

# Business Framework

## Delivery

(Millions of Yen)

■ Operating Revenues 934,607  
 ■ Operating Income 43,302



The Delivery business is involved in small parcel delivery services for the general public and corporations centering on *Takkyubin* and *Kuroneko Mail*.

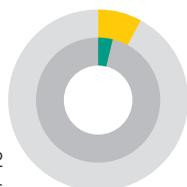
The business has also quickly introduced to the market high value-added services developed from the customer's point of view, such as *Cool Takkyubin* and *Takkyubin Collect*.

Furthermore, as the direct mail market is projected to expand going forward, in April 2006 Yamato Holdings formed a joint venture in Japan with DHL Global Mail (Japan), an affiliate of Deutsche Post World Net, called Yamato Dialog & Media.

## BIZ-Logistics

(Millions of Yen)

■ Operating Revenues 91,392  
 ■ Operating Income 3,795



BIZ-Logistics handles logistics and other B2B distribution operations.

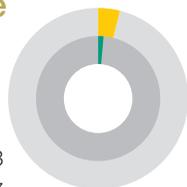
BIZ-Logistics helps its corporate clients manage their supply chains by providing innovative logistics services and reducing total costs, and presents proposals for optimized logistics systems.

In May 2006, the Yamato Group and the NIPPON YUSEN KABUSHIKI KAISHA (NYK LINE) Group agreed on a strategic tie-up, and implemented business and capital alliances. The aim of these alliances is to provide high-quality global logistics services by taking an organic and efficient approach to making the best possible use of the two groups' overseas and domestic management resources.

## Home Convenience

(Millions of Yen)

■ Operating Revenues 44,983  
 ■ Operating Income 1,347



Home Convenience is rooted in moving services, lifestyle support services and distribution services. It provides lifestyle support services tailored closely to the needs of particular regions.

Regarding *Household Takkyubin*, which is expected to demonstrate increasing growth going forward, Yamato Holdings concluded a basic agreement on a business and capital tie-up with MARUI in May 2007. The Home Convenience business, with its nationwide network for transporting household electronics and furniture, etc., and MOVING, a subsidiary of MARUI, with its know-how in transporting large items, combined their corporate and individual customer bases, contributing to greater customer convenience.

## e-Business

(Millions of Yen)

■ Operating Revenues 30,714  
 ■ Operating Income 5,029



e-Business is involved in a range of information services for corporations, including ASP services and information system development.

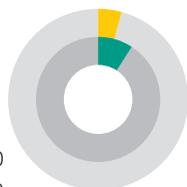
Based on the three keywords "tracking," "security," and "packages," the e-Business strives to provide unique services making the most of the Group's management resources.

In addition, it conducts proactive marketing activities, such as the *Critical Information Tracking ASP Service* launched in August 2006. This service provides effective management of the processing and location of important documents, including member applications and survey postcards that contain personal information.

## Financial

(Millions of Yen)

■ Operating Revenues 48,430  
 ■ Operating Income 9,049



The Financial business includes settlement and other financial services targeted at consumers and business customers, beginning with mail order firms.

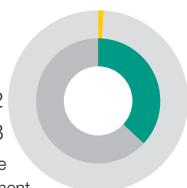
The business has five types of settlement methods, including payment on delivery and payment by credit card. Along with the increasing popularity of Internet shopping in recent years, we have constructed an environment that enables customers to conduct transactions with complete peace of mind.

In April 2005, Fine Credit Co., Ltd., became a subsidiary of the Yamato Group. The lending and liability management functions of this subsidiary are the main factor that makes it possible to provide a single window for a series of operations, from transport to settlement and funds procurement, based on combining LT, IT and FT.

## Other

(Millions of Yen)

■ Operating Revenues 11,442  
 ■ Operating Income 36,528



The Other business segment carries out vehicle maintenance primarily by Yamato Autoworks Co., Ltd., and is chiefly responsible for the *JITBOX Charter*, mainly operated by Box Charter Co., Ltd.

The focus now is on generating profit from these services by providing them to customers outside the Group, using expertise acquired within the Group over the years and the creation of new businesses as benchmarks for success.

In the *JITBOX Charter*, launched in April 2006, we established a franchise-type sales system based on a group of 15 companies starting in August of the same year, and we aggressively promoted sales in an effort to establish a new *de facto* standard for B2B logistics.

Note: Earnings for this business include dividends and business management fees received from subsidiaries and affiliates.