Translation

November 12, 2021

Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2022 <under Japanese GAAP>

Company name: Yamato Holdings Co., Ltd.
Listing: Tokyo Stock Exchange
Stock code: 9064
URL: https://www.yamato-hd.co.jp/
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Scheduled date of the submission of quarterly securities report: November 12, 2021
Scheduled date of the commencement of dividend payment: December 10, 2021
Preparation of supplementary materials on quarterly financial results: Yes
Holding of quarterly financial results meeting: Yes

(Amounts less than 1 million yen are discarded.)

1. Consolidated financial results for the second quarter of fiscal year 2022 (cumulative: from April 1, 2021 to September 30, 2021)

(1) Consolidated operating results

(Percentages represent year-on-year changes.)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
For the six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2021	865,470	7.4	31,690	17.7	36,921	32.2	14,631	3.1
September 30, 2020	806,067	0.7	26,915	333.2	27,933	923.0	14,186	—

(Note) Comprehensive income: For the six months ended September 30, 2021: 20,719 million yen (22.2%)
For the six months ended September 30, 2020: 16,955 million yen (— %)

	Basic earnings per share	Diluted earnings per share
For the six months ended	Yen	Yen
September 30, 2021	39.44	—
September 30, 2020	37.60	—

(Note) The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and relevant revised ASBJ regulations from the beginning of the first quarter of the fiscal year 2022, and figures in the consolidated operating results for the six months ended September 30, 2021, are those after applying the accounting standard and relevant revised ASBJ regulations.

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
September 30, 2021	1,096,540	590,222	53.1
March 31, 2021	1,089,991	584,287	52.9

(Reference) Equity: As of September 30, 2021: 582,095 million yen As of March 31, 2021: 576,367 million yen
(Note) The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and relevant revised ASBJ regulations from the beginning of the first quarter of the fiscal year 2022, and figures in the consolidated financial position as of September 30, 2021, are those after applying the accounting standard and relevant revised ASBJ regulations.

2. Dividends

	Annual dividends				
	First quarter	Second quarter	Third quarter	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal 2021	—	16.00	—	30.00	46.00
Fiscal 2022	—	23.00			
Fiscal 2022 (Forecast)			—	23.00	46.00

(Note) Revisions to the forecasts most recently announced: None

3. Consolidated earnings forecasts for fiscal year 2022 (from April 1, 2021 to March 31, 2022)

(Percentages represent year-on-year changes.)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	1,790,000	5.6	95,000	3.1	100,000	6.4	55,000	(3.0)	148.24

(Note) Revisions to the forecasts most recently announced: Yes

* Notes

(1) Changes in significant subsidiaries during the six months under review (changes in specified subsidiaries resulting in the change in scope of consolidation): None

(2) Application of specific accounting for preparing the quarterly consolidated financial statements: Yes

(Note) For details, please see “2. Consolidated Financial Statements and Significant Notes Thereto, (4) Notes to consolidated financial statements (Application of specific accounting for preparing the quarterly consolidated financial statements)” of the attached materials to the quarterly financial results report on page 17.

(3) Changes in accounting policies, changes in accounting estimates, and restatement

a. Changes due to revision to accounting standards, etc.: Yes
b. Changes other than a: Yes
c. Changes in accounting estimates: Yes
d. Restatement: None

(Note) For details, please see “2. Consolidated Financial Statements and Significant Notes Thereto, (4) Notes to consolidated financial statements (Changes in accounting policies)” of the attached materials to the quarterly financial results report on page 17.

(4) Number of issued shares (common shares)

a. Number of issued shares as of the end of the period (including treasury shares)
As of September 30, 2021: 388,575,592 shares
As of March 31, 2021: 388,575,592 shares

b. Number of treasury shares as of the end of the period
As of September 30, 2021: 17,550,947 shares
As of March 31, 2021: 17,550,515 shares

c. Average number of shares during the period (cumulative from the beginning of the fiscal year)
For the six months ended September 30, 2021: 371,024,853 shares
For the six months ended September 30, 2020: 377,257,203 shares

*Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit corporation.

*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 the Company considers 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 “1. Qualitative Information on Settlement of Accounts for the Three Months, (3) Explanation of consolidated earnings forecasts and other forward-looking statements” of the attached materials to the quarterly financial results report on page 10.
- The Company plans to post supplementary materials on quarterly financial results on the Company’s website promptly after the announcement of the quarterly financial results.

Attached Materials

Index

1. Qualitative Information on Settlement of Accounts for the Six Months

(1) Explanation of operating results

During the six months ended September 30, 2021, the economic environment continued to be affected by the spread of the novel coronavirus disease (COVID-19). Amid that situation, overseas economies have been mounting a recovery given a prevailing scenario of proliferation of vaccines, and business sentiment has been showing signs of improvement particularly in the manufacturing industry. Still, the outlook for full-scale economic recovery remains difficult to project due to numerous factors giving rise to uncertainties, particularly with respect to the status of COVID-19 transmission ahead, amid a scenario of global supply chain disruptions and high raw material prices combined with effects of yen depreciation and high crude oil prices.
Meanwhile, COVID-19 has accelerated growth in the e-commerce domain across all industries amid a scenario of changes in consumer behavior and lifestyles brought about by developments such as companies promoting telework arrangements and a shift to online services in the fields of medicine and education.
Under such circumstances, the Yamato Group embarked on a new Group management structure centered on the “New Yamato Transport,” which combines management resources of our respective Group companies, with the aim of sustainably increasing its corporate value through contribution to the creation of an enriched society as stated under its Management Philosophy. In addition, we took steps to furthermore provide comprehensive value by meeting the needs of our customers and society by transforming supply chains in response to changing lifestyles and changing distribution structure, based on the medium-term management plan, “One Yamato 2023,” with the fiscal year ending March 31, 2024 set as its final fiscal year.
Our consolidated financial results for the six months ended September 30, 2021 are as follows.

(Millions of yen)

Item	For the six months ended September 30, 2020	For the six months ended September 30, 2021	Change	Growth (%)
Operating revenue	806,067	865,470	59,402	7.4
Operating profit	26,915	31,690	4,774	17.7
Ordinary profit	27,933	36,921	8,988	32.2
Profit attributable to owners of parent	14,186	14,631	445	3.1

For the six months ended September 30, 2021, operating revenue amounted to 865,470 million yen, up 59,402 million yen from the previous year.
This is largely attributable to our having achieved an increase in parcel delivery volume as a result of taking action in the burgeoning e-commerce domain, and also a result of our having focused on optimizing logistics for customers.
Operating expenses amounted to 833,779 million yen, up 54,627 million yen from the previous year.
This was due to factors that include an increase in strategic costs associated with our promotion of the medium-term management plan, “One Yamato 2023,” in addition to factors that include an increase in transportation costs associated with higher delivery volume, along with a rising unit price of fuel, despite progress achieved in optimizing costs by making optimal allocations of management resources.
As a result, for the six months ended September 30, 2021, operating profit amounted to 31,690 million yen, up 4,774 million yen from the previous fiscal year.
Ordinary profit amounted to 36,921 million yen, up 8,988 million yen from the previous fiscal year mainly due to recording of 4,178 million yen in gain on investments in investment partnerships.
Profit attributable to owners of parent amounted to 14,631 million yen, up 445 million yen from the previous fiscal year mainly due to recording of 14,999 million yen in loss on revision of retirement benefit plan under extraordinary losses.

In addition, the Company has applied the “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the beginning of the first quarter of the fiscal year under review.
In addition, effective from the first quarter of the fiscal year under review, the Company and its domestic consolidated subsidiaries have changed from the declining-balance method to the straight-line method as their depreciation method for property, plant and equipment in order to allocate costs in a manner that better reflects actual use of assets, and have accordingly modified useful lives of some vehicles.
Details are shown on “2. Consolidated Financial Statements and Significant Notes Thereto, (4) Notes to consolidated financial statements (Changes in accounting policies).”

During the six months ended September 30, 2021, the Company resolved to transfer 51% of the Company's holdings of issued common shares of its subsidiary Yamato Home Convenience Co., Ltd. ("YHC") to ART CORPORATION at its meeting of the Board of Directors held on July 20, 2021, and concluded the share transfer agreement on the same day. Effective from the fourth quarter of the fiscal year under review, the Company intends to make YHC an equity method affiliate rather than its current designation as a consolidated subsidiary, given that the Company holds 49% of the voting rights in YHC, down from 100% previously as a result of the transfer of shares.

Initiatives for the entire Yamato Group

The Yamato Group has been continuously working to increase its corporate value based on the medium-term management plan, "One Yamato 2023," aiming to provide comprehensive value with respect to diversifying needs of customers and society.

Furthermore, in response to the spread of COVID-19 and to ensure that customers can use TA-Q-BIN with peace of mind, we have continued to take steps that include making sure that employees practice full hygiene management, promoting workplace vaccinations among employees who wish to be vaccinated, and otherwise placing focus on implementing contact-free deliveries and other infection prevention measures when interacting with customers, using our website to share information, and continuing to provide logistics services, including TA-QBIN.

① Increasing productivity across the entire Yamato Group

In order to address the changing and increasingly diverse needs of our customers, we have continued working to optimally allocate the Group's management resources while striving to improve the accuracy of our demand and operating amount forecasts on the basis of data analysis. In addition, we have been coordinating efforts to the Retail Business Unit, Corporate Business Unit, Transportation Function Division, and Digital Function Division with respect to optimizing and standardizing our delivery process by transforming work operations, and shifting to automation and digitization, thereby increasing the amount of time frontline personnel interact with our customers, expanding our collection and delivery capabilities, and enabling us to make improvements in safety and quality. During the six months ended September 30, 2021, Yamato Management Service Co., Ltd., which handles bookkeeping and accounting operations as well as personnel affairs for respective companies of the Yamato Group, was combined with Yamato Transport Co., Ltd. by means of absorption-type merger, thereby enabling us to make progress in achieving optimal allocations of specialist human resources in our accounting and HR operations. Moreover, our Professional Service Function Division has been operating under the "One Yamato Structure" in spearheading efforts to reduce the administrative and indirect operations workload of our frontline personnel by engaging in business process re-engineering (BPR), which has involved standardizing and digitizing such tasks.

② Increasing operating revenue through growth in the corporate client domain

For our corporate clients who have been coping with changes in consumer behavior and lifestyles caused by the spread of COVID-19, we have been advancing proposals for helping to address customers' business challenges by optimizing management resources for corporate business such as previously dispersed sales functions, logistics and distribution functions, and the trunk-route transportation network connecting our distribution centers.

In addition, our Corporate Solutions Control Center, which consolidates sales information, created optimal proposals for all of our corporate clients and launched initiatives to promote frontline sales activities.

Moreover, we have been working to provide comprehensive value across entire supply chains by streamlining distribution for customers, which has involved building transportation networks with the addition of networks for corporate enterprises to TA-Q-BIN and EAZY transportation modes, and organically combining that with respective sites of the Yamato Group.

We have been continuing to tap expanding e-commerce (EC) demand by promoting systemic development of our EAZY CREW delivery partners, while also proposing solutions in upstream domains of logistics, particularly in areas that include e-commerce company procurement and inventory liquidation.

During the six months ended September 30, 2021, we launched the "digital return and sending service" for e-commerce companies. The service involves shifting to digital procedures for returns of purchased merchandise and simplifying procedures for returns particularly in terms of hassles encountered when purchasers would previously make a return request by telephone or in preparing delivery slips. The service also makes it possible to return items without the need for delivery slips from nearby business offices, PUDO Station parcel lockers, and certain convenience stores. Moreover, we served as the official logistics services partner of the Tokyo 2020 Olympic Games, which involved facilitating smooth and safe operations with respect to logistics design and implementation during the event by providing comprehensive logistics services in addition to TA-Q-BIN.

③ Promoting strategies for achieving sustainable enhancement of corporate value
With the aim of sustainably enhancing our corporate value, we have engaged in initiatives under our medium-term management plan "One Yamato 2023" plan that involve promoting data and innovation strategies, reforming management structure and reinforcing governance, engaging in HR strategy which supports "Innovating Delivery Business," improving capital efficiency, and strengthening sustainable management.
Our data strategy aims at maintaining digital data and enhancing digital platforms to achieve more sophisticated use of date. Meanwhile, our innovation strategy moved forward with initiatives to promote open innovation, which entails discovering and collaborating with startups, as well as to invest in such startups with the aim of creating new businesses, particularly using the "KURONEKO Innovation Fund."
We are also working on strengthening governance based on the new Group management structure through ongoing efforts to strengthen corporate governance. This will entail separating management supervision and execution, maintaining and enhancing management transparency, as well as enhancing governance with an emphasis on decision-making speed.
When it comes to HR strategy which supports "Innovating Delivery Business," we will promote initiatives for enhancing our digital education programs with the aims of increasing digital literacy of all employees including management and rapidly developing digitally literate employees. In order to strike a balance between sustainable growth and the development of a sustainable society, we have been engaging in business in a manner that involves considering the environment and society, in part by streamlining transportation in a manner that involves attentively connecting people with resources and data. These efforts have been underpinned by our dual visions, one of which is "Connect. Deliver the Future via Green Logistics." and the other of which is, "Through Co-Creation and Fair Business Activities, Help Create a Society That 'Leaves No One Behind."
During the six months ended September 30, 2021, we established the "Yamato Group Environmental Policy," which stipulates policy for the environment, encompassing the aims of providing environmentally-sound products and services, protecting the global environment given that it serves as the foundation for life of modern-era and future generations, and contributing to realizing a healthy and abundant society.

Business strategies of each segment
The Company has changed its classification of reportable segments, effective from the first quarter of the fiscal year under review. As such, figures for the previous corresponding period have been restated to the new reportable segments to enable segment comparisons.

- **Retail Business Unit**

① The Retail Business Unit provides high-quality parcel delivery services such as TA-Q-BIN and has otherwise been working to provide value that addresses needs of our customers by drawing on the distinctive characteristics of TA-Q-BIN in terms of its points of contact with a broad range of customers. The business unit continued to focus on proposing solutions that draw on the Group's management resources in collaboration with the Corporate Business Unit, in a manner whereby frontline personnel grasp customer changes associated with lifestyles and the business environment, thereby serving as a starting point for business of the entire Yamato Group. Moreover, it has also been working in collaboration with the Platform Function Division, in part through efforts to provide services that make delivery and pick-up more convenient, particularly the "Kuroneko Members" service, which has more than 50 million registered members, and the "Yamato Business Members" service, which is used by more than 1.3 million corporate clients, and also through efforts to upgrade various services other than those involving transportation that are beneficial in terms of people's lives and business.
② During the six months ended September 30, 2021, in preparation for launch of "TA-Q-BIN Request by Smartphone" in October we made progress in improving the service, which enables customers to complete TA-Q-BIN sending procedures using their smartphones via a service-specific website that enables them to take care of everything from preparing shipping labels to paying TA-Q-BIN fees. Such

improvements included expanding the list of delivery options available in terms of targeting leisure interests through delivery options such as Golf TA-Q-BIN, Ski TA-Q-BIN, Airport TA-Q-BIN, and Round-Trip TA-Q-BIN, and also making preparations for TA-Q-BIN to accommodate larger items.

③ Working in collaboration with the Transportation Function Division and Digital Function Division, the Retail Business Unit continued to strive to improve the accuracy of demand and operating amount forecasts in respective geographic regions, and has been endeavoring to increase productivity by appropriately allocating personnel and by heightening efficiency of collection and delivery and of our trunk-route transportation.

④ In terms of profitability, operating revenue from customers amounted to 429,379 million yen, up 3.6% from the previous fiscal year, mainly as a result of the business unit having engaged in efforts to optimally deliver parcels in alignment with diversifying needs and it having focused on acquiring parcels from small businesses in collaboration with the Corporate Business Unit. Operating revenue of the Retail Business Unit overall amounted to 558,368 million yen, down 2.9% from the previous year, as a result of parcels from e-commerce companies, which had shown a dramatic increase in the previous year, having been shifted to the Corporate Business Unit.
Although operating expenses decreased by 2.0% from the previous year largely due to lower personnel expenses, and despite higher transportation costs associated with rising unit price of fuel and higher delivery volume, operating profit decreased by 34.0% from the previous year.

- **Corporate Business Unit**

① The Corporate Business Unit has been seeking to provide value across entire corporate logistics supply chains, including midstream and upstream domains of business. To such ends, the business unit has been taking on initiatives that include planning supply chain management (SCM) strategies that contribute to customers' business decisions, above and beyond improving and streamlining logistics operations, and furthermore engaging in account management, which involves developing effective projects and assuming responsibility through to management and operations. In addition, for customers who have turned to services in the downstream realm of their supply chains, the business unit has been seeking to provide value in the midstream and upstream domains. This involves building relationships of trust with such customers, identifying supply chain and managerial issues, and proposing solutions to address such issues.

② Moreover, for retailers who are developing physical stores and e-commerce omni-channel sales frameworks, the business unit has been promoting efforts to optimize inventory and distribution through centralized management, thereby liquidating sales inventories with customers' omni-channel operations by combining restructured business facilities and transportation networks under the "One Yamato Structure."

③ During the six months ended September 30, 2021, the Yamato Group embarked on operations that involve integrated management encompassing all of its logistics services for companies that handle skincare products, extending from procurement of merchandise for stores and merchandise for official online shopping websites, to storage, packaging and delivery.

④ For the ever-growing e-commerce domain, the business unit has been promoting sales expansion of the "EAZY" delivery service, which enables greater purchase, delivery and pick-up convenience and safety. In addition, to optimize logistics for e-commerce vendors with stores in online shopping malls, we used our partnerships with major e-commerce companies to implement initiatives to further improve convenience and expand sales for services that completely or partially replace operational functions from order receiving to shipping and delivery. Furthermore, the business unit has also been engaging in efforts involving cross-border e-commerce amid growing demand, such that involve achieving shorter lead times up through delivery by seamlessly linking import customs clearance systems with the domestic delivery network.

⑤ Operating revenue from customers amounted to 392,158 million yen, up 11.1% from the previous fiscal year, mainly as a result of the business unit tapping growing e-commerce demand, promoting logistics optimization of corporate clients, and encountering recovery of import-export freight movement, which had been stagnant due to the global spread of COVID-19. Operating profit was 14,178 million yen, up 31.4% from the previous year.

(Reference)

(Million parcels / units)

Category	For the six months ended September 30, 2020	For the six months ended September 30, 2021	Change	Growth (%)
Parcel delivery TA-Q-BIN/TA-Q-BIN Compact/EAZY/Nekopos	994	1,102	108	10.9
Kuroneko DM-Bin	398	412	14	3.7

- **Other**

① During the six months ended September 30, 2021, we promoted efforts to expand sales for transportation by transport box taking advantage of its network consisting of multiple companies and for vehicle maintenance services.

② Operating revenue from customers was 43,932 million yen, up 13.5% from the previous year. Operating profit was 8,106 million yen, up 6,493 million yen from the previous year.

ESG Initiatives

① The Yamato Group places utmost priority on protecting human life and conducts a range of safety measures. Accordingly, its transport safety management practices in that regard involve drawing up its Safety Management Regulations, building up its transport safety management systems, and formulating fiscal year plans, all centered on respective Group companies whose main operations involve transport. During the six months ended September 30, 2021, the entire Yamato Group carried out the "Zero Traffic Accidents Campaign" in order to improve safety awareness on a Group-wide basis and also sought to prevent occupational accidents. Due to COVID-19, we refrained from holding our "Safety Classes for Children," which we have been continually offering to children in day care facilities, kindergartens and elementary schools across Japan since 1998 with the aim of convey the importance of traffic safety.

② Based on its Group Corporate Philosophy, the Yamato Group carries out business activities in accordance with the law and social norms and actively promotes compliance management. Striving to maximize corporate value is one of the top priorities of management, and we have implemented measures and bolstered management systems as part of our corporate governance initiative. During the six months ended September 30, 2021, we further strengthened Group governance in part as a result of Yamato Management Service Co., Ltd., which handles bookkeeping and accounting operations as well as personnel affairs for respective companies of the Yamato Group, having been combined with Yamato Transport Co., Ltd. by means of absorption-type merger.

③ Under the transformation plan "YAMATO NEXT100," which serves as a grand design for management over the medium to long term, the Yamato Group formulated the Sustainable Medium-Term Environmental Plan 2023 and Medium-Term Social Plan 2023, with the aim of achieving our two visions stated as "Connect. Deliver the Future via Green Logistics" and "Through Co-Creation and Fair Business Activities, Help Create a Society That Leaves No One Behind," set forth for the creation of a sustainable future. We have been seeking to evolve into a company that supports society's development in a manner that meets current and future needs of our customers and communities, and have accordingly been working toward strengthening sustainable management upon having set specific actions to be taken on each materiality and targets to be achieved by the fiscal year ending March 31, 2024.

④ The Yamato Group has been taking on challenges established under the "Environmental" component of its Sustainable Medium-Term Environmental Plan 2023 and Medium-Term Social Plan 2023, and has accordingly set aggregate targets for reducing the environmental burden of its business activities and has otherwise set targets for areas in the logistics industry where the Yamato Group is able to bring about widespread use of innovative technology, such as with respect to materials and vehicles. Given that these targets also cover initiatives and business opportunities in collaboration with diverse partners, we will work to increase the resilience of our customers, partners, and local communities, and to create environmental value. During the six months ended September 30, 2021, we have continued taking action to achieve the vision of virtually zero carbon dioxide emissions (in-house emissions) by 2050, established as a long-term goal. This entails efforts that include shifting to use of vehicles that produce lower greenhouse gas emissions, adopting collection and delivery methods that do not generate greenhouse gas emissions through use of hand trucks, bicycles and other such modes of transportation, and using electricity derived from renewable energy. Due to COVID-19, we refrained from holding our "Kuroneko Yamato

Environmental Class" sessions, which we have been continually offering nationwide since 2005, with the aim of providing support for environmental education of children who will bear responsibilities of the next generation.

⑤ The Yamato Group has been taking on challenges established under the "Social" component of its Sustainable Medium-Term Environmental Plan 2023 and Medium-Term Social Plan 2023. To such ends, we have been continuing to take on initiatives that involve developing a work environment in which we respect diverse personnel and in which employees are able to play active roles, and creating an employee-friendly and rewarding working environment for our employees. In addition, we have been addressing social challenges and promoting community development enlisting a co-creation approach as well as working to realize an enriched society that serves as infrastructure for social sustainability. During the six months ended September 30, 2021, we have been promoting regional cohesion and local industry, working in collaboration with the likes of Takahashi City in Okayama Prefecture and railway companies. This has involved providing scheduled transport of extremely fresh, premium quality agricultural goods enlisting our "combined passenger-cargo" operations for transport of local products making use of vacant space on trains, and providing sales and services using space in stores located within railway stations.

⑥ Aiming to create more sustainable social value, the Yamato Group promotes initiatives for sharing value with society based on the concept of "Creating Shared Value (CSV)." We continue to engage in various initiatives to such ends. For instance, we have been operating our community-based Neko Support Station locations enlisting close local ties and facilitating healthy and sustainable development of local communities, along with lifestyles of safety and comfort among local residents. We have also been setting up housekeeping support services, monitoring services that use "HelloLight" IoT light bulbs, consultation services for everyday life, and holding events that enable interaction among community members.

⑦ Aspiring to be a company that continually evolves in step with society, led by Yamato Welfare Foundation, the Yamato Group conducts various activities to help realize a society in which disabled people can experience the joy of working autonomously. Specifically, we engage in ongoing programs that support economic independence of people with disabilities, such that include actively employing people with disabilities at the Swan Bakery which makes and sells bread, providing them with workplaces through the consigned delivery of Kuroneko DM-Bin, and operating job-finding support facilities where they take part in training to acquire skills and knowledge necessary for employment.

(2) Explanation of financial position

(Assets, liabilities and net assets)

Total assets were 1,096,540 million yen as of September 30, 2021, up 6,549 million yen from the end of the previous fiscal year. The increase was largely attributable to increases in property, plant and equipment, particularly vehicles, of 6,915 million yen, intangible assets of 7,834 million yen mainly due to purchases of software, and investment securities of 11,168 million yen mainly due to fair value assessment, despite a decrease in cash and deposits of 22,863 million yen.

Liabilities increased 614 million yen to 506,318 million yen from the end of the previous fiscal year. The increase was largely attributable to an increase in retirement benefit liability of 15,831 million yen mainly due to revision of the retirement benefit plan, despite a decrease in income taxes payable of 18,692 million yen.

Total net assets were 590,222 million yen, up 5,935 million yen from the end of the previous fiscal year. This was mainly due to the recording of profit attributable to owners of parent of 14,631 million yen and payment of dividends of surplus of 11,145 million yen.

Accordingly, the equity ratio changed to 53.1% from 52.9% of the previous fiscal year.

(Cash flows)

Net cash provided by operating activities for the six months ended September 30, 2021 amounted to 3,750 million yen. Compared with the year-ago period, the amount of net cash provided decreased by 26,241 million yen. This is largely attributable to 13,674 million yen increase in accrued consumption taxes and 15,084 million yen increase in income taxes paid.

Net cash used in investing activities was 29,042 million yen, a difference of 100,595 million yen compared with net cash provided in investing activities in the year-ago period. This is largely attributable to a 92,803 million yen decrease in proceeds from collection of loans receivable.

Net cash provided by financing activities was 1,915 million yen, a difference of 76,234 million yen compared with net cash used in financial activities in the year-ago period. This is largely attributable to an increase in proceeds from borrowings of 41,500 million yen and a decrease in purchase of treasury shares of 35,705 million yen.

As a result of the above, cash and cash equivalents were 218,351 million yen as of September 30, 2021, down 22,933 million yen from the end of the previous fiscal year.

(3) Explanation of consolidated earnings forecasts and other forward-looking statements

The economic environment continues to be affected by the spread of the novel coronavirus disease (COVID-19). Amid that situation, overseas economies have been mounting a recovery given a prevailing scenario of proliferation of vaccines, and business sentiment has been showing signs of improvement particularly in the manufacturing industry. Still, the outlook for full-scale economic recovery remains difficult to project due to numerous factors giving rise to uncertainties, particularly with respect to the status of COVID-19 transmission ahead, amid a scenario of global supply chain disruptions and high raw material prices combined with effects of yen depreciation and high crude oil prices. Meanwhile, COVID-19 has accelerated growth in the e-commerce domain across all industries amid a scenario of changes in consumer behavior and lifestyles brought about by developments such as companies promoting telework arrangements and a shift to online services in the fields of medicine and education.

Under such circumstances, the Yamato Group has been working to provide comprehensive value in addressing needs of its customers and society with its sights set on transforming the supply chain in response to changing lifestyles and distribution structures, based on the medium-term management plan, “One Yamato 2023,” with the fiscal year ending March 31, 2024 set as its final fiscal year. During the fiscal year ending March 31, 2022, we will continue to address growing e-commerce demand by accelerating development of our e-commerce delivery networks, improving pick-up convenience, and providing solutions tailored to e-commerce companies and sellers. In addition, working in collaboration with our respective Business Divisions and Functional Divisions operating under the One Yamato Structure, we will also increase operating revenue by not only organically combining TA-Q-BIN, e-commerce delivery, and middle-mile networks with our network of business facilities, and streamlining distribution but also by focusing on providing value across the entire supply chain through efforts that involve making backyard operations related to stores and e-commerce operations more efficient, reducing sales opportunity loss and optimizing inventories.

As for expenditures, we will continue to focus on optimizing costs, which will involve enlisting data analysis with respect to making optimal allocations of management resources and further streamlining trunk-route transportation, while also promoting strategies encompassing structural transformation of networks with the aim of tapping increasing demand particularly with respect to e-commerce, based on the medium-term management plan, “One Yamato 2023.”

The Yamato Group has made changes to the consolidated earnings forecasts for the full year of the fiscal year ending March 31, 2022 since the announcement made on August 12, 2021.

2. Consolidated Financial Statements and Significant Notes Thereto
(1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
Assets		
Current assets		
Cash and deposits	241,523	218,659
Notes and accounts receivable - trade	212,766	–
Notes and accounts receivable - trade, and contract assets	–	207,836
Accounts receivable - installment	45,643	45,838
Merchandise and finished goods	392	261
Work in process	117	190
Raw materials and supplies	1,770	1,496
Other	27,508	33,255
Allowance for doubtful accounts	(1,341)	(1,369)
Total current assets	528,379	506,169
Non-current assets		
Property, plant and equipment		
Buildings and structures	367,718	372,332
Accumulated depreciation	(214,421)	(217,008)
Buildings and structures, net	153,296	155,324
Vehicles	199,976	201,688
Accumulated depreciation	(185,268)	(182,343)
Vehicles, net	14,708	19,344
Land	174,140	174,659
Leased assets	36,645	37,829
Accumulated depreciation	(10,467)	(11,536)
Leased assets, net	26,178	26,293
Other	137,034	137,181
Accumulated depreciation	(99,046)	(99,574)
Other, net	37,988	37,606
Total property, plant and equipment	406,312	413,228
Intangible assets	29,555	37,389
Investments and other assets		
Investment securities	52,231	63,399
Other	74,892	77,813
Allowance for doubtful accounts	(1,379)	(1,461)
Total investments and other assets	125,744	139,752
Total non-current assets	561,612	590,371
Total assets	1,089,991	1,096,540

(Millions of yen)

	As of March 31, 2021	As of September 30, 2021
Liabilities		
Current liabilities		
Notes and accounts payable - trade	153,860	146,028
Short-term borrowings	34,000	50,000
Lease obligations	5,054	5,351
Income taxes payable	32,099	13,406
Deferred installment income	4,781	4,826
Provision for bonuses	40,173	47,488
Other	119,401	105,698
Total current liabilities	389,369	372,798
Non-current liabilities		
Lease obligations	26,098	25,585
Retirement benefit liability	71,834	87,666
Other	18,401	20,267
Total non-current liabilities	116,334	133,519
Total liabilities	505,704	506,318
Net assets		
Shareholders' equity		
Share capital	127,234	127,234
Capital surplus	36,813	36,813
Retained earnings	431,571	431,714
Treasury shares	(39,549)	(39,550)
Total shareholders' equity	556,070	556,212
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	15,883	21,422
Foreign currency translation adjustment	(1,316)	(969)
Remeasurements of defined benefit plans	5,730	5,430
Total accumulated other comprehensive income	20,297	25,883
Non-controlling interests	7,919	8,126
Total net assets	584,287	590,222
Total liabilities and net assets	1,089,991	1,096,540

(2) Consolidated statement of income and consolidated statement of comprehensive income
Consolidated statement of income (cumulative)

(Millions of yen)

	For the six months ended September 30, 2020	For the six months ended September 30, 2021
Operating revenue	806,067	865,470
Operating costs	748,694	802,336
Operating gross profit	57,373	63,133
Selling, general and administrative expenses	30,457	31,443
Operating profit	26,915	31,690
Non-operating income		
Interest income	107	94
Dividend income	680	919
Gain on investments in investment partnerships	252	4,178
Other	974	869
Total non-operating income	2,014	6,060
Non-operating expenses		
Interest expenses	351	399
Share of loss of entities accounted for using equity method	311	270
Other	333	159
Total non-operating expenses	996	829
Ordinary profit	27,933	36,921
Extraordinary income		
Gain on sale of non-current assets	704	0
Gain on liquidation of subsidiaries	–	1,210
Other	207	53
Total extraordinary income	911	1,264
Extraordinary losses		
Loss on retirement of non-current assets	131	223
Impairment losses	222	566
Loss on valuation of investment securities	349	2
Loss on revision of retirement benefit plan	–	14,999
Loss associated with measures to address COVID-19	1,163	–
Other	2	99
Total extraordinary losses	1,869	15,892
Profit before income taxes	26,975	22,293
Income taxes	12,704	7,572
Profit	14,271	14,721
Profit attributable to non-controlling interests	84	89
Profit attributable to owners of parent	14,186	14,631

Consolidated statement of comprehensive income (cumulative)

(Millions of yen)

	For the six months ended September 30, 2020	For the six months ended September 30, 2021
Profit	14,271	14,721
Other comprehensive income		
Valuation difference on available-for-sale securities	2,189	5,952
Foreign currency translation adjustment	(883)	339
Remeasurements of defined benefit plans, net of tax	1,373	(300)
Share of other comprehensive income of entities accounted for using equity method	4	6
Total other comprehensive income	2,684	5,998
Comprehensive income	16,955	20,719
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	16,716	20,217
Comprehensive income attributable to non-controlling interests	239	501

(3) Consolidated statement of cash flows

(Millions of yen)

	For the six months ended September 30, 2020	For the six months ended September 30, 2021
Cash flows from operating activities		
Profit before income taxes	26,975	22,293
Depreciation	22,442	16,882
Impairment losses	222	566
Increase (decrease) in retirement benefit liability	1,205	16,300
Increase (decrease) in provision for bonuses	12,056	7,294
Share of loss (profit) of entities accounted for using equity method	311	270
Decrease (increase) in trade receivables	(3,859)	1,051
Increase (decrease) in trade payables	(14,484)	(8,023)
Other, net	(1,704)	(24,726)
Subtotal	43,165	31,908
Interest and dividends received	891	1,132
Interest paid	(291)	(431)
Income taxes paid	(13,773)	(28,858)
Net cash provided by (used in) operating activities	29,992	3,750
Cash flows from investing activities		
Purchase of property, plant and equipment	(15,176)	(17,040)
Proceeds from sale of property, plant and equipment	1,736	143
Purchase of investment securities	(613)	(2,224)
Proceeds from sale of investment securities	99	0
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	(484)	–
Loan advances	(1,780)	(2,626)
Proceeds from collection of loans receivable	95,164	2,361
Other payments	(8,466)	(13,704)
Other proceeds	1,074	4,049
Net cash provided by (used in) investing activities	71,552	(29,042)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(20,000)	20,000
Repayments of lease obligations	(2,923)	(2,884)
Repayments of long-term borrowings	(5,500)	(4,000)
Purchase of treasury shares	(35,707)	(1)
Dividends paid	(10,001)	(11,133)
Other, net	(185)	(64)
Net cash provided by (used in) financing activities	(74,318)	1,915
Effect of exchange rate change on cash and cash equivalents	(293)	442
Net increase (decrease) in cash and cash equivalents	26,932	(22,933)
Cash and cash equivalents at beginning of period	196,662	241,284
Cash and cash equivalents at end of period	223,595	218,351

(4) Notes to consolidated financial statements

(Notes to premise of going concern)

Not applicable.

(Notes on significant changes in the amount of shareholders' equity)

Not applicable.

(Changes in scope of consolidation and equity method application)

Effective from the first quarter of the fiscal year under review, Yamato Global Express Co., Ltd., Yamato Logistics Co., Ltd., Yamato Global Logistics Japan Co., Ltd., Yamato Packing Service Co., Ltd., Yamato Packing Technology Institute Co., Ltd., and Yamato Financial Co., Ltd., are excluded from the scope of consolidation given that they have ceased to exist as a result of an absorption-type merger in which Yamato Transport Co., Ltd. is the surviving company.

Effective from the second quarter of the fiscal year under review, Yamato Management Service Co., Ltd. is excluded from the scope of consolidation given that it has ceased to exist as a result of an absorption-type merger in which Yamato Transport Co., Ltd. is the surviving company. In addition, Yamato (China) Transport Co., Ltd. is also excluded from the scope of consolidation upon conclusion of liquidation.

(Application of specific accounting for preparing the quarterly consolidated financial statements)

Calculation of tax expenses

Tax expenses are calculated by multiplying the profit before income taxes by the reasonably estimated effective tax rates after the application of tax effect accounting to the profit before income taxes for the fiscal year including the second quarter under review.

(Changes in accounting policies)

Application of Accounting Standard for Revenue Recognition, Etc.

The Company has applied the "Accounting Standard for Revenue Recognition" (ASBJ Statement No. 29, March 31, 2020) and relevant ASBJ regulations from the beginning of the first quarter of the fiscal year under review, and it has recognized revenue at the time the control of promised goods or services is transferred to the customer at the amount expected to be received upon exchange of said goods or services. As such, whereas revenue derived from certain business transactions including transportation income involving the Yamato Group's mainstay service, TA-Q-BIN, was previously recognized when parcels, etc. were consigned to TA-Q-BIN, the Company will now recognize such revenue upon fulfillment of performance obligations.

The application of the Accounting Standard for Revenue Recognition and relevant ASBJ regulations is subject to the transitional treatment provided for in the proviso to paragraph 84 of the Accounting Standard for Revenue Recognition. The cumulative effect of the retrospective application, assuming the new accounting policy had been applied to periods prior to the beginning of the first quarter of the fiscal year under review was added to or deducted from the opening balance of retained earnings of the first quarter of the fiscal year under review, and thus the new accounting policy was applied from such opening balance. However, by applying the method set forth in item (1) of the supplementary provisions of paragraph 86 of the Accounting Standard for Revenue Recognition, modifications to contracts carried out prior to the beginning of the first quarter of the fiscal year under review were accounted for based on the contractual terms after all contract modifications were reflected. Consequently, this cumulative effect was added to or deducted from the opening balance of retained earnings of the first quarter of the fiscal year under review.

For the six months ended September 30, 2021, as a result of this change, operating revenue decreased by 628 million yen, and operating costs decreased by 991 million yen, while operating profit, ordinary profit and profit before income taxes each increased by 363 million yen. In addition, retained earnings as of the beginning of the fiscal year under review decreased by 3,343 million yen.

Due to the application of the Accounting Standard for Revenue Recognition and relevant ASBJ regulations, "Notes and accounts receivable - trade" under current assets of the consolidated balance sheet as of the end of the previous fiscal year has been included in "Notes and accounts receivable - trade, and contract assets" under current assets from the quarterly consolidated balance sheet as of the end of the first quarter of the fiscal year under review. In accordance with the transitional treatment provided for in paragraph 89-2 of the Accounting Standard for Revenue Recognition, figures for the previous fiscal year have not been restated in accordance with the new approach to presentation.

Application of Accounting Standard for Fair Value Measurement

The Company has applied the "Accounting Standard for Fair Value Measurement" (ASBJ Statement No. 30, July 4, 2019) and relevant ASBJ regulations from the beginning of the first quarter of the fiscal year under review. In the future, the Company will furthermore apply new accounting policy stipulated by the Accounting Standard for Fair Value Measurement and relevant ASBJ regulations subject to the transitional treatment provided for in paragraph 19 of the Accounting Standard for Fair Value Measurement and paragraph 44-2 of the "Accounting Standard for Financial Instruments" (ASBJ Statement No. 10, July 4, 2019). In addition, this application has no impact on quarterly consolidated financial statements is immaterial.

Changes in accounting policies which are difficult to distinguish from changes in accounting estimates and changes in accounting estimates

Changes in depreciation method for property, plant and equipment and changes in useful life

Effective from the first quarter of the fiscal year under review, the Company and its domestic consolidated subsidiaries have changed to the straight-line method as their depreciation method for property, plant and equipment (excluding leased assets) from the declining-balance method previously (however, the straight-line method has been adopted for buildings acquired on or after April 1, 1998 (excluding facilities attached to buildings) and for facilities attached to buildings and structures acquired on or after April 1, 2016). Overseas consolidated subsidiaries have been using the straight-line method thus far.

Based on its medium-term management plan, "One Yamato 2023," the Yamato Group has transitioned to its "One Yamato" management structure, which has involved transforming to a fully optimized organization structured according to customer segments and further accelerating management. To such ends, Yamato Transport Co., Ltd. carried out absorption-type mergers and absorption-type company splits involving seven Group companies. In so doing, we were able to review our use of property, plant and equipment in Japan. We consequently changed to the straight-line method, upon having deemed that the straight-line method of allocating costs more rationally reflects actual use of assets given that we expect our asset use in Japan to remain consistent.

In addition, the Company and its domestic consolidated subsidiaries conducted surveys on actual use of property, plant and equipment, on the occasion of reviewing changes to the depreciation method of property, plant and equipment. Effective from the first quarter of the fiscal year under review, they consequently revised useful life figures of some vehicles based on more realistic, economically feasible forecast periods. This change will apply into the future.

As a result, operating profit, ordinary profit, and profit before income taxes for the first six months of the fiscal year under review are each 5,446 million yen increased more than would have been the case using the previous method.

(Additional information)

Revision of retirement benefit plan

In April 2021, the Company resolved to revise its retirement benefit plan in terms of accordingly changing benefit levels of the lump-sum benefit plan with July 2021 serving as the date of revision with respect to its regulations and October 2021 serving as the date on which the regulations take effect, and in terms of carrying out transition of its corporate pension fund plan to a defined contribution pension plan from the defined-benefit corporate pension plan.

For the accounting treatment associated with transition of the plan, the Company has applied the "Accounting for Transfer between Retirement Benefit Plans" (ASBJ Guidance No. 1, December 16, 2016) and the "Practical Solution on Accounting for Transfer between Retirement Benefit Plans" (ASBJ PITF No. 2, February 7, 2007).

As a result, with respect to past service costs incurred due to changes made to benefit levels of the lump-sum benefit plan, the Company recorded loss on revision of retirement benefit plan of 14,999 million yen under extraordinary losses for the first six months of the fiscal year under review subject to revision of its regulations.

Effects associated with the transition of the corporate pension fund plan to a defined contribution pension plan from the defined-benefit corporate pension plan are stated under "2. Consolidated Financial Statements and Significant Notes Thereto, (4) Notes to consolidated financial statements (Important subsequent matters)."

(Segment information, etc.)

[Segment information]

I. For the six months ended September 30, 2020

1. Information regarding the amounts of operating revenue and profit or loss by reportable segment

(Millions of yen)

	Retail Business Unit	Corporate Business Unit	Other (Note 1)	Total	Reconciliation (Note 2)	Amount recorded in consolidated statement of income (Note 3)
Operating revenue						
Operating revenue from customers	414,352	353,023	38,691	806,067	–	806,067
Inter-segment operating revenue or transfers	160,464	19,446	56,642	236,553	(236,553)	–
Total	574,817	372,469	95,334	1,042,621	(236,553)	806,067
Segment profit	15,059	10,792	1,612	27,464	(548)	26,915

Notes: 1. Other includes Yamato Home Convenience Co., Ltd. (lifestyle support services), Yamato System Development Co., Ltd. (information systems development), and Yamato Autoworks Co., Ltd. (collective vehicle management agent business for transportation companies).

2. The adjustment of negative 548 million yen of segment profit includes group-wide expenses of negative 7,752 million yen not allocated to each reportable segment (general and administrative expenses of the Company as a pure holding company) and eliminating transactions among segments of 7,204 million yen.

3. An adjustment was made between segment profit and operating profit in the consolidated statement of income.

2. Information regarding impairment losses of non-current assets or goodwill, etc. by reportable segment

(Significant impairment losses on non-current assets)

Descriptions are omitted, as the value is immaterial.

II. For the six months ended September 30, 2021

1. Information regarding the amounts of operating revenue and profit or loss by reportable segment

(Millions of yen)

	Retail Business Unit	Corporate Business Unit	Other (Note 1)	Total	Reconciliation (Note 2)	Amount recorded in consolidated statement of income (Note 3)
Operating revenue						
Operating revenue from customers	429,379	392,158	43,932	865,470	–	865,470
Inter-segment operating revenue or transfers	128,989	13,580	62,633	205,203	(205,203)	–
Total	558,368	405,738	106,565	1,070,673	(205,203)	865,470
Segment profit	9,934	14,178	8,106	32,220	(529)	31,690

Notes: 1. Other includes Yamato Home Convenience Co., Ltd. (lifestyle support services), Yamato System Development Co., Ltd. (information systems development), and Yamato Autoworks Co., Ltd. (collective vehicle management agent business for transportation companies).

2. The adjustment of negative 529 million yen of segment profit includes group-wide expenses of negative 6,347 million yen not allocated to each reportable segment (general and administrative expenses of the Company as a pure holding company) and eliminating transactions among segments of 5,817 million yen.

3. An adjustment was made between segment profit and operating profit in the consolidated statement of income.

2. Disclosure of changes, etc. in reportable segments

(Changes in reportable segments)

Effective from the first quarter of the fiscal year under review, the Company has changed its classification of reportable segments to reflect its transition to a management structure consisting of four Business Divisions (Retail, Corporate, Global SCM, and EC) and four Functional Divisions in April 2021.

The change mainly involves transition to a dual business unit structure consisting of the “Retail Business Unit” and the “Corporate Business Unit” based on customer segments, from the previous six operating segment structure based on categories of business at that time.

The segment information for the six months ended September 30, 2020 has been prepared and presented according to the new classification of reportable segments.

(Application of Accounting Standard for Revenue Recognition, Etc.)

The Company has applied the “Accounting Standard for Revenue Recognition, etc.” from the beginning of the first quarter of the fiscal year under review as stated under “2. Consolidated Financial Statements and Significant Notes Thereto, (4) Notes to consolidated financial statements (Changes in accounting policies),” and has likewise changed its method of calculating business segment profit or loss as a result of it having changed its accounting method for revenue recognition.

As a result, for the first six months of the fiscal year under review, operating revenue and segment profit in the Retail Business Unit were 85 million yen and 85 million yen higher, respectively, than would have been the case using the previous method; operating revenue and segment profit in the Corporate Business Unit were 225 million yen and 94 million yen higher, respectively, and; operating revenue and segment profit in Other were 939 million yen lower and 182 million yen higher, respectively.

(Changes in depreciation method for property, plant and equipment and changes in useful life)

Effective from the first quarter of the fiscal year under review, the Company has changed to the straight-line method as its depreciation method for property, plant and equipment (excluding leased assets), as stated under “2. Consolidated Financial Statements and Significant Notes Thereto, (4) Notes to consolidated financial statements (Changes in accounting policies).” In addition, the Company has reviewed useful lives of some vehicles. This change will apply into the future.

As a result, for the first six months of the fiscal year under review, segment profit in the Retail Business Unit, Corporate Business Unit and Other were 4,500 million yen, 758 million yen, and 186 million yen higher, respectively, than would have been the case using the previous method.

3. Information regarding impairment losses of non-current assets or goodwill, etc. by reportable segment

(Significant impairment losses on non-current assets)
In Other segment, the Company has decreased the book value of an asset group with diminished profitability to the recoverable value, and has accordingly recorded impairment losses of 566 million yen for the six months ended September 30, 2021.

(Important subsequent matters)
Revision of retirement benefit plan
The Company has carried out transition of its corporate pension fund plan to a defined contribution pension plan from the defined-benefit corporate pension plan, effective October 1, 2021.
Details regarding transition of the plan and associated accounting treatment are as stated under "2. Consolidated Financial Statements and Significant Notes Thereto, (4) Notes to consolidated financial statements (Additional information)."
Calculation of the effects associated with the transition to a defined contribution pension plan is currently pending due to recalculation of the retirement benefit obligations and related pension assets prevailing as of the transition date.

3. Supplementary Information

Operating revenue by segment

Business segment	Income	For the six months ended September 30, 2020 Amount (Millions of yen)	Ratio (%)	For the six months ended September 30, 2021 Amount (Millions of yen)	Ratio (%)	Change (%)
Retail Business Unit	Transportation income	558,950	69.3	543,076	62.7	(2.8)
	Logistical support income	5,001	0.6	3,091	0.4	(38.2)
	Others	14,471	1.8	13,989	1.6	(3.3)
	Eliminations	(164,071)	(20.4)	(130,778)	(15.1)	(20.3)
	Total	414,352	51.4	429,379	49.6	3.6
Corporate Business Unit	Transportation income	307,713	38.2	291,726	33.7	(5.2)
	Logistical support income	101,272	12.6	117,930	13.6	16.4
	Other	11,084	1.4	15,914	1.8	43.6
	Eliminations	(67,046)	(8.3)	(33,413)	(3.9)	(50.2)
	Total	353,023	43.8	392,158	45.3	11.1
Other	Transportation income	22,043	2.7	24,158	2.8	9.6
	Others	81,558	10.1	91,508	10.6	12.2
	Eliminations	(64,910)	(8.1)	(71,734)	(8.3)	10.5
	Total	38,691	4.8	43,932	5.1	13.5
Total		806,067	100.0	865,470	100.0	7.4

Due to the shift of the management structure from the first quarter of the fiscal year under review, the Company discloses the details of operating revenue by segment instead of operating revenue by business, which was disclosed until the previous fiscal year.