

Questions and Answers (Digest)

**The Financial Results Meeting
for the fiscal year ended March 31, 2014
held on May 1, 2014**

Q1

Please fill us in on the current scenario regarding TA-Q-BIN unit pricing and your outlook for the fiscal year ending March 31, 2015.

A1

- As for TA-Q-BIN unit pricing, we are seeing a trend toward improvement heading into this fiscal year, as a result of our initiatives to ensure that we collect adequate fees, which we began pursuing in the latter half of the fiscal year ended March 31, 2014.
- Looking at results by market, we find that the small-lot commercial market has been in positive territory since the fourth quarter of the fiscal year ended March 31, 2014.
In the large-lot commercial market, pricing depends on negotiations with customers, but we are seeing a trend toward improvement and anticipate overall average unit pricing at 579 yen (+0.9% YoY).
- This fiscal year, we expect to see TA-Q-BIN delivery volumes at 1,724 million units (+3.5% YoY). This estimate factors in the prospect of a slight decrease in volumes handled given our initiatives to ensure collection of adequate freight charges.

Q2

For the fiscal year ending March 31, 2015, your estimated personnel expenses of 744.0 billion yen (+5.6% YoY) outpace gains in anticipated operating revenue of 1,437.0 billion yen (+4.5% YoY). In that regard, please explain the assumptions you used in coming up with your personnel expenses projection.

A2

- Our forecast for personnel expenses is a conservative estimate, and envisages further tightening of the labor market.
- We are already taking steps, which are to continue on through this fiscal year as well, involving a shift from variable costs to more of a fixed-cost structure with respect to base terminal operations staff and some other job categories.

Q3

Could you describe changes impacting the TA-Q-BIN market environment and developments involving your competitors?

A3

- No major changes have emerged with respect to the prevailing competitive landscape.
- Meanwhile, we are gearing our efforts toward ensuring customer satisfaction by creating a business model that will enable us to produce a high level of added value, based on our “value networking” design.

Q4

What sort of impact will your efforts to upgrade IT systems have on your bottom line?

A4

- Our new IT system will have no impact on our performance this fiscal year, given that it is still in the development stage at this point in time.
- However, the new system will ultimately act as a crucial element of our overall IT infrastructure in helping us pursue the “value networking” design one of Yamato Group's basic strategy for growth.