companies)
Home Convenience	Pickup, delivery and installation of household goods and electric appliances, moving and lifestyle support services, and merchandising services	Yamato Home Convenience Co., Ltd. (Total: 1 company)
e-Business	System development, sales of system package solutions, distribution information services and information security service	Yamato System Development Co., Ltd.; Yamato Career Service Co., Ltd.; Yamato Contact Service Co., Ltd.; and one other company (Total: 4 companies)
Financial	TA-Q-BIN Collect service, Internet total settlement service, B2B logistics settlement service and comprehensive lease services	Yamato Financial Co., Ltd.; Yamato Credit & Finance Co., Ltd.*; Yamato Lease Co., Ltd.; Yamato Payment Service (HK) Ltd., YAMATO PAYMENT SERVICE (S) PTE. LTD.; and one other company (Total: 6 companies)
Truck Maintenance	Vehicle maintenance business, fuel sales and nonlife insurance agent business	Yamato Autoworks Co., Ltd.; Yamato Autoworks Iwate Co., Ltd.; Yamato Autoworks Hokushinetsu Co., Ltd.; Yamato Autoworks Shikoku Co., Ltd.; Yamato Autoworks Okinawa Co., Ltd. (Total: 5 companies)
Other	JITBOX Charter, staffing services and shared services	Yamato Holdings Co., Ltd.; Box Charter Co., Ltd.; Yamato Box Charter Co., Ltd.; Yamato Staff Supply Co., Ltd.; Yamato Management Service Co., Ltd.; Yamato Multi Charter Co., Ltd.; Kobe Yamato Transport Co., Ltd.; and one other company (Total: 8 companies)

* Yamato Credit & Finance Co., Ltd. changed its corporate name from Fine Credit Co., Ltd. effective August 1, 2012.

The business structure diagram of the corporate group is as follows:



3. Management Policy

(1) Basic corporate management policies, medium- to long-term corporate management strategies and target management indicators

With regard to the basic corporate management policies and medium- to long-term corporate management strategies, disclosure is omitted as there have been no significant changes to the contents since they were disclosed in the Consolidated Financial Results for the Year Ended March 31, 2011 (disclosed on April 28, 2011).

While expectations are rising for the recovery of the Japanese economy, given that uncertain conditions still remain, the Yamato Group aims to achieve the quantitative management targets indicated in "Outlook for fiscal 2014" on page 9.

Consolidated Financial Results for the Year Ended March 31, 2011 may be viewed at the following websites:

(Website of the Company)

<http://www.yamato-hd.co.jp/>

(Website of the Tokyo Stock Exchange; ("Listed Company Information" page))

<http://www.tse.or.jp/listing/compsearch/index.html>

(2) Issues to be addressed by the Company

Based on the long-term management plan, "DAN-TOTSU Management Plan 2019" and the medium-term management plan, "DAN-TOTSU Three-Year Plan HOP," the Yamato Group will work on the following to satisfy the needs of our shareholders, customers, society, and employees.

- a. The Group will provide additional value to customers in all aspects of quality, speed and distribution cost through advancing its network by constructing new facilities in Haneda and Atsugi, among other measures. In addition, we will link the advanced network and various management resources to create new businesses and enhance the Group's growth potential.
- b. In addition to operating both new businesses and existing businesses in the Asia region, the Group will offer services aimed at realizing borderless delivery around the world by utilizing Okinawa's international logistics hub to provide an international delivery service as early as the next day and Cool TA-Q-BIN and build a solid business base in Asia.
- c. The Group will adopt a business strategy in which it will sustain Japan's international competitiveness by quickly identifying changes in the market environment caused by factors such as the government's regulatory reforms and focusing its efforts on fields in which the Group's functions can be utilized.
- d. The Group will build a platform for assisting lives of local residents throughout their lifetime in cooperation with local governments and corporations in various regions in Japan, among other activities. Moreover, we will aim to become society's most trusted and familiar group of companies by promoting safety measures, environmentally friendly measures and regional revitalization measures through our core business based on the concept of CSV to create a value which corporations and society can share.
- e. The Group will aim to boost its competitiveness further by pursuing measures to enhance productivity and efficiency in every business area of the Group including collection and delivery, back-office, and sorting operations to improve both quality and earnings structure.

4. Consolidated Financial Statements
(1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2012	As of March 31, 2013
Assets		
Current assets		
Cash and deposits	209,179	213,619
Notes and accounts receivable-trade	158,174	163,789
Accounts receivable-installment	35,538	37,456
Lease investment assets	18,924	22,376
Merchandise and finished goods	770	852
Work in process	87	161
Raw materials and supplies	2,487	2,587
Deferred tax assets	17,078	16,646
Other	24,474	30,572
Allowance for doubtful accounts	(2,260)	(1,654)
Total current assets	464,455	486,408
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	273,712	281,096
Accumulated depreciation	(162,098)	(173,496)
Buildings and structures, net	111,613	107,600
Machinery and equipment	39,609	41,151
Accumulated depreciation	(29,485)	(31,110)
Machinery and equipment, net	10,124	10,040
Vehicles	182,004	182,678
Accumulated depreciation	(170,306)	(168,721)
Vehicles, net	11,697	13,957
Land	182,303	187,107
Lease assets	25,937	23,548
Accumulated depreciation	(12,008)	(12,512)
Lease assets, net	13,928	11,036
Construction in progress	30,051	35,891
Other	71,958	76,774
Accumulated depreciation	(56,498)	(59,251)
Other, net	15,459	17,522
Total property, plant and equipment	375,179	383,157
Intangible assets		
Goodwill	584	—
Software	12,018	12,388
Other	4,191	4,421
Total intangible assets	16,794	16,809

(Millions of yen)

	As of March 31, 2012	As of March 31, 2013
Investments and other assets		
Investment securities	* 21,968	* 22,597
Long-term loans receivable	1,293	1,165
Lease deposits	20,202	19,372
Deferred tax assets	17,196	18,515
Other	4,180	3,533
Allowance for doubtful accounts	(1,754)	(1,184)
Allowance for investment loss	(222)	(222)
Total investments and other assets	62,865	63,778
Total noncurrent assets	454,839	463,744
Total assets	919,294	950,152
Liabilities		
Current liabilities		
Notes and accounts payable-trade	129,454	138,288
Short-term loans payable	17,390	29,814
Lease obligations	4,950	4,714
Income taxes payable	17,631	22,441
Deferred installment income	4,959	5,006
Provision for bonuses	29,421	29,082
Other	78,535	70,192
Total current liabilities	282,343	299,539
Noncurrent liabilities		
Bonds with subscription rights to shares	20,000	20,000
Long-term loans payable	40,850	32,209
Lease obligations	9,588	7,042
Long-term accounts payable-other	3,797	2,413
Deferred tax liabilities	269	459
Provision for retirement benefits	31,733	38,178
Other	6,927	7,395
Total noncurrent liabilities	113,167	107,698
Total liabilities	395,510	407,238

(Millions of yen)

	As of March 31, 2012	As of March 31, 2013
Net assets		
Shareholders' equity		
Capital stock	127,234	127,234
Capital surplus	121,314	111,290
Retained earnings	321,862	347,358
Treasury stock	(56,514)	(56,495)
Total shareholders' equity	513,897	529,387
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,975	6,095
Foreign currency translation adjustment	(1,876)	(1,032)
Total accumulated other comprehensive income	1,099	5,063
Minority interests	8,787	8,463
Total net assets	523,783	542,914
Total liabilities and net assets	919,294	950,152

(2) Consolidated statements of income and consolidated statements of comprehensive income
(Consolidated statements of income)

(Millions of yen)

	For the year ended March 31, 2012	For the year ended March 31, 2013
Operating revenue	1,260,832	1,282,373
Operating cost	1,163,777	1,181,833
Operating gross profit	97,055	100,539
Selling, general and administrative expenses		
Personnel expenses	18,505	20,217
Provision for bonuses	761	782
Provision for retirement benefits	1,147	1,332
Commission fee	7,662	3,923
Taxes and dues	3,314	3,454
Provision of allowance for doubtful accounts	(866)	155
Depreciation	1,257	1,733
Other	530	4,852
Total selling, general and administrative expenses	30,404	34,336
Operating income	66,650	66,202
Non-operating income		
Interest income	79	91
Dividends income	526	569
Subsidies for low-emission vehicles	174	174
Rent income	286	295
Other	1,772	1,689
Total non-operating income	2,839	2,819
Non-operating expenses		
Interest expenses	737	611
Rent expenses	205	187
Other	644	231
Total non-operating expenses	1,587	1,030
Ordinary income	67,902	67,991
Extraordinary income		
Gain on sales of noncurrent assets	123	53
Gain on sales of investment securities	—	42
Compensation income	—	53
Other	—	14
Total extraordinary income	123	163

(Millions of yen)

	For the year ended March 31, 2012	For the year ended March 31, 2013
Extraordinary loss		
Loss on retirement of noncurrent assets	408	278
Impairment loss	* 222	* 1,769
Loss on valuation of investment securities	1,981	1,175
Loss on valuation of stocks of subsidiaries and affiliates	—	453
Donation for earthquake recovery initiatives	14,236	—
Retirement payments related to the extension of retirement age	4,443	—
Other	915	195
Total extraordinary losses	22,207	3,872
Income before income taxes and minority interests	45,817	64,283
Income taxes-current	25,690	31,268
Income taxes-deferred	368	(1,705)
Total income taxes	26,059	29,562
Income before minority interests	19,758	34,721
Minority interests in loss	(28)	(423)
Net income	19,786	35,144

(Consolidated statements of comprehensive income)

(Millions of yen)

	For the year ended March 31, 2012	For the year ended March 31, 2013
Income before minority interests	19,758	34,721
Other comprehensive income		
Valuation difference on available-for-sale securities	1,514	3,198
Foreign currency translation adjustment	(433)	1,035
Total other comprehensive income	* 1,080	* 4,233
Comprehensive income	20,838	38,954
(Breakdown)		
Comprehensive income attributable to owners of the parent	20,826	39,209
Comprehensive income attributable to minority interests	11	(254)

(3) Consolidated statements of changes in net assets

(Millions of yen)

	For the year ended March 31, 2012	For the year ended March 31, 2013
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	127,234	127,234
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	127,234	127,234
Capital surplus		
Balance at the beginning of current period	121,314	121,314
Changes of items during the period		
Disposal of treasury stock	(0)	(0)
Retirement of treasury stock	—	(10,023)
Total changes of items during the period	(0)	(10,023)
Balance at the end of current period	121,314	111,290
Retained earnings		
Balance at the beginning of current period	311,569	321,862
Changes of items during the period		
Dividends from surplus	(9,564)	(9,463)
Change of scope of consolidation	70	(185)
Net income	19,786	35,144
Total changes of items during the period	10,293	25,495
Balance at the end of current period	321,862	347,358
Treasury stock		
Balance at the beginning of current period	(44,630)	(56,514)
Changes of items during the period		
Purchase of treasury stock	(11,884)	(10,005)
Disposal of treasury stock	0	0
Retirement of treasury stock	—	10,023
Total changes of items during the period	(11,884)	18
Balance at the end of current period	(56,514)	(56,495)
Total shareholders' equity		
Balance at the beginning of current period	515,488	513,897
Changes of items during the period		
Dividends from surplus	(9,564)	(9,463)
Change of scope of consolidation	70	(185)
Net income	19,786	35,144
Purchase of treasury stock	(11,884)	(10,005)
Disposal of treasury stock	0	0
Retirement of treasury stock	—	—
Total changes of items during the period	(1,591)	15,490
Balance at the end of current period	513,897	529,387

(Millions of yen)

	For the year ended March 31, 2012	For the year ended March 31, 2013
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	1,501	2,975
Changes of items during the period		
Net changes of items other than shareholders' equity	1,474	3,119
Total changes of items during the period	1,474	3,119
Balance at the end of current period	2,975	6,095
Foreign currency translation adjustment		
Balance at the beginning of current period	(1,386)	(1,876)
Changes of items during the period		
Net changes of items other than shareholders' equity	(489)	844
Total changes of items during the period	(489)	844
Balance at the end of current period	(1,876)	(1,032)
Total accumulated other comprehensive income		
Balance at the beginning of current period	114	1,099
Changes of items during the period		
Net changes of items other than shareholders' equity	984	3,964
Total changes of items during the period	984	3,964
Balance at the end of current period	1,099	5,063
Minority interests		
Balance at the beginning of current period	8,902	8,787
Changes of items during the period		
Net changes of items other than shareholders' equity	(115)	(324)
Total changes of items during the period	(115)	(324)
Balance at the end of current period	8,787	8,463
Total net assets		
Balance at the beginning of current period	524,505	523,783
Changes of items during the period		
Dividends from surplus	(9,564)	(9,463)
Change of scope of consolidation	70	(185)
Net income	19,786	35,144
Purchase of treasury stock	(11,884)	(10,005)
Disposal of treasury stock	0	0
Net changes of items other than shareholders' equity	869	3,640
Total changes of items during the period	(721)	19,130
Balance at the end of current period	523,783	542,914

(4) Consolidated statements of cash flows

(Millions of yen)

	For the year ended March 31, 2012	For the year ended March 31, 2013
Cash flows from operating activities		
Income before income taxes and minority interests	45,817	64,283
Depreciation and amortization	38,684	37,944
Impairment loss	222	1,769
Increase (decrease) in provision for retirement benefits	3,264	6,442
Increase (decrease) in provision for bonuses	(317)	(352)
Interest and dividends income	(605)	(660)
Interest expenses	1,257	988
Loss (gain) on sales of noncurrent assets	(123)	(53)
Loss on retirement of noncurrent assets	408	278
Loss (gain) on sales of investment securities	—	(42)
Loss (gain) on valuation of investment securities	1,981	1,175
Decrease (increase) in notes and accounts receivable-trade	(11,961)	(10,526)
Decrease (increase) in inventories	(520)	86
Increase (decrease) in notes and accounts payable-trade	15,771	8,406
Other, net	18,453	(6,270)
Subtotal	112,332	103,468
Interest and dividends income received	601	683
Interest expenses paid	(1,260)	(975)
Donation for earthquake recovery initiatives	(13,087)	(1,148)
Income taxes paid	(26,742)	(28,077)
Net cash provided by (used in) operating activities	71,843	73,949
Cash flows from investing activities		
Payments into time deposits	(712)	(694)
Proceeds from withdrawal of time deposits	404	547
Purchase of property, plant and equipment	(35,913)	(47,098)
Proceeds from sales of property, plant and equipment	787	582
Purchase of investment securities	(1,301)	(11)
Proceeds from sales of investment securities	8	52
Payments of loans receivable	(1,129)	(1,097)
Collection of loans receivable	1,399	1,222
Other payments	(6,738)	(5,962)
Other proceeds	2,101	1,920
Net cash provided by (used in) investing activities	(41,092)	(50,539)

(Millions of yen)

	For the year ended March 31, 2012	For the year ended March 31, 2013
Cash flows from financing activities		
Increase in short-term loans payable	23,213	68,948
Decrease in short-term loans payable	(26,600)	(58,652)
Repayments of finance lease obligations	(5,809)	(5,303)
Proceeds from long-term loans payable	9,850	5,537
Repayment of long-term loans payable	(13,008)	(12,198)
Proceeds from sales of treasury stock	0	0
Purchase of treasury stock	(11,889)	(10,008)
Cash dividends paid	(9,577)	(9,458)
Cash dividends paid to minority shareholders	(129)	(69)
Other, net	1,032	181
Net cash provided by (used in) financing activities	(32,916)	(21,022)
Effect of exchange rate change on cash and cash equivalents	(182)	457
Net increase (decrease) in cash and cash equivalents	(2,348)	2,844
Cash and cash equivalents at beginning of period	208,791	208,393
Increase in cash and cash equivalents from newly consolidated subsidiary	1,949	1,403
Cash and cash equivalents at end of period	* 208,393	* 212,641

(5) Notes to premise of going concern

Not applicable.

(6) Significant matters forming the basis of preparing the consolidated financial statements

1. Scope of consolidation

(1) Number of consolidated subsidiaries: 40

Major consolidated subsidiaries are as described in "2. Status of the Corporate Group."

YAMATO TRANSPORT (M) SDN. BHD. is included in the scope of consolidation from the fiscal year under review due to their increased materiality.

(2) Non-consolidated subsidiaries, etc.

YAMATO LOGISTICS INDIA PVT. LTD. and certain other subsidiaries are not included within the scope of consolidation. The total assets, operating revenue, net income, and retained earnings of these non-consolidated subsidiaries are immaterial and, even taken together as a group, they do not exert a significant influence on the consolidated financial statements.

2. Application of equity method

The equity method is not applied to YAMATO LOGISTICS INDIA PVT. LTD. and certain other non-consolidated subsidiaries, along with YAMATO UNYU (THAILAND) CO., LTD. and certain other affiliated companies. The net income and the retained earnings of these companies are immaterial and, even taken together as a group, they do not exert a significant influence on the consolidated financial statements.

3. Closing date of consolidated subsidiaries

Of consolidated subsidiaries, YAMATO TRANSPORT U.S.A., INC., and other eleven overseas subsidiaries have December 31 as their financial year end. Financial statements as of this closing date were used in the preparation of the consolidated financial statements. However, the consolidated figures have been adjusted as required to reflect significant transactions occurring between December 31, 2012 and March 31, 2013 that is the consolidated closing date.

4. Accounting policies

The Group's major accounting policies are as follows.

(1) Valuation basis and methods for principle assets

a. Securities

Securities held-to-maturity

Calculated based on the amortized cost method (straight-line method)

Available-for-sale securities

Securities with fair market value:

Stated at the fair market value based on the quoted market price as of the fiscal year end (valuation differences are recognized in net assets; the cost of securities sold is calculated by the moving-average method).

Securities without fair market value:

Stated at the cost by moving-average method.

b. Inventories

Stated at the cost by first-in first-out method (for the value stated in the balance sheet, the book value is written down based on the decreased profitability).

- (2) Depreciation and amortization methods of major depreciable or amortizable assets
- a. Property, plant and equipment (excluding lease assets):
 - Computed using the declining-balance method. Meanwhile, the straight-line method is adopted for buildings (excluding fixtures) acquired on or after April 1, 1998.
 - For overseas consolidated subsidiaries' assets, the straight-line method based on estimated useful lives is adopted.

(Changes in accounting policies)

Change in depreciation method

Following the revision of the Corporation Tax Act, the Company and its domestic consolidated subsidiaries applied the depreciation method in compliance with the revised Corporation Tax Act to property, plant and equipment acquired on or after April 1, 2012, from the fiscal year ended March 31, 2013.

Due to the effect of this change, operating expenses for the fiscal year ended March 31, 2013 decreased by 1,460 million yen and operating income, ordinary income and income before income taxes and minority interests each increased by the same amount.

- b. Intangible assets (excluding lease assets):
 - Computed using the straight-line method. Meanwhile, software is amortized by the straight-line method over the estimated useful life of five years.
- c. Lease assets:
 - Computed using the straight-line method where the useful life of lease assets shall be equal to the lease period and their residual value shall be zero.

(3) Accounting standards for significant provisions

- a. Allowance for doubtful accounts
 - The allowance for doubtful accounts is provided to prepare for loss from uncollectible credits. For ordinary receivables, the amount is estimated using the rate based on the historical bad debt experience. For special receivables with higher uncertainty of collectivity is considered on individual cases, and prospective uncollectible amount is provided.
- b. Allowance for investment loss
 - To prepare for devaluation loss of investments in non-consolidated subsidiaries, allowances is provided considering the status of those subsidiaries' assets.
- c. Provision for bonuses
 - The provision for bonuses is provided for payment of bonuses to employees based on an amount expected to be paid.
 - This provision is not applicable for overseas subsidiaries.
- d. Provision for retirement benefits
 - To provide for the employees' retirement benefits, provision for retirement benefits is recorded based on the projected retirement benefit obligations and related pension assets of the fiscal year ended March 31, 2013.
 - Actuarial differences are to be charged to expenses from the following fiscal year using a straight-line method based on determined years (five years) within average remaining service years of the employees when occurred.

(4) Basis of revenue recognition

Deferred installment income:

The prorated amounts for the shopping loan service are recognized as income when the due date comes.

- (5) Method of significant hedge accounting
- a. Method of hedge accounting
Interest rate swaps are accounted for using the exceptional treatment as they satisfy the applicable conditions.
 - b. Hedging instrument and hedged item
Hedging instrument: Interest rate swaps
Hedged item: Interest on loans
 - c. Hedging policy
Interest rate swap transactions are used to avoid interest rate fluctuation risk associated with fund procurement.
 - d. Method of evaluating hedge effectiveness
Hedging effectiveness in interest rate swap transactions is not evaluated as they are accounted for using the exceptional treatment.
- (6) Amortization of goodwill and amortization period
Equally divided method of five years. However, in the case where the amount is immaterial, the whole amount may be charged to expenses when they occur.
- (7) Scope of funds in consolidated statements of cash flows
Cash (cash and cash equivalents) in the consolidated statements of cash flows consists of cash on hand and short-term investments with a maturity not exceeding three months from the time of purchase that are readily convertible to cash and not exposed to significant risk in value fluctuations. Bank overdrafts are included in cash equivalents except when they are clearly regarded for procurement of funds, as is the case with short-term loans payable.
- (8) Other significant matters forming the basis of preparing the consolidated financial statements
Accounting for consumption taxes:
Consumption taxes are excluded from transaction amounts.

(7) Notes to consolidated financial statements

(Consolidated balance sheets)

* Investment securities for non-consolidated subsidiaries and affiliates are as follows.

(Millions of yen)

	Fiscal 2012	Fiscal 2013
Investment securities	3,219	809

(Consolidated statements of income)

* Impairment loss

Fiscal 2012 (from April 1, 2011 to March 31, 2012)

(Millions of yen)

Use of asset	Type of asset	Region	Amount of impairment loss
Branch and distribution center and other	Buildings and land	Yamato Transport Co., Ltd., Iwate Branch Office (Kitakami City, Iwate Prefecture) and one other premises	222

The Yamato Group grouped the assets based on the classification in managerial accounting and the unit in making investment decisions, with Yamato Transport Co., Ltd. treating a main branch and subordinate branches as one unit, Yamato Home Convenience Co., Ltd. treating a general branch office as one unit and the Company and other consolidated subsidiaries based on the unit of department.

As a result, the Group recognized a continuous decrease in profit and loss arising from operating activities or significant declines in market prices for the asset group consisting of Yamato Transport Co., Ltd., the Iwate Branch

Office and one other premises, and it decreased the book value of the relevant asset group to the recoverable value and posted the relevant decrease of 222 million yen to extraordinary loss as an impairment loss. A breakdown of this decrease shows that 135 million yen was attributable to buildings and 86 million yen was attributable to land. The recoverable value of the relevant asset group is calculated based on net realizable value and valued based on assessed value of property tax or the posted land price.

Fiscal 2013 (from April 1, 2012 to March 31, 2013)

			(Millions of yen)
Use of asset	Type of asset	Region	Amount of impairment loss
Branch and distribution center and other	Buildings, land and other	Yamato Home Convenience Co., Ltd., Nishi Kanto General Branch Office (Tokorozawa City, Saitama Prefecture) and eight other premises	1,769

The Yamato Group grouped the assets based on the classification in managerial accounting and the unit in making investment decisions, with Yamato Transport Co., Ltd. treating a main branch and subordinate branches as one unit, Yamato Home Convenience Co., Ltd. treating a general branch office as one unit and the Company and other consolidated subsidiaries based on the unit of department.

As a result, the Group recognized a continuous decrease in profit and loss arising from operating activities or significant declines in market prices for the asset group consisting of Yamato Home Convenience Co., Ltd., Nishi Kanto General Branch Office and eight other premises, and it decreased the book value of the relevant asset group to the recoverable value and posted the relevant decrease of 1,769 million yen to extraordinary loss as an impairment loss. A breakdown of this decrease shows that 352 million yen was attributable to buildings, 976 million yen was attributable to land and 412 million yen was attributable to goodwill.

The recoverable value of the relevant asset group is calculated based on net realizable value and valued based mainly on real estate appraisal standards, assessed value of property tax or the posted land price.

(Consolidated statements of comprehensive income)

*Recycling amount and income tax relating to other comprehensive income

			(Millions of yen)	
			Fiscal 2012	Fiscal 2013
Valuation difference on available-for-sale securities				
Amount recorded during the period			428	3,035
Recycling amount			1,389	1,175
Before tax effect adjustments			1,818	4,211
Tax effect amount			(304)	(1,012)
Valuation difference on available-for-sale securities			1,514	3,198
Foreign currency translation adjustment				
Amount recorded during the period			(433)	1,035
Total other comprehensive income			1,080	4,233

(Consolidated statements of changes in net assets)

For the year ended March 31, 2012

1. Class and total number of issued shares and treasury stock

(Thousands of shares)

	Number of shares as of the beginning of the current fiscal year	Number of increased shares in current fiscal year	Number of decreased shares in current fiscal year	Number of shares as of end of current fiscal year
Issued shares				
Common stock	468,052	—	—	468,052
Total	468,052	—	—	468,052
Treasury stock				
Common stock (Note)	28,716	9,189	0	37,905
Total	28,716	9,189	0	37,905

Note: The increase of 9,189 thousand shares of treasury stock of common stock resulted from an increase of 9,186 thousand shares due to the purchase of treasury stock and an increase of 3 thousand shares due to the purchase of fractional shares.
The decrease of 0 thousand shares of treasury stock of common stock resulted from sales of fractional shares.

2. Subscription rights to shares and treasury subscription rights to shares

As the number of shares subject to subscription rights is immaterial against the total number of issued shares (excluding treasury stock) as of the end of the fiscal year under review, descriptions are omitted.

3. Dividends

(1) Payment of dividends

Resolution	Class of shares	Total amount of dividends (millions of yen)	Dividend per share (yen)	Record date	Effective date on and after
The Board of Directors Meeting on May 16, 2011	Common stock	4,832	11	March 31, 2011	June 6, 2011
The Board of Directors Meeting on October 28, 2011	Common stock	4,731	11	September 30, 2011	December 9, 2011

(2) Dividends with a record date that falls within the fiscal year under review but an effective date starting in the upcoming fiscal year

Resolution	Class of shares	Total amount of dividends (millions of yen)	Source of dividend	Dividend per share (yen)	Record date	Effective date on and after
The Board of Directors Meeting on May 15, 2012	Common stock	4,731	Retained earnings	11	March 31, 2012	June 5, 2012

For the year ended March 31, 2013

1. Class and total number of issued shares and treasury stock

(Thousands of shares)

	Number of shares as of the beginning of the current fiscal year	Number of increased shares in current fiscal year	Number of decreased shares in current fiscal year	Number of shares as of end of current fiscal year
Issued shares				
Common stock (Note 1)	468,052	—	6,707	461,345
Total	468,052	—	6,707	461,345
Treasury stock				
Common stock (Note 2)	37,905	6,433	6,708	37,631
Total	37,905	6,433	6,708	37,631

*1 The decrease of 6,707 thousand shares of issued shares of common stock resulted from a decrease due to retirement of treasury stock.

*2 The increase of 6,433 thousand shares of treasury stock of common stock resulted from an increase of 6,428 thousand shares due to the purchase of treasury stock and an increase of 4 thousand shares due to the purchase of fractional shares.

The decrease of 6,708 thousand shares of treasury stock of common stock resulted from a decrease of 6,707 thousand shares through retirement of treasury stock and a decrease of 0 thousand shares due to sale of fractional shares.

2. Subscription rights to shares and treasury subscription rights to shares

As the number of shares subject to subscription rights is immaterial against the total number of issued shares (excluding treasury stock) as of the end of the fiscal year under review, descriptions are omitted.

3. Dividends

(1) Payment of dividends

Resolution	Class of shares	Total amount of dividends (millions of yen)	Dividend per share (yen)	Record date	Effective date on and after
The Board of Directors Meeting on May 15, 2012	Common stock	4,731	11	March 31, 2012	June 5, 2012
The Board of Directors Meeting on October 31, 2012	Common stock	4,731	11	September 30, 2012	December 10, 2012

(2) Dividends with a record date that falls within the fiscal year under review but an effective date starting in the upcoming fiscal year

Resolution	Class of shares	Total amount of dividends (millions of yen)	Source of dividend	Dividend per share (yen)	Record date	Effective date on and after
The Board of Directors Meeting on May 16, 2013 (planned)	Common stock	5,084	Retained earnings	12	March 31, 2013	June 4, 2013 (planned)

(Consolidated statements of cash flows)

*Relationship between the balance of cash and cash equivalents at the end of the period and the amounts recorded in the items shown on the consolidated balance sheets

(Millions of yen)

	Fiscal 2012	Fiscal 2013
Cash and deposits	209,179	213,619
Time deposits due beyond three months	(490)	(694)
Short-term loans payable account	(295)	(283)
Cash and cash equivalents	208,393	212,641

(Segment Information)

1. Segment Information

(1) Summary of reportable segment

The reportable segments of the Company are constituent units of the Company whose separate financial information can be obtained. The Board of Directors periodically examines these segments to decide on the allocation of management resources and evaluate business performance.

The Yamato Group consists of six business segments under the umbrella of the Company, a pure holding company, and these business segments have been formed according to business activity. Business management is conducted based on this business segment.

Accordingly, based on this business segment, the Company has the following six reportable segments: Delivery business, BIZ-Logistics business, Home Convenience business, e-Business, Financial business, and Truck Maintenance business.

Type of services by reportable segment

Reportable segment	Type of services
Delivery	Small parcel delivery services for consumers and corporations
BIZ-Logistics	Business-to-business distribution
Home Convenience	Moving and other lifestyle support services for consumers
e-Business	Information services for corporations, such as ASP services and development of information systems
Financial	Financial services for consumers and corporations, such as settlement
Truck Maintenance	Collective vehicle management agent business for transportation companies

(2) Method of calculating operating revenue, income/loss, assets and other items by reportable segment

The accounting method used for reported business segments is the same as that described in the section on "Significant matters forming the basis of preparing the consolidated financial statements."

(3) Information regarding the amounts of operating revenue, income/loss, assets and other items by reportable segment

For the year ended March 31, 2012

(Millions of yen)

	Delivery	BIZ-Logistics	Home Convenience	e-Business	Financial
Operating revenue					
Operating revenue from customers	1,014,564	82,478	47,715	35,504	54,114
Inter-segment operating revenue or transfers	54,095	11,827	14,156	26,494	4,170
Total	1,068,660	94,305	61,871	61,998	58,285
Segment income (loss)	40,964	3,662	(43)	6,703	9,938
Segment assets	558,494	50,519	19,796	36,549	174,682
Others					
Depreciation and amortization	29,406	1,534	756	3,690	1,932
Increases of property, plant and equipment and intangible assets	35,653	1,385	594	3,353	3,609

	Truck Maintenance	Other (Notes 1, 2)	Total	Reconciliation (Note 3)	Amount recorded in consolidated financial statements (Note 4)
Operating revenue					
Operating revenue from customers	21,188	5,267	1,260,832	—	1,260,832
Inter-segment operating revenue or transfers	26,896	44,604	182,245	(182,245)	—
Total	48,084	49,872	1,443,078	(182,245)	1,260,832
Segment income (loss)	2,513	11,876	75,615	(8,965)	66,650
Segment assets	21,635	10,947	872,625	46,668	919,294
Others					
Depreciation and amortization	931	365	38,616	66	38,682
Increases of property, plant and equipment and intangible assets	1,208	147	45,952	2,662	48,614

- Notes: 1. Other includes business-to-business distribution via JITBOX Charter, staffing services 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 10,218 million yen.
3. Adjustments made are as follows.
(1) The adjustment of (8,965 million yen) of segment income resulted from eliminating transactions among segments.
(2) The adjustment of 46,668 million yen of segment assets includes offsetting and elimination of assets among segments of (119,763 million yen) and group-wide assets of 166,432 million yen not allocated to each reportable segment.
(3) The adjustment of 2,662 million yen of increases of property, plant and equipment and intangible assets is the Company's capital investment.
4. We made an adjustment between segment income and operating income in the consolidated statements of income.

For the year ended March 31, 2013

(Millions of yen)

	Delivery	BIZ-Logistics	Home Convenience	e-Business	Financial
Operating revenue					
Operating revenue from customers	1,028,219	86,806	44,601	37,060	56,710
Inter-segment operating revenue or transfers	56,439	11,486	14,752	27,859	3,910
Total	1,084,658	98,293	59,353	64,920	60,620
Segment income (loss)	41,908	4,094	(527)	6,986	8,516
Segment assets	575,698	52,525	18,414	36,861	189,457
Others					
Depreciation and amortization	27,769	1,541	755	3,759	2,356
Increases of property, plant and equipment and intangible assets	31,725	1,654	550	2,262	4,482

	Truck Maintenance	Other (Notes 1, 2)	Total	Reconciliation (Note 3)	Amount recorded in consolidated financial statements (Note 4)
Operating revenue					
Operating revenue from customers	23,228	5,746	1,282,373	—	1,282,373
Inter-segment operating revenue or transfers	27,531	52,993	194,973	(194,973)	—
Total	50,759	58,740	1,477,347	(194,973)	1,282,373
Segment income (loss)	2,666	18,762	82,407	(16,204)	66,202
Segment assets	21,804	10,844	905,606	44,545	950,152
Others					
Depreciation and amortization	948	253	37,384	550	37,935
Increases of property, plant and equipment and intangible assets	728	232	41,636	6,415	48,052

- Notes:
1. Other includes business-to-business distribution via JITBOX Charter, staffing services 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 17,553 million yen.
 3. Adjustments made are as follows.
 - (1) The adjustment of (16,204 million yen) of segment income resulted from eliminating transactions among segments.
 - (2) The adjustment of 44,545 million yen of segment assets includes offsetting and elimination of assets among segments of (118,389 million yen) and group-wide assets of 162,935 million yen not allocated to each reportable segment.
 - (3) The adjustment of 6,415 million yen of increases of property, plant and equipment and intangible assets is the Company's capital investment.
 4. We made an adjustment between segment income and operating income in the consolidated statements of income.
 5. The Group applied the depreciation method in compliance with the revised Corporation tax Act to property, plant and equipment acquired on or after April 1, 2012, from the fiscal year ended March 31, 2013. Due to the effect of this change, operating expenses for the delivery business decreased by 1,390 million yen and segment income increased by the same amount. Meanwhile, the change had a negligible effect on other segments.

2. Relevant information

For the year ended March 31, 2012

(1) Information by product and service

	(Millions of Yen)			
	TA-Q-BIN	Kuroneko Mail	Other	Total
Operating revenue from customers	811,906	129,870	319,056	1,260,832

(2) Information by region

a. Operating revenue

(Millions of Yen)			
Japan	North America	Other	Total
1,242,310	8,264	10,257	1,260,832

b. Property, plant and equipment

(Millions of Yen)			
Japan	North America	Other	Total
373,322	203	1,653	375,179

(3) Information by major customer

Of operating revenue from customers, because no single revenue from any one customer accounts for 10% or more of the operating revenue of the consolidated statements of income, descriptions are omitted.

For the year ended March 31, 2013

(1) Information by product and service

	(Millions of Yen)			
	TA-Q-BIN	Kuroneko Mail	Other	Total
Operating revenue from customers	831,082	122,276	329,014	1,282,373

(2) Information by region

a. Operating revenue

(Millions of Yen)			
Japan	North America	Other	Total
1,259,727	9,545	13,100	1,282,373

b. Property, plant and equipment

(Millions of Yen)			
Japan	North America	Other	Total
380,952	299	1,904	383,157

(3) Information by major customer

Of operating revenue from customers, because no single revenue from any one customer accounts for 10% or more of the operating revenue of the consolidated statements of income, descriptions are omitted.

3. Information regarding impairment losses of noncurrent assets by reportable segment

For the year ended March 31, 2012

(Millions of Yen)

	Delivery	BIZ-Logistics	Home Convenience	e-Business	Financial
Impairment loss	222	—	—	—	—

	Truck Maintenance	Other	Total	Eliminations or corporate	Consolidated
Impairment loss	—	—	222	—	222

For the year ended March 31, 2013

(Millions of Yen)

	Delivery	BIZ-Logistics	Home Convenience	e-Business	Financial
Impairment loss	357	—	1,409	—	2

	Truck Maintenance	Other	Total	Eliminations or corporate	Consolidated
Impairment loss	—	—	1,769	—	1,769

4. Information regarding amortization and unamortized balance of goodwill by reportable segment

For the year ended March 31, 2012

(Millions of Yen)

	Delivery	BIZ-Logistics	Home Convenience	e-Business	Financial
Amortization for the current period	90	—	104	—	—
Balance as of the end of the current period	272	—	312	—	—

	Truck Maintenance	Other	Total	Eliminations or corporate	Consolidated
Amortization for the current period	—	—	194	—	194
Balance as of the end of the current period	—	—	584	—	584

For the year ended March 31, 2013

(Millions of Yen)

	Delivery	BIZ-Logistics	Home Convenience	e-Business	Financial
Amortization for the current period	68	—	104	—	—
Balance as of the end of the current period	—	—	—	—	—

	Truck Maintenance	Other	Total	Eliminations or corporate	Consolidated
Amortization for the current period	—	—	172	—	172
Balance as of the end of the current period	—	—	—	—	—

(Tax Effect Accounting)

1. Breakdown of major causes for deferred tax assets and deferred tax liabilities

	(Millions of yen)	
	Fiscal 2012	Fiscal 2013
Deferred tax assets (current assets)		
Provision for bonuses	11,156	10,994
Accrued legal welfare expenses	1,695	1,727
Accrued enterprise tax	1,628	2,015
Excess in provision of allowance for doubtful accounts	394	210
Other	3,037	2,456
Subtotal	17,911	17,404
Allowance for devaluation	(466)	(392)
Total	17,445	17,012
Deferred tax assets (noncurrent assets)		
Provision for retirement benefits	11,301	13,719
Loss on valuation of land	24,218	24,218
Impairment loss	3,715	4,149
Loss on valuation of investment securities	1,740	2,201
Unrealized income on noncurrent assets	1,521	1,659
Loss on valuation of telephone subscription right	546	546
Other	9,522	10,086
Subtotal	52,565	56,582
Allowance for devaluation	(32,853)	(34,472)
Total	19,712	22,110
Deferred tax liabilities (current liabilities)		
Other	(366)	(365)
Total	(366)	(365)
Deferred tax liabilities (noncurrent liabilities)		
Valuation difference on available-for-sale securities	(1,027)	(2,020)
Reserve for reduction entry	(239)	(245)
Other	(1,519)	(1,789)
Total	(2,785)	(4,054)
Net deferred tax assets	34,005	34,702

2. Breakdown of the main items that caused differences between the normal effective statutory tax rates and the actual effective tax rates after tax effect accounting

	Fiscal 2012	Fiscal 2013
Normal effective statutory tax rates of consolidated financial statement-submitting companies	40.0 %	38.0 %
(Reconciliation)		
Per capita levy of local taxes	5.9	4.2
Allowance for devaluation	3.5	2.2
Downward revision to deferred tax assets as of the end of the period due to the change in corporate tax rates	6.3	—
Other	1.2	1.6
Actual effective tax rates after tax effect accounting	56.9	46.0

(Financial Instruments)

1. Matters concerning the status of financial instruments

(1) Policy on financial instruments

To finance further business growth, the Yamato Group raises capital through bank loans and bond issuances based on a facilities investment scheme that includes the network development plan. One-time surplus funds are invested in safe financial assets. Derivative products are only used for hedging against variable interest rate risk, and no speculative transactions are undertaken.

Some of the Group's consolidated subsidiaries are engaged in businesses such as leasing and third-party credit sales.

(2) Features and risks of financial instruments and risk management structure

Operating receivables such as notes and accounts receivable-trade and accounts receivable-installment carry credit risk of trading partners, and thus the Company manages and controls cash received, as well as outstanding receivables, for each period to identify the credit risk of each trading partner.

Regarding investment securities, the Yamato Group mainly holds shares of companies with which the Group has business relationships or forms a capital alliance, and such shares involve the risk of stock price fluctuations.

The majority of operating payables, such as notes and accounts payable-trade, are due within one year.

With regard to loans payable, short-term loans payable are mainly used to raise capital for the Group's financial business and long-term loans payable fund growth-driving programs such as network development. A Group consolidated subsidiary engaged in financial business has obtained loans with a variable interest rate and employs interest rate swaps for a portion of the loans to hedge interest rate risk associated with fundraising. Interest rate swap transactions are executed in conformity with the Group's regulations for authorizing derivative transactions.

Within the Yamato Group, each Group company controls liquidity risk associated with operating payables and loans by monitoring payments and settlements, bookkeeping, and balances, as well as managing cash positions.

(3) Supplemental remarks on the fair value of the financial instruments

The fair value of financial instruments refers to their market value or value reasonably calculated based on certain assumptions if market value is not available. Therefore, the estimated fair value may vary with different assumptions.

2. Matters concerning fair value of financial instruments

The amounts recorded on the consolidated balance sheets, their fair values, and differences between them are shown in the following. Some financial instruments are excluded because it is extremely difficult to identify their fair values (see Note 5).

For the year ended March 31, 2012

(Millions of yen)

	Amount on the consolidated balance sheets	Fair value	Difference
(1) Cash and deposits	209,179	209,179	—
(2) Notes and accounts receivable-trade	158,174		
Allowance for doubtful accounts	(79)		
	158,095	158,674	578
(3) Accounts receivable-installment	35,538		
Allowance for doubtful accounts	(1,560)		
Deferred installment income	[4,959]		
	29,018	33,688	4,669
(4) Investment securities			
Available-for-sale securities	17,504	17,504	—
(5) Notes and accounts payable-trade	[129,454]	[129,454]	—
(6) Short-term loans payable	[17,390]	[17,396]	5
(7) Long-term loans payable	[40,850]	[40,882]	32
(8) Derivatives	—	—	—

Notes:

1. Items recognized as liabilities are shown in square parentheses [] both under Amount on the consolidated balance sheets and Fair value.
2. Notes and accounts receivable-trade are presented after deducting allowance for doubtful accounts set up for notes and accounts receivable-trade not to be settled in the short term.
3. Accounts receivable-installment is presented after deducting the relevant allowance for doubtful accounts and deferred installment income.
4. Method of calculating fair value of financial instruments and other matters concerning securities and derivatives
 - (1) Cash and deposits
Because all deposits are short-term deposits and their fair values are approximately equal to their book values, fair value is the same as book value.
 - (2) Notes and accounts receivable-trade
Because notes and accounts receivable-trade are usually settled in a short period and their fair values are approximately equal to their book values, fair value is the same as book value. Some notes and accounts receivable-trade are grouped by their classification categories and computed on the basis of the present value of future cash flow discounted at a rate based on the yield of Japanese government bonds.
 - (3) Accounts receivable-installment
The fair values of accounts receivable-installment are grouped by their classification categories and computed on the basis of the present value of future cash flow discounted at the rate based on market interest rate.
 - (4) Investment securities
The fair values of listed equity shares in investment securities are based on quoted market prices. For matters concerning securities according to the purpose for which they are held, please see the notes to "Securities."
 - (5) Notes and accounts payable-trade
As most notes and accounts payable-trade are due within one year and their fair values are approximately equal to their book values, fair value is the same as book value.

- (6) Short-term loans payable and (7) Long-term loans payable
The fair value of short-term loans payable, long-term loans payable, and long-term loans payable meeting the requirements of exceptional treatment for interest rate swaps and being treated together with interest swaps are computed on the basis of the total amount of principal and interest discounted at the interest rate applicable to new loans carrying the same conditions.
- (8) Derivatives
- Derivative transactions to which hedge accounting is not applied: Not applicable.
 - Derivative transactions to which hedge accounting is applied: The contract amount or amount equivalent to the principal set forth in the contract, as of the consolidated closing date, are as follows.

(Millions of yen)

Method of hedge accounting	Type of derivative transaction	Major hedged items	Contract amount, etc.		Fair value
				Over 1 year	
Exceptional treatment of interest rate swaps	Interest rate swaps Pay-fixed, receive-variable	Long-term loans payable	49,074	37,550	*

* The exceptional treatment of interest rate swaps is applied to the Group's interest rate swaps, and these transactions are treated together with long-term loans payable with the relevant hedging instruments. Therefore, their fair value is included among long-term loans payable.

- It is extremely difficult to determine the fair values of unlisted securities (the amount recorded on consolidated balance sheets is 4,464 million yen) because they do not have quoted market prices and their future cash flow cannot be estimated. Therefore, they are excluded from (4) Investment securities/Available-for-sale securities.
- Scheduled redemption amounts after the consolidated closing date for monetary claims and securities with maturity period

(Millions of yen)

	Within 1 year	Over 1 year, within 5 years	Over 5 years
Cash and deposits	209,179	—	—
Notes and accounts receivable-trade	151,663	6,462	48
Accounts receivable-installment	19,885	15,309	343
Total	380,728	21,772	391

- Scheduled repayment amounts after the consolidated closing date for bonds with subscription rights to shares, long-term loans payable, and lease obligations

(Millions of yen)

	Within 1 year	Over 1 year, within 2 years	Over 2 years, within 3 years	Over 3 years, within 4 years	Over 4 years, within 5 years	Over 5 years
Bonds with subscription rights to shares	—	—	—	20,000	—	—
Long-term loans payable	12,131	14,000	17,000	9,850	—	—
Lease obligations	4,950	4,439	3,784	1,073	282	8
Total	17,081	18,439	20,784	30,923	282	8

For the year ended March 31, 2013

(Millions of yen)

	Amount on the consolidated balance sheets	Fair value	Difference
(1) Cash and deposits	213,619	213,619	—
(2) Notes and accounts receivable-trade	163,789		
Allowance for doubtful accounts	(142)		
	163,646	164,257	610
(3) Accounts receivable-installment	37,456		
Allowance for doubtful accounts	(1,111)		
Deferred installment income	[5,006]		
	31,337	36,109	4,771
(4) Investment securities			
Available-for-sale securities	20,515	20,515	—
(5) Notes and accounts payable-trade	[138,288]	[138,288]	—
(6) Short-term loans payable	[29,814]	[29,891]	77
(7) Long-term loans payable	[32,209]	[32,274]	64
(8) Derivatives	—	—	—

Notes:

1. Items recognized as liabilities are shown in square parentheses [] both under Amount on the consolidated balance sheets and Fair value.
2. Notes and accounts receivable-trade are presented after deducting allowance for doubtful accounts set up for notes and accounts receivable-trade not to be settled in the short term.
3. Accounts receivable-installment is presented after deducting the relevant allowance for doubtful accounts and deferred installment income.
4. Method of calculating fair value of financial instruments and other matters concerning securities and derivatives
 - (1) Cash and deposits
Because all deposits are short-term deposits and their fair values are approximately equal to their book values, fair value is the same as book value.
 - (2) Notes and accounts receivable-trade
Because notes and accounts receivable-trade are usually settled in a short period and their fair values are approximately equal to their book values, fair value is the same as book value. Some notes and accounts receivable-trade are grouped by their classification categories and computed on the basis of the present value of future cash flow discounted at a rate based on the yield of Japanese government bonds.
 - (3) Accounts receivable-installment
The fair values of accounts receivable-installment are grouped by their classification categories and computed on the basis of the present value of future cash flow discounted at the rate based on market interest rate.
 - (4) Investment securities
The fair values of listed equity shares in investment securities are based on quoted market prices. For matters concerning securities according to the purpose for which they are held, please see the notes to "Securities."
 - (5) Notes and accounts payable-trade
As most notes and accounts payable-trade are due within one year and their fair values are approximately equal to their book values, fair value is the same as book value.
 - (6) Short-term loans payable and (7) Long-term loans payable
The fair value of short-term loans payable, long-term loans payable, and long-term loans payable meeting the requirements of exceptional treatment for interest rate swaps and being treated together with interest swaps are computed on the basis of the total amount of principal and interest discounted at the interest rate applicable to new loans carrying the same conditions.

(8) Derivatives

- a. Derivative transactions to which hedge accounting is not applied: Not applicable.
- b. Derivative transactions to which hedge accounting is applied: The contract amount or amount equivalent to the principal set forth in the contract, as of the consolidated closing date, are as follows.

(Millions of yen)

Method of hedge accounting	Type of derivative transaction	Major hedged items	Contract amount, etc.		Fair value
				Over 1 year	
Exceptional treatment of interest rate swaps	Interest rate swaps Pay-fixed, receive-variable	Long-term loans payable	42,050	28,050	*

* The exceptional treatment of interest rate swaps is applied to the Group's interest rate swaps, and these transactions are treated together with long-term loans payable with the relevant hedging instruments. Therefore, their fair value is included among long-term loans payable.

5. It is extremely difficult to determine the fair values of unlisted securities (the amount recorded on consolidated balance sheets is 2,081 million yen) because they do not have quoted market prices and their future cash flow cannot be estimated. Therefore, they are excluded from (4) Investment securities/Available-for-sale securities.
6. Scheduled redemption amounts after the consolidated closing date for monetary claims and securities with maturity period

(Millions of yen)

	Within 1 year	Over 1 year, within 5 years	Over 5 years
Cash and deposits	213,619	—	—
Notes and accounts receivable-trade	156,107	7,637	44
Accounts receivable-installment	19,317	17,556	582
Total	389,044	25,194	626

7. Scheduled repayment amounts after the consolidated closing date for bonds with subscription rights to shares, long-term loans payable, and lease obligations

(Millions of yen)

	Within 1 year	Over 1 year, within 2 years	Over 2 years, within 3 years	Over 3 years, within 4 years	Over 4 years, within 5 years	Over 5 years
Bonds with subscription rights to shares	—	—	20,000	—	—	—
Long-term loans payable	14,110	17,117	9,967	4,617	508	—
Lease obligations	4,714	4,355	1,633	763	256	32
Total	18,824	21,472	31,600	5,380	764	32

(Securities)

For the year ended March 31, 2012

1. Available-for-sale securities

(Millions of yen)

	Type	Amount on the consolidated balance sheets	Acquisition cost	Difference
Those whose value recorded on the consolidated balance sheets exceeds the acquisition cost	(1) Stocks	14,936	10,654	4,282
	(2) Bonds	—	—	—
	(3) Other	—	—	—
	Subtotal	14,936	10,654	4,282
Those whose value recorded on the consolidated balance sheets does not exceed the acquisition cost	(1) Stocks	2,567	2,766	(199)
	(2) Bonds	—	—	—
	(3) Other	—	—	—
	Subtotal	2,567	2,766	(199)
Total		17,504	13,421	4,083

Note: It is extremely difficult to determine the fair values of unlisted securities (the amount recorded on consolidated balance sheets is 4,464 million yen) because they do not have quoted market prices. Therefore, they are excluded from the above table of "Available-for-sale securities."

2. Available-for-sale securities sold during the year ended March 31, 2012

(Millions of yen)

Type	Sale amount	Total capital gains	Total capital losses
(1) Stocks	—	—	—
(2) Bonds	—	—	—
(3) Other	8	—	—
Total	8	—	—

3. Securities on which impairment losses were recognized

For the fiscal year under review, the Company recognized impairment losses of 1,981 million yen on securities. The Company recognizes impairment losses on all listed shares if their market value is no more than 70% of the book value as of the end of the fiscal year. We recognize impairment losses on other securities in the amount considered necessary if their actual value as of the end of the fiscal year dropped by 30% or more compared to their book value, taking into account the possibility of collection, etc.

For the year ended March 31, 2013

1. Available-for-sale securities

(Millions of yen)

	Type	Amount on the consolidated balance sheets	Acquisition cost	Difference
Those whose value recorded on the consolidated balance sheets exceeds the acquisition cost	(1) Stocks	20,010	11,734	8,276
	(2) Bonds	—	—	—
	(3) Other	—	—	—
	Subtotal	20,010	11,734	8,276
Those whose value recorded on the consolidated balance sheets does not exceed the acquisition cost	(1) Stocks	505	522	(17)
	(2) Bonds	—	—	—
	(3) Other	—	—	—
	Subtotal	505	522	(17)
Total		20,515	12,257	8,258

Note: It is extremely difficult to determine the fair values of unlisted securities (the amount recorded on consolidated balance sheets is 2,081 million yen) because they do not have quoted market prices. Therefore, they are excluded from the above table of "Available-for-sale securities."

2. Available-for-sale securities sold during the year ended March 31, 2013

(Millions of yen)

Type	Sale amount	Total capital gains	Total capital losses
(1) Stocks	462	56	—
(2) Bonds	—	—	—
(3) Other	8	—	—
Total	471	56	—

3. Securities on which impairment losses were recognized

For the fiscal year under review, the Company recognized impairment losses of 1,628 million yen on securities. The Company recognizes impairment losses on all listed shares if their market value is no more than 70% of the book value as of the end of the fiscal year. We recognize impairment losses on other securities in the amount considered necessary if their actual value as of the end of the fiscal year dropped by 30% or more compared to their book value, taking into account the possibility of collection, etc.

(Retirement Benefit)

1. Outline of retirement benefit plan

The Company and its major domestic consolidated subsidiaries adopt a contributory trusted pension plan based on a cash balance scheme and an unfunded retirement benefit plan as its defined benefit pension system. In addition, the Yamato Group Life Plan pension scheme was introduced as a defined contribution retirement plan.

Certain consolidated subsidiaries adopt a defined contribution retirement system.

During the fiscal year ended March 31, 2013, certain consolidated subsidiaries withdrew from the cooperative welfare pension fund which they were affiliated with.

2. Retirement benefit obligations

	(Millions of yen)	
	Fiscal 2012	Fiscal 2013
a. Retirement benefit obligations	(97,900)	(112,492)
b. Pension assets	58,358	64,926
c. Unfunded retirement benefit obligations (a + b)	(39,541)	(47,566)
d. Unrecognized actuarial difference	8,026	9,502
e. Net amount on consolidated balance sheets (c + d)	(31,515)	(38,063)
f. Prepaid pension cost	218	114
g. Provision for retirement benefits (e - f)	(31,733)	(38,178)

Note: Some consolidated subsidiaries adopt a simplified method of calculating retirement benefit obligations.

3. Retirement benefit expenses

	(Millions of yen)	
	Fiscal 2012	Fiscal 2013
a. Service cost	5,452	7,105
b. Interest cost	1,785	1,946
c. Recognized actuarial difference	2,006	3,399
d. Retirement benefit expenses (a + b + c)	9,245	12,451

Notes:

1. In addition to the above retirement benefit expenses, 2,053 million yen is booked for fiscal 2013 and 2,036 million yen is booked for fiscal 2012 as retirement benefit expenses for a defined contribution retirement plan, etc.
2. Employee contribution to contributory trusted pension plan is deducted.
3. Retirement benefit expenses of consolidated subsidiaries using a simplified method are included in "a. Service cost."

4. Basis for calculating retirement benefit obligations, etc.

	Fiscal 2012	Fiscal 2013
a. Periodic allocation method for projected retirement benefits	Straight-line standards	Straight-line standards
b. Discount rate	2.0%	1.3%
c. Expected rate of return	0.0%	0.0%
d. Recognition period of actuarial difference	*5 years	*5 years

Note: Actuarial differences are to be charged to expenses from the following fiscal year using a straight-line method based on determined years within average remaining service years of the employees when occurred.

(Per Share Information)

	Fiscal 2012	Fiscal 2013
Net assets per share	1,197.26 yen	1,261.35 yen
Net income per share	46.00 yen	81.85 yen
Net income per share - fully diluted	44.87 yen	79.84 yen

Note: The basis for calculating "net income per share" and "net income per share - fully diluted" is as follows.

	Fiscal 2012	Fiscal 2013
Net income per share		
Net income	19,786 million yen	35,144 million yen
Amount not belonging to ordinary shareholders	— million yen	— million yen
Net income concerning common stock	19,786 million yen	35,144 million yen
Average number of shares during the period	430,181 thousand shares	429,377 thousand shares
Net income per share - fully diluted		
Adjustments in net income	— million yen	— million yen
Increase in number of common shares	10,810 thousand shares	10,810 thousand shares
(Subscription rights to shares)	(10,810 thousand shares)	(10,810 thousand shares)
Potential shares that have no dilutive effects and thus are not included in the calculation of "net income per share - fully diluted."	—	—

(Important Subsequent Matters)

Not applicable.

(Other Notes, etc.)

Notes regarding "lease transactions," "related party transactions," "derivative transactions," and "asset retirement obligations" are omitted, as there is no significant necessity of disclosure in this financial results report.

5. Others

Operating revenue by business

(Millions of yen)

Business segment		Fiscal year ended March 31, 2012	Ratio	Fiscal year ended March 31, 2013	Ratio	Change
			%		%	%
Delivery	TA-Q-BIN	854,409	67.8	880,171	68.6	3.0
	Kuroneko Mail	136,170	10.8	128,309	10.0	(5.8)
	Express	43,585	3.5	42,635	3.3	(2.2)
	Others	65,796	5.2	65,116	5.1	(1.0)
	Eliminations	(85,397)	(6.8)	(88,013)	(6.8)	3.1
	Total	1,014,564	80.5	1,028,219	80.2	1.3
BIZ-Logistics	Trading logistics service	34,147	2.7	36,479	2.8	6.8
	Retail logistics service	28,123	2.2	30,180	2.4	7.3
	Multi maintenance	9,517	0.8	8,714	0.7	(8.4)
	Export Factory	4,001	0.3	3,701	0.3	(7.5)
	Others	33,329	2.6	35,296	2.8	5.9
	Eliminations	(26,640)	(2.1)	(27,566)	(2.2)	3.5
	Total	82,478	6.5	86,806	6.8	5.2
Home Convenience *1	Home convenience	42,633	3.4	40,586	3.2	(4.8)
	Business convenience	19,259	1.5	18,788	1.5	(2.4)
	Eliminations	(14,178)	(1.1)	(14,773)	(1.2)	4.2
	Total	47,715	3.8	44,601	3.5	(6.5)
e-Business	e-logistics solution	9,641	0.8	10,137	0.8	5.2
	Credit card solution	7,177	0.6	7,092	0.6	(1.2)
	IT operating solution	4,406	0.3	4,383	0.3	(0.5)
	Web-based mail order solution	7,006	0.5	7,075	0.5	1.0
	Others	37,584	3.0	39,739	3.1	5.7
	Eliminations	(30,311)	(2.4)	(31,368)	(2.4)	3.5
	Total	35,504	2.8	37,060	2.9	4.4
Financial	TA-Q-BIN Collect	35,505	2.8	37,710	2.9	6.2
	Lease	17,520	1.4	18,124	1.4	3.4
	Credit & Finance *2	4,007	0.3	3,278	0.3	(18.2)
	Others	1,328	0.1	1,584	0.1	19.2
	Eliminations	(4,247)	(0.3)	(3,987)	(0.3)	(6.1)
	Total	54,114	4.3	56,710	4.4	4.8
Truck Maintenance	Truck maintenance	45,082	3.6	47,279	3.7	4.9
	Others	5,202	0.4	5,909	0.4	13.6
	Eliminations	(29,097)	(2.3)	(29,960)	(2.3)	3.0
	Total	21,188	1.7	23,228	1.8	9.6
Other	JITBOX Charter service	3,046	0.2	3,504	0.3	15.0
	Others	47,986	3.8	56,587	4.4	17.9
	Eliminations	(45,764)	(3.6)	(54,345)	(4.3)	18.7
	Total	5,267	0.4	5,746	0.4	9.1
Total		1,260,832	100.0	1,282,373	100.0	1.7

*1. Effective from the fiscal year ended March 31, 2013, changes have been made to the categorization of businesses in the Home Convenience business according to circumstances related to management and administration. To reflect these changes, the figures of the Home Convenience business for the fiscal year ended March 31, 2012 have been restated.

*2. In the Financial business, the name of the business was changed to accompany Fine Credit Co., Ltd. changing its company name to Yamato Credit & Finance Co., Ltd. on August 1, 2012.

6. Non-consolidated Financial Statements

(1) Non-consolidated balance sheets

(Millions of yen)

	As of March 31, 2012	As of March 31, 2013
Assets		
Current assets		
Cash and deposits	144,851	131,379
Operating accounts receivable	—	20
Supplies	0	3
Prepaid expenses	90	107
Deferred tax assets	258	298
Short-term loans receivable	15,921	6,737
Income taxes receivable	2,148	3,591
Other	11	36
Total current assets	163,281	142,173
Noncurrent assets		
Property, plant and equipment		
Vehicles	52	57
Accumulated depreciation	(35)	(37)
Vehicles, net	16	19
Buildings	2	763
Accumulated depreciation	(1)	(35)
Buildings, net	0	728
Tools, furniture and fixtures	243	261
Accumulated depreciation	(66)	(157)
Tools, furniture and fixtures, net	177	104
Land	—	5,840
Construction in progress	1,296	—
Other	—	29
	—	(2)
Other, net	—	26
Total property, plant and equipment	1,491	6,719
Intangible assets		
Software	824	2,200
Other	319	0
Total intangible assets	1,143	2,200
Investments and other assets		
Investment securities	14,287	16,958
Stocks of subsidiaries and affiliates	293,026	287,411
Long-term loans receivable	694	749
Long-term loans receivable from subsidiaries and affiliates	6,865	11,146
Deferred tax assets	173	—
Other	97	97
Allowance for investment loss	(559)	(559)
Total investments and other assets	314,585	315,805
Total noncurrent assets	317,221	324,726
Total assets	480,502	466,899

(Millions of yen)

	As of March 31, 2012	As of March 31, 2013
Liabilities		
Current liabilities		
Operating accounts payable	171	253
Short-term loans payable	5,951	—
Income taxes payable	34	57
Accrued expenses	35	44
Deposits received	19	23
Deposits received from subsidiaries and affiliates	69,042	64,494
Provision for bonuses	39	45
Other	86	132
Total current liabilities	75,381	65,051
Noncurrent liabilities		
Bonds with subscription rights to shares	20,000	20,000
Deferred tax liabilities	—	652
Provision for retirement benefits	67	61
Other	—	137
Total noncurrent liabilities	20,067	20,851
Total liabilities	95,449	85,903
Net assets		
Shareholders' equity		
Capital stock	127,234	127,234
Capital surplus		
Legal capital surplus	36,822	36,822
Other capital surplus	84,492	74,468
Total capital surplus	121,314	111,290
Retained earnings		
Other retained earnings		
General reserve	174,965	174,965
Retained earnings brought forward	15,505	18,539
Total retained earnings	190,471	193,504
Treasury stock	(56,514)	(56,495)
Total shareholders' equity	382,505	375,534
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	2,547	5,461
Total valuation and translation adjustments	2,547	5,461
Total net assets	385,053	380,996
Total liabilities and net assets	480,502	466,899

(2) Non-consolidated statements of income

(Millions of yen)

	For the year ended March 31, 2012	For the year ended March 31, 2013
Operating revenue	14,172	22,697
Selling, general and administrative expenses		
Personnel expenses	1,206	1,409
Provision for bonuses	39	45
Provision for retirement benefits	12	9
Traveling expenses	210	255
Advertising expenses	518	451
Commission fee	586	884
Computer cost	216	448
Depreciation	69	561
Other	280	312
Total selling, general and administrative expenses	3,088	4,324
Operating income	11,083	18,373
Non-operating income		
Interest income	416	218
Dividends income	400	399
Foreign exchange gains	12	236
Other	136	29
Total non-operating income	966	883
Non-operating expenses		
Interest expenses	161	62
Other	5	6
Total non-operating expenses	166	68
Ordinary income	11,882	19,188
Extraordinary income		
Gain on sales of investment securities	—	42
Total extraordinary income	—	42
Extraordinary loss		
Loss on valuation of investment securities	1,818	1,157
Loss on valuation of stocks of subsidiaries and affiliates	—	5,614
other	—	0
Total extraordinary losses	1,818	6,772
Income before income taxes	10,064	12,457
Income taxes-current	10	90
Income taxes-deferred	412	(129)
Total income taxes	422	(39)
Net income	9,641	12,497

(3) Non-consolidated statements of changes in net assets

(Millions of yen)

	For the year ended March 31, 2012	For the year ended March 31, 2013
Shareholders' equity		
Capital stock		
Balance at the beginning of current period	127,234	127,234
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	127,234	127,234
Capital surplus		
Legal capital surplus		
Balance at the beginning of current period	36,822	36,822
Changes of items during the period		
Total changes of items during the period	—	—
Balance at the end of current period	36,822	36,822
Other capital surplus		
Balance at the beginning of current period	84,492	84,492
Changes of items during the period		
Disposal of treasury stock	(0)	(0)
Retirement of treasury stock	—	(10,023)
Total changes of items during the period	(0)	(10,023)
Balance at the end of current period	84,492	74,468
Total capital surplus		
Balance at the beginning of current period	121,314	121,314
Changes of items during the period		
Disposal of treasury stock	(0)	(0)
Retirement of treasury stock	—	(10,023)
Total changes of items during the period	(0)	(10,023)
Balance at the end of current period	121,314	111,290
Retained earnings		
Other retained earnings		
General reserve		
Balance at the beginning of current period	164,965	174,965
Changes of items during the period		
Provision of general reserve	10,000	—
Total changes of items during the period	10,000	—
Balance at the end of current period	174,965	174,965
Retained earnings brought forward		
Balance at the beginning of current period	25,428	15,505
Changes of items during the period		
Dividends from surplus	(9,564)	(9,463)
Net income	9,641	12,497
Provision of general reserve	(10,000)	—
Total changes of items during the period	(9,922)	3,033
Balance at the end of current period	15,505	18,539
Total retained earnings		
Balance at the beginning of current period	190,393	190,471
Changes of items during the period		
Dividends from surplus	(9,564)	(9,463)
Net income	9,641	12,497
Provision of general reserve	—	—
Total changes of items during the period	77	3,033
Balance at the end of current period	190,471	193,504

(Millions of yen)

	For the year ended March 31, 2012	For the year ended March 31, 2013
Treasury stock		
Balance at the beginning of current period	(44,630)	(56,514)
Changes of items during the period		
Purchase of treasury stock	(11,884)	(10,005)
Disposal of treasury stock	0	0
Retirement of treasury stock	—	10,023
Total changes of items during the period	(11,884)	18
Balance at the end of current period	(56,514)	(56,495)
Total shareholders' equity		
Balance at the beginning of current period	394,312	382,505
Changes of items during the period		
Dividends from surplus	(9,564)	(9,463)
Net income	9,641	12,497
Purchase of treasury stock	(11,884)	(10,005)
Disposal of treasury stock	0	0
Retirement of treasury stock	—	—
Total changes of items during the period	(11,807)	(6,971)
Balance at the end of current period	382,505	375,534
Valuation and translation adjustments		
Valuation difference on available-for-sale securities		
Balance at the beginning of current period	1,163	2,547
Changes of items during the period		
Net changes of items other than shareholders' equity	1,384	2,914
Total changes of items during the period	1,384	2,914
Balance at the end of current period	2,547	5,461
Total valuation and translation adjustments		
Balance at the beginning of current period	1,163	2,547
Changes of items during the period		
Net changes of items other than shareholders' equity	1,384	2,914
Total changes of items during the period	1,384	2,914
Balance at the end of current period	2,547	5,461
Total net assets		
Balance at the beginning of current period	395,476	385,053
Changes of items during the period		
Dividends from surplus	(9,564)	(9,463)
Net income	9,641	12,497
Purchase of treasury stock	(11,884)	(10,005)
Disposal of treasury stock	0	0
Net changes of items other than shareholders' equity	1,384	2,914
Total changes of items during the period	(10,422)	(4,056)
Balance at the end of current period	385,053	380,996