

Consolidated Financial Results for the First Quarter of the Fiscal Year Ending March 31, 2010

Company name: **Yamato Holdings Co., Ltd.**
 Listing: Tokyo Stock Exchange
 Stock code: 9064
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Scheduled date of the submission of the quarterly securities report: August 12, 2009

Scheduled date of the commencement of dividend payment: —

(Amounts less than 1 million yen are discarded.)

1. Consolidated financial results for the first quarter of fiscal year 2010 (cumulative: from April 1, 2009 to June 30, 2009)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Operating revenue		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
For the three months ended								
June 30, 2009	278,942	(6.2)	7,811	48.8	8,566	46.0	4,089	260.2
June 30, 2008	297,260	—	5,248	—	5,867	—	1,135	—

	Net income per share	Net income per share - fully diluted
For the three months ended	Yen	Yen
June 30, 2009	9.23	9.06
June 30, 2008	2.56	2.55

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
June 30, 2009	874,931	488,195	54.6	1,077.85
March 31, 2009	869,605	486,258	54.7	1,073.86

(Reference) Equity: As of June 30, 2009: 477,565 million yen As of March 31, 2009: 475,814 million yen

2. Dividends

Record date	Dividends per share				
	First quarter	Second quarter	Third quarter	Fiscal year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal 2009	—	11.00	—	11.00	22.00
Fiscal 2010	—	—	—	—	—
Fiscal 2010 (Forecast)	—	11.00	—	11.00	22.00

(Note) Revisions to the forecasts in the first quarter of fiscal 2010: None

3. Consolidated earnings forecasts for fiscal year 2010 (from April 1, 2009 to March 31, 2010)

(Percentages indicate year-on-year changes.)

	Operating revenue		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Half year	586,000	(5.5)	20,000	1.5	21,000	2.9	10,500	21.7	23.70
Full year	1,227,000	(2.0)	58,500	5.0	61,000	5.5	31,500	23.4	71.09

(Note) Revisions to the forecasts in the first quarter of fiscal 2010: Yes

4. Others

(1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation): None

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

Note: For further details, please refer to "4. Others" of "[Qualitative Information, Financial Statements and Others]" on page 7.

(3) Changes in accounting policies, procedures, and methods of presentation for preparing the quarterly consolidated financial statements (changes described in the section of "Changes in significant matters forming the basis of preparing the quarterly consolidated financial statements")

a. Changes due to revision to accounting standards, etc.: None

b. Changes other than a.: None

(4) Number of issued shares (common stock)

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

As of June 30, 2009: 457,315,176 shares

As of March 31, 2009: 457,315,176 shares

b. Number of treasury shares as of the end of the period

As of June 30, 2009: 14,244,141 shares

As of March 31, 2009: 14,227,149 shares

c. Average number of shares during the period (cumulative from the beginning of the fiscal year)

For three months ended June 30, 2009: 443,078,475 shares

For three months ended June 30, 2008: 443,187,916 shares

*Proper use of earnings forecasts and other noteworthy events

1. 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 "3. Qualitative information on consolidated earnings forecasts" of "[Qualitative Information, Financial Statements and Others]" on page 6.

2. Starting from the first quarter of fiscal 2010, we changed the accounting procedure for the calculation of air freightage expenses from recording the kickback revenue from airlines as operating revenue to offsetting the freightage expenses with the revenue. As a result, operating revenue and operating expenses for the three months ended June 30, 2009 decreased 7,869 million yen each while operating income, ordinary income and net income are not affected. For further details, please see "(5) Segment information" under "5. Consolidated financial statements" of "[Qualitative Information, Financial Statements and Others]" on page 13.

[Qualitative Information, Financial Statements and Others]

1. Qualitative information on consolidated operating results

The Yamato Group is striving to expand the Delivery Business, which centers on the Takkyubin service. At the same time, the Group is implementing business strategies to achieve remarkable growth of the Group as a whole by utilizing its management resources. Based on these business strategies, the Group provides unprecedented services making the lives of customers more convenient and proactively works on the creation of new values by combining logistics technology (LT), information technology (IT) and financial technology (FT) functions, on top of its robust Takkyubin network.

During the three months ended June 30, 2009, the Delivery Business remained in a difficult business environment, where the delivery volumes of Takkyubin fell below the result in the year-ago period due to the influence of the prolonged economic slump. However, individual measures for productivity improvement, on which the Group had focused since the previous fiscal year worked well, and we posted an increase in profit in the Delivery Business.

With respect to the non-delivery business, while some operations were affected by the economic conditions, the Yamato Group's high-value-added services, which were brought about by its total service capabilities, stimulated latent demand and steadily expanded business.

As a result of the above, our consolidated financial results for the three months ended June 30, 2009 were as follows. Please note that associated with the accounting change for the freightage payable to airlines during the quarter, operating revenue and operating expenses decreased 7,869 million yen each while operating income, ordinary income and net income were not affected.

(Millions of yen)

Item	For the three months ended June 30, 2008	For the three months ended June 30, 2009	Change	Growth (%)
Operating revenue	297,260	278,942	(18,317)	(6.2)
Operating income	5,248	7,811	2,562	48.8
Ordinary income	5,867	8,566	2,698	46.0
Net income	1,135	4,089	2,954	260.2

Status of management measures

- a. Based on the ongoing medium-term management plan, "Satisfaction Creation Three-Year Plan", from April 2008, the Yamato Group works on business evolution to contribute to the realization of an affluent society through the creation of new values. During the three months ended June 30, 2009 in the second year of the plan, the Group widely promoted the business model to make the lives of customers more convenient, which was developed in the previous fiscal year, through mutual collaboration of Group companies. As a result, the model which was well received by customers brought about further business expansion.
- b. The Group's efforts to strengthen its earnings structure achieved successful results by ensuring productivity improvement and increase in efficiency in every business area. We will continue to promote assignment of a workforce in accordance with the volume of business and simplified work processes to strengthen our management base.
- c. With regard to efforts for improving the shareholder value, the Board of Directors meeting held on May 14 resolved the reduction in the investment unit to improve the investment environment. As a result, we will change our share unit from 1,000 shares to 100 shares as of October 1. The Yamato Group will further improve its share liquidity to enhance corporate value by expanding the investor base.

An overview of operations by business segment is as follows.

Delivery

The delivery volumes of Takkyubin and Kuroneko Mail services are as follows.

Category	(Million parcels / units)			
	For the three months ended June 30, 2008	For the three months ended June 30, 2009	Change	Growth (%)
Takkyubin	287	283	(4)	(1.4)
Kuroneko Mail	561	557	(4)	(0.7)

- a. Driven by the basic corporate philosophy in the Delivery Business of “Total Reliability,” the Yamato Group works on business evolution to make the lives of customers more convenient by utilizing its management resources. For corporate clients, we actively promoted a business model in our sales activities to increase their sales and reduce their costs by combining the logistics technology, information technology and financial technology functions which the Yamato Group had cultivated in the Takkyubin service. For individual customers, we enhanced our functionality in our membership service called “Kuroneko Members” as of April by allowing them to access to our mobile website via cell-phone and request the address label issuance. Moreover, as of June, we began accepting multiple electronic money options for the payment of Takkyubin fees, etc. at service offices of Yamato Transport Co., Ltd. throughout the country to aggressively improve the customer convenience.
- b. In the Kuroneko Mail service, the Group further increased businesses in the value-added “Kuroneko Mail Express Service” mainly with corporate clients. However, the delivery volumes slightly fell below the result in the year-ago period partly because of the prolonged economic slump.
- c. As a result, operating revenue for the Delivery Business was 221,726 million yen, down 5.4% from the year-ago period. On the other hand, operating income amounted to 1,925 million yen, an increase of 2,648 million yen from the year-ago period as the Group’s efforts for drastically reforming its earnings structure worked well through the productivity improvement.

BIZ-Logistics

- a. In the BIZ-Logistics Business, the Yamato Group is engaged in business evolution to provide customers with new values by combining the management resources including the Takkyubin network and the know-how on the warehouse management service and others accumulated in the Group.
- b. In the sales & logistics service business, we work on business evolution to significantly improve the convenience of the mail-order function in the quick mail-order logistics business. The “Today Shopping Service” business model provides a service to deliver products in eight hours at the earliest in the web-based mail-order service, by using the Yamato Group’s automated warehousing system “Auto-pick factory”. This service particularly served the need of the customers who wish to quickly receive products they order and steadily expanded business.
- c. In the multi maintenance business, the Yamato Group provides the “Maintenance Support Service” to return repaired items in three days at the earliest by comprehensively supporting a series of processes for broken items such as digital appliances including collection, repair and delivery services. This service was well received by customers as a business model contributing to the improvement in customer convenience, and resulted in expanded demand. By taking such expansion of demand as a business opportunity, the Group established a dedicated maintenance center in Ibaraki in May for business evolution to speed up the growth.
- d. Operating revenue amounted to 18,997 million yen, down 21.5% from the year-ago period due to the weak performance in the trading logistics service and the accounting change for the freightage payable to airlines despite the revenue increase mainly in the sales & logistics service. In the meantime, operating income was 424 million yen, which was a decrease of 65.5% from the year-ago period.

Home Convenience

- a. In the Home Convenience Business, the Yamato Group works on business evolution to provide customers with convenient and comfortable living by utilizing its nationwide network.
- b. The delivery with installation business offers a service, in which we install and set up ready-to-assemble furniture and large electronic appliances at the time of delivery. This service steadily penetrated the market through aggressive sales efforts on the strength of our nationwide network and advanced technology capability, which are differentiators from competitors.
- c. In the moving solution business, the Yamato Group addresses business transformation to scale down the low-profit short-distance individual moving service which is exposed to severe price competition with competitors, and to enhance the long-distance-oriented moving business for corporate clients by taking advantage of its nationwide network and the transportation using a transport box. However, due partly to the continuation of weak market conditions in the overall moving industry, the Group was unable to make profits.
- d. As a result, operating revenue dropped 5.6% from the year-ago period to 12,937 million yen. On the cost front, subcontracting expenses were reduced by some efforts including promoting the corresponding in-house functions. Accordingly, the Group posted operating loss of 164 million yen although it improved 319 million yen from the year-ago period.

e-Business

- a. In the e-Business, the Yamato Group is engaged in business evolution to support the improvement in the work efficiency of customers by offering logistics services and developing information systems based on the Takkyubin shipment tracking system.
- b. The Group also works on business evolution to meet the needs of customers by utilizing existing business models. More specifically, we performed aggressive marketing activities to make proposals to corporate clients for some matters such as the reduction of the excess inventory by taking advantage of the product characteristics of the "Web-based Shipment Control Service" business model to streamline operations by consolidating management of order and shipment information in gift sales.
- c. Operating revenue amounted to 7,532 million yen, down 1.4% from the year-ago period. Operating income was 1,039 million yen, down 10.4% from the year-ago period.

Financial

- a. In the Financial Business, the Yamato Group is endeavoring to respond to every means of settlement to meet the needs of customers in an effort to promote business expansion from collection on product delivery to B2B logistics settlement.
- b. Based on this policy, the Group actively promoted businesses that will lead to the enhancement of sales capability of mail-order companies by providing those companies with the Internet total settlement service "Kuroneko Web Collect," which allows their purchasers to make settlements through PC or mobile phone, etc., to improve the convenience to the purchasers.
- c. Operating revenue amounted to 13,193 million yen, up 6.9% from the year-ago period. In the meantime, on account of the Group's successful efforts to mitigate the bad debts risk in the shopping credit business, operating income was 2,826 million yen, up 26.0% from the year-ago period.

Truck Maintenance

- a. In the Truck Maintenance Business, the Yamato Group works on business evolution to help customers solve their problems by providing truck transportation and bus service companies with the technology and know-how developed in the maintenance process for its vehicles.
- b. Based on this policy, the Yamato Group offers the vehicle maintenance service for 24 hours a day, 365 days a year in "Superworks" maintenance plants all over the country, which aim to improve the convenience of customers, for conducting safety inspections during non-operating hours of customer vehicles. This service not only reduces costs to secure substitute vehicles during the inspection period but also contributes to customers' achievement in compliance such as full implementation of statutory inspections.
- c. Operating revenue amounted to 3,623 million yen, a decrease of 8.8% from the year-ago period due partly to lower revenues from fuel sales caused by the fall in crude oil prices. In the meantime, operating income was 628 million yen, down 13.8% from the year-ago period due to an increase in upfront investment cost.

Other

- a. With respect to "JITBOX Charter" service, the Yamato Group took aggressive marketing approaches, supported by a sales structure composed of 15 Group companies, to promote market penetration of its product characteristics in inter-company distribution such as just-in-time and frequent, right-volume delivery by transport box. However, handling volume decreased due partly to sluggish shipment movements as a result of production adjustment by companies.
- b. Operating income in other businesses excluding dividends which Yamato Holdings Co., Ltd. received from Group companies grew 71.7% from the year-ago period to 632 million yen.

2. Qualitative information on consolidated financial position

Total assets were 874,931 million yen as of June 30, 2009, up 5,325 million yen from the end of the previous fiscal year. This is attributable chiefly to an increase of 3,391 million yen in investment securities as a result of valuation of their market values.

Liabilities increased 3,388 million yen to 386,735 million yen from the end of the previous fiscal year. Total net assets were 488,195 million yen, up 1,936 million yen from the end of the previous fiscal year. This reflects the recording of 4,089 million yen in net income, an increase of 2,358 million yen in valuation difference on available-for-sale securities and payment of 4,873 million yen for dividends from surplus.

Accordingly, the equity ratio changed to 54.6% from 54.7% as of the end of the previous fiscal year.

Net cash provided by operating activities for the three months ended June 30, 2009 amounted to 20,360 million yen. Major factors included 8,467 million yen in income before income taxes and minority interests and 9,135 million yen in depreciation and amortization.

Net cash used in investing activities was 9,722 million yen, reflecting 9,567 million yen in purchase of property, plant and equipment.

Net cash used in financing activities totaled 8,101 million yen, due mainly to 4,376 million yen in payment of cash dividends and 1,797 million yen in repayment of long-term loans payable.

As a result, cash and cash equivalents were 177,191 million yen as of June 30, 2009, up 2,688 million yen from the end of the previous fiscal year.

3. Qualitative information on consolidated earnings forecasts

The economic deterioration is beginning to show signs of bottoming out. However, the future climate is still unclear, and severe business environment are anticipated to continue.

Under such circumstances, the Yamato Group will reinforce our efforts to reduce personnel and other expenses by ensuring the productivity improvement mainly in the Delivery Business. In addition, we changed the accounting procedure for the calculation of air freightage expenses from recording the kickback revenue from airlines as operating revenue to offsetting the freightage expenses with the revenue. In consideration for the resultant decrease of an equal amount in operating revenue and operating expenses, the consolidated earnings forecasts for the half year and full year have been revised from those indicated in the previous release (released on April 28, 2009).

4. Others

- (1) Changes in significant subsidiaries during the period (changes in specified subsidiaries resulting in the change in scope of consolidation)
Not applicable.

- (2) Application of simplified accounting and specific accounting for preparing 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 three-month period. Please note that "income tax-deferred" is included in "income taxes" in the statements.

- (3) Changes in accounting policies, procedures, and methods of presentation for preparing the quarterly consolidated financial statements
Not applicable.

5. Consolidated financial statements

(1) Consolidated balance sheets

(Millions of yen)

	As of June 30, 2009	As of March 31, 2009 (Summary)
Assets		
Current assets		
Cash and deposits	182,443	179,753
Notes and accounts receivable-trade	138,652	138,404
Accounts receivable-installment	60,462	62,061
Lease investment assets	18,708	19,777
Merchandise and finished goods	818	854
Work in process	414	325
Raw materials and supplies	1,215	1,207
Other	44,936	38,728
Allowance for doubtful accounts	(4,756)	(5,405)
Total current assets	442,895	435,708
Noncurrent assets		
Property, plant and equipment		
Buildings and structures	262,517	261,077
Accumulated depreciation	(141,900)	(139,492)
Buildings and structures, net	120,617	121,584
Vehicles	176,203	177,590
Accumulated depreciation	(158,074)	(157,186)
Vehicles, net	18,129	20,403
Land	177,752	177,760
Lease assets	15,849	15,338
Accumulated depreciation	(7,489)	(6,500)
Lease assets, net	8,359	8,837
Other	99,535	98,447
Accumulated depreciation	(69,562)	(68,229)
Other, net	29,973	30,218
Total property, plant and equipment	354,831	358,804
Intangible assets		
Goodwill	924	998
Other	10,174	9,946
Total intangible assets	11,099	10,944
Investments and other assets		
Investment securities	23,003	19,611
Other	46,038	47,287
Allowance for doubtful accounts	(2,866)	(2,684)
Allowance for investment loss	(91)	(91)
Total investments and other assets	66,083	64,123
Total noncurrent assets	432,015	433,873
Deferred assets		
Bond issuance cost	20	23
Total deferred assets	20	23
Total assets	874,931	869,605

(Millions of yen)

	As of June 30, 2009	As of March 31, 2009 (Summary)
Liabilities		
Current liabilities		
Notes and accounts payable-trade	112,311	117,898
Short-term loans payable	42,500	43,198
Lease obligations	4,003	4,140
Income taxes payable	5,052	17,569
Deferred installment income	10,712	11,556
Provision for bonuses	11,841	26,759
Other	94,623	54,649
Total current liabilities	281,044	275,772
Noncurrent liabilities		
Bonds payable	5,000	5,000
Convertible bonds	13,063	13,063
Long-term loans payable	35,350	37,147
Lease obligations	4,613	4,878
Provision for retirement benefits	28,256	28,396
Provision for directors' and auditors' retirement benefits	7	7
Other	19,399	19,081
Total noncurrent liabilities	105,691	107,574
Total liabilities	386,735	383,346
Net assets		
Shareholders' equity		
Capital stock	120,728	120,728
Capital surplus	114,810	114,814
Retained earnings	265,207	266,035
Treasury stock	(26,452)	(26,437)
Total shareholders' equity	474,293	475,140
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	3,910	1,552
Foreign currency translation adjustment	(638)	(877)
Total valuation and translation adjustments	3,271	674
Minority interests	10,630	10,443
Total net assets	488,195	486,258
Total liabilities and net assets	874,931	869,605

(2) Consolidated statements of income (cumulative)

(Millions of yen)

	For the three months ended June 30, 2008	For the three months ended June 30, 2009
Operating revenue	297,260	278,942
Operating cost	284,884	264,630
Operating gross profit	12,375	14,312
Selling, general and administrative expenses	7,126	6,501
Operating income	5,248	7,811
Non-operating income		
Interest income	61	36
Dividends income	358	261
Subsidies for low-emission vehicles	—	450
Other	666	509
Total non-operating income	1,086	1,257
Non-operating expenses		
Interest expenses	265	221
Other	202	280
Total non-operating expenses	467	502
Ordinary income	5,867	8,566
Extraordinary income		
Gain on sales of noncurrent assets	0	47
Compensation for transfer	—	36
Other	0	—
Total extraordinary income	0	83
Extraordinary loss		
Loss on retirement of noncurrent assets	67	93
Loss on valuation of investment securities	1,338	88
Other	11	—
Total extraordinary losses	1,417	181
Income before income taxes and minority interests	4,451	8,467
Income taxes	3,248	4,233
Minority interests in income	67	144
Net income	1,135	4,089

(3) Consolidated statements of cash flows

(Millions of yen)

	For the three months ended June 30, 2008	For the three months ended June 30, 2009
Net cash from operating activities		
Income before income taxes and minority interests	4,451	8,467
Depreciation and amortization	9,106	9,135
Increase (decrease) in provision for retirement benefits	228	(152)
Increase (decrease) in provision for bonuses	(16,391)	(14,939)
Loss (gain) on valuation of investment securities	1,338	88
Decrease (increase) in notes and accounts receivable-trade	2,393	1,718
Increase (decrease) in notes and accounts payable-trade	(7,096)	(5,423)
Increase (decrease) in accrued expenses	38,925	38,229
Other	2,529	2,524
Subtotal	35,484	39,648
Interest and dividends income received	409	294
Interest expenses paid	(378)	(343)
Income taxes paid	(22,930)	(19,238)
Net cash provided by (used in) operating activities	12,585	20,360
Net cash from investing activities		
Purchase of property, plant and equipment	(13,162)	(9,567)
Proceeds from sales of property, plant and equipment	69	77
Purchase of investment securities	(155)	(2)
Payments of loans receivable	(247)	(207)
Collection of loans receivable	384	341
Other payments	(980)	(1,116)
Other proceeds	665	752
Net cash provided by (used in) investing activities	(13,427)	(9,722)
Net cash from financing activities		
Increase in short-term loans payable	24,450	21,000
Decrease in short-term loans payable	(25,851)	(21,700)
Repayments of finance lease obligations	(1,128)	(1,110)
Repayment of long-term loans payable	(1,797)	(1,797)
Purchase of treasury stock	(47)	(24)
Cash dividends paid	(4,726)	(4,376)
Other	(199)	(92)
Net cash provided by (used in) financing activities	(9,299)	(8,101)
Effect of exchange rate change on cash and cash equivalents	(278)	106
Net increase (decrease) in cash and cash equivalents	(10,420)	2,643
Cash and cash equivalents at beginning of period	142,321	174,502
Increase in cash and cash equivalents from newly consolidated subsidiary	1	62
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	—	(16)
Cash and cash equivalents at end of period	131,902	177,191

- (4) Notes to premise of going concern
Not applicable.

- (5) Segment information
[Segment information by business]
For the three months ended June 30, 2008

(Millions of yen)

	Delivery	BIZ-Logistics	Home Convenience	e-Business	Financial
Operating revenue					
(1) Operating revenue from customers	234,337	24,206	13,705	7,640	12,347
(2) Inter-segment operating revenue or transfers	9,782	2,910	3,417	4,624	1,768
Total	244,119	27,117	17,123	12,265	14,115
Operating expenses	244,843	25,886	17,608	11,105	11,872
Operating income (loss)	(723)	1,230	(484)	1,159	2,243

	Truck Maintenance	Other	Total	Eliminations or corporate	Consolidated
Operating revenue					
(1) Operating revenue from customers	3,974	1,047	297,260	—	297,260
(2) Inter-segment operating revenue or transfers	6,186	28,092	56,783	(56,783)	—
Total	10,161	29,139	354,043	(56,783)	297,260
Operating expenses	9,431	7,558	328,307	(36,295)	292,011
Operating income (loss)	729	21,581	25,736	(20,487)	5,248

For the three months ended June 30, 2009

(Millions of yen)

	Delivery	BIZ-Logistics	Home Convenience	e-Business	Financial
Operating revenue					
(1) Operating revenue from customers	221,726	18,997	12,937	7,532	13,193
(2) Inter-segment operating revenue or transfers	10,982	2,707	3,368	4,957	1,022
Total	232,709	21,704	16,305	12,490	14,215
Operating expenses	230,783	21,279	16,470	11,451	11,389
Operating income (loss)	1,925	424	(164)	1,039	2,826

	Truck Maintenance	Other	Total	Eliminations or corporate	Consolidated
Operating revenue					
(1) Operating revenue from customers	3,623	931	278,942	—	278,942
(2) Inter-segment operating revenue or transfers	5,786	24,010	52,835	(52,835)	—
Total	9,409	24,942	331,778	(52,835)	278,942
Operating expenses	8,781	7,596	307,752	(36,621)	271,131
Operating income (loss)	628	17,346	24,025	(16,214)	7,811

Note: Starting from the first quarter of fiscal 2010, Yamato Global Express Co., Ltd. in the Delivery Business and Yamato Global Logistics Japan Co., Ltd. in the BIZ-Logistics Business changed the accounting procedure for the calculation of air freightage expenses from recording the kickback revenue from airlines as operating revenue to offsetting the freightage expenses with the revenue. As a result, each of the operating revenue and operating expenses for the three months ended June 30, 2009 decreased 5,005 million yen in the Delivery Business and 2,864 million yen in the BIZ-Logistics Business while operating income is not affected.

[Segment information by geographical area]
For the three months ended June 30, 2008

(Millions of yen)

	Japan	U.S.A.	Europe	Asia	Total	Eliminations or corporate	Consolidated
Operating revenue							
(1) Operating revenue from customers	291,431	2,856	1,016	1,956	297,260	—	297,260
(2) Inter-segment operating revenue or transfers	1,635	960	428	836	3,861	(3,861)	—
Total	293,066	3,816	1,445	2,793	301,122	(3,861)	297,260
Operating expenses	287,741	3,742	1,429	2,669	295,583	(3,571)	292,011
Operating income	5,325	74	15	123	5,539	(290)	5,248

For the three months ended June 30, 2009

(Millions of yen)

	Japan	U.S.A.	Europe	Asia	Total	Eliminations or corporate	Consolidated
Operating revenue							
(1) Operating revenue from customers	275,295	2,006	597	1,043	278,942	—	278,942
(2) Inter-segment operating revenue or transfers	1,034	819	329	542	2,726	(2,726)	—
Total	276,329	2,826	926	1,586	281,669	(2,726)	278,942
Operating expenses	268,271	2,784	988	1,716	273,760	(2,628)	271,131
Operating income (loss)	8,058	42	(62)	(129)	7,908	(97)	7,811

[Overseas operating revenue]

For the three months ended June 30, 2008

(Millions of yen)

	North America	Other regions	Total
I. Overseas operating revenue	2,971	3,450	6,422
II. Consolidated operating revenue			297,260
III. Ratio of overseas operating revenue to consolidated operating revenue (%)	1.0	1.2	2.2

For the three months ended June 30, 2009

(Millions of yen)

	North America	Other regions	Total
I. Overseas operating revenue	2,016	1,887	3,903
II. Consolidated operating revenue			278,942
III. Ratio of overseas operating revenue to consolidated operating revenue (%)	0.7	0.7	1.4

Notes: 1. Method of grouping countries or regions, and major countries or regions belonging to groups

(1) Method of grouping countries or regions: Grouped according to geographical proximity.

(2) Major countries or regions belonging to groups

North America: U.S.A.

Other regions: The Netherlands, U.K., France, Hong Kong, Taiwan, Singapore, Guangzhou and Shanghai

2. Overseas operating revenue refers to operating revenue of the Company and consolidated subsidiaries that were generated in countries or regions outside of Japan.

- (6) Notes on significant changes in the amount of shareholders' equity
Not applicable.

6. Other information

[Operating revenue by business]

(Millions of yen)

Business segment		For the three months ended June 30, 2008	Ratio	For the three months ended June 30, 2009	Ratio	Change	Fiscal 2009	Ratio
			%		%	%		%
Delivery	Takkyubin	184,732	62.1	178,558	64.0	(3.3)	795,747	63.5
	Kuroneko Mail	36,455	12.3	36,523	13.1	0.2	145,054	11.6
	Express	17,130	5.7	11,435	4.1	(33.2)	70,330	5.6
	Others	14,455	4.9	13,858	5.0	(4.1)	62,243	5.0
	Eliminations	(18,436)	(6.2)	(18,648)	(6.7)	1.2	(75,477)	(6.0)
	Total	234,337	78.8	221,726	79.5	(5.4)	997,898	79.7
BIZ-Logistics	Trading logistics service	15,046	5.1	8,043	2.9	(46.5)	53,445	4.3
	Sales & logistics service	5,534	1.9	6,882	2.5	24.4	25,110	2.0
	Multi maintenance	1,370	0.4	1,413	0.5	3.1	6,004	0.5
	Export Factory	1,295	0.4	732	0.2	(43.5)	4,607	0.3
	Others	8,121	2.7	8,123	2.9	0.0	32,558	2.6
	Eliminations	(7,161)	(2.4)	(6,197)	(2.2)	(13.5)	(28,778)	(2.3)
	Total	24,206	8.1	18,997	6.8	(21.5)	92,947	7.4
Home Convenience	Delivery with installation	5,100	1.7	5,078	1.8	(0.4)	20,723	1.7
	Moving solution	8,079	2.7	7,384	2.7	(8.6)	30,041	2.4
	Merchandise distribution	3,950	1.3	3,849	1.4	(2.6)	18,686	1.5
	Eliminations	(3,425)	(1.1)	(3,375)	(1.2)	(1.5)	(16,136)	(1.3)
	Total	13,705	4.6	12,937	4.7	(5.6)	53,315	4.3
e-Business	e-logistic tracing solution	2,618	0.9	2,604	0.9	(0.5)	10,573	0.8
	Credit card solution	1,458	0.5	1,598	0.6	9.5	5,896	0.5
	IT operating solution	1,153	0.4	1,107	0.4	(4.0)	4,612	0.4
	Web-based mail order solution	1,299	0.4	1,422	0.5	9.5	6,052	0.5
	Others	6,760	2.3	6,549	2.4	(3.1)	29,951	2.4
	Eliminations	(5,649)	(1.9)	(5,748)	(2.1)	1.7	(24,813)	(2.0)
	Total	7,640	2.6	7,532	2.7	(1.4)	32,272	2.6
Financial	Takkyubin Collect	7,751	2.6	8,054	2.9	3.9	31,753	2.5
	Lease	4,019	1.4	4,173	1.5	3.8	16,723	1.3
	Shopping credit	2,162	0.7	1,835	0.6	(15.1)	8,350	0.7
	Others	218	0.1	171	0.1	(21.3)	673	0.1
	Eliminations	(1,804)	(0.6)	(1,042)	(0.4)	(42.2)	(3,894)	(0.3)
	Total	12,347	4.2	13,193	4.7	6.9	53,607	4.3
Truck Maintenance	Truck maintenance	9,009	3.0	8,926	3.2	(0.9)	38,343	3.1
	Others	1,255	0.4	1,191	0.4	(5.1)	4,895	0.4
	Eliminations	(6,290)	(2.1)	(6,495)	(2.3)	3.3	(25,684)	(2.1)
	Total	3,974	1.3	3,623	1.3	(8.8)	17,554	1.4
Other	JITBOX Charter service	594	0.2	539	0.2	(9.3)	2,391	0.2
	Others	28,969	9.8	25,018	8.9	(13.6)	53,112	4.2
	Eliminations	(28,516)	(9.6)	(24,626)	(8.8)	(13.6)	(51,178)	(4.1)
	Total	1,047	0.4	931	0.3	(11.0)	4,326	0.3
Total		297,260	100.0	278,942	100.0	(6.2)	1,251,921	100.0