



YAMATO
HOLDINGS

Yamato Group IR Presentation Material

< 1st Quarter of the Fiscal year ending March 2025 >

August 1, 2024

Yamato Holdings Co., Ltd.

1. Consolidated earnings (Summary)

【Results for Q1 of FY2025/3】

Operating revenue	405.6 bn yen ((14.5) bn yen YoY)
Operating profit	(14.2) bn yen ((15.8) bn yen YoY)
Profit attributable to owners of parent	(10.1) bn yen ((9.9) bn yen YoY)

【Overview】

- Although operating revenue was lower than expected, operating profit and profit attributable to owners of parent were in line with expectations, as a result of the focus on cost control etc.

【Operating revenue】

- In the Express Business, although we secured more parcel delivery volume than expected due to progress made in acquiring new accounts in cross-border EC etc. in the Corporate domain, revenue was below expectations, due to sluggishness in the Retail domain, for which we had anticipated a recovery in consumer spending
- Revenue from the Global Business exceeded expectations, with Yamato capturing cross-border EC demand including international transportation (forwarding and customs)
- In the Contract Logistics Business, revenue was above expectations, despite the negative impact from the fall-off of the COVID-19 vaccine mandate and the large recall mandate last year

【Operating profit】

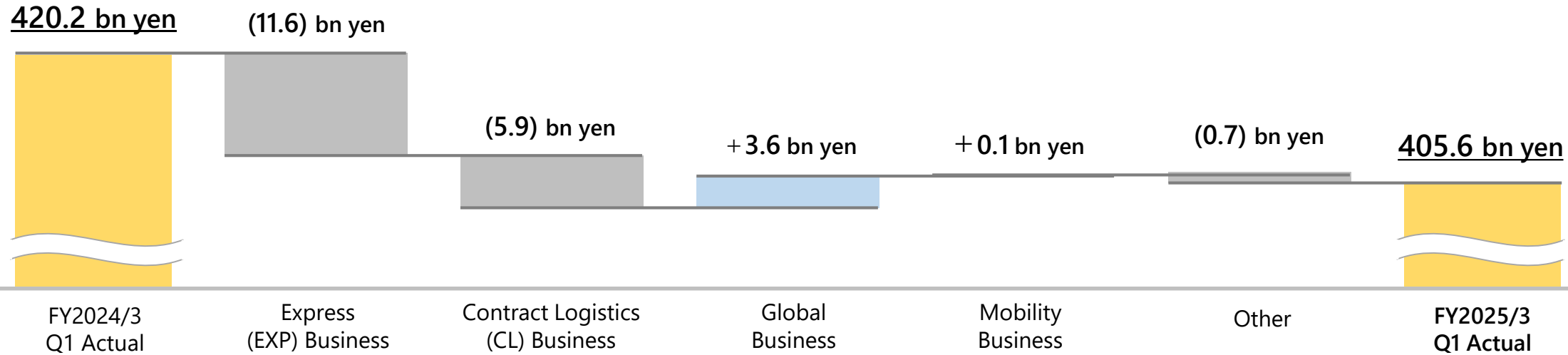
- Was in line with expectations, due to the reinforcement of the TA-Q-BIN network, and the progress made in optimizing operating costs mainly in the last-mile domain, as well as the strengthening of cost control at the Group level, and other factors

【Year-on-year comparison】

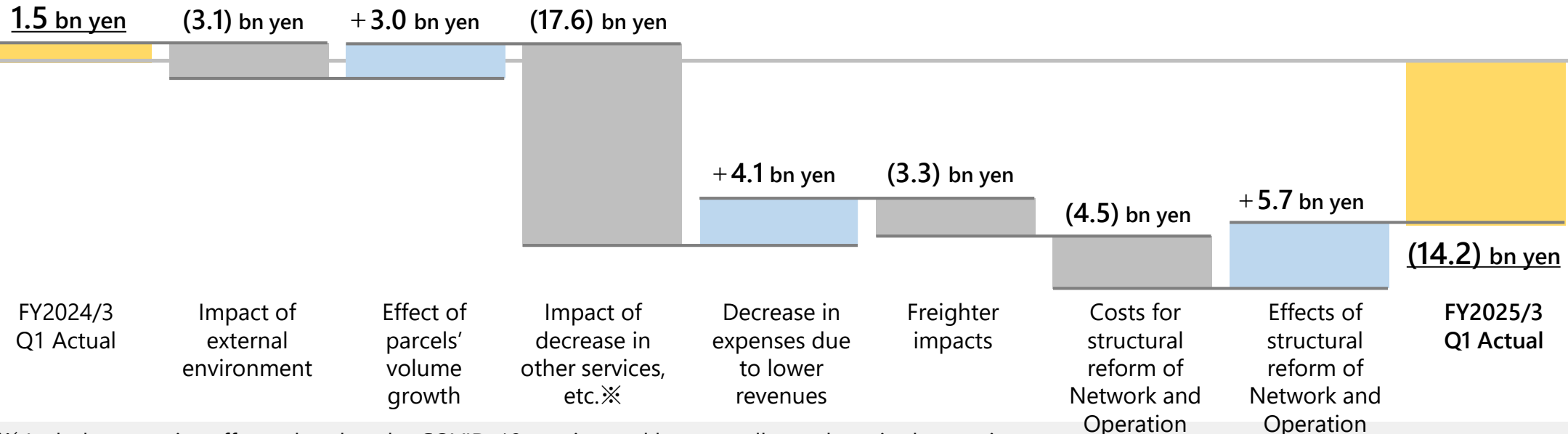
- Operating revenue: Despite the increase for the 3 TA-Q-BIN products and for the Global Business, operating revenue declined due to the negative impact from factors including the COVID-19 vaccine mandate and the large recall mandate we had last year
- Operating expenses: Increase in initial expenses related to executing the strategies outlined in the Medium-term Management Plan, such as the “promotion of facilities strategies and digital transformation” to improve profitability, and “starting freighter operations” to achieve new business growth

2. Reasons for increase/decrease in operating revenues and operating profit

Operating revenue



Operating profit



※ Includes negative effect related to the COVID-19 vaccine and large recall mandates in the previous year

3. Consolidated earnings forecast (key metrics)

- Reviewed outlook for parcel delivery volume based on current consumption trends etc., and made adjustments to operating revenue and operating expenses

< 3 TA-Q-BIN products >

- Will continue to focus on building up volume in the Retail domain (individuals and small corporates), while in the Corporate domain, we will strengthen initiatives to optimize pricing※ for existing accounts, as well as cost control

※ Thoroughly implement pricing based on the capacity of the TA-Q-BIN network and operating costs

(Billions of Yen)	FY2024/3 Actual	FY2025/3 Forecast as of May 2024	FY2025/3 New Forecast	Forecast Change		YoY Change	
				Amount	[%]	Amount	[%]
				Operating revenue	1,758.6	1,820.0	1,780.0
Operating profit	40.0	50.0	50.0	0.0	0.0	+ 9.9	+ 24.8
Profit margin [%]	2.3	2.7	2.8	+ 0.1	-	+ 0.5	-
Ordinary profit	40.4	50.0	50.0	0.0	0.0	+ 9.5	+ 23.6
Profit attributable to owners of Parent	37.6	32.0	32.0	0.0	0.0	(5.6)	(15.0)
ROE (%)	6.3	5.4	5.4	0.0	-	(0.9)	-
ROIC (%)	4.2	4.9	4.9	0.0	-	+ 0.7	-

4. Express (EXP) Business

- **【Retail】** Revenue growth from further strengthening of sales and enhancement of service lineup
- **【Corporate】** Strengthen initiatives to charge appropriate rates and promote acquisition of new clients, which leads to expanding the upstream domain

Status in the first quarter

(Billions of Yen)	FY2024/3 Q1 Actual	FY2025/3 Q1 Actual	YoY Change	
			Amount	[%]
Operating revenue	364.8	353.2	(11.6)	(3.2)
Operating profit	(6.3)	(20.7)	(14.3)	-

- ✓ **Retail domain (individuals and small corporates)**
Unit price + 1.8%, Volume (3.3)% (YoY)
 - Unit price increased, due to revisions of reported fares and tariffs (for large-sized parcels and temperature-controlled/leisure parcels)
 - Although Yamato has been strengthening its sales activities to small corporates, volume declined due to factors including sluggish consumer spending due to decline in real wages
→ Seek to grow TA-Q-BIN revenue, through further strengthening of sales to small corporates, and enhancing the service lineup
- ✓ **Corporate domain (large corporates)**
Unit price (2.1)%, Volume + 6.9% (YoY)
 - **Promotion of pricing strategy (Initiative to charge appropriate rates)**
→ Yamato will strengthen※ negotiations with corporate clients to set prices based on volume handled (demand trends), the operational burden, etc.
※ Price revisions of temperature-controlled TA-Q-BIN will be reflected step by step (from 2nd half~)
 - **Promoted acquisition of new clients, which leads to growth of CL Business and Global Business**

Enhancement of service lineup

- ① **“Okihai” deliveries for Kuroneko Members (from June 10~)**
 - Enhance use of TA-Q-BIN, by providing easy and comfortable experiences of receiving parcels to more customers
 - Contributes to reducing redeliveries and GHG emissions
- ② **Same-day delivery services from/to airports, for inbound customers (from June 14~)**
 - Set surcharge for enhancing the value experienced by foreign tourists visiting Japan
→ Use Yamato’s strength of having many counters at airports, and seek to further capture inbound demand (Start from Tokyo area ⇄ Haneda Airport, and plan to expand to other regions step by step)
- ③ **Introduce speed-delivery service using freighters (scheduled in Q2~※)**
 - ※Freighters will begin operating at Haneda Airport from August
 - Set surcharge for speed delivery

5. EXP Business (Structural reforms of network operations)

- Controlled cost per parcel to be within expectations, as a result of focusing on cost control based on workload
- With business conditions becoming even tougher, Yamato will strengthen initiatives to optimize operating costs

Status in the first quarter

✓ Cost per parcel (Transportation•Last-mile)

- With the continuous rise in unit prices of wages and of outsourcing to transportation and delivery partners, due to changes in the external environment, Yamato focused on optimizing resource allocation to address increased volume of the 3 TA-Q-BIN products

※ (negative) represents improvements

Transportation domain

Expected difference:

(0.4)yen

YoY: +0.9 yen*

Although costs increased in relation to transportation partners, controlled cost per parcel to be within expectations, by making maximum use of the TA-Q-BIN network, and other measures

Last-mile domain

Expected difference:

(6.8)yen

YoY: (4.7) yen*

Despite the rise in unit price of wages, controlled cost per parcel to be within expectations, by better allocation of headcount, enhancement of productivity per operation, etc.

Initiatives to optimize operating costs

✓ Transportation domain

- Promoted the review of the entire transportation process including EC, with the aim of consolidating trunk-route transportation by region
- By prioritizing the full digitalization of transportation operations, improve productivity of transportation and sorting operations, for which the outsourcing ratio is high
 - By further improving the efficiency of transportation and sorting operations, optimize vehicle hire costs, outsourcing costs (outsourcing of operations and the EC logistics network) and personnel expenses

✓ Last-mile domain

- Make maximum use of in-house capacity, generated by outsourcing Nekopos (post-box delivery service) step by step, absorb the volume increase in the 3 TA-Q-BIN products (optimization of subcontracting expenses (delivery commission) and personnel expenses)
- Assess the effects of the new OS (operating system) introduced in the large pickup & delivery facilities, which are starting operations one by one, and accelerate the consolidation of facilities

※ Figures exclude the impact of the transfer of post-box delivery service operations and the commencement of freighters operations.

- Promote development of cross-border EC “to” Japan (imports), utilizing the TA-Q-BIN network and Yamato’s customs and bonding expertise
- Also, develop cross-border “from” Japan (exports), based on expertise acquired through imports

Status in the first quarter

(Billions of Yen)	FY2024/3 Q1 Actual	FY2025/3 Q1 Actual	YoY Change	
			Amount	[%]
Operating revenue	18.2	21.9	+ 3.6	+ 20.1
Operating profit	1.3	2.4	+ 1.0	+ 79.3

✓ Forwarding

- In the midst of changes in the supply chain, such as container shortages due to instability in the Middle East, we are responding flexibly to clients' transportation needs by strengthening international intermodal transportation by air, truck and rail. Also, we have established trade lanes to enhance the efficiency of mixed loading such as general cargo, international small-lot cargo, and overseas relocation cargo, thereby improving the operating profit margin.
- Significant increase in cross-border EC shipments from China and South Korea to Japan, driving growth in operating revenue and operating profit for the entire Global Business

✓ International CL (Contract Logistics)

- Actively promote the expansion of CL, instead of relying only on forwarding, which tends to be impacted by market fluctuations
 - Promoting the shift to a structure that generates stable profit, by revising consignment fees charged and initiatives for improvements

Development of cross border EC

【Cross-border EC “to” Japan (imports)】

- ✓ Together with growth of existing large EC client, made progress in acquiring new accounts mainly in the U.S., China and South Korea

Strengths of Yamato Group

Forwarding

+

Customs and bonding

+

Delivery

① Flexible forwarding

Unlike the major integrators, Yamato can offer flexible choice of carrier, depending on destination, volume, price, for BtoC parcels which are highly volatile

② Lower customs and bonding operation costs

Appropriate and highly efficient customs operations by utilizing data

③ High quality deliveries

Pickup & delivery network open everyday of the year, as well as accommodating product returns

✓ Next steps

- Further reduction in forwarding cost, through expansion of volume
 - Stabilize operations through volume growth in international transportation to Japan, and lower costs through mixed loading with general forwarding cargo

【Cross-border EC “from” Japan (Exports)】

- Develop the cross-border EC “from” Japan, which has a larger market size, based on expertise acquired through imports

7. Value creation using freighters

- Secure “stable operational structure”, which was top priority when starting operations
- Review how the service is designed, and capture new demand for stable and speedy transportation

Status in the first quarter

【Earnings model and flight plans】

- ✓ **Sell at “TA-Q-BIN price + surcharge”, or based on “space and weight”**
- Use of TA-Q-BIN client base, and review of routes and schedules based on demand
- Transport regular TA-Q-BIN parcels when freighter’s volume is low (contributes to reducing vehicle hire costs)
- ✓ **Establish stable operation and increase no. of flights**
- Raise utilization of aircraft, while securing quality and safety (9 flights a day between Shin-Chitose, Narita, Kita-Kyushu and Naha at the beginning)

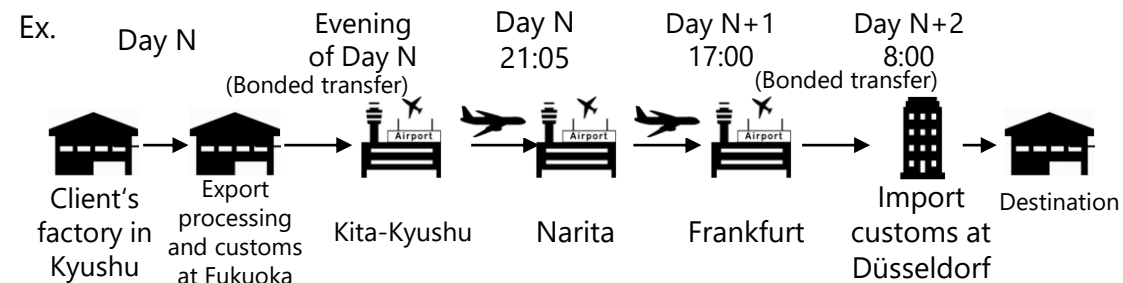
【Initiatives in the first quarter】

- ✓ **Revenues : Grow revenue from clients**
- Create model cases in the transportation of perishable foods and industrial products, and focus on shift from truck transportation with the 2024 problem in mind, as well as grasping the needs for handling large/long objects which cannot be transported in the cargo spaces of aircraft
- Promote the transportation of TA-Q-BIN using vacant space
- ✓ **Expenses : Establish stable operational structure**
- Succeeded in controlling expenses generally within expectations, despite the rise in fuel costs, thanks to efforts to secure a “stable operational structure” in anticipation of future increases in the no. of flights


※ Revenues and costs, etc. related to freighters are booked in the EXP Business segment

Future policies

- ✓ **Starting operations at Haneda Airport (from Aug.1~)**
- Add Haneda ⇄ Shin-Chitose and Haneda ⇄ Kita-Kyushu routes, and expand to 13 flights a day
- Seek to grow revenue and profitability by enhancing utilization of aircraft
- Utilize Yamato’s nationwide face-to-face sales capability, and focus on generating revenue from clients
(= Promote shift to cargo with higher price points)
- ✓ **Introduce speed-delivery service using freighters (scheduled in Q2~)**
- Levy surcharge in return for speed delivery
- ✓ **Expand connection model with international flights, by strengthening alliances**
- Based on demand for transportation of industrial products, discuss with multiple airlines and increase no. of connecting flights



Overview of Consolidated Results for the 1st Quarter of the Fiscal Year Ending March 2025

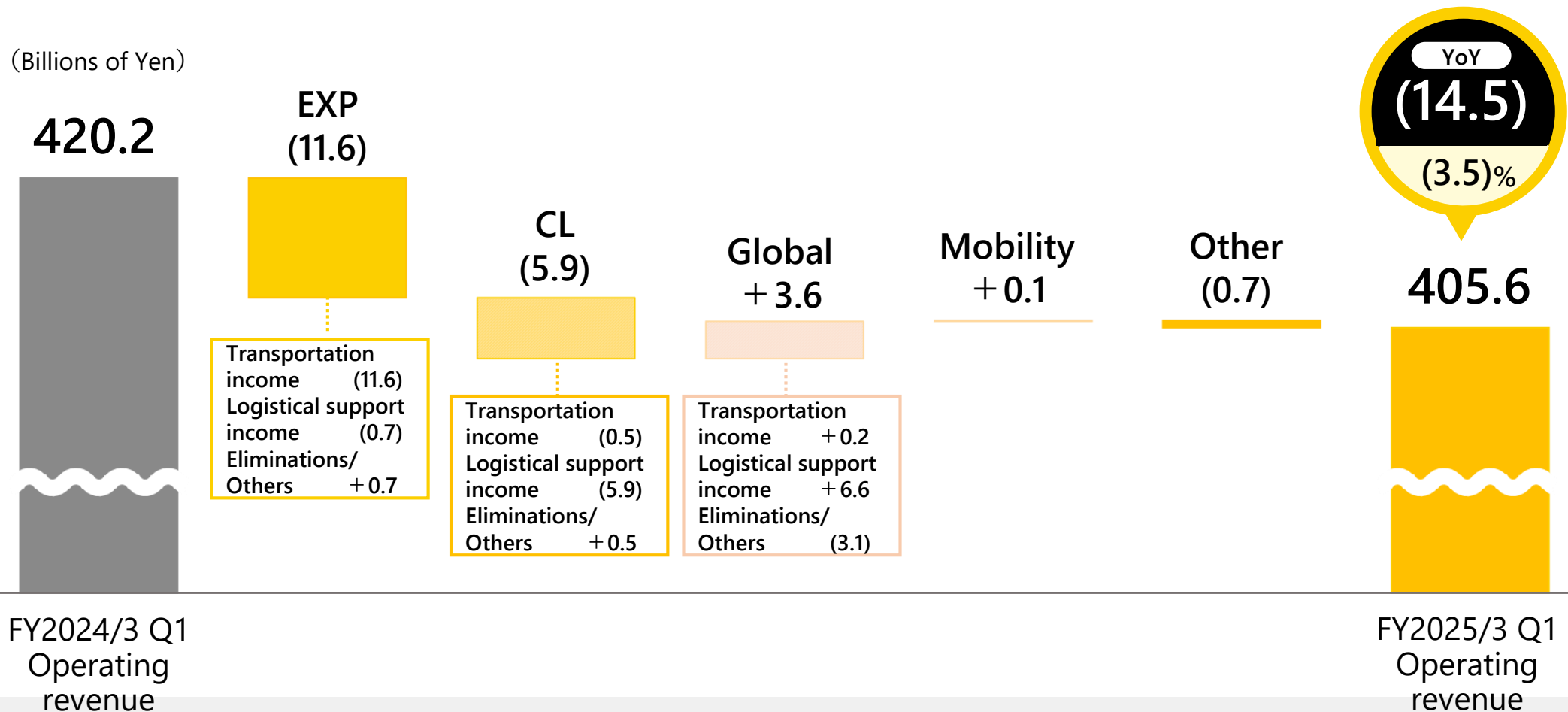


8. Operating Results for the 1st Quarter of FY 2025/3

(Billions of Yen)	FY2024/3 Q1 Actual	FY2025/3 Q1 Actual	YoY Change	
			Amount	[%]
			Operating revenue	420.2
Operating profit	1.5	(14.2)	(15.8)	-
Profit margin [%]	0.4	(3.5)	(3.9)	-
Ordinary profit	1.8	(14.8)	(16.7)	-
Profit margin [%]	0.4	(3.7)	(4.1)	-
Profit attributable to owners of Parent	(0.1)	(10.1)	(9.9)	-
Profit margin [%]	(0.0)	(2.5)	(2.5)	-

9. YoY Analysis of Operating Revenue by Segment

- 【EXP】** Delivery volume grew mainly for cross-border EC and BtoB-EC, but operating revenue decreased due to a decline in post-box delivery volume etc.
- 【CL】** Operating revenue decreased due to the negative impact compared to the previous year, when we had demand for COVID-19 vaccines and the large-scale recall etc.
- 【Global】** Operating revenue increased by the increase in cross-border EC volume etc.



10. Quarterly Trends of Parcel Delivery

- Parcel delivery volume: Overall volume was increased YoY (first time in 6 quarters) due to an increase in the Corporate domain, despite a decrease in the Retail domain (the rate of decrease is improving)
- Parcel delivery pricing: Although the increase in the Retail domain reflected the revision of reported fares and tariffs, the overall unit price was lower than in the same period of the previous year due to the change in the volume mix between the Retail and Corporate domains

Delivery volume

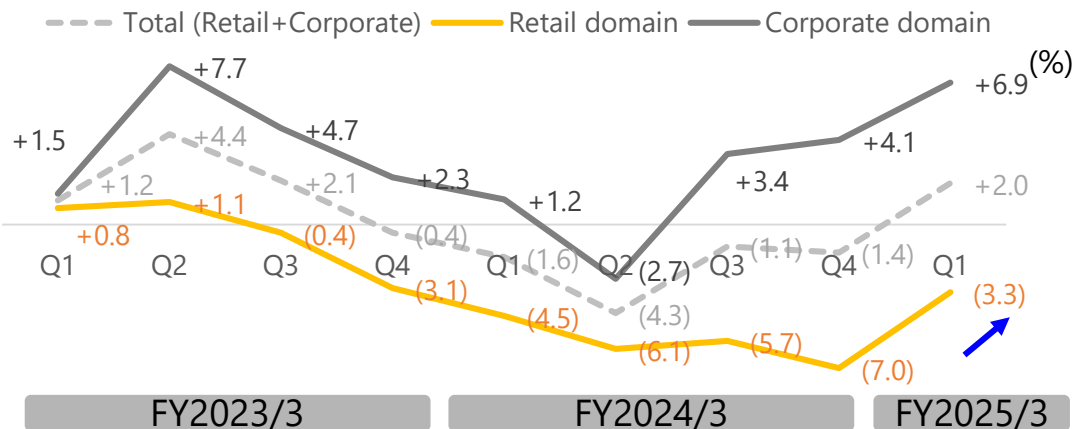
(Thousands of Units)		FY2024/3 Q1	FY2025/3 Q1	YoY Change[%]
TA-Q-BIN/TA-Q-BIN Compact/EAZY*		442,365	451,245	+ 2.0
EAZY		116,216	113,558	(2.3)
*break down	Retail domain	212,298	205,279	(3.3)
	Corporate domain	230,067	245,966	+ 6.9
Nekopos/ Kuroneko Yu-Packet		108,541	99,665	(8.2)
Kuroneko Yu-Mail		201,318	33,068	(83.6)

Unit price

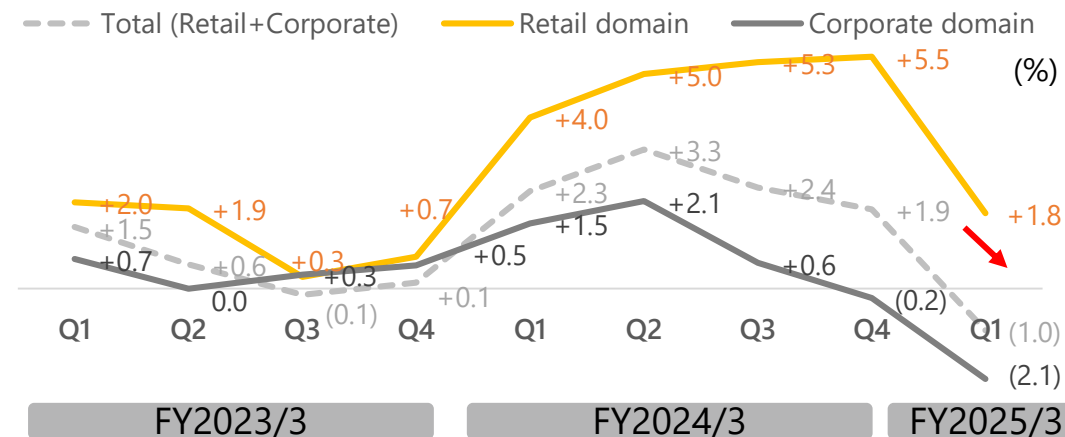
(Yen)		FY2024/3 Q1	FY2025/3 Q1	YoY Change[%]
TA-Q-BIN/TA-Q-BIN Compact/EAZY		713	706	(1.0)
Nekopos/ Kuroneko Yu-Packet		190	190	0.0
Kuroneko Yu-Mail		67	78	+ 16.4

※ 3 parcel delivery products: TA-Q-BIN, TA-Q-BIN Compact and EAZY
 ※ The figure for Kuroneko Yu-Mail for Q1 FY2024/3 is the figure for Kuroneko DM-Bin
 ※ Retail domain: individuals and small corporates /Corporate domain: large corporates

Volume trend of three parcel delivery products by domain (YoY)



Unit price trend of three parcel delivery products by domain (YoY)



11. Summary of Operating Expenses

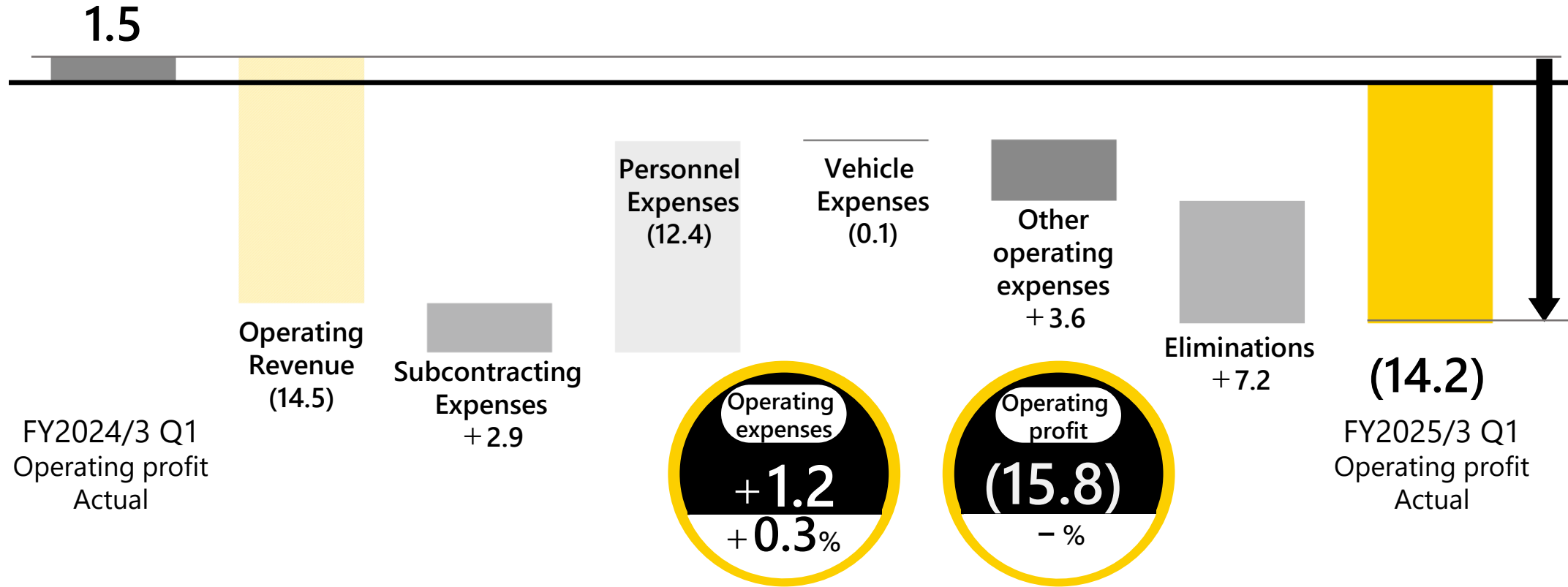
- Although unit prices of wages and outsourcing increased, progress was made in optimizing operating costs by linking it to volume, mainly in the last-mile domain, which led to a decline in personnel expenses and delivery commission
- Increases in initial expenses to execute strategies outlined in the Medium-term Management Plan, such as the promotion of facilities strategy and digital transformation, as well as the starting of freighter operations

(Billions of Yen)	FY2024/3 Q1 Actual	FY2025/3 Q1 Actual	YoY Change	
			Amount	[%]
Operating revenue	420.2	405.6	(14.5)	(3.5)
Operating expenses	418.6	419.8	+1.2	+0.3
Subcontracting expenses	158.4	161.3	+2.9	+1.8
Commission expenses	88.3	86.9	(1.3)	(1.6)
Delivery commission	23.1	20.7	(2.4)	(10.5)
Operating outsource	10.5	10.0	(0.4)	(4.1)
Other commission expenses	54.6	56.1	+1.4	+2.7
EC logistics network	11.2	7.5	(3.7)	(33.0)
Other	43.4	48.5	+5.1	+11.9
Vehicle hiring expenses	50.9	54.8	+3.9	+7.7
Other subcontracting expenses	19.1	19.4	+0.3	+1.8
Personnel expenses	209.3	196.9	(12.4)	(6.0)
Employee salary	142.8	132.4	(10.3)	(7.3)
Legal welfare expenses	26.3	25.1	(1.2)	(4.7)
Retirement benefit expenses	6.3	6.6	+0.3	+5.9
Bonus/Other personnel expenses	33.8	32.6	(1.2)	(3.6)
Vehicle expenses	13.0	12.9	(0.1)	(0.9)
Vehicle repair expenses	6.7	6.7	(0.0)	(0.7)
Fuel expenses	6.2	6.2	(0.0)	(1.0)
Other operating expenses	86.6	90.2	+3.6	+4.2
Depreciation	10.5	11.7	+1.2	+11.9
System expenses	14.3	15.2	+0.8	+6.1
Other	61.7	63.2	+1.4	+2.4
Facilities expenses	21.0	23.0	+1.9	+9.3
Other	40.6	40.1	(0.4)	(1.2)
Total	467.4	461.4	(6.0)	(1.3)
Eliminations	(48.8)	(41.5)	+7.2	-
Operating profit	1.5	(14.2)	(15.8)	-

※ Eliminations decreased due to the deconsolidation of Yamato Staff Supply Co., Ltd. (3Q FY2024~)

12. YoY Analysis of Operating Expenses

(Billions of yen)



FY2024/3 Q1
Operating profit
Actual

FY2025/3 Q1
Operating profit
Actual

Subcontracting expenses	
Commission expenses	(1.3)
Delivery commission	(2.4)
Operating outsource	(0.4)
EC logistics network	(3.7)
Other	+5.1
Vehicle hiring expenses	+3.9
Other subcontracting expenses	+0.3

Personnel expenses	
Employee salary	(10.3)
Legal welfare expenses	(1.2)
Retirement benefit expenses	+0.3
Bonus/Other personnel expenses	(1.2)

Vehicle expenses	
Vehicle repairing expenses	(0.0)
Fuel expenses	(0.0)

Other operating expenses	
Depreciation	+1.2
System expenses	+0.8
Facilities expenses	+1.9
Other	(0.4)

13. Operating Expenses (Quarterly / YoY change)

(Billions of Yen)	FY2024/3											FY2025/3			
	Q1 Apr.- June	YoY Change		Q2 July- Sep.	YoY Change		Q3 Oct.- Dec.	YoY Change		Q4 Jan.- Mar.	YoY Change		Q1 Apr.- June	YoY Change	
		Amount	[%]		Amount	[%]		Amount	[%]		Amount	[%]		Amount	[%]
Operating revenue	420.2	(3.9)	(0.9)	446.3	(13.2)	(2.9)	500.2	(11.9)	(2.3)	391.7	(12.9)	(3.2)	405.6	(14.5)	(3.5)
Operating expenses	418.6	(3.1)	(0.7)	435.6	(8.3)	(1.9)	462.2	(1.6)	(0.3)	402.1	(8.9)	(2.2)	419.8	+1.2	+0.3
Subcontracting expenses	158.4	+1.3	+0.9	161.5	(6.4)	(3.8)	180.3	(1.1)	(0.6)	151.8	+0.7	+0.5	161.3	+2.9	+1.8
Commission expenses	88.3	+6.2	+7.6	90.0	+0.2	+0.3	101.7	+2.9	+3.0	82.9	+1.3	+1.7	86.9	(1.3)	(1.6)
Delivery commission	23.1	+1.1	+5.2	23.9	(0.2)	(0.9)	29.0	+1.3	+4.8	20.7	(0.5)	(2.6)	20.7	(2.4)	(10.5)
Operating outsource	10.5	+1.7	+20.2	10.5	+1.4	+16.5	13.0	+1.9	+17.9	9.0	+0.5	+6.2	10.0	(0.4)	(4.1)
Other commission expenses	54.6	+3.3	+6.4	55.6	(0.9)	(1.7)	59.6	(0.3)	(0.6)	53.2	+1.4	+2.7	56.1	+1.4	+2.7
EC Logistics network	11.2	+1.1	+11.7	11.1	(0.8)	(7.0)	12.0	(1.3)	(10.2)	8.9	(2.0)	(18.5)	7.5	(3.7)	(33.0)
Other	43.4	+2.1	+5.2	44.4	(0.1)	(0.3)	47.6	+1.0	+2.2	44.2	+3.4	+8.4	48.5	+5.1	+11.9
Vehicle hiring expenses	50.9	+0.5	+1.2	52.4	+0.5	+1.0	58.1	+1.4	+2.6	51.0	+1.3	+2.7	54.8	+3.9	+7.7
Other subcontracting expenses	19.1	(5.4)	(22.1)	19.0	(7.2)	(27.5)	20.4	(5.5)	(21.4)	17.7	(1.9)	(10.0)	19.4	+0.3	+1.8
Personnel expenses	209.3	(2.6)	(1.2)	215.6	(5.6)	(2.6)	213.8	(11.4)	(5.1)	189.8	(17.4)	(8.4)	196.9	(12.4)	(6.0)
Employee salary	142.8	(1.6)	(1.1)	145.6	(2.3)	(1.6)	144.6	(8.5)	(5.6)	131.7	(11.9)	(8.3)	132.4	(10.3)	(7.3)
Legal welfare expenses	26.3	+0.8	+3.4	27.0	(0.5)	(2.1)	26.4	(0.8)	(3.2)	24.7	(1.6)	(6.3)	25.1	(1.2)	(4.7)
Retirement benefit expenses	6.3	+0.2	+4.0	6.3	+0.1	+2.3	6.3	(0.0)	(1.3)	6.2	(0.2)	(3.2)	6.6	+0.3	+5.9
Bonus/Other personnel expenses	33.8	(2.1)	(5.8)	36.6	(2.8)	(7.3)	36.3	(1.9)	(5.1)	27.0	(3.6)	(12.0)	32.6	(1.2)	(3.6)
Vehicle expenses	13.0	+0.3	+2.6	14.2	+0.4	+2.9	14.3	+0.1	+1.4	10.8	+0.2	+2.8	12.9	(0.1)	(0.9)
Vehicle repair expenses	6.7	+0.2	+4.5	6.6	+0.2	+3.9	7.5	+0.3	+4.9	5.0	+0.2	+6.3	6.7	(0.0)	(0.7)
Fuel expenses	6.2	+0.0	+0.6	7.6	+0.1	+2.1	6.7	(0.1)	(2.3)	5.8	(0.0)	(0.1)	6.2	(0.0)	(1.0)
Other operating expenses	86.6	(0.2)	(0.3)	91.3	+1.1	+1.3	98.2	+4.3	+4.6	88.3	+2.5	+2.9	90.2	+3.6	+4.2
Depreciation	10.5	+0.3	+3.6	11.0	+0.5	+5.4	11.3	+0.7	+7.5	11.4	+1.0	+9.8	11.7	+1.2	+11.9
System expenses	14.3	+1.1	+8.6	14.4	+1.0	+8.2	14.9	+1.4	+11.0	13.9	+0.9	+7.3	15.2	+0.8	+6.1
Other	61.7	(1.7)	(2.8)	65.8	(0.4)	(0.7)	71.9	+2.0	+3.0	62.9	+0.5	+0.9	63.2	+1.4	+2.4
Facilities expenses	21.0	+0.8	+4.4	21.5	+1.0	+4.9	22.8	+1.3	+6.2	22.7	+2.1	+10.7	23.0	+1.9	+9.3
Other	40.6	(2.6)	(6.2)	44.3	(1.4)	(3.2)	49.0	+0.7	+1.6	40.2	(1.6)	(3.9)	40.1	(0.4)	(1.2)
Total	467.4	(1.2)	(0.3)	482.7	(10.4)	(2.1)	506.8	(8.0)	(1.6)	440.9	(13.8)	(3.1)	461.4	(6.0)	(1.3)
Eliminations	(48.8)	(1.9)	-	(47.1)	+2.1	-	(44.5)	+6.4	-	(38.8)	+4.9	-	(41.5)	+7.2	-
Operating profits	1.5	(0.8)	(33.9)	10.7	(4.8)	(31.2)	38.0	(10.3)	(21.4)	(10.3)	(3.9)	-	(14.2)	(15.8)	-

14. Investment plan

- Continue to promote investment while assessing the profit-generating effects of each project

Total: 150 bn yen (without M&A)	Forecast for FY2025/3		Objective	Q1 Results 11.3 bn yen
Growth investment 82.5 bn	64.5 bn	Facilities strategy	Enhance productivity, reduce fixed costs Create a worker-friendly workplace	2 bn
	17 bn	Promoting DX	Productivity improvement through operational reform Enhance value provision to customers	3 bn
	1 bn	New businesses	Create new businesses that contribute to future business growth and to a sustainable future	0.0 bn
Environmental investment 14 bn	9 bn	Solar power generation, batteries, etc.	Realize a low carbon society, and provide logistics services that have low environmental impact	0.2 bn
	5 bn	EV charging equipment※	※ In addition to those listed on the left, 2,000 EVs (operating leases) are planned to be introduced.	0.3 bn
Regular investment 53.5 bn	26.5 bn	Repair of TA-Q-BIN facilities, internal combustion vehicles, etc.	Maintain existing network	1.2 bn
	27 bn	Maintenance of other facilities and existing systems, etc.	Maintain existing business, etc.	4.5 bn

15. Operating Results Forecast for FY2025/3

- Reviewed outlook for parcel delivery volume based on current consumption trends etc., and made adjustments to operating revenue and operating expenses

< 3 TA-Q-BIN products >

- Will continue to focus on building up volume in the Retail domain (individuals and small corporates), while in the Corporate domain, we will strengthen initiatives to optimize pricing※ for existing accounts, as well as cost control

※ Thoroughly implement pricing based on the capacity of the TA-Q-BIN network and operating costs

(Billions of Yen)		FY2024/3 Actual	FY2025/3 Forecast as of May 2024	FY2025/3 New Forecast	Forecast Change		YoY Change		
					Amount	[%]	Amount	[%]	
Operating revenue		1,758.6	1,820.0	1,780.0	(40.0)	(2.2)	+ 21.3	+ 1.2	
Operating profit		40.0	50.0	50.0	0.0	0.0	+ 9.9	+ 24.8	
Profit margin [%]		2.3	2.7	2.8	+ 0.1	-	+ 0.5	-	
Ordinary profit		40.4	50.0	50.0	0.0	0.0	+ 9.5	+ 23.6	
Profit attributable to owners of Parent		37.6	32.0	32.0	0.0	0.0	(5.6)	(15.0)	
TA-Q-BIN/ TA-Q-BIN Compact/ EAZY	Volume (Thousands of Units)*	1,886,170	2,006,000	1,968,500	(37,500)	(1.9)	+ 82,329	+ 4.4	
	*break down	EAZY	476,143	457,100	465,300	+ 8,200	+ 1.8	(10,843)	(2.3)
		Retail domain	893,303	931,700	909,300	(22,400)	(2.4)	+ 15,996	+ 1.8
		Corporate domain	992,866	1,074,300	1,059,200	(15,100)	(1.4)	+ 66,333	+ 6.7
	Unit Price (Yen)		721	725	725	0	0.0	+ 4	+ 0.6
Nekopos/ Kuroneko Yu-Packet	Volume (Thousands of Units)	409,650	362,900	366,000	+ 3,100	+ 0.9	(43,650)	(10.7)	
	Unit Price (Yen)		190	194	196	+ 2	+ 1.0	+ 6	+ 3.2
Kuroneko Yu-Mail	Volume (Thousands of Units)	626,550	126,700	120,900	(5,800)	(4.6)	(505,650)	(80.7)	
	Unit Price (Yen)		68	83	79	(4)	(4.8)	+ 11	+ 16.2

※ The figure for Kuroneko Yu-Mail for FY2024/3 includes the figure for Kuroneko DM-Bin.

※ Retail domain: individuals and small corporates /Corporate domain: large corporates

16. Operating Results Forecast for FY2025/3 (Breakdown of Operating Expenses and others)

- Further strengthen cost control, in conjunction with reviewing the outlook for operating revenue and parcel delivery volume

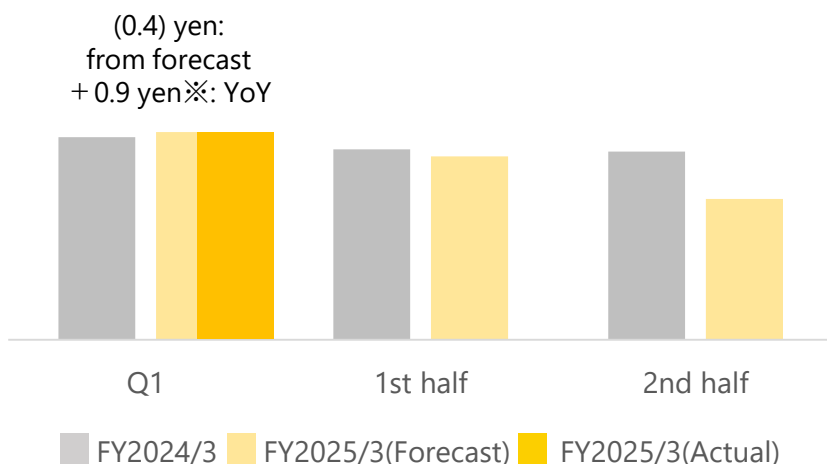
(Billions of Yen)	FY2024/3 Actual	FY2025/3 Forecast as of May 2024	FY2025/3 New Forecast	Forecast Change		YoY Change	
				Amount	[%]	Amount	[%]
Operating revenue	1,758.6	1,820.0	1,780.0	(40.0)	(2.2)	+ 21.3	+ 1.2
Operating expenses	1,718.5	1,770.0	1,730.0	(40.0)	(2.3)	+ 11.4	+ 0.7
Subcontracting expenses	652.1	678.3	673.2	(5.1)	(0.8)	+ 21.0	+ 3.2
Commission expenses	363.1	383.7	367.2	(16.5)	(4.3)	+ 4.0	+ 1.1
Delivery commission	96.9	98.7	95.7	(3.0)	(3.0)	(1.2)	(1.2)
Operating outsource	43.1	45.2	44.9	(0.3)	(0.7)	+ 1.7	+ 4.1
Other commission expenses	223.1	239.8	226.6	(13.2)	(5.5)	+ 3.4	+ 1.6
EC Logistics network	43.3	32.3	28.2	(4.1)	(12.7)	(15.1)	(35.0)
Other	179.7	207.5	198.4	(9.1)	(4.4)	+ 18.6	+ 10.4
Vehicle hiring expenses	212.6	221.5	225.7	+ 4.2	+ 1.9	+ 13.0	+ 6.2
Other subcontracting expenses	76.3	73.1	80.3	+ 7.2	+ 9.8	+ 3.9	+ 5.1
Personnel expenses	828.8	815.3	798.0	(17.3)	(2.1)	(30.8)	(3.7)
Employee salary	564.9	543.6	538.7	(4.9)	(0.9)	(26.2)	(4.7)
Legal welfare expenses	104.6	104.8	101.3	(3.5)	(3.3)	(3.3)	(3.2)
Retirement benefit expenses	25.2	27.3	26.8	(0.5)	(1.8)	+ 1.5	+ 6.1
Bonus/Other personnel expenses	133.8	139.6	131.2	(8.4)	(6.0)	(2.6)	(2.0)
Vehicle expenses	52.5	52.6	51.0	(1.6)	(3.0)	(1.5)	(2.9)
Vehicle repair expenses	25.9	25.5	24.7	(0.8)	(3.1)	(1.2)	(4.8)
Fuel expenses	26.5	27.1	26.3	(0.8)	(3.0)	(0.2)	(0.9)
Other operating expenses	364.5	390.7	376.6	(14.1)	(3.6)	+ 12.0	+ 3.3
Depreciation	44.2	51.2	51.0	(0.2)	(0.4)	+ 6.7	+ 15.1
System expenses	57.7	60.6	60.6	0.0	0.0	+ 2.8	+ 4.9
Other	262.5	278.9	265.0	(13.9)	(5.0)	+ 2.4	+ 0.9
Facilities expenses	88.2	96.9	94.3	(2.6)	(2.7)	+ 6.0	+ 6.9
Other	174.3	182.0	170.7	(11.3)	(6.2)	(3.6)	(2.1)
Total	1,898.0	1,936.9	1,898.8	(38.1)	(2.0)	+ 0.7	+ 0.0
Eliminations	(179.4)	(166.9)	(168.8)	(1.9)	-	+ 10.6	-
Operating profit	40.0	50.0	50.0	0.0	0.0	+ 9.9	+ 24.8
Total number of employees (Persons)	177,430	176,000	165,000	(11,000)	(6.3)	(12,430)	(7.0)
Full-time	88,917	89,800	85,600	(4,200)	(4.7)	(3,317)	(3.7)
Part-time	88,513	86,200	79,400	(6,800)	(7.9)	(9,113)	(10.3)
Capital expenditure (Billions of Yen)	62.9	150.0	150.0	0.0	0.0	+ 87.0	+ 138.5

※ From Q1 FY2025/3, capital expenditures include the amount of finance leases. The figures for FY2024/3 have been changed to the same standard calculation method.

Structural reform of network operations

(Status of cost per parcel)

➤ Transportation domain (Trunk-route and intra-regional transportation, Terminal operations)



Cost per parcel in transportation domain (Q1)

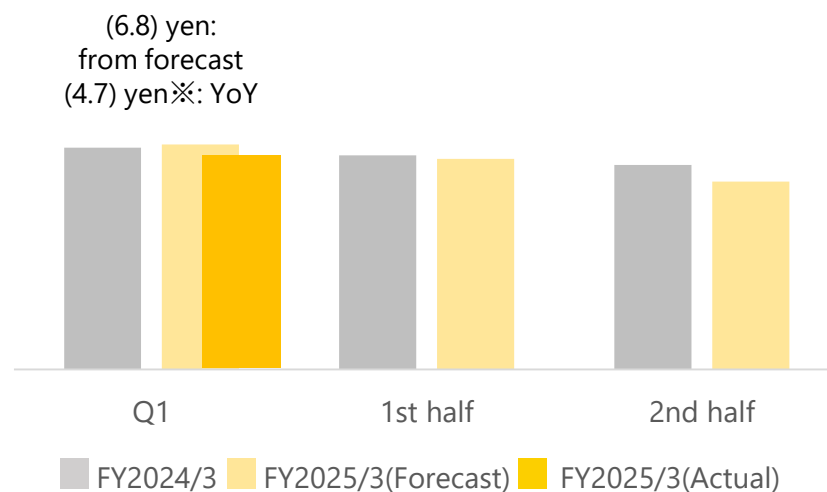
< Main factors for difference from forecast: (0.4) yen >

- Increased productivity due to increased workload : (1.0) yen
- Cost optimization (consolidation of operations, etc.): (1.0) yen
- Increase in labor and partner unit costs: + 1.6 yen

< Main factors for difference with previous period: + 0.9 yen※ >

- Increased cost due to increased workload: + 0.2 yen
- Cost optimization (consolidation of operations, etc.): (1.9) yen
- Increase in labor and partner unit costs: + 2.6 yen

➤ Last-mile domain (Pick-up and delivery, operations and admin work in Last-mile Offices)



Cost per parcel in last-mile domain (Q1)

< Main factors for difference from forecast: (6.8) yen >

- Increased productivity due to increased workload : (5.0) yen
- Productivity improvement and personnel optimization through measures: (1.2) yen
- Increase in labor and partner unit costs: (0.6) yen

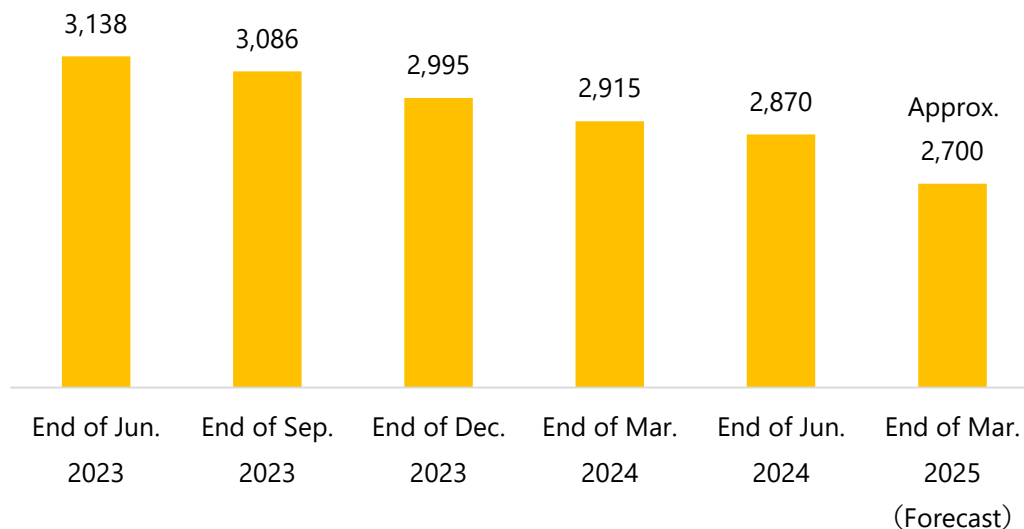
< Main factors for difference with previous period: (4.7) yen※ >

- Increased productivity due to increased workload : (1.3) yen
- Productivity improvement and personnel optimization through measures: (8.2) yen
- Increase in labor and partner unit costs: + 4.8 yen

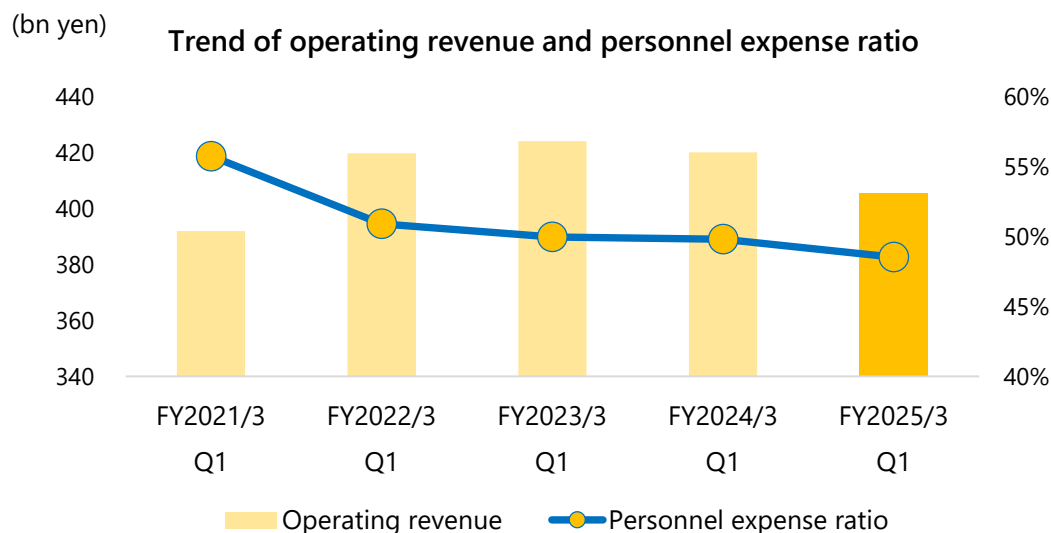
Figures are total of outsourcing expenses and employee wages related to the operations.

※ YoY difference: Excluding the impact of the transfer of post-box delivery service operations and the commencement of freighters operations.

Trend of no. of last-mile facilities



- ✓ Progressing almost in line with plan
- ✓ Accelerate the consolidation of facilities while verifying the effects of the new OS (operating system) introduced at the large last-mile facilities, which are starting to operate sequentially



- ✓ Optimize headcount, through the implementation of the consolidation and enlargement of facilities and the transfer of post-box delivery business to Japan Post
- ✓ Although operating revenues was lower than the previous period, the ratio of personnel expense in operating revenues declined
- ✓ Continues to focus on optimizing the headcount of mainly indirect personnels, by enhancing operational efficiency

Established a New Company to Provide an Open Platform for Joint Transportation and Delivery

- Established a new company, “Sustainable Shared Transport Inc. (SST)” to provide an open platform for joint transportation and delivery to build a sustainable supply chain

Overview of SST

Company Name	Sustainable Shared Transport Inc.
Location	2-16-10 Ginza, Chuo-ku, Tokyo
Paid-in Capital	350 million yen
Established	May 21, 2024 (Plans to begin operations by the end of this fiscal year)
Business Lines	<ul style="list-style-type: none"> Provision of transportation and delivery services using mainly standard pallets Management and operation of an open platform for joint transportation and delivery, etc.

✓ Background of the establishment

- Lack of transportation capacity, symbolized by the “2024 problem”
- Addressing climate change
- Differences in systems, standards and practices by industry and sector



✓ Our strength

- Participation in SIP's “Smart Logistics Services”※
- Approx. 1.6 million corporate customers developed through TA-Q-BIN
- Partnerships with more than 4,000 logistics companies

※ Participated to the Smart Logistics Services portion of the Cabinet Office’s Strategic Innovation Promotion Program (SIP) as Program Director from 2018 and formulated the Logistics Information Standard Guidelines

Business Overview

- ✓ **Open platform for joint transportation and delivery**
 - To be available for use around winter 2024.
 - Matching shipper companies with logistics companies
 - Transportation and delivery are handled by the Yamato Group and registered logistics companies
- ✓ **Stable transportation and delivery services with high loading ratios**
 - Using standard pallets, semi-trailers, and double-coupled trucks
 - on-time and stable transportation through relay points
 - 40 routes are planned per day between Tokyo, Nagoya, and Osaka in this fiscal year

【Expected Impact】 (by the end of FY2026/3)

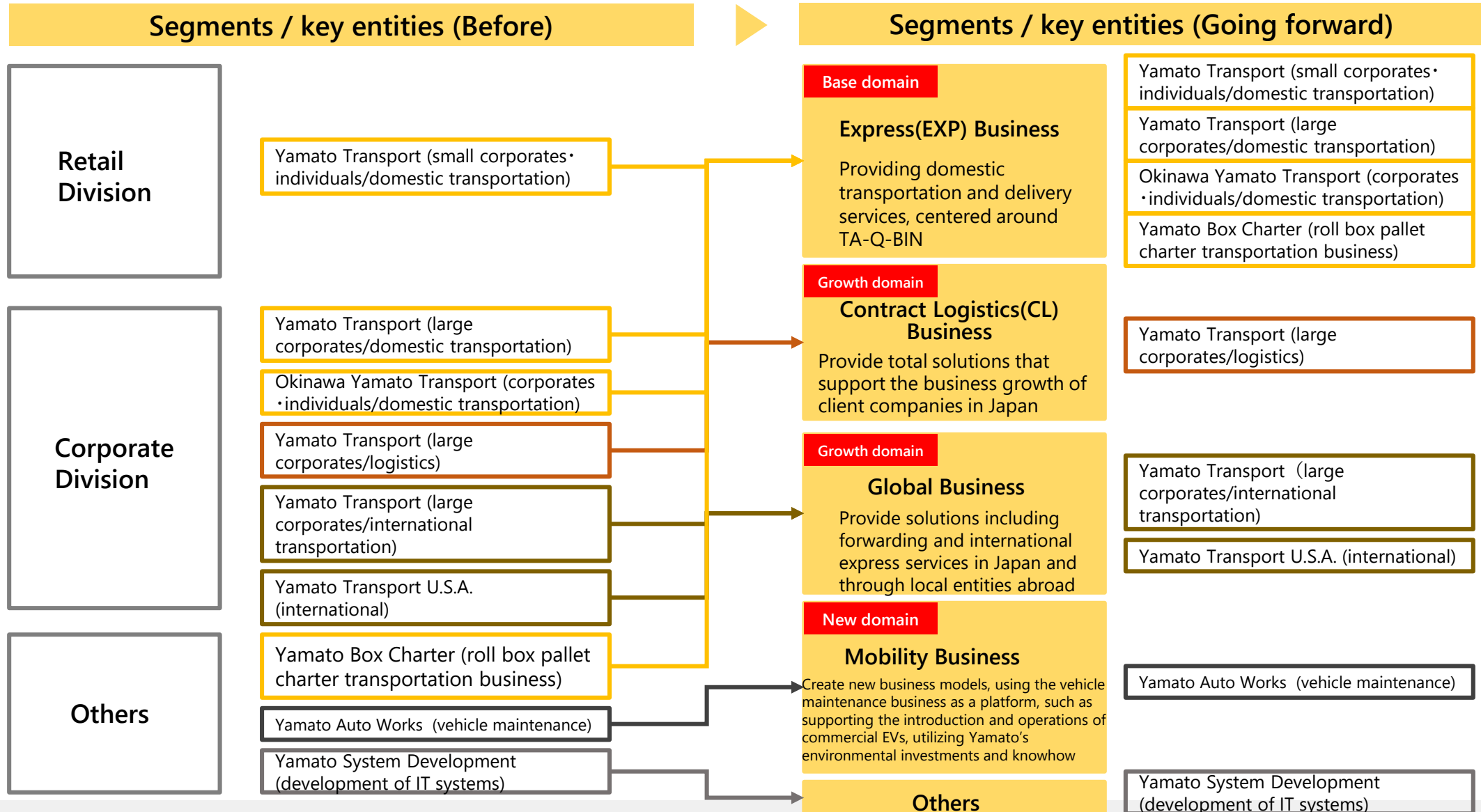
- Ensuring sustainable and stable transportation (80 daily routes)
- Reducing GHG emissions (42.2% reduction) and improving working environment and compensation for drivers, etc. (65.1% labor savings)

【Looking Ahead】

- Plans to raise capital through a third-party allocation of new shares during this fiscal year to build an open platform (Solicit investment from a wide range of stakeholders, not just shippers and logistics providers)


Changes to reporting segments (from FY2024/3 financial results meeting material)

- Change to the Express(EXP) Business, Contract Logistics(CL) Business, Global Business and Mobility Business, in alignment with our management strategy and structure



Supplementary Materials

< Results for the 1st Quarter of
the Fiscal Year Ending March 2025 >



1. Operating Results by Segment

FY2025/3 Q1

(Billions of Yen)	EXP Business	CL Business	Global Business	Mobility Business	Other	Total	Reconciliation	Consolidated
Operating Revenues								
Unaffiliated Customers	353.2	19.3	21.9	5.0	6.1	405.6	—	405.6
Inter-segment	9.1	1.1	0.8	8.6	11.8	31.5	(31.5)	—
Total	362.3	20.4	22.8	13.6	17.9	437.2	(31.5)	405.6
Operating Expenses	383.0	19.3	20.3	12.3	16.2	451.3	(31.4)	419.8
Operating Profit	(20.7)	1.1	2.4	1.2	1.6	(14.1)	(0.0)	(14.2)
Profit Rate (%)	(5.7)	5.8	10.8	9.2	9.4	(3.2)	—	(3.5)

FY2024/3 Q1

(Billions of Yen)	EXP Business	CL Business	Global Business	Mobility Business	Other	Total	Reconciliation	Consolidated
Operating Revenues								
Unaffiliated Customers	364.8	25.3	18.2	4.8	6.8	420.2	—	420.2
Inter-segment	10.0	1.7	0.9	8.6	21.1	42.4	(42.4)	—
Total	374.9	27.0	19.1	13.5	28.0	462.6	(42.4)	420.2
Operating Expenses	381.2	24.0	17.8	12.2	25.9	461.2	(42.6)	418.6
Operating Profit	(6.3)	2.9	1.3	1.3	2.1	1.4	0.1	1.5
Profit Rate (%)	(1.7)	10.9	7.2	9.8	7.6	0.3	—	0.4

【Change】

(Billions of Yen)	EXP Business	CL Business	Global Business	Mobility Business	Other	Total	Reconciliation	Consolidated
Operating Revenues								
Unaffiliated Customers	(11.6)	(5.9)	+ 3.6	+ 0.1	(0.7)	(14.5)	—	(14.5)
Inter-segment	(0.9)	(0.5)	(0.0)	(0.0)	(9.3)	(10.9)	+ 10.9	—
Total	(12.5)	(6.5)	+ 3.6	+ 0.0	(10.0)	(25.4)	+ 10.9	(14.5)
Operating Expenses	+ 1.8	(4.7)	+ 2.5	+ 0.1	(9.6)	(9.9)	+ 11.1	+ 1.2
Operating Profit	(14.3)	(1.7)	+ 1.0	(0.0)	(0.4)	(15.5)	(0.2)	(15.8)
[%]								
Operating Revenues	(3.4)	(24.2)	+ 18.9	+ 0.6	(35.9)	(5.5)	—	(3.5)
Operating Expenses	+ 0.5	(19.8)	+ 14.3	+ 1.3	(37.2)	(2.1)	—	+ 0.3
Operating Profit	—	(59.9)	+ 79.3	(5.4)	(21.3)	—	—	—

2. Employee Breakdown

(Number)	FY2024/3 Q1			FY2025/3 Q1			Change ※			
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	[%]
Total Employees	92,607	117,456	210,063	88,863	87,182	176,045	(3,744)	(30,274)	(34,018)	(16.2)
Express Business	83,250	96,433	179,683	80,165	81,463	161,628	(3,085)	(14,970)	(18,055)	(10.0)
Contract Logistics Business	1,711	3,256	4,967	1,526	2,920	4,446	(185)	(336)	(521)	(10.5)
Global Business	2,620	392	3,012	2,440	247	2,687	(180)	(145)	(325)	(10.8)
Mobility Business	1,592	599	2,191	1,530	594	2,124	(62)	(5)	(67)	(3.1)
Other ※	3,434	16,776	20,210	3,202	1,958	5,160	(232)	(14,818)	(15,050)	(74.5)

※ Yamato Staff Supply Co., Ltd. became an equity-method affiliate and the number of its employees was excluded from the scope of consolidation from the Q2 of FY2024/3. Because of the change, total number of employees in the "Other" declined (15,631) in total: (267) Full-times and (15,364) Part-times, vs the Q1 of FY2024/3.

3. Financial Position and Cash Flows

Balance sheet (Billions of Yen)	As of March 31, 2024	As of June 30, 2024	
			Change
Total assets	1,135.8	1,120.1	(15.7)
Current assets	496.3	473.3	(23.0)
Cash and deposits	195.0	166.1	(28.8)
Notes and accounts receivable – trade, and contract assets	212.0	214.9	+2.8
Non-current assets	639.5	646.8	+7.2
Buildings and structures	165.5	167.9	+2.3
Software	36.6	35.6	(0.9)
Total liabilities	543.9	540.7	(3.1)
Interest-bearing debt	92.5	83.1	(9.4)
Total net assets	591.9	579.4	(12.5)
Shareholders' equity	569.3	551.2	(18.0)
Accumulated other comprehensive income	16.4	22.0	+5.6
Equity	585.7	573.2	(12.4)
Equity Ratio [%]	51.6	51.2	(0.4)
D/E Ratio [times]	0.16	0.14	(0.01)

Cash flows (Billions of Yen)	FY2024 Q1 Actual	FY2025 Q1	
		Actual	Change
Cash flows from operating activities	15.5	4.5	(10.9)
Cash flows from investing activities	(11.1)	(15.9)	(4.8)
Free cash flows ※	4.3	(11.3)	(15.7)
Cash flows from financing activities	(13.4)	(19.3)	(5.9)

※ Free cash flows = Cash flows from operating activities + Cash flows from investing activities

4. Capital Expenditure and Depreciation

(Billions of Yen)	FY2024/3 Q1		FY2025/3 Q1		Change	
	Actual	[%]	Actual	[%]	Amount	[%]
Capital Expenditure	11.9	100.0	11.3	100.0	(0.5)	(4.8)
Vehicles	0.0	0.8	0.8	7.1	+0.7	+774.9
Office / Buildings and Accompanying Facilities	5.2	43.7	4.3	38.4	(0.8)	(16.3)
Automatic Sorting Equipment	1.1	9.6	0.6	5.9	(0.4)	(41.1)
Others						
Hardware	2.3	19.6	2.0	17.7	(0.3)	(14.2)
Office Equipment						
Digital Investment	3.1	26.3	3.4	30.9	+0.3	+11.8

(Billions of Yen)	FY2024/3 Q1		FY2025/3 Q1		Change	
	Actual		Actual		Amount	[%]
Depreciation		10.5		11.7	+1.2	+11.9

※ From Q1 FY2025/3, capital expenditures include the amount of finance leases. The figures for FY2024/3 have been changed to the same standard calculation method.

Supplementary Materials

< Forecast for the Fiscal Year Ending March 2025 >

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1. Operating Revenue by Segment (Forecast)

(Billions of Yen)	FY2024/3		FY2025/3		Change	
	FY2024/3	[%]	FY2025/3	[%]	Amount	[%]
Express Business	1,548.5	88.1	1,573.0	88.4	+ 24.4	+ 1.6
Contract Logistics Business	89.0	5.1	66.0	3.7	(23.0)	(25.9)
Global Business	74.0	4.2	95.0	5.3	+ 20.9	+ 28.3
Mobility Business	20.1	1.1	21.0	1.2	+ 0.8	+ 4.1
Other	26.7	1.5	25.0	1.4	(1.7)	(6.5)
Total	1,758.6	100.0	1,780.0	100.0	+ 21.3	+ 1.2

※ Due to the reclassification of reportable segments from the FY2025/3 Q1, the figures for the FY2024/3 have been restated in accordance with the new segment classifications. Also, these have been updated from the reference figures disclosed at the time of the full-year financial results for the FY2024/3 to the finalized figures.

2. Operating Profit by Segment (Forecast)

(Billions of Yen)	FY2024/3		FY2025/3			
	FY2024/3	[%]	FY2025/3	[%]	Change	
					Amount	[%]
Express Business	11.3	28.4	21.8	42.8	+10.4	+92.0
Contract Logistics Business	9.7	24.3	9.4	18.5	(0.3)	(3.1)
Global Business	6.6	16.7	7.8	15.3	+1.1	+17.1
Mobility Business	4.1	10.3	4.2	8.3	+0.0	+1.6
Other	8.1	20.3	7.7	15.1	(0.4)	(5.2)
Total	39.9	100.0	50.9	100.0	+10.9	+27.3
Reconciliation	0.0	-	(0.9)	-	(0.9)	-
Consolidated	40.0	-	50.0	-	+9.9	+24.8

※ Due to the reclassification of reportable segments from the FY2025/3 Q1, the figures for the FY2024/3 have been restated in accordance with the new segment classifications. Also, these have been updated from the reference figures disclosed at the time of the full-year financial results for the FY2024/3 to the finalized figures.

3. Employee Breakdown (Forecast)

(Number)	FY2024/3			FY2025/3			Change			
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total	[%]
Total Employees	88,917	88,513	177,430	85,600	79,400	165,000	(3,317)	(9,113)	(12,430)	(7.0)
Express Business	80,338	82,728	163,066	77,000	74,000	151,000	(3,338)	(8,728)	(12,066)	(7.4)
Contract Logistics Business	1,546	2,979	4,525	1,400	2,600	4,000	(146)	(379)	(525)	(11.6)
Global Business	2,469	260	2,729	2,500	200	2,700	+ 31	(60)	(29)	(1.1)
Mobility Business	1,521	600	2,121	1,600	600	2,200	+ 79	0	+ 79	+ 3.7
Other	3,043	1,946	4,989	3,100	2,000	5,100	+ 57	+ 54	+ 111	+ 2.2

※ Due to the reclassification of reportable segments from the FY2025/3 Q1, the figures for the FY2024/3 have been restated in accordance with the new segment classifications.



Disclaimer

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