

Main Questions and Answers (Summary)
at Financial Results Briefing for
the Fiscal Year Ended March 31, 2025

Q1. How do you view trends in the parcel delivery market?

- We expect the parcel delivery market to continue to expand in size over the medium to long term, driven by the growth of e-commerce and the shift toward small-lot high-frequency shipments. With the further growth of e-commerce, competition will intensify not only among existing logistics players but also with companies bringing their logistics operations inhouse. This makes it increasingly important to provide services that meet customer needs.
- In light of these circumstances, Yamato has positioned the solutions business—aimed at addressing challenges faced by corporate clients across the entire supply chain—as a growth area, going beyond just providing TA-Q-BIN services. We will accelerate profit growth by offering high-value-add solutions that leverage the Group's management resources, such as our transportation & delivery network including warehouses in Japan and overseas as well as dedicated freighter aircraft, together with our expertise in logistics, customs clearance and real estate.

Q2. Please explain your thinking behind the average unit price and volume of the 3 parcel delivery products in the earnings forecast for the fiscal year ending March 31, 2026, and share your outlook and progress made so far in operations to address the decline in volume.

- In the TA-Q-BIN domain (*serves small corporates and individual customers), which has a relatively high unit price, we expect the average unit price to remain almost flat year-on-year (+0.2%), while volume is projected to grow (+2.8%). Yamato is pursuing "TA-Q-BIN Sales Office Reform" to create an environment where our Sales Drivers can fully focus on facing our customers and providing better services, while also developing products and services tailored to customer needs, building networks based on the characteristics of each region, and increasing our share in the hometown tax donation market.
- In the Corporate domain (*serves large corporate clients), the effects of pricing optimization negotiations conducted in the previous fiscal year are starting to materialize. We aim to further raise the average unit price (+4.0%) by continuing to focus on charging the appropriate pricing that reflects the value provided.

- We are anticipating a decline in volume ((0.6%)) in the Corporate domain due to such pricing optimization efforts. To address this, we are simultaneously transforming our operations to ensure flexibility in responding to volume fluctuations.

Q3. Please explain the current status and future outlook for freighter operations, introduced in the fiscal year ended March 31, 2025.

- We started operating freighters in the previous fiscal year, and while we successfully established a stable operational structure, we will further develop this business by capitalizing on the value-add of express transport.
- Specifically, in both the TA-Q-BIN domain (*serves small corporates and individual customers) and the Corporate domain (*serves large corporate clients) of the Express business, we aim to capture high-urgency transportation demand, such as for semiconductor- and automotive-related parts and service components, as well as fresh foods. Meanwhile, in the Global business, we will combine freighter operations with international forwarding and customs clearance functions to deliver value-add across the entire supply chain of our corporate clients, including upstream and downstream operations.
- Through these initiatives, we aim to bring forward the timing of generating profit on our upfront investments in freighter operations.

Q4. What are your views on real estate sale-and-leaseback transactions, in the context of strengthening balance sheet management?

- As we pursue the facilities strategy to reinforce the TA-Q-BIN network and grow the Corporate business, we are assessing the acquisition and method of holding real estate.
- Our objective is not simply to own real estate, but rather to consider what services we can provide using that real estate. If we identify properties for which there is no rationale for holding them in relation to our business development, we will consider measures such as selling them, to generate cash which can then be reallocated to growth investments etc.