

Consolidated Financial Results for the Third Quarter of the Fiscal Year Ending March 31, 2016 <under Japanese GAAP>

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 Listing: Tokyo Stock Exchange
 Stock code: 9064
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Scheduled date of the submission of quarterly securities report: February 10, 2016
 Scheduled date of the commencement of dividend payment: —
 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 third quarter of fiscal year 2016 (cumulative: from April 1, 2015 to December 31, 2015)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Operating revenue		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
For the nine months ended								
December 31, 2015	1,084,286	1.4	62,108	(3.8)	63,123	(4.9)	38,131	(2.5)
December 31, 2014	1,069,009	2.1	64,591	8.2	66,344	9.4	39,128	17.7

(Note) Comprehensive income: For the nine months ended December 31, 2015: 37,459 million yen ((10.7)%
For the nine months ended December 31, 2014: 41,955 million yen (9.6%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
For the nine months ended		
December 31, 2015	92.92	92.05
December 31, 2014	93.89	91.51

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of			
December 31, 2015	1,121,692	581,043	51.3
March 31, 2015	1,082,531	571,199	52.2

(Reference) Equity: As of December 31, 2015: 575,061 million yen As of March 31, 2015: 565,521 million yen

2. Dividends

	Annual dividends				
	First quarter	Second quarter	Third quarter	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal 2015	—	12.00	—	13.00	25.00
Fiscal 2016	—	13.00	—	—	—
Fiscal 2016 (Forecast)	—	—	—	13.00	26.00

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

3. Consolidated earnings forecasts for fiscal year 2016 (from April 1, 2015 to March 31, 2016)

(Percentages indicate year-on-year changes.)

	Operating revenue		Operating income		Ordinary income		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	1,415,000	1.3	69,000	0.1	70,000	(1.3)	41,000	9.2	100.11

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

* Notes

(1) Changes in significant subsidiaries during the nine 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. Matters Regarding Summary Information (Notes), (1) Application of specific accounting for preparing the quarterly consolidated financial statements" of the attached materials to the quarterly financial results report on page 7.

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

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

(4) Number of issued shares (common shares)

- a. Number of issued shares as of the end of the period (including treasury shares)

As of December 31, 2015:	425,161,692 shares
As of March 31, 2015:	435,564,792 shares
- b. Number of treasury shares as of the end of the period

As of December 31, 2015:	17,210,995 shares
As of March 31, 2015:	22,370,985 shares
- c. Average number of shares during the period (cumulative from the beginning of the fiscal year)

For the nine months ended December 31, 2015:	410,374,877 shares
For the nine months ended December 31, 2014:	416,766,428 shares

*Indication regarding execution of quarterly review procedures

At the time of the disclosure of this quarterly financial results report, the quarterly review procedures in accordance with the Financial Instruments and Exchange Act are in progress.

*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 we consider 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 Nine Months, (3) Qualitative information on consolidated earnings forecasts" of the attached materials to the quarterly financial results report on page 7.
- The Company plans to hold a financial results meeting for analysts on January 29, 2016. The materials distributed at this financial results meeting shall be posted on the Company's website after the meeting has been held.

Attached Materials

Index

1. Qualitative Information on Settlement of Accounts for the Nine Months.....	2
(1) Qualitative information on consolidated operating results	2
(2) Qualitative information on consolidated financial position	7
(3) Qualitative information on consolidated earnings forecasts.....	7
2. Matters Regarding Summary Information (Notes).....	7
(1) Application of specific accounting for preparing the quarterly consolidated financial statements.....	7
(2) Additional information	7
3. Consolidated Financial Statements.....	8
(1) Consolidated balance sheet	8
(2) Consolidated statement of income and consolidated statement of comprehensive income.....	10
Consolidated statement of income (cumulative)	10
Consolidated statement of comprehensive income (cumulative)	11
(3) Notes to consolidated financial statements	12
(Notes to premise of going concern)	12
(Segment information, etc.).....	12
(Notes on significant changes in the amount of shareholders' equity)	13
(Important subsequent matters)	13
4. Supplementary Information	15
Operating revenue by business.....	15

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

(1) Qualitative information on consolidated operating results

During the nine months ended December 31, 2015, the business environment overall was marked by favorable corporate earnings yet lacking firm business sentiment amid adverse effects of the economic slowdown in emerging nations and other such factors. With personal consumption, buying behavior has still remained stagnant largely due to deeply entrenched anxieties over the prospect of rising prices. The Company also continued to face harsh operating circumstances as tight labor market conditions persisted. Operating in this environment, we worked toward achieving the objectives of the Long-Term Management Plan “DAN-TOTSU Management Plan 2019” and the Medium-Term Management Plan “DAN-TOTSU Three-Year Plan STEP.” To that end, we focused on creation of a business model for generating substantial added value by building a premium-quality network to enable efficient logistics and fusing together the Group’s business resources.

In the Delivery Business, we achieved greater customer use of the new “TA-Q-BIN Compact” and “Nekopos” services launched in April 2015, due to increased sales to mail-order business operators and progress made in forming partnerships with flea market websites. Overall, revenues in the Delivery Business increased due to increased TA-Q-BIN delivery volume centered on our new services, but on the profit front, earnings decreased because growth in business generated by Kuroneko DM-Bin and the new services did not make up for the impact of our discontinuing the Kuroneko Mail service.

In the non-delivery businesses, we took steps to expand our existing service offerings by enlisting the strengths of Group companies, while also drawing on Group-wide ties as we aggressively promoted solution sales geared toward addressing customers’ business challenges.

Our consolidated financial results for the nine months ended December 31, 2015 are as follows.

(Millions of yen)

Item	For the nine months ended December 31, 2014	For the nine months ended December 31, 2015	Change	Growth (%)
Operating revenue	1,069,009	1,084,286	15,277	1.4
Operating income	64,591	62,108	(2,483)	(3.8)
Ordinary income	66,344	63,123	(3,220)	(4.9)
Profit attributable to owners of parent	39,128	38,131	(996)	(2.5)

Initiatives for the entire Yamato Group

- a. The Yamato Group has been pursuing its “Value Networking” design, on the basis of creating business models for generating a high level of added value through the combined efforts of our respective businesses, while at the same time contributing to growth strategies and international competitive strengths of the Japanese economy. Meanwhile, we are also taking steps to forge a robust corporate culture that acts as a foundation for business creation and development.
- b. To further promote our “Value Networking” design, we have been crafting business models that deliver a high level of added value by leveraging the Yamato Group’s business network. Also, to address varied customer needs in Japan and overseas, we have been making more effective use of our innovative network platform consisting of the “Haneda Chronogate,” “Atsugi Gateway” and “Okinawa International Logistics Hub” facilities, in addition to our existing “last mile” network.
- c. We continued to drive initiatives geared toward forging a more robust corporate culture. To that end, we worked on enhancing the efficiency and dependability of operations, in part by improving our transport systems and by using our information technology network to enable visual monitoring of operating volumes. In addition, we redoubled our employee education efforts and focused on building systems for ensuring that we honor promises made to our customers. Moreover, we actively engaged in CSR-related activities linked to Yamato Group business endeavors, such as through environmental and safety measures, and efforts to prosper communities.
- d. Given expectations for future growth in the mail-order market, we aggressively forged ahead with efforts to increase sales of the “YES!” (Yamato Ec Solutions) service which involves drawing on capabilities of the Group in providing packages of services in order to serve that market. We also commenced operations of our “Southern Gate” global logistics center in Okinawa, and in that regard have been promoting sales of solutions that provide one-stop services involving everything from manufacturing to storage and delivery,

targeting business operators involved in cross-border mail order and other business geared to overseas markets.

- e. For our corporate clients, we forged ahead with efforts to increase sales of our “Yamato Cloud Depot” service which enables them to make use of our 4,000 TA-Q-BIN centers nationwide as hubs for their own business operations. In developing such solution sales, we are supporting the growth of customer businesses by helping them boost salesforce productivity and reduce back office workloads at their sales locations, drawing on business resources of the Yamato Group.
- f. In our business looking toward overseas markets, we have been making progress in developing our networks in Southeast Asia, forging ahead with expansion of our international cold chain business such as that of the “International Cool TA-Q-BIN” service, and working to strengthen our international logistics operations which offer added-value in growing Asian markets.
- g. We have been taking aggressive action to reduce costs through efforts that include implementing thorough controls on costs linked to operating volumes and also pursuing measures to improve productivity, amid a deteriorating external cost environment marked by a tightening labor market.

Summary of each operating segment

● Delivery

The delivery volumes of TA-Q-BIN and Kuroneko DM-Bin services are as follows.

(Million parcels / units)				
Category	For the nine months ended December 31, 2014	For the nine months ended December 31, 2015	Change	Growth (%)
TA-Q-BIN	1,259	1,327	68	5.4
Kuroneko DM-Bin	1,434	1,151	(282)	(19.7)

Results shown for Kuroneko DM-Bin in the nine months ended December 31, 2014 are those of the Kuroneko Mail service.

- a. In the Delivery Business, the Yamato Group concentrated on TA-Q-BIN-centered business development, aiming to provide infrastructure that best suits our customers and contribute to enriching people’s lives.
- b. We engaged in efforts to expand sales of the “TA-Q-BIN Compact” and “Nekopos” services. The two new services enable customers in the growing mail-order business a simple means of sending small parcels for reasonable fees. With “TA-Q-BIN Compact,” use of the service has been growing as a result of efforts to improve customer convenience such as through our launch of cash-on-delivery payment options. With “Nekopos,” we have been engaging in aggressive efforts to increase sales through initiatives that include offering options which differentiate us from our competitors such as a service where customers receive e-mail notification at the time of delivery, and further teaming up with flea market websites. We also launched our new “Kuroneko DM-Bin” mailbox posting service which takes the place of our Kuroneko Mail service which was discontinued as of the previous fiscal year, thereby enabling us to respond to demand in areas such as direct mail sent by corporate clients.
- c. With respect to corporate clients, we have been leveraging our front-line business network to gather customer information to make use of in actively proposing solutions tailored to our clients’ management objectives. We worked to boost profitability by making proposals that provide high added value using the Group’s business resources. Moreover, we also continue to promote measures that would ensure collection of adequate fees for the task of providing consistent quality with respect to deliveries.
- d. In our business geared toward revitalizing communities, we have been taking steps to improve services for residents by collaborating with municipalities and other entities in providing support with regard to helping those living in remote areas who face difficulties doing their shopping and watching over elderly residents. Moreover, we have also been helping to revitalize local industry through efforts that include enabling communities to sell more locally produced products in Asian markets and offering “combined passenger-cargo” operations where we make use of scheduled-route passenger buses to transport TA-Q-BIN items within certain zones.
- e. Operating revenue amounted to 857,305 million yen, up 0.3% from the year-ago period due to an increase in TA-Q-BIN delivery volume primarily among large operators of mail-order businesses. As for profits, operating income amounted to 39,757 million yen, down 9.1% from the year-ago period as growth of volumes in the new services failed to make up for the adverse impact of discontinuing the Kuroneko Mail service.

- **BIZ-Logistics**

- In the BIZ-Logistics Business, the Yamato Group is providing customers with innovative logistics systems by combining management resources such as the TA-Q-BIN network with logistics functions, maintenance and recall handling functions, cleansing functions for medical devices and international transportation functions.
- For the mail-order industry, we are offering one-stop services involving various types of logistical support in line with customer needs, including support for facilitating everything from placing and accepting orders to visual monitoring of inventories and enabling speedier shipments. During the nine months ended December 31, 2015, volume handled increased largely due to the progress in gaining new customers.
- With respect to our product maintenance and recall services, we have been developing integrated services where we handle collection, repair and returns of faulty products, while also expanding total support services for dealing with corporate product recalls. During the nine months ended December 31, 2015, the use of the “Kuroneko Extended Warranty Service” increased particularly among large mail-order and consumer electronics business operators.
- For medical service providers, we have been developing medical device loaner support (storage, cleaning and delivery) and other services that help revolutionize logistics operations. During the nine months ended December 31, 2015, the segment achieved revenue growth amid a steadily increasing volume of business mainly from existing customers.
- Operating revenue amounted to 81,017 million yen, up 9.4% from the year-ago period due to favorable results generated from mail-order services and services related to medical devices. Operating income was 4,085 million yen, up 14.8% from the year-ago period.

- **Home Convenience**

- In the Home Convenience Business, we are working toward enabling customers to achieve greater convenience and comfort in their lives through lifetime lifestyle support businesses and corporate enterprise support business that draw on the Yamato Group’s nationwide network.
- With respect to individual customers, the Yamato Group operated a variety of services to assist in daily life such as the “Raku Raku Household TA-Q-BIN” service for delivering large furniture items and home appliances and moving-related services. In the nine months ended December 31, 2015, we aggressively forged ahead with efforts to increase “Comfortable Lifestyle Support Service” sales with the addition of home appliance cleaning and other offerings to the list of options provided through the service, which aims to help customers resolve everyday inconveniences associated with house cleaning, home organization and storage, and collection of unwanted items.
- For our corporate clients, we have been developing our “Technical Network Business” where we combine the networks of the Yamato Group and our construction and installation contractors so that we can provide one-stop support in handling everything from household equipment delivery and set-up, to installation and maintenance of such equipment, as well as business support services such as office-related services and procurement services for sourcing goods. During the nine months ended December 31, 2015, the segment achieved revenue growth amid a strong showing from our office-related services.
- Operating revenue amounted to 34,732 million yen, up 1.7% from the year-ago period due to favorable volumes of use of office-related services and procurement services. As for profits, the segment posted an operating loss of 63 million yen, an improvement of 661 million yen from the year-ago period as a result of initiatives to improve rates of capacity utilization on weekdays.

- **e-Business**

- In the e-Business, the Yamato Group helps customers streamline their business processes and solve potential issues by proactively conducting solution platform business that combine logistics technology and financial technology with information technology.
- With respect to services for assisting with order-acceptance and dispatching operations, the Yamato Group provides a “Web-based Shipment Control” that comprehensively supports such operations as dispatch information processing, printing of delivery slips, and freight tracking. In the nine months ended December 31, 2015, use of this service increased particularly among our existing large-lot customers, against a backdrop that included mail-order market growth.

- c. For customers whose needs involve managing products on an individual basis, such as telecommunications equipment business operators, the Yamato Group has been developing setup support services whereby tasks of affixing data to products and partial processing of merchandise are aligned with information system functions such as serial acceptance/dispatch control in warehouses and inventory tracking. In the nine months ended December 31, 2015, these services attracted favorable volumes of use primarily among our customers who are new entrants in the telecommunications equipment business.
- d. In its e-money related services, the Yamato Group offers solutions through collaboration between the e-Business and the Financial Business, and provides services that involve installation and operation of "Multi e-money Settlement Terminals" that allow settlements in multiple types of e-money using a single device. During the nine months ended December 31, 2015, the segment achieved revenue growth due to increased sales from the e-money settlement system geared toward the amusement industry.
- e. Operating revenue amounted to 32,102 million yen, up 6.5% from the year-ago period mainly due to growth in setup support services for telecommunications equipment business operators. Operating income was 6,825 million yen, up 16.0% from the year-ago period mainly due to the continued progress in controlling system development costs.

● **Financial**

- a. In the Financial Business, the Yamato Group has been developing settlement and financial services tailored to a range of customer needs for payment collection on mail-order product deliveries, B2B transaction settlement, and vehicle leasing.
- b. With respect to our payment settlement services, in addition to providing our mainstay service "TA-Q-BIN Collect," we have also been promoting increased customer use of both our "Kuroneko Web Collect" comprehensive internet-based transaction settlement service and our e-money settlement services. In the nine months ended December 31, 2015, we took steps to provide greater customer convenience such as adding payment settlement service to the "TA-Q-BIN Compact" service. We also aggressively forged ahead with efforts to increase sales of our "Kuroneko Web Collect" and "Kuroneko Pay After Delivery" services. With our e-money related services, we persisted in our efforts to increase sales generated by our "Multi e-money Settlement Terminals" rental service.
- c. In the lease services business, we achieved revenue growth by promoting proposals for total solutions related to the Group's network and vehicles. This includes operating leases that enable customers to cut costs by providing them with new vehicles premised on the condition of vehicle purchase or re-use after lease expiration, and leases of previously-owned cars linked with such purchase or re-use.
- d. Operating revenue amounted to 54,059 million yen, up 8.5% from the year-ago period due to increased use of our payment settlement for operators of mail-order businesses and other factors such as an increase in contracts for truck leases in the lease services business. As for profits, operating income was 6,677 million yen, down 3.4% from the year-ago period largely due to lackluster results with respect to volume handled through our mainstay TA-Q-BIN Collect service.

● **Autoworks**

- a. In the Autoworks Business, the Yamato Group develops its "24-hour-a-day, 365-day-a-year service that enables customers to service their vehicles without stopping operation," thereby providing value to logistics operations and logistics service providers primarily in the form of "improvement of vehicle maintenance convenience" and "reduced maintenance expenses." Furthermore, to better provide one-stop service solutions geared toward customer business operations, we have added services for "maintaining and safeguarding logistics facilities and equipment, and improving such workplace environments," along with "insurance agency services where we offer risk management-related insurance plans tailored to customer needs."
- b. In the nine months ended December 31, 2015, we took steps to improve quality through initiatives that included initiating operations of the new Superworks Kobe Plant business location and further strengthened our business network, and newly launching sales of our "distribution facilities management" services which provide support to customers with respect to managing logistics facilities and equipment. We also aggressively marketed out "Repairworks" services entailing periodic on-site customer visits.
- c. Operating revenue amounted to 18,760 million yen, down 11.2% from the year-ago period mainly due to lower unit price of fuel. Operating income was 2,851 million yen, down 7.1% from the year-ago period.

- **Other**

- The “JITBOX Charter service” provides transportation by transport box. The service takes advantage of its network consisting of multiple companies and provides added value to customers through timely delivery and frequent, right-volume delivery. In the nine months ended December 31, 2015, use of the service steadily increased partially as a result of our initiatives to develop information systems and improve service quality, and also due to favorable results from existing service offerings.
- Operating income in Other excluding dividends which Yamato Holdings Co., Ltd. received from the Group companies increased 141.6% from the year-ago period to 1,644 million yen.

CSR Initiatives

- The Yamato Group places utmost priority on protecting human life and conducts a range of safety measures. In that regard, we have been carrying out our “Zero Accident Campaign” which is a safety campaign deployed horizontally throughout the entire Group including our TA-Q-BIN operators overseas. Furthermore, in the nine months ended December 31, 2015, we held the “Yamato Transport Nationwide Safety Competition,” and engaged in efforts to enhance the skills of the Group’s professional drivers with respect to safe vehicle operation, while also heightening safety awareness and improving driving skills on a Group-wide basis. In addition, since 1998 we have been holding our “Safety Classes for Children,” through which we convey the importance of traffic safety, in day care facilities, kindergartens and elementary schools across Japan. A total of more than 2.79 million people have now participated.
- The Yamato Group works to ensure that its distribution mechanisms are environmentally sound, under its policy of “Nekology” (combining “Kuroneko” with “ecology”) for promoting its environmental conservation initiatives. In the nine months ended December 31, 2015, we received the “Modal Shift Excellent Business Entity Award (grand prize)” at the “13th Annual Awards Ceremony for Excellent Business Entities Working on Modal Shift” in recognition of our efforts to increasingly shift to more suitable modes of transportation by making use of railways when shipping freight originating in the Kyushu region and bound for the Kanto region. We also hold “Kuroneko Yamato Environmental Class” sessions designed to provide support for environmental education of children who will bear responsibilities of the next generation. We have held such classes on an ongoing basis nationwide since 2005, attracting about 220 thousand participants so far.
- 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 freely enjoy a lifestyle as a member of the workforce. 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.
- Aiming to create more sustainable social value, the Yamato Group promotes initiatives for sharing value with society based on “Creating Shared Value (CSV).” In the nine months ended December 31, 2015, we provided ongoing support with regard to watching over elderly residents, helping those living in remote areas who face difficulties doing their shopping, lending support for community revitalization efforts in conjunction with municipal governments and local businesses, and other such initiatives geared toward extending a diverse range of services leveraging the business resources of the Yamato Group. As a result, we have worked with government bodies on 1,360 endeavors in that regard thus far.

(2) Qualitative information on consolidated financial position

(Assets, liabilities and net assets)

Total assets were 1,121,692 million yen as of December 31, 2015, up 39,161 million yen from the end of the previous fiscal year. The major factor in this was an increase of 53,920 million yen in notes and accounts receivable - trade.

Liabilities increased 29,317 million yen to 540,649 million yen from the end of the previous fiscal year. The major factor in this was an increase in notes and accounts payable - trade of 23,048 million yen.

Total net assets were 581,043 million yen, up 9,843 million yen from the end of the previous fiscal year. This was mainly attributable to the recording of profit attributable to owners of parent of 38,131 million yen and payment of dividends of surplus of 10,674 million yen, as well as purchase of treasury shares amounting to 20,005 million yen.

Accordingly, the equity ratio changed to 51.3% from the previous fiscal year's 52.2%.

(3) Qualitative information on consolidated earnings forecasts

Looking ahead at the economy, we expect business conditions in Japan to remain on a path of gradual recovery, but the outlook still remains uncertain amid factors that include concerns regarding the prospect of an economic downturn in overseas markets and volatility in financial and capital markets.

In this environment, the Yamato Group will pursue efforts in the Delivery Business to engage in proposal-based sales that deliver substantial added value from the perspective of our customers, and will aggressively forge ahead with initiatives to expand sales of the "TA-Q-BIN Compact," "Nekopos" and "Kuroneko DM-Bin" services. Moreover, we will continue taking steps to ensure collection of adequate fees for the task of providing consistent quality with respect to deliveries. In the non-delivery businesses, we will expand the revenue base through efforts to create and develop a business model for generating a high level of added value by leveraging the Group's business resources.

On the cost front, we will continue our efforts geared toward keeping costs in line with operating volumes, and improving productivity.

The Yamato Group has not made any changes to the consolidated earnings forecasts for the full year of the fiscal year ending March 31, 2016 since the announcement made on October 29, 2015.

2. Matters Regarding Summary Information (Notes)

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

Calculation of tax expenses

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

(2) Additional information

The Company has applied provisions of Paragraph 39 of the "Accounting Standard for Consolidated Financial Statements" (ASBJ Statement No. 22, September 13, 2013), etc., and has accordingly made changes in the presentation of net income, etc. and has also made changes in presentation from minority interests to non-controlling interests. To reflect these changes, the Company has restated its quarterly and full-year consolidated financial statements for the first nine months of the previous fiscal year and the previous fiscal year.

3. Consolidated Financial Statements

(1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2015	As of December 31, 2015
Assets		
Current assets		
Cash and deposits	247,398	208,094
Notes and accounts receivable - trade	187,833	241,754
Accounts receivable - installment	42,007	44,120
Lease investment assets	44,948	48,254
Merchandise and finished goods	721	762
Work in process	512	340
Raw materials and supplies	2,101	1,894
Other	42,020	52,614
Allowance for doubtful accounts	(1,338)	(1,170)
Total current assets	566,205	596,665
Non-current assets		
Property, plant and equipment		
Buildings and structures	334,119	333,751
Accumulated depreciation	(185,622)	(189,863)
Buildings and structures, net	148,497	143,887
Vehicles	194,198	200,230
Accumulated depreciation	(176,205)	(178,692)
Vehicles, net	17,992	21,537
Land	187,964	187,963
Lease assets	24,028	15,804
Accumulated depreciation	(17,181)	(7,147)
Lease assets, net	6,846	8,657
Other	156,845	168,793
Accumulated depreciation	(98,045)	(104,607)
Other, net	58,800	64,185
Total property, plant and equipment	420,101	426,233
Intangible assets	17,600	19,359
Investments and other assets		
Investment securities	34,567	35,585
Other	45,173	44,816
Allowance for doubtful accounts	(1,116)	(968)
Total investments and other assets	78,624	79,434
Total non-current assets	516,325	525,027
Total assets	1,082,531	1,121,692

(Millions of yen)

	As of March 31, 2015	As of December 31, 2015
Liabilities		
Current liabilities		
Notes and accounts payable - trade	157,479	180,528
Short-term loans payable	34,443	68,728
Current portion of bonds with subscription rights to shares	9,660	5,880
Lease obligations	2,733	2,586
Income taxes payable	20,024	16,390
Deferred installment income	5,655	5,883
Provision for bonuses	30,236	10,895
Other	96,800	106,085
Total current liabilities	357,034	396,976
Non-current liabilities		
Long-term loans payable	83,876	69,959
Lease obligations	4,655	5,475
Net defined benefit liability	53,023	54,951
Other	12,742	13,286
Total non-current liabilities	154,297	143,672
Total liabilities	511,331	540,649
Net assets		
Shareholders' equity		
Capital stock	127,234	127,234
Capital surplus	70,209	47,489
Retained earnings	395,352	422,898
Treasury shares	(43,007)	(37,356)
Total shareholders' equity	549,789	560,266
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	13,847	13,186
Foreign currency translation adjustment	1,169	493
Remeasurements of defined benefit plans	715	1,115
Total accumulated other comprehensive income	15,731	14,795
Non-controlling interests	5,678	5,981
Total net assets	571,199	581,043
Total liabilities and net assets	1,082,531	1,121,692

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

(Millions of yen)

	For the nine months ended December 31, 2014	For the nine months ended December 31, 2015
Operating revenue	1,069,009	1,084,286
Operating cost	976,435	991,120
Operating gross profit	92,574	93,166
Selling, general and administrative expenses	27,982	31,057
Operating income	64,591	62,108
Non-operating income		
Interest income	58	86
Dividend income	569	675
Other	1,762	1,108
Total non-operating income	2,390	1,870
Non-operating expenses		
Interest expenses	277	396
Foreign exchange losses	—	181
Other	361	276
Total non-operating expenses	638	854
Ordinary income	66,344	63,123
Extraordinary income		
Gain on sales of non-current assets	407	33
Gain on sales of investment securities	6	22
Compensation for damage received	257	—
Other	232	10
Total extraordinary income	904	67
Extraordinary loss		
Loss on retirement of non-current assets	193	169
Impairment loss	128	198
Loss on litigation	598	—
Other	—	0
Total extraordinary loss	920	368
Income before income taxes and minority interests	66,328	62,822
Income taxes	27,143	24,506
Profit	39,184	38,315
Profit attributable to non-controlling interests	56	183
Profit attributable to owners of parent	39,128	38,131

Consolidated statement of comprehensive income (cumulative)

(Millions of yen)

	For the nine months ended December 31, 2014	For the nine months ended December 31, 2015
Profit	39,184	38,315
Other comprehensive income		
Valuation difference on available-for-sale securities	2,925	(580)
Foreign currency translation adjustment	(346)	(675)
Remeasurements of defined benefit plans, net of tax	192	400
Total other comprehensive income	2,770	(856)
Comprehensive income	41,955	37,459
(Breakdown)		
Comprehensive income attributable to owners of parent	41,680	37,195
Comprehensive income attributable to non-controlling interests	274	263

(3) Notes to consolidated financial statements
(Notes to premise of going concern)
 Not applicable.

(Segment information, etc.)
 [Segment information]

Information regarding the amounts of operating revenue and income or loss by reportable segment
 For the nine months ended December 31, 2014

(Millions of yen)

	Delivery	BIZ-Logistics	Home Convenience	e-Business	Financial
Operating revenue					
(1) Operating revenue from customers	854,531	74,054	34,151	30,149	49,833
(2) Inter-segment operating revenue or transfers	48,452	9,234	11,791	21,825	2,494
Total	902,984	83,289	45,943	51,975	52,328
Segment income (loss)	43,736	3,558	(725)	5,883	6,910

	Autoworks	Other (Notes 1, 2)	Total	Reconciliation (Note 3)	Amount recorded in consolidated statement of income (Note 4)
Operating revenue					
(1) Operating revenue from customers	21,130	5,157	1,069,009	—	1,069,009
(2) Inter-segment operating revenue or transfers	22,644	40,129	156,573	(156,573)	—
Total	43,775	45,286	1,225,583	(156,573)	1,069,009
Segment income (loss)	3,067	23,273	85,704	(21,112)	64,591

- Notes: 1. Other includes business-to-business distribution via JITBOX Charter and shared services.
 2. Operating revenue in Other includes dividends which the Company received from the Group companies as a pure holding company and the effect of this on operating revenue and segment income is 22,100 million yen.
 3. The adjustment of segment income resulted from eliminating transactions among segments, etc.
 4. We made an adjustment between segment income and operating income in the consolidated statement of income.

For the nine months ended December 31, 2015

(Millions of yen)

	Delivery (Note 1)	BIZ-Logistics	Home Convenience	e-Business	Financial
Operating revenue					
(1) Operating revenue from customers	857,305	81,017	34,732	32,102	54,059
(2) Inter-segment operating revenue or transfers	49,675	9,560	12,164	22,928	2,540
Total	906,980	90,578	46,897	55,031	56,599
Segment income (loss)	39,757	4,085	(63)	6,825	6,677

	Autoworks	Other (Notes 1, 2, 3)	Total	Reconciliation (Note 4)	Amount recorded in consolidated statement of income (Note 5)
Operating revenue					
(1) Operating revenue from customers	18,760	6,308	1,084,286	—	1,084,286
(2) Inter-segment operating revenue or transfers	21,900	43,767	162,538	(162,538)	—
Total	40,661	50,075	1,246,824	(162,538)	1,084,286
Segment income (loss)	2,851	26,248	86,381	(24,273)	62,108

- Notes: 1. Effective from the first quarter of the fiscal year ending March 31, 2016, the Company has made changes to business segment classifications to ensure that such classifications more adequately accord with actual circumstances related to management and administration. These changes mainly involve inclusion of the human resources management business in the Delivery Business segment, from the Other segment previously. The segment information for the nine months ended December 31, 2014 has been prepared and presented according to the new classification.
2. Other includes business-to-business distribution via JITBOX Charter and shared services.
3. Operating revenue in Other includes dividends which the Company received from the Group companies as a pure holding company and the effect of this on operating revenue and segment income is 24,889 million yen.
4. The adjustment of segment income resulted from eliminating transactions among segments, etc.
5. We made an adjustment between segment income and operating income in the consolidated statement of income.

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

Not applicable.

(Important subsequent matters)

1. Business and capital alliance with GD Express Carrier Bhd.

At its meeting held on January 21, 2016, the Board of Directors resolved matters related to a business and capital alliance with major Malaysian parcel delivery company GD Express Carrier Bhd. ("GDEX"), and the company accordingly concluded an agreement related to the business and capital alliance on the same day.

(1) Purpose of the business and capital alliance

The alliance will enable the Company to upgrade and expand its parcel delivery network initially in Malaysia, as one means of more swiftly implementing the Asia strategy.

GDEX is listed on Malaysia's stock exchange, and ranks as the number two transportation company in terms of its share of sales in the Malaysian parcel delivery market. It holds a delivery network with reach throughout Malaysia, and boasts high profit margins at the top of the industry. It also maintains strengths in its ability to carry out business-to-business parcel deliveries within Malaysia, and in recent years has achieved remarkable growth relative to its competitors.

YAMATO TRANSPORT (M) SDN. BHD., a consolidated subsidiary of the Company, also provides TA-Q-Bin services within Malaysia and has been achieving steady growth as a result of a differentiation approach drawing on the Yamato Group's own "Cool TA-Q-BIN" service and the "TA-Q-BIN Collect" cash-on-delivery service.

Through the alliance, we will heighten the Malaysian presence of both companies, by taking steps to further upgrade services provided in the Malaysian market while responding to that market's needs for high-quality parcel delivery.

- (2) Counterparty to the agreement
- a. Name: GD Express Carrier Bhd.
 - b. Contents of business: Parcel-delivery business and related operations
- (3) Date of conclusion of agreement
January 21, 2016
- (4) Details of agreement
- a. Business alliance
The Yamato Group and GDEX intend to leverage the business alliance to promote the following initiatives:
 - i. Providing seamless services by linking with GDEX's nation-wide network;
 - ii. Improving operational efficiency of both companies by sharing line-haul transport capabilities within Malaysia;
 - iii. Collaborating with respect to cross-border logistics between Singapore and Malaysia; and
 - iv. Working together in a complementary manner with the aim of expanding into other Southeast Asian markets with Malaysia as the starting point.
 - b. Capital alliance
The Company's consolidated subsidiary YAMATO ASIA PTE. LTD. will acquire a third-party allocation of new shares implemented by GDEX. Moreover, after the shares come into effect, the ownership ratio will increase to 23% through acquisitions of shares from existing shareholders. Plans call for GDEX to promptly become an equity method affiliate of the Company at that time.
Total acquisition price of the third-party allocation of new shares: MYR 217,315,000 (Malaysian ringgits)
 - * Approximately 5.8 billion yen at a conversion rate of 26.79 yen per Malaysian ringgit (MYR 1.74 per share)
 - * Ownership ratio of 9.1% after the acquisition

2. Purchase and retirement of treasury shares

At the meeting held on January 28, 2016, the Board of Directors resolved matters related to the purchase of treasury shares of the Company, in accordance with the provisions of the Articles of Incorporation, pursuant to Article 459, Paragraph 1, Item 1 of the Companies Act of Japan, and also resolved to retire treasury shares of the Company in accordance with the provisions of Article 178 of the Companies Act of Japan.

(1) Reason of purchase and retirement of treasury shares

The Company purchases and retires its treasury shares to implement flexible capital policies in accordance with changes in the business environment with the aim of enhancing shareholder value.

(2) Contents of matters related to the purchase of treasury shares

Type of shares to be purchased	Common shares of the Company
Total number of shares to be purchased	Up to 16,000,000 shares (ratio to the total number of issued shares (excluding treasury shares) 3.92%)
Total acquisition price of shares to be purchased	Up to 30 billion yen
Acquisition period	From January 29, 2016 to June 30, 2016
Acquisition method	Through the market

(3) Contents to retirement of treasury shares

Type of shares to be retired	Common shares of the Company
Total number of shares to be retired	13,821,700 shares (ratio to the total number of issued shares 3.25%)
Scheduled date of share retirement	March 31, 2016

4. Supplementary Information

Operating revenue by business

Business segment		For the nine months ended December 31, 2014		For the nine months ended December 31, 2015		Change (%)	Fiscal year ended March 31, 2015	
		Amount (Millions of yen)	Ratio (%)	Amount (Millions of yen)	Ratio (%)		Amount (Millions of yen)	Ratio (%)
Delivery	TA-Q-BIN	755,458	70.7	778,609	71.8	3.1	969,923	69.4
	Kuroneko DM-Bin *1	88,268	8.2	66,028	6.1	(25.2)	116,619	8.4
	Express	32,721	3.1	32,359	3.0	(1.1)	42,918	3.1
	Others *2	64,563	6.0	69,720	6.4	8.0	87,619	6.3
	Eliminations	(86,481)	(8.1)	(89,412)	(8.2)	3.4	(113,891)	(8.2)
	Total	854,531	79.9	857,305	79.1	0.3	1,103,188	79.0
BIZ-Logistics	Trading logistics service	29,125	2.7	29,199	2.7	0.3	43,215	3.1
	Sales and Logistics	25,690	2.4	26,876	2.5	4.6	34,767	2.5
	Multi maintenance	12,194	1.1	12,096	1.1	(0.8)	15,689	1.1
	Export Factory	3,077	0.3	3,236	0.3	5.2	4,185	0.3
	Others	28,956	2.7	32,776	3.0	13.2	39,416	2.8
	Eliminations	(24,989)	(2.3)	(23,168)	(2.1)	(7.3)	(33,453)	(2.4)
	Total	74,054	6.9	81,017	7.5	9.4	103,821	7.4
Home Convenience	Home convenience	29,111	2.7	29,245	2.7	0.5	41,561	3.0
	Business convenience	13,193	1.2	14,072	1.3	6.7	16,665	1.2
	Technical Network	3,656	0.4	3,595	0.3	(1.7)	4,817	0.3
	Eliminations	(11,809)	(1.1)	(12,180)	(1.1)	3.1	(14,568)	(1.0)
	Total	34,151	3.2	34,732	3.2	1.7	48,475	3.5
e-Business	e-logistics solution *2	7,331	0.7	7,626	0.7	4.0	9,829	0.7
	Credit card solution	6,027	0.6	6,980	0.6	15.8	8,087	0.6
	IT operating solution	4,795	0.4	4,611	0.4	(3.8)	6,253	0.4
	Web-based mail order solution	4,795	0.4	4,569	0.4	(4.7)	6,074	0.4
	Others *2	31,141	2.9	34,531	3.2	10.9	41,500	3.0
	Eliminations	(23,940)	(2.2)	(26,216)	(2.4)	9.5	(31,258)	(2.2)
	Total	30,149	2.8	32,102	2.9	6.5	40,486	2.9
Financial	TA-Q-BIN Collect	28,472	2.7	28,435	2.6	(0.1)	37,549	2.7
	Lease	19,800	1.9	23,660	2.2	19.5	27,065	1.9
	Credit & Finance	2,523	0.2	2,581	0.2	2.3	3,354	0.2
	Others	1,590	0.1	1,986	0.2	24.9	2,160	0.2
	Eliminations	(2,554)	(0.2)	(2,603)	(0.2)	1.9	(3,481)	(0.2)
	Total	49,833	4.7	54,059	5.0	8.5	66,649	4.8
Autoworks	Truck solution *3	40,397	3.8	37,028	3.4	(8.3)	51,122	3.6
	Others	5,287	0.5	5,535	0.5	4.7	7,070	0.5
	Eliminations	(24,553)	(2.3)	(23,803)	(2.2)	(3.1)	(31,039)	(2.2)
	Total	21,130	2.0	18,760	1.7	(11.2)	27,153	1.9
Other	JITBOX Charter service	4,394	0.4	5,576	0.5	26.9	6,035	0.4
	Others *2	41,966	3.9	45,988	4.3	9.6	48,268	3.5
	Eliminations	(41,203)	(3.8)	(45,257)	(4.2)	9.8	(47,369)	(3.4)
	Total	5,157	0.5	6,308	0.6	22.3	6,933	0.5
Total		1,069,009	100.0	1,084,286	100.0	1.4	1,396,708	100.0

*1. Results shown for Kuroneko DM-Bin in the nine months ended December 31, 2014 and the fiscal year ended March 31, 2015 are those of the Kuroneko Mail service for those periods.

*2. Effective from the first quarter of the fiscal year ending March 31, 2016, the Company has made changes to business segment classifications as shown below to ensure that such classifications more adequately accord with actual circumstances related to management and administration. The figures presented for the nine months ended December 31, 2014, and for the fiscal year ended March 31, 2015, have been restated in accordance with these changes.

- The human resources management business, previously included in the Other segment, is now presented in the Others category of the Delivery segment.
- The setup and logistics solutions business, previously included in the e-logistics solutions category of the e-Business segment, is now presented in the Others category.

*3. Effective from the first quarter of the fiscal year ending March 31, 2016, the name of the Truck maintenance category in the Autoworks segment has been changed to the Truck solution.