



YAMATO  
HOLDINGS

# Yamato Group IR Presentation Material

< Fiscal year ended March 2022 >

May 11, 2022

Yamato Holdings Co., Ltd.



1. Review of the first year of the Medium-term Management Plan “One YAMATO 2023” P. 1 ~ 7
2. Overview of the consolidated results for the fiscal year ended March 2022 P. 8 ~ 19

# **Review of the first year of the Medium-term Management Plan “One YAMATO 2023”**

# 1. Overview

## < Direction of management >

- Shift in business portfolio, in anticipation of the future
  - ⇒ Raise the mix of revenue and profit from the corporate domain, and aim for double digit operating margin
- In addition to providing TA-Q-BIN services, Yamato is establishing a platform to provide value for corporate clients both in Japan and overseas, covering their businesses “End to End”, from upstream to downstream under the Medium-term Management Plan “One YAMATO 2023”

## < Structural reforms in the Medium-term Management Plan “One YAMATO 2023” >

1. **Structural reform of revenue (promoting account management that integrates sales and operations)**
  - Strengthen corporate sales and account management
  - Value provision that integrates sales and operations
  - Promote global strategies
  - Hiring specialist talent, and training of talent
2. **Structural reform of costs (overall optimization of the networks and operations)**
  - Enhance last-mile capacity
  - Establish e-commerce logistics network (from Q3 of FY March 2022)
  - Re-defining the functions of the sorting terminals (bases)
  - Consolidation and re-allocation of last-mile facilities

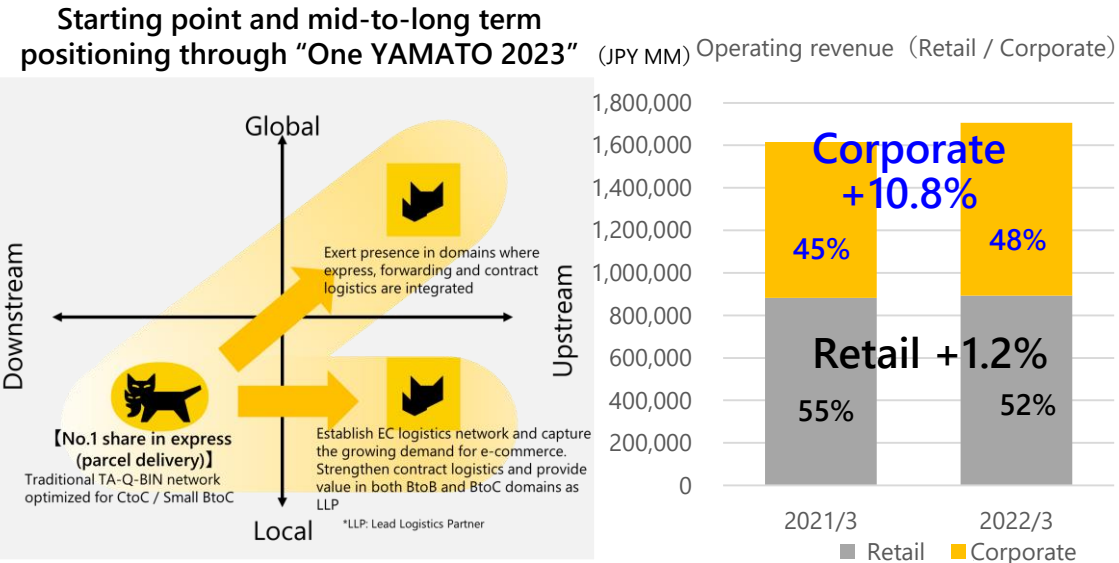
# 2. Structural reform of revenue

(promoting account management that integrates sales and operations)

- Provide an end-to-end business solution starting from the downstream and covering the middle and upstream of the supply chain, while supporting reforms of the supply chain and business processes of our clients as a management partner  
 ⇒ Work together as “One YAMATO” to enhance corporate sales and account management structure facing clients

## Progress and results

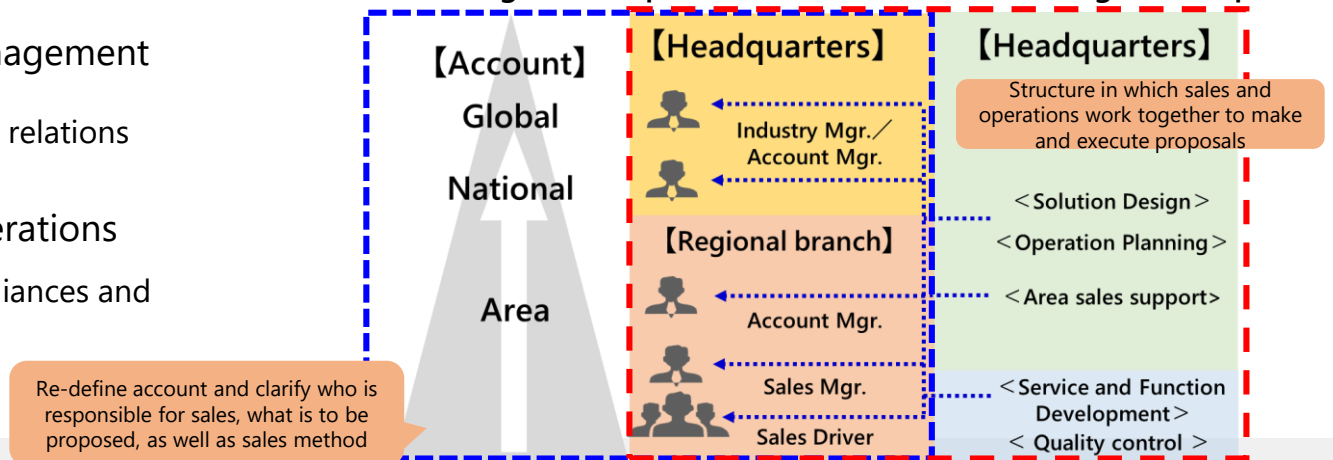
- Established a “Corporate sales and account management structure” that faces clients as One YAMATO
- Secured strategic opportunities which the Yamato could not enter into prior to the reforms (vaccine logistics, LLP (Lead Logistics Partner) opportunities)
- Progress made in deals that accommodate changes in the supply chain resulting from COVID-19



## Future initiatives

- Strengthen corporate sales and account management  
 → Under the re-defined corporate sales and account management structure, seek to strengthen client relations and provide incremental value
- Value provision that integrates sales and operations
- Promote global strategies (including partner alliances and enhancing digitalization)
- Hiring and training of specialist talent

## Structure that integrates corporate sales and account management operations



# 3. Structural reform of costs (optimization of overall network operations)

- Re-establish network and operations, to accommodate changes customer and product mix
  - ⇒ Expand capacity of overall network and operations, achieve higher quality through consolidation and re-allocation of functions and locations and reduce trunk-route transportation, sorting operation and administrative operation costs of each facility

## 1. Enhance capacity and simplify processes in the network

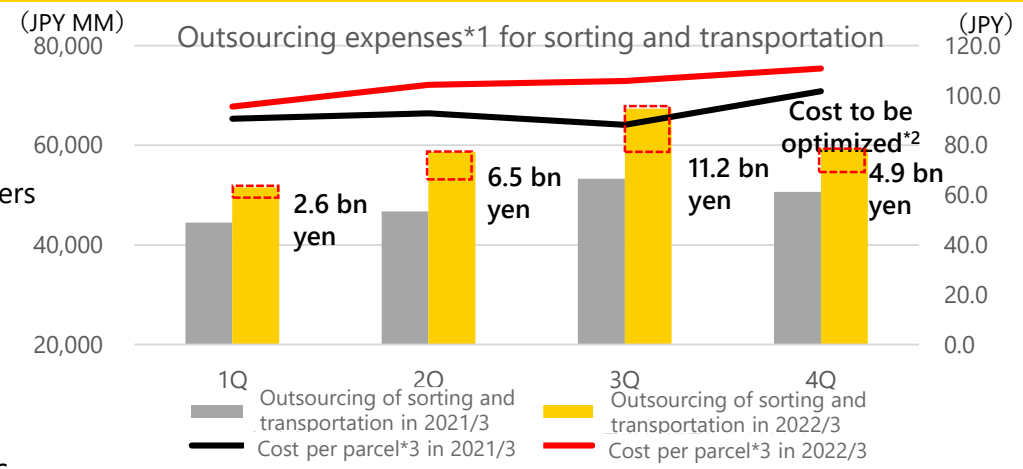
- Simplify operational process from pick-up to sorting and transportation of e-commerce parcels
  - Enhance capacity in a short period of time through alliances with external partners
- Initiatives to achieve optimization with existing network
  - Review of scope and roles/responsibilities between headquarters and each regional branch (from Feb. 2022)

## 2. Re-defining the functions of sorting terminals (bases)

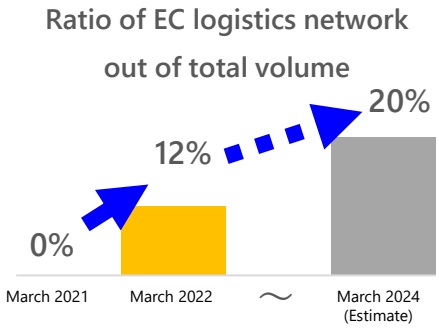
- Consider optimal allocation based on volume of incoming/outgoing parcels

## 3. Consolidation and re-allocation of last-mile facilities

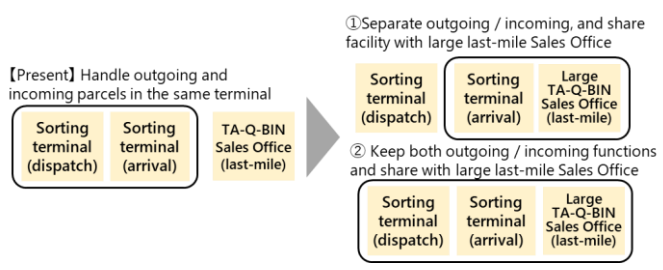
- Consolidate and re-allocate small-sized locations (satellites, etc.), and set up last-mile facilities that focus on e-commerce parcels (EC Delivery Centers)



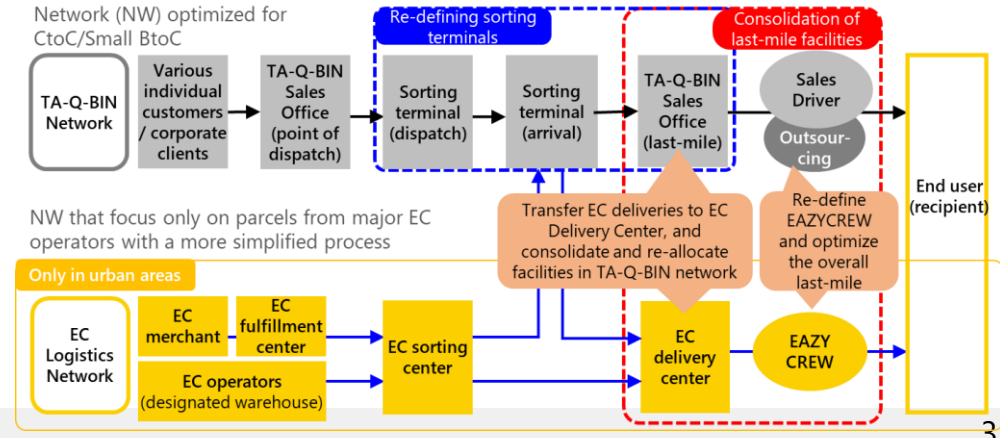
\*1 Extracted TA-Q-BIN sorting and transportation cost of Yamato Transport, from operating outsources expenses, other commition expenses and vehicle hiring expenses  
 \*2 Year-on-year difference in expense – (Year-on-year difference in volume × cost per parcel in the previous year)  
 \*3 Outsourcing expenses for sorting and transportation / TA-Q-BIN volume (incl. Nekopos)



### Re-defining functions of sorting terminals (bases)



### Consolidation and re-allocation of last-mile facilities



# 4. Enhancing sustainable management

- Establish structure to promote sustainable management, as well as strengthen governance
- Newly set mid-term targets to achieve net zero GHG emissions (in-house emissions) by 2050  
⇒ "Reduce GHG emissions by 48% in FY March 2031 VS FY March 2021 ※"

※GHG : Greenhouse gases

Subject : Scope 1&2 of consolidated entities in Japan and Swan Co., Ltd.

## Progress and results

- Establish governance for sustainable management, and set basic policy and guideline
- With the aim of achieving green logistics, set up department (Green Innovation Development Dept.) that focuses on development and introduction of vehicles such as EVs and facilities that contribute to reducing GHG emissions
- Despite delay in switching to LED lighting due to shortage of parts, and the delay of deliveries of environment-friendly cars due to the chip shortage, no change to the key targets outlined in the "Sustainable Medium-term Plan 2023 (Environment)"

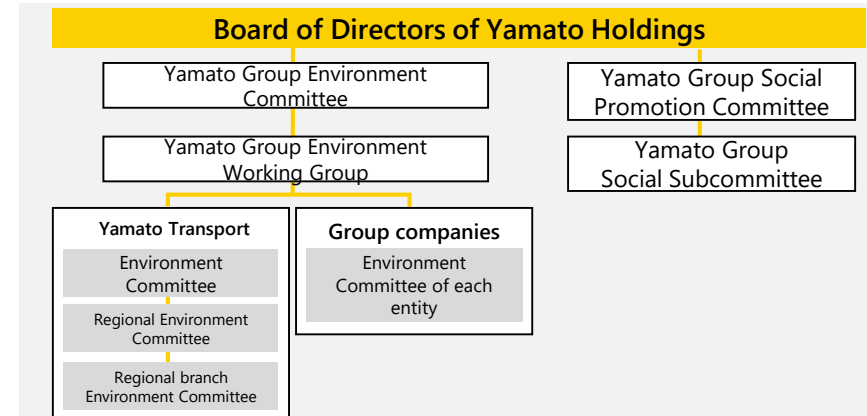
### < ESG Policy (established in FY March 2022) >

- Yamato Group Human Rights Policy
- Yamato Group Environment Policy
- Yamato Group Responsible Procurement Policy
- Yamato Group Business Partner Guidelines

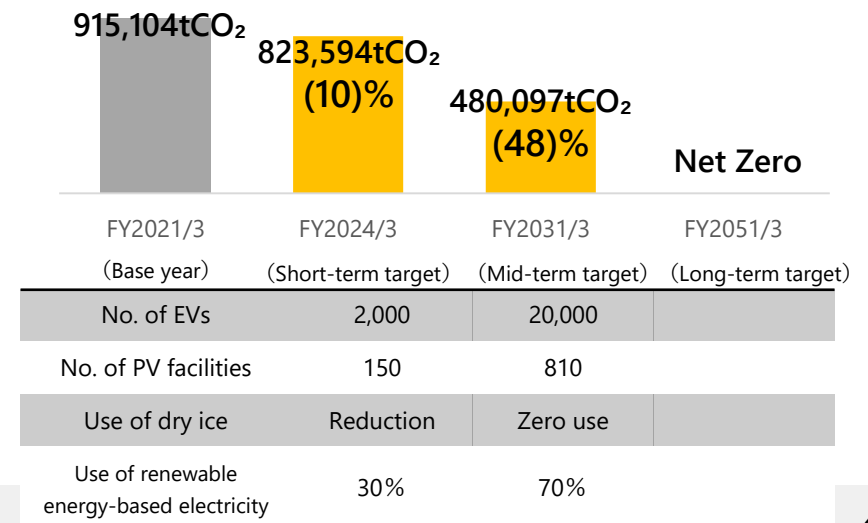
## Future initiatives

- Set mid-term target of "Reducing GHG emissions by 48% in FY March 2031 VS FY March 2021"
- By introducing both EVs and solar power generation (PV) facilities, create synergies in decarbonization

## Structure to promote sustainability



## GHG emission and reduction targets



# 5. Consolidated earnings forecast for FY March 2023 (Summary)

- Based on changes in the business environment, including the prolonged effect of COVID-19 and the situation in international affairs etc., steadily promote structural reforms of revenue and costs outlined in the Medium-term Management Plan "One YAMATO 2023"  
 ⇒ Forecast growth in both revenue and profit (operating revenue + 57.4bn yen, operating profit + 14.2 bn yen, operating profit margin of 5%)
- No change in target for final year of Medium-term Management Plan (operating profit margin of 6% or above, ROE of 10% or above)

(Billions of Yen)	Fiscal Year ended March 31, 2022			Fiscal Year ending March 31, 2023				
	Actual	YoY Change		Forecast	YoY Change		YoY Change (※)	
		Amount	[%]		Amount	[%]	Amount	[%]
Operating revenue	1,793.6	+ 97.7	+ 5.8	1,820.0	+ 26.3	+ 1.5	+ 57.4	+ 3.3
Operating expenses	1,716.4	+ 112.6	+ 7.0	1,729.0	+ 12.5	+ 0.7	+ 43.2	+ 2.6
Operating profit	77.1	(14.9)	(16.2)	91.0	+ 13.8	+ 17.9	+ 14.2	+ 18.5
Profit margin [%]	4.3	(1.1)	-	5.0	+ 0.7	-	+ 0.6	-
Ordinary profit	84.3	(9.6)	(10.3)	91.0	+ 6.6	+ 7.9	+ 7.2	+ 8.7
Profit attributable to owners of Parent	55.9	(0.7)	(1.3)	57.0	+ 1.0	+ 1.9	(0.2)	(0.4)
ROE [%]	9.6	(0.4)	-	9.4	(0.2)	-		

(※) Excluding the impact of removing Yamato Home Convenience Co., Ltd. from scope of consolidation



# 6. Capital expenditure

## < Approach for FY March 2023 >

- Promote consolidation and re-allocation of last-mile facilities, mainly in Tokyo and the 3 surrounding prefectures
- Continue digital investments to establish data/information platform needed to maintain and utilize data, optimize the allocation of management resources based on data analysis, improve customer experience and value provided, and increase the efficiency of transportation and delivery operations, etc.
- Forecasting roughly 10 billion yen of environmental investments (EVs, solar power generation facilities, etc.)

	FY 2022/3 Actual	FY 2023/3 Forecast
Vehicles	14.9 bn	15.0 bn
Offices/buildings and accompanying facilities	11.5 bn	30.0 bn
Automatic sorting equipment etc.	10.1 bn	10.0 bn
Other hardware, office equipment, etc.	8.7 bn	10.0 bn
Digital investments	27.8 bn	35.0 bn
Increasing value provided to customers	8.0 bn	12.0 bn
Improved efficiency of transportation and delivery operations	6.2 bn	17.0 bn
Digital infrastructure construction and development	11.8 bn	4.0 bn
Others	1.8 bn	2.0 bn
<b>Total</b>	<b>73.2 bn</b>	<b>100.0 bn</b>

# 7. Capital policy & shareholder return

## 1 Basic policy

Enhance shareholder value with a focus on stable dividends (in consideration of DOE\*), through a timely and appropriate capital policy, based on the **growth rate (operating revenue)** and **profitability (operating profit margin)**, as well as **financial soundness (cash generation, cash & deposit balance, level of shareholders' equity)**, **progress of investments, capital efficiency, etc.**

\*Dividend on equity ratio

## 2 Benchmarks for capital policy (key metrics)

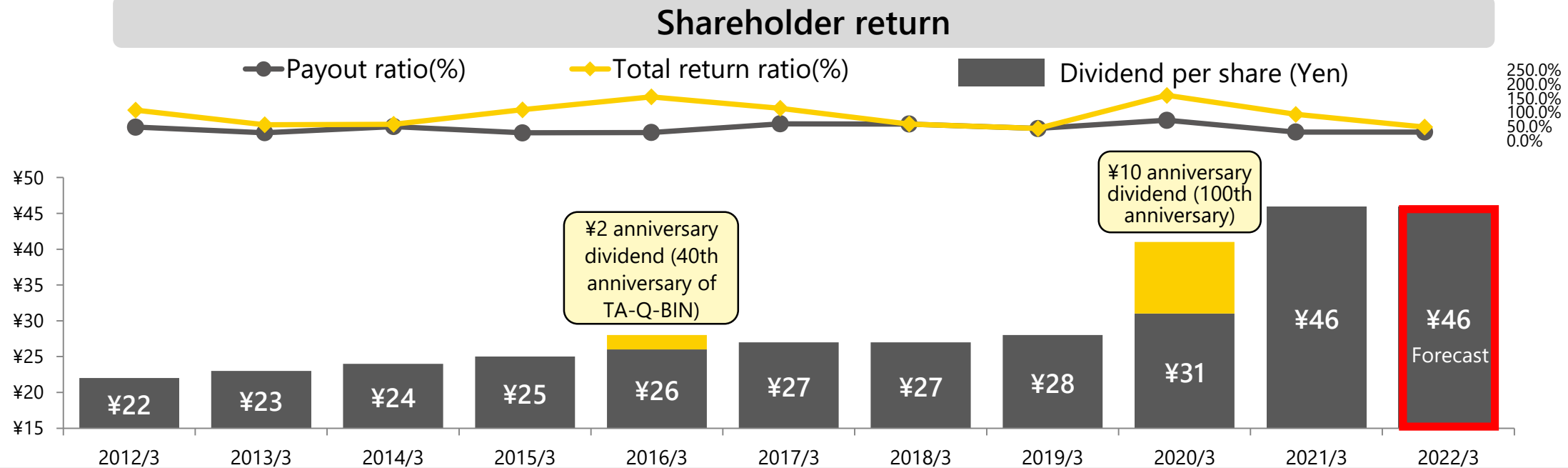


\*cumulative figure for FY March 2021~ FY March 2024

## 3 Status of share buybacks

•As for the share buyback announced in Feb. 2022 (upper limit of 20bn yen), have so far acquired 4,533,000 shares (total acquisition value of 10bn yen) as of the end of March 2022.

→Plan to cancel all shares acquired once acquisition is completed



# **Overview of Consolidated Results for the Fiscal Year Ended March 2022**

A large, bright yellow, rounded, brush-stroke-like shape that starts from the right edge of the slide and curves downwards and to the left, partially overlapping the bottom of the main title text.

## 8. Consolidated Operating Results for the Fiscal Year Ended March 31, 2022

**Achieved the same level of Profit attributable to owners of parent as in the fiscal year ended March 31, 2021 which was the highest profit year, while working on profit and cost structure reforms based on the Medium-term Management Plan "One Yamato 2023"**

(Billions of Yen)	Fiscal Year ended March 31, 2021 Actual	Fiscal Year ended March 31, 2022 Actual	YoY Change	
			Amount	[%]
Operating revenue	1,695.8	1,793.6	+97.7	+5.8
Operating profit	92.1	77.1	(14.9)	(16.2)
Profit margin [%]	5.4	4.3	(1.1)	-
Ordinary profit	94.0	84.3	(9.6)	(10.3)
Profit margin [%]	5.5	4.7	(0.8)	-
Profit attributable to owners of Parent	56.7	55.9	(0.7)	(1.3)
Profit margin [%]	3.3	3.1	(0.2)	-
ROE [%]	10.0	9.6	(0.4)	-

## 9. Summary of Consolidated Operating Revenue (Fiscal Year Ended March 31, 2022)

(Millions of Yen)	Fiscal Year ended March 31, 2021 Actual (※1)	Fiscal Year ended March 31, 2021 Actual (※2) (a)	Fiscal Year ended March 31, 2022 Actual (b)	YoY Change	
				Amount	[%]
				(b-a)	(b/a)
<b>Retail Business Unit</b>	882,536	882,536	<b>893,396</b>	+ 10,860	+ 1.2
Transportation income	1,158,221	1,157,308	<b>1,144,359</b>	(12,949)	(1.1)
Logistical support income	10,801	7,927	<b>3,587</b>	(4,339)	(54.7)
Others	34,949	34,949	<b>28,183</b>	(6,765)	(19.4)
Eliminations	(321,435)	(317,648)	<b>(282,733)</b>	+ 34,914	—
<b>Corporate Business Unit</b>	733,190	733,190	<b>812,185</b>	+ 78,994	+ 10.8
Transportation income	639,269	577,667	<b>598,306</b>	+ 20,638	+ 3.6
Logistical support income	218,320	213,032	<b>249,637</b>	+ 36,605	+ 17.2
Others	26,116	26,116	<b>33,022</b>	+ 6,906	+ 26.4
Eliminations	(150,514)	(83,625)	<b>(68,780)</b>	+ 14,844	—
<b>Other</b>	80,139	80,139	<b>88,035</b>	+ 7,895	+ 9.9
Transportation income	46,940	46,940	<b>50,967</b>	+ 4,026	+ 8.6
Others	166,817	166,817	<b>176,558</b>	+ 9,741	+ 5.8
Eliminations	(133,618)	(133,618)	<b>(139,490)</b>	(5,872)	—
<b>Total</b>	<b>1,695,867</b>	<b>1,695,867</b>	<b>1,793,618</b>	<b>+ 97,750</b>	<b>+ 5.8</b>

※1 Figures disclosed in the financial statements

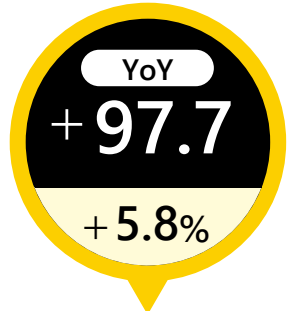
※2 Figures reflecting changes in the aggregation approach after the reform of management structure in the fiscal year ended March 31, 2022

# 10. YoY Analysis of Consolidated Operating Revenue (Fiscal Year Ended March 31, 2022)

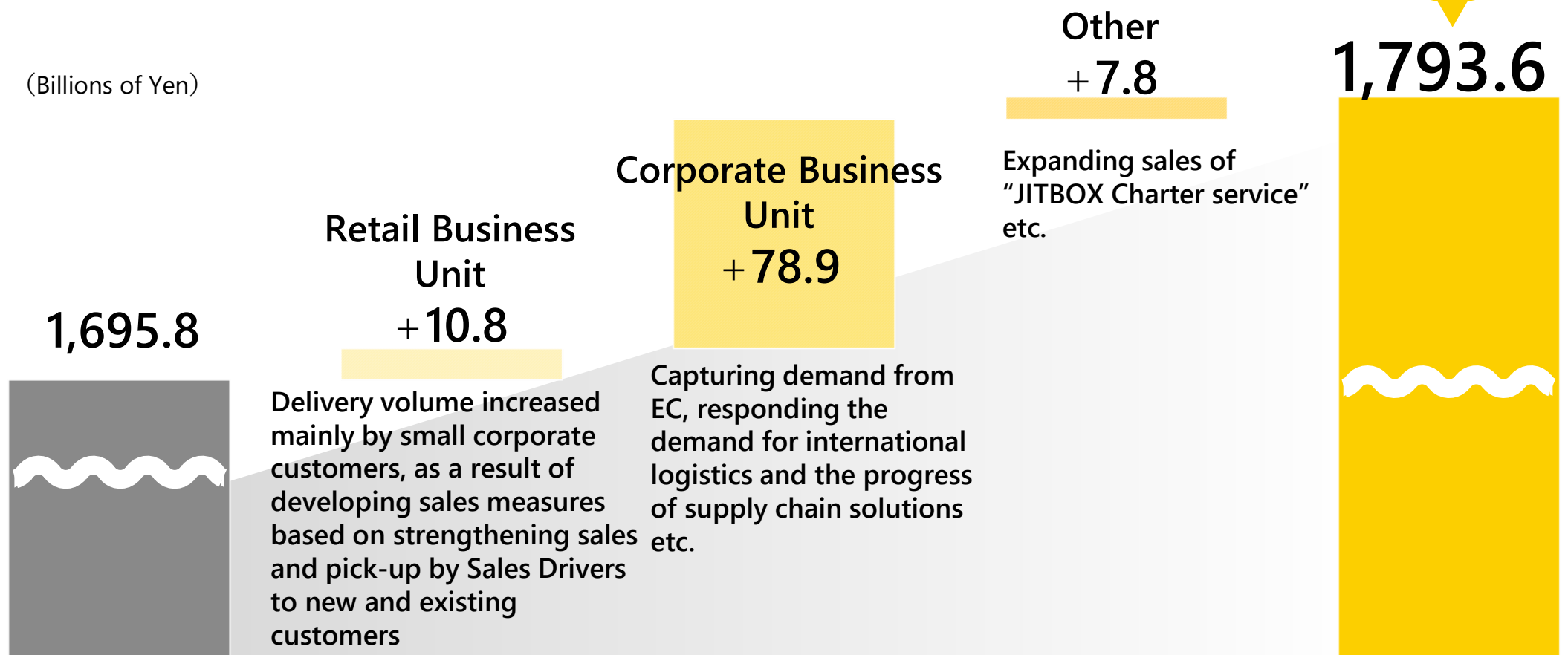
Retail Business Unit (※)	
Transportation income	(12.9)
Logistical support income	(4.3)
Eliminations/Others	+28.0

Corporate Business Unit (※)	
Transportation income	+20.6
Logistical support income	+36.6
Eliminations/Others	+21.7

Other (※)	
Transportation income	+4.0
Eliminations/Others	+3.8



(Billions of Yen)



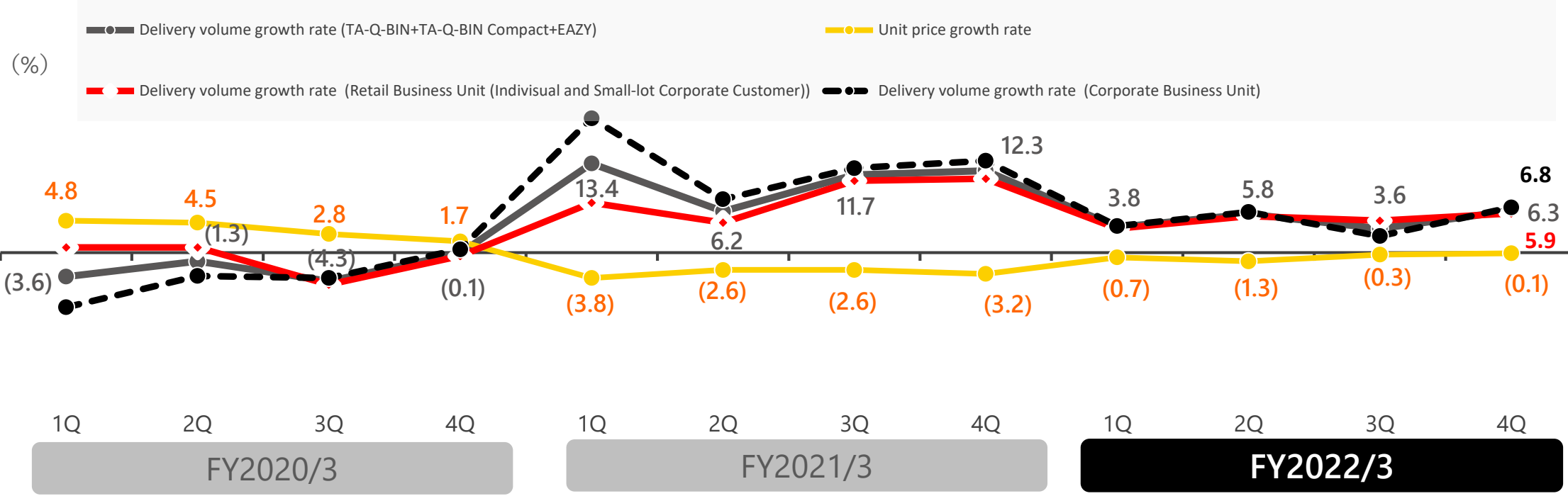
2021/3  
Operating  
Revenue

※ Figures of (b-a) on the slide 9 are used

2022/3  
Operating  
Revenue

# 11. Quarterly YoY Trends of Parcel Delivery (TA-Q-BIN, TA-Q-BIN Compact, EAZY) (4th Quarter January - March)

- Creating capacity in a short period by establishing "EC logistics network"
- As a result of responding to diverse needs of customers focusing on EC, the annual delivery volume reached to 2,275 million units.



\* Since the fiscal year ended March 2022, the aggregation method has been changed due to the transfer of customers between segments. However, as the effect is minor, the data before the fiscal year ended March 2021 has not been reclassified.

TA-Q-BIN

TA-Q-BIN Compact

EAZY

YoY

**+6.3%**

Volume

YoY

**(0.1)%**

Unit price

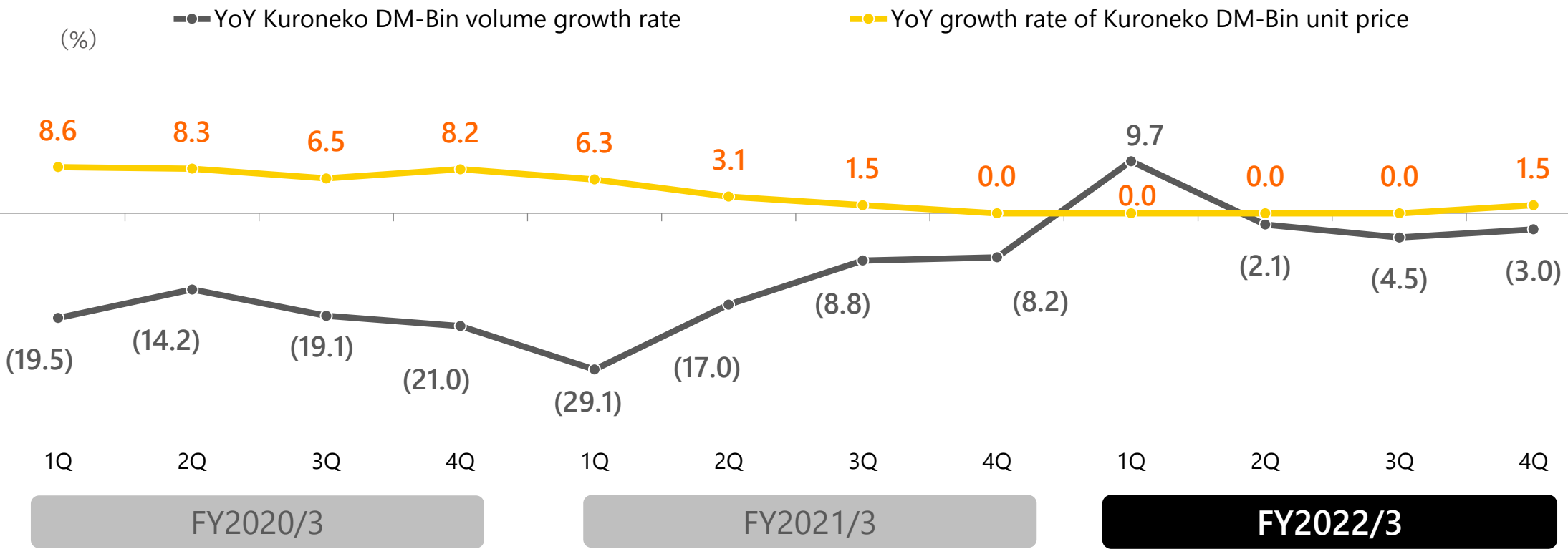
**Unit price trend by Segment**

Retail Business Unit : (1.1)%

Corporate Business Unit : +1.8%

# 12. Quarterly YoY Trends of Kuroneko DM-Bin (4th Quarter January - March)

Continuing downward trend in delivery volume, due to factors such as the shrinking of the direct mail market



YoY  
**(3.0)%**  
Volume

YoY  
**+1.5%**  
Unit price

**Shipment volume by segment (YoY)**  
 Retail Business Unit: +0.4%  
 Corporate Business Unit: (4.4)%

**Unit price trend by segment (YoY)**  
 Retail Business Unit: (1.5)%  
 Corporate Business Unit: +0.3%



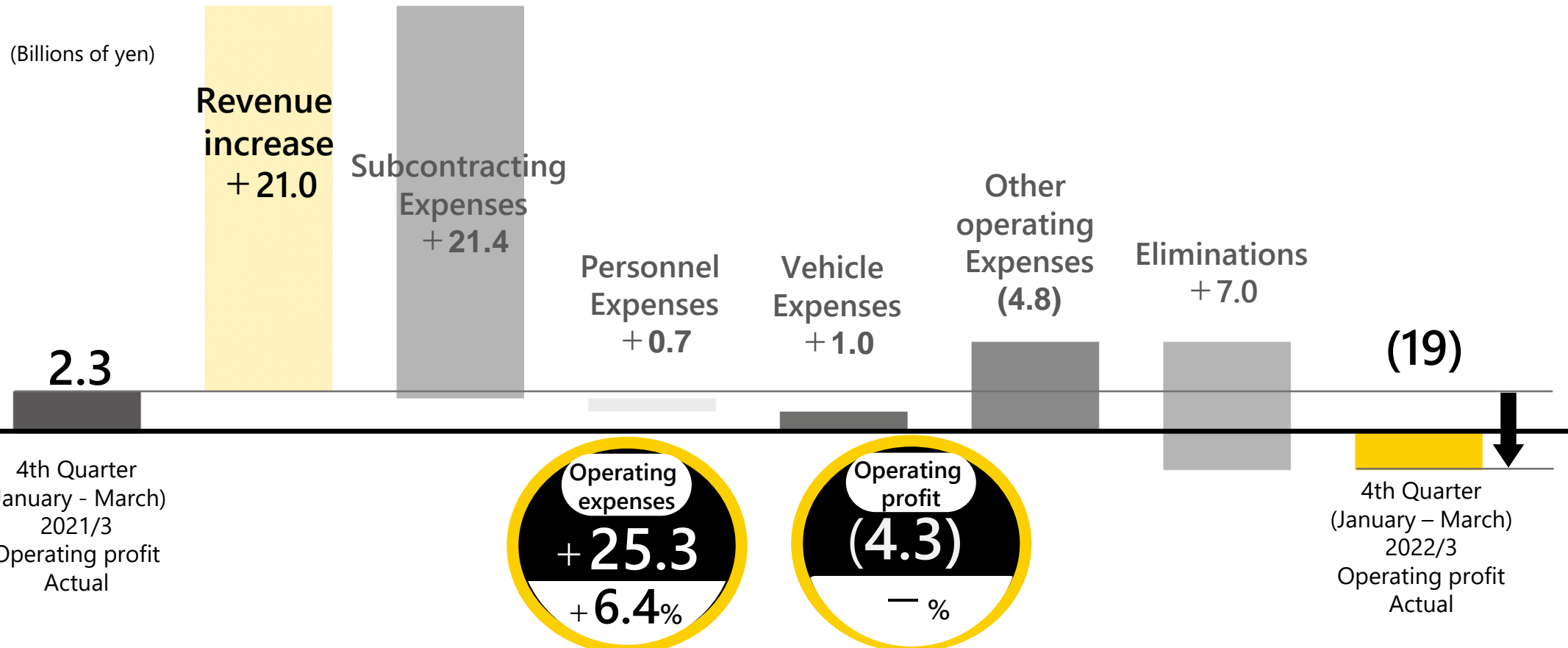
# 13. Summary of Consolidated Operating Expenses (4th Quarter January - March)

(Millions of Yen)	Fiscal Year ended March 31, 2021 4th Quarter Actual	Fiscal Year ended March 31, 2022 4th Quarter Actual	YoY Change	
			Amount	[%]
<b>Operating revenue</b>	400,191	421,231	+ 21,040	+ 5.3
<b>Subcontracting expenses</b>	156,871	178,287	+ 21,415	+ 13.7
Commission expenses	70,364	92,280	+ 21,916	+ 31.1
Delivery commission	18,570	21,405	+ 2,835	+ 15.3
Operating outsource	6,947	8,486	+ 1,539	+ 22.2
Other	44,846	62,389	+ 17,543	+ 39.1
Vehicle hiring expenses	50,417	50,237	(179)	(0.4)
Other subcontracting expenses	36,090	35,769	(320)	(0.9)
<b>Personnel expenses</b>	209,224	209,976	+ 751	+ 0.4
Employee salary	142,882	144,543	+ 1,660	+ 1.2
Legal welfare expenses	26,634	26,947	+ 313	+ 1.2
Retirement benefit expenses	5,098	5,971	+ 872	+ 17.1
Bonus/Other personnel expenses	34,608	32,513	(2,095)	(6.1)
<b>Vehicle expenses</b>	9,541	10,555	+ 1,013	+ 10.6
Fuel expenses	4,812	5,866	+ 1,054	+ 21.9
<b>Other operating expenses</b>	95,620	90,763	(4,857)	(5.1)
Depreciation	13,332	9,684	(3,648)	(27.4)
System expenses	12,660	14,248	+ 1,587	+ 12.5
Other	69,627	66,831	(2,796)	(4.0)
<b>Total</b>	471,259	489,582	+ 18,323	+ 3.9
<b>Eliminations</b>	(73,442)	(66,378)	+ 7,063	-
<b>Operating expenses</b>	397,817	423,204	+ 25,387	+ 6.4
<b>Operating profits</b>	2,374	(1,973)	(4,347)	-

※The name of "Computer expenses" has been changed to "System expenses"

# 14. YoY Analysis of Consolidated Operating Expenses

(4th Quarter January - March)



Subcontracting expenses	
Commission expenses	+21.9
Delivery commission	+2.8
Operating outsource	+1.5
Other	+17.5
Vehicle hiring expenses	(0.1)
Other subcontracting Expenses	(0.3)

Personnel expenses	
Employee salary	+1.6
Legal welfare expenses	+0.3
Retirement benefit Expenses	+0.8
Bonus/Other personnel expenses	(2.0)

Vehicle expenses	
Fuel expenses	+1.0
Vehicle repair expenses	(0.0)

Other operating expenses	
Depreciation	(3.6)
System expenses <sup>※</sup>	+1.5
Facilities expenses	(0.6)

※The name of "Computer expenses" has been changed to "System expenses"

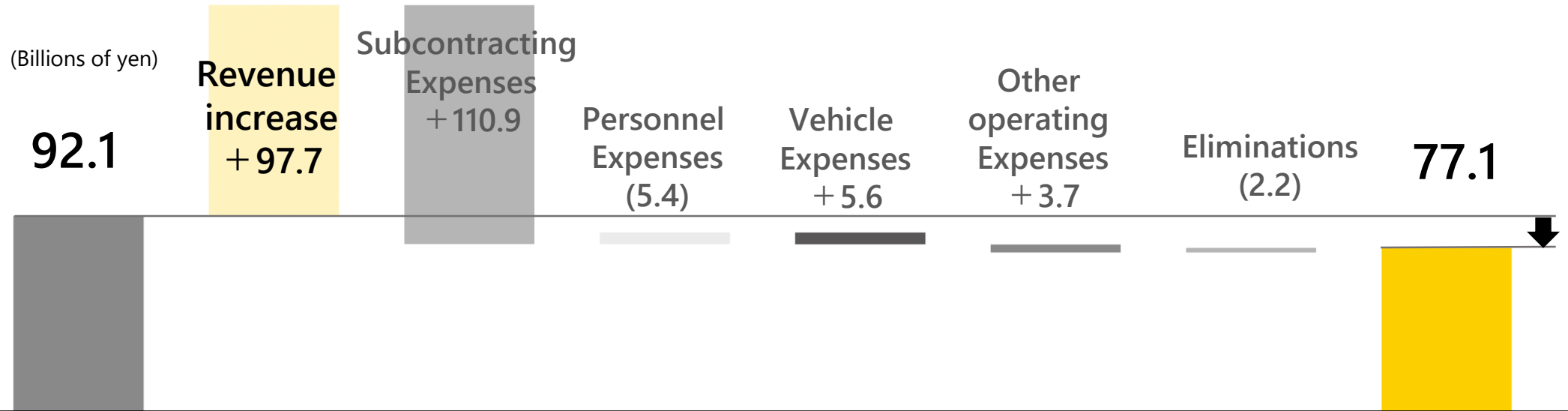
# 15. Summary of Consolidated Operating Expenses (Fiscal Year Ended March 31, 2022)

(Millions of Yen)	Fiscal Year ended March 31, 2021 Actual	Fiscal Year ended March 31, 2022 Actual	YoY Change	
			Amount	[%]
<b>Operating revenue</b>	1,695,867	1,793,618	+ 97,750	+ 5.8
<b>Subcontracting expenses</b>	612,003	722,961	+ 110,957	+ 18.1
Commission expenses	268,768	363,876	+ 95,108	+ 35.4
Delivery commission	62,424	88,916	+ 26,492	+ 42.4
Operating outsource	30,261	37,038	+ 6,777	+ 22.4
Other	176,082	237,922	+ 61,840	+ 35.1
Vehicle hiring expenses	204,399	213,653	+ 9,253	+ 4.5
Other subcontracting expenses	138,835	145,431	+ 6,595	+ 4.8
<b>Personnel expenses</b>	877,785	872,366	(5,418)	(0.6)
Employee salary	590,080	593,431	+ 3,350	+ 0.6
Legal welfare expenses	109,151	109,246	+ 94	+ 0.1
Retirement benefit expenses	20,165	19,953	(212)	(1.1)
Bonus/Other personnel expenses	158,387	149,735	(8,651)	(5.5)
<b>Vehicle expenses</b>	43,973	49,587	+ 5,613	+ 12.8
Fuel expenses	19,833	25,091	+ 5,258	+ 26.5
<b>Other operating expenses</b>	363,531	367,282	+ 3,750	+ 1.0
Depreciation	48,861	35,524	(13,337)	(27.3)
System expenses ※	47,906	55,044	+ 7,137	+ 14.9
Other	266,763	276,714	+ 9,950	+ 3.7
<b>Total</b>	1,897,294	2,012,197	+ 114,903	+ 6.1
<b>Eliminations</b>	(293,548)	(295,779)	(2,230)	-
<b>Operating expenses</b>	1,603,745	1,716,418	+ 112,672	+ 7.0
<b>Operating profits</b>	92,121	77,199	(14,921)	(16.2)

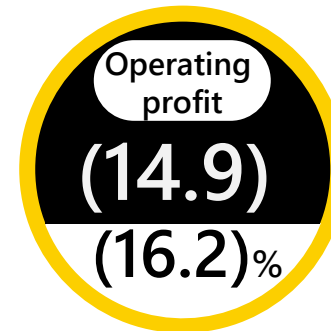
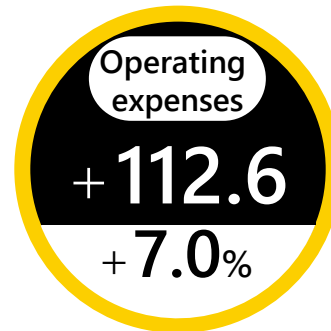
※The name of "Computer expenses" has been changed to "System expenses"

# 16. YoY Analysis of Consolidated Operating Expenses

(Fiscal Year Ended March 31, 2022)



2021/3  
Operating profit  
Actual



2022/3  
Operating profit  
Actual

## Subcontracting expenses

Commission expenses	+95.1
Delivery commission	+26.4
Operating outsource	+6.7
Other	+61.8
Vehicle hiring expenses	+9.2
Other subcontracting Expenses	+6.5

## Personnel expenses

Employee salary	+3.3
Legal welfare expenses	+0.0
Retirement benefit Expenses	(0.2)
Bonus/Other personnel expenses	(8.6)

## Vehicle expenses

Fuel expenses	+5.2
Vehicle repair expenses	+0.3

## Other operating expenses

Depreciation	(13.3)
System expenses <sup>※</sup>	+7.1
Facilities expenses	+5.5

※The name of "Computer expenses" has been changed to "System expenses"

# 17. Consolidated Operating Expenses (Quarterly / YoY change)



(Millions of Yen)	2021/3			2022/3											
	Forth Quarter Actual (Jan-Mar)	YoY Change		First Quarter Actual (Apr-Jun)	YoY Change		Second Quarter Actual (Jul-Sep)	YoY Change		Third Quarter Actual (Oct-Dec)	YoY Change		Forth Quarter Actual (Jan-Mar)	YoY Change	
		Amount	[%]		Amount	[%]		Amount	[%]		Amount	[%]		Amount	[%]
<b>Operating revenue</b>	400,191	+ 27,768	+ 7.5	419,841	+ 27,825	+ 7.1	445,628	+ 31,576	+ 7.6	506,916	+ 17,308	+ 3.5	421,231	+ 21,040	+ 5.3
<b>Subcontracting expenses</b>	156,871	+ 16,175	+ 11.5	167,522	+ 30,958	+ 22.7	176,708	+ 30,260	+ 20.7	200,443	+ 28,323	+ 16.5	178,287	+ 21,415	+ 13.7
Commission expenses	70,364	+ 17,014	+ 31.9	81,663	+ 23,643	+ 40.8	87,464	+ 23,855	+ 37.5	102,467	+ 25,692	+ 33.5	92,280	+ 21,916	+ 31.1
Delivery commission	18,570	+ 11,628	+ 167.5	21,529	+ 11,599	+ 116.8	21,184	+ 7,092	+ 50.3	24,798	+ 4,966	+ 25.0	21,405	+ 2,835	+ 15.3
Operating outsource	6,947	+ 720	+ 11.6	8,082	+ 1,037	+ 14.7	8,768	+ 1,962	+ 28.8	11,702	+ 2,239	+ 23.7	8,486	+ 1,539	+ 22.2
Other	44,846	+ 4,667	+ 11.6	52,052	+ 11,008	+ 26.8	57,513	+ 14,802	+ 34.7	65,968	+ 18,487	+ 38.9	62,389	+ 17,543	+ 39.1
Vehicle hiring expenses	50,417	+ 2,300	+ 4.8	52,344	+ 4,074	+ 8.4	54,110	+ 4,117	+ 8.2	56,961	+ 1,241	+ 2.2	50,237	(179)	(0.4)
Other subcontracting expenses	36,090	(3,139)	(8.0)	33,514	+ 3,239	+ 10.7	35,132	+ 2,286	+ 7.0	41,014	+ 1,390	+ 3.5	35,769	(320)	(0.9)
<b>Personnel expenses</b>	209,224	+ 5,326	+ 2.6	213,820	(4,811)	(2.2)	221,276	(2,222)	(1.0)	227,292	+ 863	+ 0.4	209,976	+ 751	+ 0.4
Employee salary	142,882	(1,353)	(0.9)	145,619	+ 1,417	+ 1.0	148,810	+ 636	+ 0.4	154,457	(363)	(0.2)	144,543	+ 1,660	+ 1.2
Legal welfare expenses	26,634	+ 105	+ 0.4	26,879	+ 128	+ 0.5	27,852	(410)	(1.5)	27,566	+ 62	+ 0.2	26,947	+ 313	+ 1.2
Retirement benefit expenses	5,098	+ 754	+ 17.4	3,964	(1,069)	(21.2)	4,259	(739)	(14.8)	5,757	+ 723	+ 14.4	5,971	+ 872	+ 17.1
Bonus/Other personnel expenses	34,608	+ 5,820	+ 20.2	37,357	(5,287)	(12.4)	40,354	(1,708)	(4.1)	39,510	+ 440	+ 1.1	32,513	(2,095)	(6.1)
<b>Vehicle expenses</b>	9,541	(734)	(7.1)	12,308	+ 1,310	+ 11.9	13,138	+ 1,615	+ 14.0	13,584	+ 1,673	+ 14.1	10,555	+ 1,013	+ 10.6
Fuel expenses	4,812	(611)	(11.3)	5,646	+ 1,191	+ 26.7	6,800	+ 1,415	+ 26.3	6,778	+ 1,598	+ 30.9	5,866	+ 1,054	+ 21.9
<b>Other operating expenses</b>	95,620	+ 9,693	+ 11.3	87,391	+ 2,899	+ 3.4	92,824	+ 5,495	+ 6.3	96,302	+ 213	+ 0.2	90,763	(4,857)	(5.1)
Depreciation	13,332	(2,066)	(13.4)	8,386	(2,353)	(21.9)	8,468	(3,214)	(27.5)	8,984	(4,120)	(31.4)	9,684	(3,648)	(27.4)
System expenses ※	12,660	+ 2,399	+ 23.4	13,033	+ 2,002	+ 18.1	13,266	+ 1,730	+ 15.0	14,495	+ 1,817	+ 14.3	14,248	+ 1,587	+ 12.5
Other	69,627	+ 9,360	+ 15.5	65,970	+ 3,250	+ 5.2	71,090	+ 6,979	+ 10.9	72,822	+ 2,516	+ 3.6	66,831	(2,796)	(4.0)
<b>Total</b>	471,259	+ 30,461	+ 6.9	481,043	+ 30,356	+ 6.7	503,948	+ 35,148	+ 7.5	537,623	+ 31,074	+ 6.1	489,582	+ 18,323	+ 3.9
<b>Eliminations</b>	(73,442)	(10,443)	-	(73,936)	(5,311)	-	(77,275)	(5,566)	-	(78,189)	+ 1,583	-	(66,378)	+ 7,063	-
<b>Operating expenses</b>	397,817	+ 20,018	+ 5.3	407,107	+ 25,044	+ 6.6	426,672	+ 29,582	+ 7.4	459,433	+ 32,657	+ 7.7	423,204	+ 25,387	+ 6.4
<b>Operating profits</b>	2,374	+ 7,749	-	12,734	+ 2,780	+ 27.9	18,956	+ 1,993	+ 11.8	47,482	(15,349)	(24.4)	(1,973)	(4,347)	-

※The name of "Computer expenses" has been changed to "System expenses"

# 18. Consolidated Operating Results Forecast for the Fiscal Year Ending March 31, 2023 (Breakdown by Business Segment)

(Millions of Yen)	Fiscal Year ended March 31, 2022 Actual	Fiscal Year ending March 31, 2023 Forecast	YoY Change		YoY Change (※1)	
			Amount	[%]	Amount	[%]
			<b>Operating revenue</b>	1,793,618	1,820,000	+ 26,381
Retail Business Unit	893,396	908,000	+ 14,603	+ 1.6	+ 14,603	+ 1.6
Corporate Business Unit	812,185	856,000	+ 43,814	+ 5.4	+ 43,814	+ 5.4
Other	88,035	56,000	(32,035)	(36.4)	(985)	(1.7)
<b>Operating profit</b>	77,199	91,000	+ 13,800	+ 17.9	+ 14,229	+ 18.5
Retail Business Unit	44,463	48,000	+ 3,536	+ 8.0	+ 3,536	+ 8.0
Corporate Business Unit	17,178	29,000	+ 11,821	+ 68.8	+ 11,821	+ 68.8
Other (※2)	16,559	15,000	(1,559)	(9.4)	(4,571)	(23.4)
Subtotal	78,200	92,000	+ 13,799	+ 17.6	+ 10,786	+ 13.3
Reconciliation	(1,001)	(1,000)	+ 1	-	+ 3,442	-
<b>Ordinary profit</b>	84,330	91,000	+ 6,669	+ 7.9	+ 7,270	+ 8.7
[Profit margin]	4.7	5.0	+ 0.3	-	+ 0.2	-
<b>Profit attributable to owners of Parent</b>	55,956	57,000	+ 1,043	+ 1.9	(236)	(0.4)
[Profit margin]	3.1	3.1	0.0	-	(0.1)	-

Volume (Thousands of Units)	Parcel delivery (TA-Q-BIN/ TA-Q-BIN Compact/EAZY)	1,890,682	2,001,000	+ 110,317	+ 5.8
	EAZY	464,860	499,000	+ 34,139	+ 7.3
	Nekopos	384,941	415,000	+ 30,058	+ 7.8
	Kuroneko DM-Bin	824,383	739,000	(85,383)	(10.4)
Unit Price (Yen)	Parcel delivery (TA-Q-BIN/ TA-Q-BIN Compact/EAZY)	700	700	0	0.0
	Nekopos	190	190	0	0.0
	Kuroneko DM-Bin	67	68	+ 1	+ 1.5

※1 Excluding the impact of removing Yamato Home Convenience Co., Ltd. from scope of consolidation

※2 Based on the reform of management structure, the performance of Yamato Holdings, which was previously contained in "Other", is contained in "Reconciliation" from this fiscal year.

# 19. Consolidated Operating Results Forecast for the Fiscal Year Ending March 31, 2023 (Breakdown of Operating Expenses and others)

(Millions of Yen)	Fiscal Year ended March 31, 2022 Actual	Forecast	Fiscal Year ending March 31, 2023			
			YoY Change		YoY Change (※1)	
			Amount	[%]	Amount	[%]
<b>Operating revenue</b>	1,793,618	<b>1,820,000</b>	+ 26,381	+ 1.5	+ 57,431	+ 3.3
<b>Subcontracting expenses</b>	722,961	<b>719,000</b>	(3,961)	(0.5)	+ 6,844	+ 1.0
Commission expenses	363,876	<b>369,000</b>	+ 5,123	+ 1.4	+ 10,772	+ 3.0
Delivery commission	88,916	<b>99,000</b>	+ 10,084	+ 11.3	+ 10,084	+ 11.3
Operating outsource	37,038	<b>32,000</b>	(5,038)	(13.6)	(5,038)	(13.6)
Other	237,922	<b>238,000</b>	+ 78	+ 0.0	+ 5,727	+ 2.5
Vehicle hiring expenses	213,653	<b>205,000</b>	(8,653)	(4.1)	(4,719)	(2.3)
Other subcontracting expenses	145,431	<b>145,000</b>	(431)	(0.3)	+ 791	+ 0.5
<b>Personnel expenses</b>	872,366	<b>871,000</b>	(1,366)	(0.2)	+ 15,764	+ 1.8
Employee salary	593,431	<b>588,000</b>	(5,431)	(0.9)	+ 6,376	+ 1.1
Legal welfare expenses	109,246	<b>108,000</b>	(1,246)	(1.1)	+ 1,028	+ 1.0
Retirement benefit expenses	19,953	<b>22,000</b>	+ 2,046	+ 10.3	+ 2,318	+ 11.8
Bonus/Other personnel expenses	149,735	<b>153,000</b>	+ 3,264	+ 2.2	+ 6,040	+ 4.1
<b>Vehicle expenses</b>	49,587	<b>51,000</b>	+ 1,412	+ 2.8	+ 2,135	+ 4.4
Fuel expenses	25,091	<b>26,000</b>	+ 908	+ 3.6	+ 1,343	+ 5.4
<b>Other operating expenses</b>	367,282	<b>386,000</b>	+ 18,717	+ 5.1	+ 26,538	+ 7.4
Depreciation	35,524	<b>45,000</b>	+ 9,475	+ 26.7	+ 9,792	+ 27.8
System expenses (※2)	55,044	<b>72,000</b>	+ 16,955	+ 30.8	+ 17,559	+ 32.3
Other	276,714	<b>269,000</b>	(7,714)	(2.8)	(813)	(0.3)
<b>Total</b>	2,012,197	<b>2,027,000</b>	+ 14,802	+ 0.7	+ 51,283	+ 2.6
<b>Eliminations</b>	(295,779)	<b>(298,000)</b>	(2,220)	-	(8,081)	-
<b>Operating expenses</b>	1,716,418	<b>1,729,000</b>	+ 12,581	+ 0.7	+ 43,201	+ 2.6
<b>Operating profit</b>	77,199	<b>91,000</b>	+ 13,800	+ 17.9	+ 14,229	+ 18.5
<b>Total number of employees (Persons) (※3)</b>	216,873	<b>216,800</b>	(73)	(0.0)	-	-
Full-time	94,473	<b>94,700</b>	+ 227	+ 0.2	-	-
Part-time	122,400	<b>122,100</b>	(300)	(0.2)	-	-
<b>Capital expenditure (Millions of Yen)</b>	73,271	<b>100,000</b>	+ 26,728	+ 36.5	+ 27,979	+ 38.8

※1 Excluding the impact of removing Yamato Home Convenience Co., Ltd. from scope of consolidation

※2 The name of "Computer expenses" has been changed to "System expenses"

※3 The number of employees exclude employees of Yamato Home Convenience Co., Ltd.



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