

Questions and Answers (Digest)

**The Financial Results Conference Call
for the first three months of the fiscal year ending March 31, 2016
held on July 30, 2015**

Q1 Please update us on your results outlook for the second and subsequent quarters.

- With respect to our outlook beginning with the second quarter, although we are slightly bullish with respect to our earnings forecast for the first half, we feel such results are achievable.

This is because our forecast for the second quarter and beyond considers various factors, such as: results will no longer be affected by advertising expenses for new services and other such one-time costs; higher revenues are likely as a result of growth in delivery volumes of our existing TA-Q-BIN services, and; there will be a positive effect of cost controls stemming from our initiatives to boost productivity.

- With respect to our full-year forecast related to TA-Q-BIN delivery volumes, we anticipate 50 million fewer parcels than the previous forecast, but at a unit pricing that is 17 yen higher than the previous forecast.

On the basis of prevailing circumstances, we now envision growth in delivery volumes attributable to our new services at slightly lower levels than our forecast at the start of the fiscal year.

- With respect to our full-year forecast regarding Kuroneko DM-Bin volume, we anticipate 50 million fewer units than the previous forecast, while our previous forecast for unit pricing remains unchanged.

Although we face a shrinking market and an increasingly competitive environment, we will implement a marketing campaign and the like to help recover delivery volumes.

Q2 Please update us on the operational status of your new services (TA-Q-BIN Compact and Nekopos).

- In the first quarter, results from our new services fell short of our forecast at the start of the fiscal year in terms of volume. Efforts to gain more delivery locations at convenience stores and other sites ran until late June, which means that our new services won't contribute to earnings until the second and subsequent quarters.
- We realize that the transition to new services from the existing TA-Q-BIN services has fallen short of our aim at the start of the fiscal year by a significant margin.

Q3 With respect to your plans for purchase and retirement of treasury shares which you just announced, please tell us why you made the announcement at this particular time, and fill us in on your capital management policy going forward.

- We made the announcement at this point in time with the aim of demonstrating that even under our new management framework our approach to shareholder returns remains unchanged, as does our approach with respect to our ROE targets.
- This move to purchase and retire treasury shares is also important in terms of our need to increase earnings while aggressively implementing our capital policy so that we can achieve our intermediate ROE target of 9% which is crucial in terms of reaching our 11% ROE target set out in our Long-Term Management Plan running to the fiscal year ending March 31, 2020.