



# NEWS RELEASE

Yamato Holdings Co., Ltd.

January 23, 2020

## Notice Regarding the Decision to Reorganize the Management Structure of the Group (Simplified Absorption-type Merger and Simplified Absorption-type Company Split Involving Consolidated Subsidiaries)

Yamato Holdings Co., Ltd. (hereinafter, the “Company”) hereby announces that the Board of Directors has resolved to reorganize the Company’s management structure from that of a pure holding company to that of an operating company, upon conducting an absorption-type merger and absorption-type company split involving eight Group companies, including Yamato Transport Co., Ltd., on April 1, 2021.

Some disclosure items and details have been omitted because the absorption-type merger and absorption-type company split constitute a simplified absorption-type merger and simplified absorption-type company split involving wholly-owned subsidiaries.

### 1. Reorganization of the Group’s management structure

#### (1) Purpose of reorganizing the Group’s management structure

The Company has formulated the transformation plan “YAMATO NEXT100”. This plan has been formulated as a grand design, which is the framework of the next medium-term management plan, based on the results and challenges of the current medium-term management plan “KAIKAKU 2019 for NEXT100” and changes in the external environment.

In April 2021, the company will reorganize its management structure by an absorption-type merger and absorption-type company split of the 8 group companies, to shift the current pure holding company structure into a business company structure, which consists of 4 Business Divisions (Retail, Regional Corporate, Global Corporate, and EC) and 4 Functional Divisions.

※For details on the transformation plan, please refer to the Transformation Plan “YAMATO NEXT100”, released today.

#### (2) Overview of reorganization of the Group’s management structure

- ① The Company, now a pure holding company, will become an operating company upon carrying out a simplified absorption-type merger involving seven wholly-owned subsidiaries, such that include Yamato Transport Co., Ltd., Yamato Logistics Co., Ltd., and Yamato Global Logistics Japan Co., Ltd. and upon causing succession of a portion of the business operations of the wholly-owned subsidiary Yamato System Development Co., Ltd. by means of simplified absorption-type company split.
- ② Having transitioned to the operating company format, the Company will establish the new management structure consisting of the four business divisions and four functional divisions listed as follows.
  - i. The Company will reorganize respective business operations including those of Yamato Transport Co., Ltd., Yamato Logistics Co., Ltd., and Yamato Global Logistics Japan Co., Ltd., and establish four business divisions consisting of the Retail Business Division, Regional Corporate Business Division, Global Corporate Business Division, and EC Business Division, based on customer segmentation.
  - ii. In addition, the Company will establish four functional divisions that will improve functionality that acts as the source of the Group’s competitive advantages and promotes thorough standardization and optimization.
  - iii. Even after the transition to a business company structure, Yamato will strive to further enhance the corporate and shareholder value by continuing to strengthen governance for

transparency and soundness of management by clarifying the separation of management supervision and execution.

For execution, the operating company system will reduce the distance between management and the field, simplifying and speeding up the decision-making process, and clarifying the authority and scope of responsibility.

### (3) Outline of the merger

#### ① Schedule for the merger

Date of the resolution by the Board of Directors (the Company):

December 17, 2020 (planned)

Date of the resolutions by Boards of Directors (respective subsidiaries):

December 18, 2020 (planned)

Conclusion date of the merger agreement:

December 18, 2020 (planned)

Planned date for implementation (effective date):

April 1, 2021 (planned)

(Note) The Company will implement the merger under procedures applicable to a simplified absorption-type merger which is not subject to approval of a general meeting of shareholders, pursuant to Article 796, paragraph (2) of the Companies Act. The respective subsidiaries will implement the merger under procedures applicable to a short-form absorption-type merger which is not subject to approval of a general meeting of shareholders, pursuant to Article 784, paragraph (1) of the Companies Act.

#### ② Method of merger

The merger will be implemented by an absorption-type merger with the Company as the surviving company and seven subsidiaries as the disappearing companies.

#### ③ Allotments pertaining to the merger

The Company will not allot shares or otherwise provide cash or other such assets in relation to the merger because the Company maintains ownership of all the issued and the outstanding shares of the seven subsidiaries subject to the absorption-type merger.

#### ④ Handling of share acquisition rights and bonds with share acquisition rights associated with the merger

Not applicable.

#### ⑤ Overview of the companies involved in the merger

As described in Attachment .

### (4) Outline of the company split

#### ① Schedule for the company split

Date of the resolution by the Board of Directors (the Company):

December 17, 2020 (planned)

Date of the resolution by the Board of Directors (Yamato System Development Co., Ltd.):

December 18, 2020 (planned)

Conclusion date of the company split agreement:

December 18, 2020 (planned)

Planned date for implementation (effective date):

April 1, 2021 (planned)

(Note) The Company will implement the company split under procedures applicable to a simplified absorption-type company split which is not subject to approval of a general meeting of shareholders, pursuant to Article 796, paragraph (2) of the Companies Act. Yamato System Development Co., Ltd. will implement the company split under procedures applicable to a short-form absorption-type company split which is not subject to approval of a general meeting of shareholders, pursuant to Article 784, paragraph (1) of the Companies Act.

② Method of company split

The company split will be implemented by an absorption-type company split with the Company as the successor company and Yamato System Development Co., Ltd. as the splitting company.

③ Allotments pertaining to the company split

The Company will not allot shares or otherwise provide cash or other such assets in relation to the company split because the Company maintains ownership of all the issued and the outstanding shares of Yamato System Development Co., Ltd., which will be the counterparty to the absorption-type company split.

④ Handling of share acquisition rights and bonds with share acquisition rights associated with the company split

Not applicable.

⑤ Share capital that is to increase or decrease as a result of the company split

There will be no increase or decrease in share capital of the Company as a result of the company split.

⑥ Rights and obligations succeeded by the successor company (the Company)

The Company will succeed assets and liabilities related to the businesses subject to the company split held by Yamato System Development Co., Ltd., which will be the counterparty to the company split, and any rights and obligations incidental thereto.

⑦ Expectation on performance of obligations

The Company considers that there will be no problem with certainty of performance of obligations to be borne by the Company on and after the effective date of the company split.

⑧ Overview of businesses succeeded through the company split

i. Overview of the Web-based Mail Order Solution Business and the Regional Operation Management Department of Yamato System Development Co., Ltd.

· Web-based Mail Order Solution Business

Offering a package consisting not only of services related to launch of a mail order business, but also, to fully support the customer's business, creating a tailor-made IT system and managing it.

· Regional Operation Management Department  
Sales department of Yamato System Development Co., Ltd.

ii. Operating results for the fiscal year ended March 31, 2019

· Web-based Mail Order Solution Business

Operating revenue	5,844 million yen
Operating profit	622 million yen

· Because the Regional Operation Management Department is a sales department, its operating results are included in each business of Yamato System Development Co., Ltd.

iii. Financial position for the fiscal year ended March 31, 2019

(Millions of yen)

Assets		Liabilities	
Current assets	4,299	Current liabilities	1,782
Non-current assets	807	Non-current liabilities	1,405
Total	5,107	Total	3,188

⑨ Overview of the companies involved in the company split

As described in Attachment .

(5) Status after the reorganization

The status after the absorption-type merger and the company split will be promptly announced, once determined.

(6) Future outlook

The absorption-type merger and the absorption-type company split are an absorption-type merger and an absorption-type company split with wholly-owned subsidiaries, and therefore, impact of the merger and the company split on the consolidated business results is insignificant.

2. Amendments to the Articles of Incorporation

(1) Reasons for amendments

The Company will make a transition from a pure holding company to an operating company through the absorption-type merger and the absorption-type company split. In line with this, necessary amendments will be made to the Articles of Incorporation as of April 1, 2021, the effective date of the absorption-type merger and the absorption-type company split.

The amendments to the Article of Incorporation are subject to approval of the proposal to be submitted to the ordinary general meeting of shareholders scheduled to be held in late June 2020.

The content of necessary amendments to the Article of Incorporation will be promptly disclosed, once determined.

(2) Scheduled date of amendments

April 1, 2021

Attachment . Overview of the Companies Involved

Surviving company in the absorption-type merger and successor company in the absorption-type company split

(1) Name	Yamato Holdings Co., Ltd.		
(2) Location	16-10, Ginza 2-chome, Chuo-ku, Tokyo		
(3) Title and name of representative	Yutaka Nagao, Representative Director, President and Executive Officer		
(4) Content of business	Holding of shares in operating companies, business management, and operations incidental thereto		
(5) Share capital	127,234 million yen		
(6) Date of establishment	February 21, 1929 (Date of Foundation: November 29, 1919)		
(7) Number of shares issued	411,339,992 shares		
(8) Fiscal year-end	March 31		
(9) Major shareholders and ownership percentage (As of March 31, 2019)	1. The Master Trust Bank of Japan, Ltd. (Trust Account)		11.16%
	2. Japan Trustee Services Bank, Ltd. (Trust Account)		6.85%
	3. JPMorgan Chase Bank, N.A. 380055		6.50%
	4. Yamato Employees' Shareholding Association		4.97%
	5. Nippon Life Insurance Company		3.75%
(10) Financial position and operating results for the preceding three fiscal years	Fiscal year ended March 31, 2017 (Consolidated) (Millions of yen)	Fiscal year ended March 31, 2018 (Consolidated) (Millions of yen)	Fiscal year ended March 31, 2019 (Consolidated) (Millions of yen)
Net assets	545,559	557,586	573,388
Total assets	1,114,672	1,114,870	1,123,659
Net assets per share (Yen)	1,367.51 yen	1,395.74 yen	1,435.15 yen
Operating revenue	1,466,852	1,538,813	1,625,315
Operating profit	34,885	35,685	58,345
Ordinary profit	34,884	36,085	54,259
Profit attributable to owners of the Parent	18,053	18,231	25,682
Basic earnings per share (Yen)	45.37 yen	46.24 yen	65.14 yen

### Disappearing company 1

(1) Name	Yamato Transport Co., Ltd.		
(2) Location	16-10, Ginza 2-chome, Chuo-ku, Tokyo		
(3) Title and name of representative	Toshizo Kurisu, Representative Director, President and Executive Officer		
(4) Content of business	Small parcel delivery services for the general public and corporations (TA-Q-BIN, Kuroneko DM-Bin, etc.)		
(5) Share capital	50,000 million yen		
(6) Date of establishment	March 31, 2005		
(7) Number of shares issued	1,000,000 shares		
(8) Fiscal year-end	March 31		
(9) Major shareholders and ownership percentage	Yamato Holdings Co., Ltd.		100.00%
(10) Financial position and operating results for the preceding three fiscal years	Fiscal year ended March 31, 2017 (Non-consolidated) (Millions of yen)	Fiscal year ended March 31, 2018 (Non-consolidated) (Millions of yen)	Fiscal year ended March 31, 2019 (Non-consolidated) (Millions of yen)
Net assets	335,221	335,330	360,931
Total assets	600,763	622,129	678,262
Operating revenue	1,179,589	1,227,115	1,315,644
Operating profit	14,945	3,227	36,585
Ordinary profit	17,291	5,918	38,872
Profit	8,783	88	25,586

### Disappearing company 2

(1) Name	Yamato Global Express Co., Ltd.		
(2) Location	3-27, Konan 5-chome, Minato-ku, Tokyo		
(3) Title and name of representative	Terumi Nagata, Representative Director, President and Executive Officer		
(4) Content of business	Small parcel delivery services for corporations (domestic air cargo transport business, etc.)		
(5) Share capital	1,000 million yen		
(6) Date of establishment	July 10, 2007		
(7) Number of shares issued	131,069 shares		
(8) Fiscal year-end	March 31		
(9) Major shareholders and ownership percentage	Yamato Holdings Co., Ltd.		100.00%
(10) Financial position and operating results for the preceding three fiscal years	Fiscal year ended March 31, 2017 (Non-consolidated) (Millions of yen)	Fiscal year ended March 31, 2018 (Non-consolidated) (Millions of yen)	Fiscal year ended March 31, 2019 (Non-consolidated) (Millions of yen)
Net assets	11,185	11,677	12,008
Total assets	18,121	18,886	19,235
Operating revenue	48,193	48,831	48,052
Operating profit	1,432	1,970	2,099
Ordinary profit	1,480	2,026	2,139
Profit	1,067	1,345	1,407

### Disappearing company 3

(1) Name	Yamato Logistics Co., Ltd.		
(2) Location	12-18, Ginza 2-chome, Chuo-ku, Tokyo		
(3) Title and name of representative	Yasuharu Kosuge, Representative Director, President and Executive Officer		
(4) Content of business	Logistics services for corporations (total support services including logistics, medical products distribution services, maintenance support service, and recall support service)		
(5) Share capital	1,000 million yen		
(6) Date of establishment	August 1, 2008		
(7) Number of shares issued	145,292 shares		
(8) Fiscal year-end	March 31		
(9) Major shareholders and ownership percentage	Yamato Holdings Co., Ltd.		100.00%
(10) Financial position and operating results for the preceding three fiscal years	Fiscal year ended March 31, 2017 (Non-consolidated) (Millions of yen)	Fiscal year ended March 31, 2018 (Non-consolidated) (Millions of yen)	Fiscal year ended March 31, 2019 (Non-consolidated) (Millions of yen)
Net assets	10,385	10,025	14,256
Total assets	22,695	24,644	29,528
Operating revenue	55,113	61,992	95,529
Operating profit	2,431	2,285	3,028
Ordinary profit	2,521	2,338	3,114
Profit	1,701	1,001	2,039

### Disappearing company 4

(1) Name	Yamato Global Logistics Japan Co., Ltd.		
(2) Location	3-4, Tsukiji 2-chome, Chuo-ku, Tokyo		
(3) Title and name of representative	Hiroyoshi Kanai, Representative Director, President and Executive Officer		
(4) Content of business	International air cargo service, handling of marine cargo, import/export customs clearance services, overseas lifestyle support services including international moving, fine art transport business		
(5) Share capital	1,880 million yen		
(6) Date of establishment	November 17, 1999		
(7) Number of shares issued	214,060 shares		
(8) Fiscal year-end	March 31		
(9) Major shareholders and ownership percentage	Yamato Holdings Co., Ltd.		100.00%
(10) Financial position and operating results for the preceding three fiscal years	Fiscal year ended March 31, 2017 (Non-consolidated) (Millions of yen)	Fiscal year ended March 31, 2018 (Non-consolidated) (Millions of yen)	Fiscal year ended March 31, 2019 (Non-consolidated) (Millions of yen)
Net assets	6,965	6,307	8,006
Total assets	11,084	12,422	23,126
Operating revenue	17,382	18,638	27,660
Operating profit	129	(655)	(1,035)
Ordinary profit	208	(592)	(937)
Profit	(345)	(658)	(1,349)

#### Disappearing company 5

(1) Name	Yamato Packing Service Co., Ltd.		
(2) Location	8-4, Umibe, Koto-ku, Tokyo		
(3) Title and name of representative	Shigeru Arakawa, Representative Director and President		
(4) Content of business	Packing / cargo transportation services		
(5) Share capital	80 million yen		
(6) Date of establishment	February 25, 1947		
(7) Number of shares issued	1,600,000 shares		
(8) Fiscal year-end	March 31		
(9) Major shareholders and ownership percentage	Yamato Holdings Co., Ltd.		100.00%
(10) Financial position and operating results for the preceding three fiscal years	Fiscal year ended March 31, 2017 (Non-consolidated) (Millions of yen)	Fiscal year ended March 31, 2018 (Non-consolidated) (Millions of yen)	Fiscal year ended March 31, 2019 (Non-consolidated) (Millions of yen)
Net assets	6,818	7,128	3,578
Total assets	8,677	9,024	4,480
Operating revenue	10,659	11,857	5,179
Operating profit	391	489	122
Ordinary profit	752	822	431
Profit	344	639	380

#### Disappearing company 6

(1) Name	Yamato Packing Technology Institute Co., Ltd.		
(2) Location	11-1, Haneda Asahi-cho, Ota-ku, Tokyo		
(3) Title and name of representative	Yoshimi Oshita, Representative Director and President		
(4) Content of business	R&D and sale of packaging containers and materials		
(5) Share capital	20 million yen		
(6) Date of establishment	December 1, 2006		
(7) Number of shares issued	1,620 shares		
(8) Fiscal year-end	March 31		
(9) Major shareholders and ownership percentage	Yamato Holdings Co., Ltd.		100.00%
(10) Financial position and operating results for the preceding three fiscal years	Fiscal year ended March 31, 2017 (Non-consolidated) (Millions of yen)	Fiscal year ended March 31, 2018 (Non-consolidated) (Millions of yen)	Fiscal year ended March 31, 2019 (Non-consolidated) (Millions of yen)
Net assets	970	992	1,024
Total assets	4,550	4,501	4,464
Operating revenue	8,752	8,901	8,692
Operating profit	680	559	505
Ordinary profit	680	559	506
Profit	448	381	336



### Disappearing company 7

(1) Name	Yamato Financial Co., Ltd.		
(2) Location	12-18, Ginza 2-chome, Chuo-ku, Tokyo		
(3) Title and name of representative	Naomi Ogata, Representative Director, President and Executive Officer		
(4) Content of business	Settlement services targeting business customers and general consumers (TA-Q-BIN Collect service, Internet total settlement service, etc.)		
(5) Share capital	1,000 million yen		
(6) Date of establishment	July 5, 1986		
(7) Number of shares issued	20,000 shares		
(8) Fiscal year-end	March 31		
(9) Major shareholders and ownership percentage	Yamato Holdings Co., Ltd.		100.00%
(10) Financial position and operating results for the preceding three fiscal years	Fiscal year ended March 31, 2017 (Non-consolidated) (Millions of yen)	Fiscal year ended March 31, 2018 (Non-consolidated) (Millions of yen)	Fiscal year ended March 31, 2019 (Non-consolidated) (Millions of yen)
Net assets	18,391	18,119	17,824
Total assets	90,785	87,336	89,682
Operating revenue	38,834	36,749	34,263
Operating profit	6,936	6,498	5,985
Ordinary profit	6,936	6,498	5,984
Profit	4,788	4,516	4,221

### Splitting company

(1) Name	Yamato System Development Co., Ltd.		
(2) Location	5-15, Minamisuna 2-chome, Koto-ku, Tokyo		
(3) Title and name of representative	Yoshihiko Hoshino, Representative Director, President and Executive Officer		
(4) Content of business	Networking service; research, development, information, and consulting services for users of computer systems; software development, equipment sales, and online services		
(5) Share capital	1,800 million yen		
(6) Date of establishment	January 20, 1973		
(7) Number of shares issued	1,244,600 shares		
(8) Fiscal year-end	March 31		
(9) Major shareholders and ownership percentage	Yamato Holdings Co., Ltd.		100.00%
(10) Financial position and operating results for the preceding three fiscal years	Fiscal year ended March 31, 2017 (Non-consolidated) (Millions of yen)	Fiscal year ended March 31, 2018 (Non-consolidated) (Millions of yen)	Fiscal year ended March 31, 2019 (Non-consolidated) (Millions of yen)
Net assets	24,461	26,737	25,528
Total assets	50,308	52,413	47,824
Operating revenue	84,879	86,880	71,247
Operating profit	9,262	10,475	8,646
Ordinary profit	9,245	10,481	8,560
Profit	6,537	7,509	6,017

End.