

**Supplementary Materials for Settlement of Accounts Meeting
for 1Q Ended June 30, 2004**

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1 . Performance

(Millions of Yen)

	Three month ended June 30, 2004		Three month ended June 30, 2003		Increase(Decrease)	
	From April 1, 2004 To June 30, 2004		From April 1, 2003 To June 30, 2003			
	Amount	(%)	Amount	(%)	Amount	(%)
Operating revenues	243,937	100.0	231,021	100.0	12,916	5.6
Operating costs	240,967	98.8	232,796	100.8	8,170	3.5
Operating income	2,969	1.2	(1,775)	(0.8)	4,745	-
non-operating profits	879	0.3	907	0.4	(27)	(3.1)
non-operating loss	335	0.1	263	0.1	71	27.2
Ordinary income	3,513	1.4	(1,131)	(0.5)	4,645	-
extraordinary profit	131	0.1	-	-	131	-
extraordinary loss	1,017	0.4	561	0.2	455	81.1
Income before Income Taxes and Minority Interests	2,627	1.1	(1,693)	(0.7)	4,321	-
Income Taxes	2,818	1.2	206	0.1	2,612	1,267.0
Minority Interests	(3)	(0.0)	0	0.0	(3)	(2,508.9)
Net income (loss)	(188)	(0.1)	(1,900)	(0.8)	1,711	-

Scope of consolidation and equity method

Consolidated subsidiaries: 40 subsidiaries

Unconsolidated subsidiaries: - (equity method is applied to all subsidiaries)

20% to 50% owned companies: 2 companies (equity method is applied to all companies)

Changes in scope of consolidation and equity method

Consolidation: New: 16 Excluded: 3

Equity method: New: - Excluded: 1

2. Segment Information by Industry

(Millions of Yen)

	Three month ended June 30, 2004		Three month ended June 30, 2003		Increase(Decrease)	
	From April 1, 2004 To June 30, 2004		From April 1, 2003 To June 30, 2003			
	Amount	(%)	Amount	(%)	Amount	(%)
Delivery						
Net sales:						
Unaffiliated customers	194,004		185,608		8,395	4.5
Intersegment	7,377		4,688		2,688	57.3
Total	201,381	100.0	190,296	100.0	11,084	5.8
Operating cost and expenses	200,722	99.7	194,497	102.2	6,225	3.2
Operating profit	658	0.3	(4,200)	(2.2)	4,859	-
BIZ-logistics						
Net sales:						
Unaffiliated customers	27,081		22,325		4,756	21.3
Intersegment	2,046		1,312		734	56.0
Total	29,128	100.0	23,637	100.0	5,490	23.2
Operating cost and expenses	28,041	96.3	22,911	96.9	5,129	22.4
Operating profit	1,086	3.7	725	3.1	361	49.8
Home Convenience						
Net sales:						
Unaffiliated customers	11,156		10,568		587	5.6
Intersegment	3,142		2,412		730	30.3
Total	14,298	100.0	12,980	100.0	1,318	10.2
Operating cost and expenses	14,926	104.4	13,168	101.4	1,757	13.3
Operating profit	(627)	(4.4)	(187)	(1.4)	(439)	-
E-Business						
Net sales:						
Unaffiliated customers	5,629		6,977		(1,347)	(19.3)
Intersegment	3,156		2,964		192	6.5
Total	8,786	100.0	9,941	100.0	(1,154)	(11.6)
Operating cost and expenses	8,565	97.5	9,396	94.5	(830)	(8.8)
Operating profit	221	2.5	544	5.5	(323)	(59.4)
Financial						
Net sales:						
Unaffiliated customers	6,065		5,541		523	9.4
Intersegment	1,758		1,821		(63)	(3.5)
Total	7,823	100.0	7,363	100.0	459	6.2
Operating cost and expenses	6,227	79.6	5,797	78.7	430	7.4
Operating profit	1,596	20.4	1,566	21.3	29	1.9
Corporate and Eliminations						
Net sales:						
Unaffiliated customers	-		-		-	-
Intersegment	(17,481)		(13,199)		(4,282)	-
Total	(17,481)	-	(13,199)	-	(4,282)	-
Operating cost and expenses	(17,516)	-	(12,974)	-	(4,541)	-
Operating profit	34	-	(224)	-	259	-
Total						
Net sales:						
Unaffiliated customers	243,937		231,021		12,916	5.6
Intersegment	-		-		-	-
Total	243,937	100.0	231,021	100.0	12,916	5.6
Operating cost and expenses	240,967	98.8	232,796	100.8	8,170	3.5
Operating profit	2,969	1.2	(1,775)	(0.8)	4,745	-

3 . Increases and decreases in operating revenues (Millions of Yen)

	Three month ended June 30, 2004		Three month ended June 30, 2003		Increase(Decrease)	
	From April 1, 2004 To June 30, 2004		From April 1, 2003 To June 30, 2003			
	Amount	(%)	Amount	(%)	Amount	(%)
Delivery						
Takkyubin	157,340	64.5	152,703	66.1	4,636	3.0
Moving	1,793	0.7	2,360	1.0	(566)	(24.0)
Kuroneko Mail	24,988	10.3	19,109	8.3	5,879	30.8
Yamato bin	3,744	1.5	4,310	1.8	(565)	(13.1)
[logistics]	[1,872]	[0.8]	[2,540]	[1.1]	[(668)]	[(26.3)]
Rail -freight Forwarding	720	0.3	639	0.3	81	12.7
Domestic Air Freight	8,695	3.6	7,665	3.3	1,029	13.4
Others	13,511	5.5	6,496	2.8	7,014	108.0
Intersegment eliminations	(16,791)	(6.9)	(7,678)	(3.3)	(9,113)	118.7
Total	194,004	79.5	185,608	80.3	8,395	4.5
BIZ-Logistics						
Marine Forwarding	4,439	1.8	4,416	1.9	22	0.5
Air-Freight Forwarding	15,775	6.5	13,714	6.0	2,060	15.0
Logistics	4,419	1.8	3,931	1.7	488	12.4
Packing Operations	2,164	0.9	1,795	0.8	369	20.6
Others	5,912	2.4	2,328	1.0	3,584	153.9
Intersegment eliminations	(5,628)	(2.3)	(3,860)	(1.7)	(1,768)	45.8
Total	27,081	11.1	22,325	9.7	4,756	21.3
Home Convenience						
Moving	8,701	3.6	8,473	3.7	227	2.7
Marchandise Sales	4,628	1.9	4,197	1.8	431	10.3
[Book Service]	[1,597]	[0.7]	[1,509]	[0.7]	[88]	[5.9]
Others	1,112	0.4	921	0.4	190	20.7
Intersegment eliminations	(3,286)	(1.3)	(3,024)	(1.3)	(262)	8.7
Total	11,156	4.6	10,568	4.6	587	5.6
E-Business						
Information Service	7,994	3.3	7,298	3.2	696	9.5
Information Equipment Sales	1,011	0.4	3,365	1.4	(2,354)	(70.0)
Others	313	0.1	-	-	313	-
Intersegment eliminations	(3,689)	(1.5)	(3,687)	(1.6)	(2)	0.1
Total	5,629	2.3	6,977	3.0	(1,347)	(19.3)
Financial						
Collect Service	5,457	2.2	5,049	2.2	407	8.1
Leasing Operations	2,366	1.0	2,095	0.9	271	12.9
Others	49	0.0	253	0.1	(204)	(80.6)
Intersegment eliminations	(1,807)	(0.7)	(1,857)	(0.8)	49	(2.7)
Total	6,065	2.5	5,541	2.4	523	9.4
Total	243,937	100.0	231,021	100.0	12,916	5.6

4. Delivery Volume

Takkyubin

(Thousands)

	Three month ended June 30, 2004		Three month ended June 30, 2003		Increase(Decrease)	
	From April 1, 2004 To June 30, 2004		From April 1, 2003 To June 30, 2003			
	Amount	(%)	Amount	(%)	Amount	(%)
Takkyubin Total	234,942	100.0	223,712	100.0	11,230	5.0
Cool Takkyubin	22,540	9.6	20,769	9.3	1,771	8.5
Collect Service	16,243	6.9	15,185	6.8	1,058	7.0
Takkyubin Time Service	4,202	1.8	4,076	1.8	125	3.1
Golf Takkyubin	1,418	0.6	1,425	0.6	(7)	(0.5)
Ski Takkyubin	27	0.0	29	0.0	(2)	(6.2)
Airport Takkyubin	263	0.1	161	0.1	102	63.8
Takkyubin uni-price (Yen)	670		683		(13)	

Kuroneko Mail

(Thousands)

	Three month ended June 30, 2004		Three month ended June 30, 2003		Increase(Decrease)	
	From April 1, 2004 To June 30, 2004		From April 1, 2003 To June 30, 2003			
	Amount	(%)	Amount	(%)	Amount	(%)
Kuroneko Mail Total	329,594		208,707		120,886	57.9
Kuroneko Mail uni-price (Yen)	76		92		(16)	

5. Increases and decreases in operating costs

(Millions of Yen)

	Three month ended June 30, 2004		Three month ended June 30, 2003		Increase(Decrease)	
	From April 1, 2004 To June 30, 2004		From April 1, 2003 To June 30, 2003			
	Amount	(%)	Amount	(%)	Amount	(%)
Operating Revenues	243,937	100.0	231,021	100.0	12,916	5.6
Total Operating Costs	240,967	98.8	232,796	100.8	8,170	3.5
Personnel expenses	130,146	53.4	128,166	55.5	1,979	1.5
[employee salary]	[89,710]	[36.8]	[82,832]	[35.9]	[6,877]	[8.3]
[Provision for retirement benefits]	[3,639]	[1.5]	[5,081]	[2.2]	[(1,441)]	[(28.4)]
Subcontracting expenses	81,006	33.2	70,626	30.6	10,380	14.7
[Commission expenses]	[25,300]	[10.4]	[22,160]	[9.6]	[3,140]	[14.2]
[Vehicle hiring expenses]	[27,246]	[11.2]	[26,038]	[11.3]	[1,208]	[4.6]
Vehicle expenses	6,686	2.7	4,635	2.0	2,050	44.2
Other expenses	55,067	22.6	49,844	21.6	5,222	10.5
Elimination of internal procurement costs	(31,939)	(13.1)	(20,476)	(8.9)	(11,462)	56.0

6. Employee Breakdown

	Three month ended June 30, 2004		Three month ended June 30, 2003		Increase(Decrease)	
	Amount	(%)	Amount	(%)	Amount	(%)
Total employees	135,461	100.0	119,370	100.0	16,091	13.5
Full-time employees	72,551	53.6	66,842	56.0	5,709	8.5
Part-time employees	62,910	46.4	52,528	44.0	10,382	19.8

(%)

	Three month ended June 30, 2004		Three month ended June 30, 2003		Increase(Decrease)	
	From April 1, 2004 To June 30, 2004		From April 1, 2003 To June 30, 2003			
Ratio of personnel expenses over operating revenues	47.3		51.0		(3.7)	
Ratio of personnel expenses over net revenues	67.0		71.0		(4.0)	

7 . Principal Increases and Decreases in Consolidated Balance Sheets

Increases and decreases in assets (Millions of Yen)

	The First Quarter Ended June 30,2004	Year Ended March 31,2003	Increase (Decrease)	Cause of increase or decrease
Current Assets	262,752	251,260	11,491	
Fixed Assets	399,679	401,531	(1,851)	
Investments and other assets	63,860	64,965	(1,104)	
Total	662,431	652,792	9,639	

Increases and decreases in liabilities, minority, interests and shareholders' equity (Millions of Yen)

	The First Quarter Ended June 30,2004	Year Ended March 31,2003	Increase (Decrease)	Cause of increase or decrease
Current Liabilities	187,421	176,458	10,962	
Reserve for bonuses	9,878	25,268	(15,390)	Deposits 9,878 Reversals (25,268)
Other current liabilities	76,874	41,178	35,695	Accounts Payable 35,468 Income Taxes Payable (12,746)
Long-Term Liabilities	35,677	32,454	3,222	
Liability for employees' retirement benefits	20,715	18,245	2,470	
Shareholders' Equity	439,172	443,715	(4,542)	
Earned surplus	202,028	206,876	(4,848)	Dividend (4,564)
Total	662,431	652,792	9,639	

Interest-bearing debt (Millions of Yen)

	The First Quarter Ended June 30,2004	Year Ended March 31,2003	Increase(Decrease)	
			Amount	(%)
Interest-bearing debt	30,539	30,570	(30)	(0.1)

8. Capital Expenditure and Depreciation

Construction basis

(Millions of Yen)

	Three month ended June 30, 2004		Three month ended June 30, 2003		Increase(Decrease)	
	From April 1, 2004 To June 30, 2004		From April 1, 2003 To June 30, 2003			
	Amount	(%)	Amount	(%)	Amount	(%)
Capital expenditure	7,738	100.0	13,774	100.0	(6,036)	(43.8)
Vehicles	4,758	61.5	3,920	28.5	838	21.4
Land	803	10.4	1,636	11.9	(832)	(50.9)
Buildings	815	10.5	1,350	9.8	(535)	(39.7)
Equipment	371	4.8	1,658	12.0	(1,286)	(77.6)
Others	989	12.8	5,209	37.8	(4,219)	(81.0)

(Millions of Yen)

	Three month ended June 30, 2004		Three month ended June 30, 2003		Increase(Decrease)	
	From April 1, 2004 To June 30, 2004		From April 1, 2003 To June 30, 2003			
Depreciation	8,090		7,491		599	

9. Domestic Network

	Three month ended June 30, 2004		Year Ended March 31, 2003		Increase(Decrease)	
Vehicles	42,506		41,563		943	
Delivery channels	8,247		8,267		(20)	
Base terminals	71		71		0	
<i>Takkyubin</i> centers	5,913		5,892		21	
<i>Kuroneko Mail</i> centers	1,498		1,476		22	
Moving centers	447		454		(7)	
Logistics centers	136		187		(51)	
Others	182		187		(5)	
Sub-agents	302,667		306,986		(4,319)	

1. Performance Forecasts

(Millions of Yen)

	Forecasts of the Year ended March 31, 2005		Year ended March 31, 2004		Increase(Decrease)	
	Amount	(%)	Amount	(%)	Amount	(%)
Operating revenues	1,055,000	100.0	1,011,343	100.0	43,656	4.3
Operating income	53,500	5.1	46,658	4.6	6,841	14.7
Ordinary income	55,000	5.2	48,547	4.8	6,452	13.3
Net income	29,000	2.7	49,783	4.9	(20,783)	(41.7)

2 . Forecasts for Operating Revenues by Segment

(Millions of Yen)

	Forecasts of the Year ended March 31, 2005		Year ended March 31, 2004		Increase(Decrease)	
	Amount	(%)	Amount	(%)	Amount	(%)
Delivery						
<i>Takkyubin</i>	710,000	67.3	690,087	68.2	19,912	2.9
Moving	6,800	0.6	8,670	0.8	(1,870)	(21.6)
<i>Kuroneko Mail</i>	100,500	9.5	83,668	8.3	16,831	20.1
Logistics	8,100	0.8	11,105	1.1	(3,005)	(27.1)
Domestic Air Freight	35,000	3.3	34,145	3.4	854	2.5
Total	862,000	81.7	834,494	82.5	27,505	3.3
BIZ-Logistics						
Total	100,000	9.5	90,235	8.9	9,764	10.8
Home Convenience						
Moving	37,000	3.5	34,918	3.4	2,081	6.0
Total	44,000	4.2	42,611	4.2	1,388	3.3
E-Business						
Total	23,500	2.2	21,081	2.1	2,418	11.5
Financial						
Total	25,500	2.4	22,920	2.3	2,579	11.3
Total	1,055,000	100.0	1,011,343	100.0	43,656	4.3

3 . Forecasts for Delivery Volume
Takkyubin

(Thousands of Parcels)

	Forecasts of the Year ended March 31, 2005		Year ended March 31, 2004		Increase(Decrease)	
	Amount	(%)	Amount	(%)	Amount	(%)
<i>Takkyubin Total</i>	1,052,000	100.0	1,011,150	100.0	40,850	4.0
<i>Cool Takkyubin</i>	126,520	12.0	122,649	12.1	3,871	3.2
<i>Collect Service</i>	70,000	6.7	63,490	6.3	6,510	10.3
<i>Takkyubin Time Service</i>	17,330	1.6	16,947	1.7	383	2.3
<i>Golf Takkyubin</i>	4,970	0.5	4,908	0.5	62	1.3
<i>Ski Takkyubin</i>	920	0.1	882	0.1	38	4.3
<i>Airport Takkyubin</i>	920	0.1	902	0.1	18	2.0
<i>Takkyubin uni-price</i>	675		682		(7)	

Kuroneko Mail

(Thousands of Parcels)

	Forecasts of the Year ended March 31, 2005		Year ended March 31, 2004		Increase(Decrease)	
	Amount	(%)	Amount	(%)	Amount	(%)
<i>Kuroneko Mail Total</i>	1,330,000		994,368		335,632	33.8
<i>Kuroneko Mail uni-price</i>	76		84		(8)	

4 . Forecasts for Increases and Decreases in Operating Costs

(Millions of Yen)

	Forecasts of the Year ended March 31, 2005		Year ended March 31, 2004		Increase(Decrease)	
	Amount	(%)	Amount	(%)	Amount	(%)
Operating Revenues	1,055,000	100.0	1,011,343	100.0	43,656	4.3
Total Operating Costs	1,001,500	94.9	964,685	95.4	36,814	3.8
Personnel expenses	544,400	51.6	526,882	52.1	17,517	3.3
[employee salary]	[367,800]	[34.9]	[350,034]	[34.6]	[17,765]	[5.1]
[Provision for retirement benefits]	[15,400]	[1.5]	[18,424]	[1.8]	[(3,024)]	[(16.4)]
Subcontracting expenses	333,800	31.6	311,348	30.8	22,451	7.2
[Commission expenses]	[107,400]	[10.2]	[98,112]	[9.7]	[9,287]	[9.5]
[Vehicle hiring expenses]	[114,800]	[10.9]	[111,599]	[11.0]	[3,200]	[2.9]
Vehicle expenses	26,300	2.5	23,345	2.3	2,954	12.7
Other expenses	230,700	21.9	217,142	21.5	13,557	6.2
Elimination of internal procurement costs	(133,700)	(12.7)	(114,034)	(11.3)	(19,665)	17.2

5. Forecasts for Employee Breakdown

	Forecasts of the Year ended March 31, 2005		Year ended March 31, 2004		Increase(Decrease)	
	Amount	(%)	Amount	(%)	Amount	(%)
Total employees	142,900	100.0	131,974	100.0	10,926	8.3
Full-time employees	74,300	52.0	69,398	52.6	4,902	7.1
Part-time employees	68,600	48.0	62,576	47.4	6,024	9.6

(%)

	Forecasts of the Year ended March 31, 2005	Year ended March 31, 2004	Increase (Decrease)
Ratio of personnel expenses over operating revenues	45.5	46.9	(1.4)
Ratio of personnel expenses over net revenues	63.1	64.9	(1.8)

6. Forecasts for Capital Expenditure and Depreciation

Construction basis

(Millions of Yen)

	Forecasts of the Year ended March 31, 2005		Year ended March 31, 2004		Increase(Decrease)	
	Amount	(%)	Amount	(%)	Amount	(%)
Capital expenditure	47,400	100.0	45,898	100.0	1,501	3.3
Vehicles	22,100	46.6	20,610	44.9	1,489	7.2
Land	1,600	3.4	3,648	7.9	(2,048)	(56.1)
Buildings	11,000	23.2	5,050	11.0	5,949	117.8
Machinery and equipment	6,200	13.1	7,385	16.1	(1,185)	(16.0)
Others	6,500	13.7	9,204	20.1	(2,704)	(29.4)

(Millions of Yen)

	Forecasts of the Year ended March 31, 2005	Year ended March 31, 2004	Increase (Decrease)	(%)
Depreciation	38,100	35,662	2,437	6.8