

## Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2023 <under Japanese GAAP>

Company name: Yamato Holdings Co., Ltd.  
 Listing: Tokyo Stock Exchange  
 Stock code: 9064  
 URL: <https://www.yamato-hd.co.jp/>  
 Representative: Yutaka Nagao, President  
 Contact: Toshizo Kurisu, Executive Officer and Vice President, Responsible for Finance  
 Tel: +81-3-3541-4141 (from overseas)

Scheduled date of the submission of quarterly securities report: November 9, 2022  
 Scheduled date of the commencement of dividend payment: December 9, 2022  
 Preparation of supplementary materials on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: Yes

(Amounts less than 1 million yen are discarded)

### 1. Consolidated financial results for the second quarter of fiscal year 2023 (cumulative: from April 1, 2022 to September 30, 2022)

#### (1) Consolidated operating results

(Percentages represent year-on-year changes)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
For the six months ended								
September 30, 2022	883,755	2.1	18,048	(43.0)	18,275	(50.5)	10,358	(29.2)
September 30, 2021	865,470	7.4	31,690	17.7	36,921	32.2	14,631	3.1

(Note) Comprehensive income: For the six months ended September 30, 2022: 12,170 million yen ((41.3)%)  
 For the six months ended September 30, 2021: 20,719 million yen (22.2%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
For the six months ended		
September 30, 2022	28.57	—
September 30, 2021	39.44	—

#### (2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of			
September 30, 2022	1,074,028	590,990	54.4
March 31, 2022	1,086,854	598,233	54.3

(Reference) Equity: As of September 30, 2022: 584,196 million yen As of March 31, 2022: 590,542 million yen

### 2. Dividends

	Annual dividends				
	First quarter	Second quarter	Third quarter	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal 2022	—	23.00	—	23.00	46.00
Fiscal 2023	—	23.00	—	—	—
Fiscal 2023 (Forecast)	—	—	—	23.00	46.00

(Note) Revisions to the forecasts most recently announced: None

### 3. Consolidated earnings forecasts for fiscal year 2023 (from April 1, 2022 to March 31, 2023)

(Percentages represent year-on-year changes)

	Operating revenue		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	1,835,000	2.3	75,000	(2.8)	72,000	(14.6)	45,000	(19.6)	124.16

(Note) Revisions to the forecasts most recently announced: Yes

#### \* Notes

(1) Changes in significant subsidiaries during the six months under review (changes in specified subsidiaries resulting in the change in scope of consolidation): None

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

(Note) For details, please see "2. Consolidated Financial Statements and Significant Notes Thereto, (4) Notes to consolidated financial statements (Application of specific accounting for preparing the quarterly consolidated financial statements)" of the attached materials to the quarterly financial results report on page 14.

(3) Changes in accounting policies, changes in accounting estimates, and restatement

- a. Changes due to revision to accounting standards, etc.: None
- b. Changes other than a: None
- c. Changes in accounting estimates: None
- d. Restatement: None

(4) Number of issued shares (common shares)

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

As of September 30, 2022:	379,824,892 shares
As of March 31, 2022:	388,575,592 shares
- b. Number of treasury shares as of the end of the period
 

As of September 30, 2022:	17,551,571 shares
As of March 31, 2022:	22,084,421 shares
- c. Average number of shares during the period (cumulative from the beginning of the fiscal year)
 

For the six months ended September 30, 2022:	362,616,940 shares
For the six months ended September 30, 2021:	371,024,853 shares

\*Quarterly financial results reports are exempt from quarterly review conducted by certified public accountants or an audit firm.

#### \*Proper use of earnings forecasts and other noteworthy events

- Descriptions of the above financial projections and other data are based on information currently available to the Company and certain assumptions that the Company considers 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 "1. Qualitative Information on Settlement of Accounts for the Six Months, (3) Explanation of consolidated earnings forecasts and other forward-looking statements" of the attached materials to the quarterly financial results report on page 8.
- The Company plans to post supplementary materials on quarterly financial results on the Company's website promptly after the announcement of the quarterly financial results.

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## 1. Qualitative Information on Settlement of Accounts for the Six Months

### (1) Summary of operating results

During the six months ended September 30, 2022, progress was made towards the normalization of economic activity, such as the easing of border restrictions, despite the lingering impact of COVID-19. However, with inflationary pressure around the world, driven by the rise in the price of natural resources and food products due to global instability, coupled with the weakening of the yen due to the widening gap in interest rates between Japan and overseas, there still is not sufficient visibility towards a full-fledged economic recovery. Moreover, COVID-19 has triggered a change in consumption behavior and lifestyles and the expansion of e-commerce in all industries, driven by the spread of working from home, as well as medical treatment and education taking place online.

Under these circumstances, the Yamato Group focused on providing comprehensive value to address the needs of customers and society, in order to achieve sustainable corporate value enhancement through “Helping to enrich our society” which is part of our Management Philosophy, under the Group management structure in which we brought together the management resources of each Group company, and based on the Medium-term management plan “One YAMATO 2023” with the fiscal year ending March 2024 as the final year, towards innovating the supply chain to address changes in people’s lifestyles and the distribution structure.

Our consolidated financial results for the six months ended September 30, 2022 are as follows.

Item	(Millions of yen)			
	For the six months ended September 30, 2021	For the six months ended September 30, 2022	Change	Growth (%)
Operating revenue	865,470	883,755	18,285	2.1
Operating profit	31,690	18,048	(13,641)	(43.0)
Ordinary profit	36,921	18,275	(18,645)	(50.5)
Profit attributable to owners of parent	14,631	10,358	(4,272)	(29.2)

For the six months ended September 30, 2022, operating revenue was 883,755 million yen, up 18,285 million yen from the previous year.

This was largely attributable to the increase in parcel delivery volume as a result of capturing demand from the e-commerce domain where growth is continuing, as well as our focus on optimizing logistics for customers.

Operating expenses was 865,706 million yen, up 31,926 million yen from the previous year.

This was due to the increase in costs associated with the promotion of our Medium-term management plan “One YAMATO 2023”, such as the fact that we are still in the process of optimizing transportation and delivery operations between the EC logistics network, which we are building to address the growing EC demand, and in our existing network, in addition to higher fuel prices.

As a result, for the six months ended September 30, 2022, operating profit was 18,048 million yen, down 13,641 million yen from the previous fiscal year.

#### Initiatives for the entire Yamato Group

The Yamato Group has been working to stably provide logistics services, including TA-Q-BIN, while paying consideration to hygiene management of our employees. Moreover, based on the Medium-term management plan “One YAMATO 2023”, which aims to provide comprehensive value to address the diversifying needs of customers and society, we have continued to implement the following measures:

- ① Enhancing value provision to corporate clients  
In response to growing EC demand and changes in the supply chain of corporate customers, our Sales Drivers and the sales people covering corporate clients worked together and continue to provide value to cover the entire supply chain, through measures such as optimizing clients’ inventory, by integrating the inventory management system and transportation and delivery network with the consolidated and enlarged facilities.
- ② Structural reforms of our network operations  
In order to address the growing EC demand, we continued to build the EC logistics network with a more simple operation process covering sorting, transportation and last-mile deliveries, mainly in the urban

areas. We also promoted initiatives such as consolidating and enlarging the TA-Q-BIN Sales offices, redefining the functions of our terminals, enhancing operational efficiency using IT systems, and improving safety, quality and the work environment.

③ Promoting strategies for achieving sustainable enhancement of corporate value

With the aim of sustainably enhancing our corporate value, we are engaging in initiatives under our Medium-term management plan “One YAMATO 2023” that involves promoting data and innovation strategies, reforming the management structure and reinforcing governance, engaging in an HR strategy which supports “Innovating Delivery Business,” improving capital efficiency, and strengthening sustainable management.

As for our data strategy, we continued to develop digital data and strengthen digital platforms in order to further enhance our use of data. We are also sophisticating our demand forecasting, providing services using digital data, and improving our operations using digital data.

Meanwhile, we made progress in our innovation strategy with initiatives to promote open innovation, which entails discovering and collaborating with startups, as well as to invest in such startups with the aim of creating new businesses.

We are also working on sophisticating corporate governance, separating management supervision and execution, maintaining and enhancing management transparency, as well as strengthening governance with an emphasis on the speed of our decision-making.

As for strengthening our sustainable management, we are promoting management that considers the environment and society through measures such as connecting people, resources and information at a high level, and making our transportation more efficient, in order to achieve both sustainable growth and sustainable social development, under our two visions of “Connect. Deliver the Future via Green Logistics” and “Through Co-Creation and Fair Business Activities, Help Create a Society That Leaves No One Behind”. In terms of the environment, we are promoting measures such as “introducing 20,000 EVs”, “introducing 810 solar power generation facilities” and “improving the usage rate of renewable energy-based electricity”, in order to achieve the target of “48% reduction in GHG in 2030, compared to FY March 2021” and “Climate neutrality (in-house emissions) in 2050”. In the six months ended September 2022, two projects were selected by the New Energy and Industrial Technology Development Organization (NEDO) for the “Green Innovation Fund Project: Establishing a Smart Mobility Society”: the “Introduction and Operation of EVs for the Realization of Green Delivery,” an independent proposal project, and the “Establishment and Large-Scale Trial of an Energy Management System for the Dissemination of Commercial Electric Vehicles,” which is a joint project. We will work to strengthen sustainable management through the promotion of these projects, and by building up knowledge on how to operate EVs, considering priority areas for EV introduction based on regional characteristics, and gaining knowledge on energy management and other issues.

## Business strategies of each segment

### ● Retail Business Unit

- ① The Retail Business Unit provides high-quality small-lot parcel delivery services such as TA-Q-BIN, and as the starting point of business for the entire Group, has been working to provide value that addresses the needs of our customers by utilizing our strength of having points of contact with customers that originates through the provision of TA-Q-BIN services, with our front-line employees monitoring and capturing changes in our customers in their lifestyles and business environments, and working with the sales people in charge of corporate clients and proposing solutions that utilize the Group’s management resources. It has also been working to provide services that make delivery and pick-up more convenient, particularly the “Kuroneko Members” service, which has more than 50 million registered members, and the “Yamato Business Members” service, which is used by more than 1.5 million corporate clients, and also through efforts to upgrade various services other than those involving transportation that are beneficial in terms of people’s lives and business.
- ② In the six months ended September 30, 2022, the new payment service “Nyan-Pay”, which can accommodate smartphone payments, was added to our official app, thereby promoting cashless payments and improving convenience through digitalization.

- ③ Operating revenue of the Retail Business Unit from external clients amounted to 437,653 million yen, up 1.9% from the previous year, as a result of our efforts to provide optimal sending and receiving of parcels in accordance with diversifying needs. Operating expenses increased 6.3% from the previous year due to factors including the increase in expenses related to the promotion of our Medium-term management plan “One YAMATO 2023”, and operating profit declined 11,414 million yen from the previous year.

#### ● Corporate Business Unit

- ① The Corporate Business Unit provides value across entire corporate logistics supply chains, including the midstream and upstream domains of business. In order to do so, the Unit takes on initiatives that included planning supply chain management (SCM) strategies that contribute to clients’ business decisions, above and beyond improving and streamlining logistics operations, and it furthermore engaged in account management, which involved developing effective strategies and assuming responsibility through to management and operation.
- ② In the urban areas where the growing EC demand is concentrated, the Unit has been building an EC logistics network with more simplified operations covering sorting, transportation and last-mile deliveries. To optimize logistics for e-commerce vendors with stores in online shopping malls, we used our partnerships with major e-commerce companies to implement initiatives to further improve convenience and expand sales for services that completely or partially replace operational functions from order receiving to shipping and delivery. Moreover, for cross-border EC where demand is growing, we are promoting initiatives to seamlessly link the import and customs-related system and the domestic delivery network, thereby shortening the delivery lead-time.
- ③ For retailers who are developing physical stores and e-commerce omni-channel sales frameworks, the Unit has been promoting efforts to optimize inventory and logistics through centralized management, thereby making clients’ inventories in their omni-channel operations more fluid, by combining the consolidated and enlarged business facilities with the transportation networks. Moreover, we are focusing on making proposals in our sales activities to provide comprehensive value, such as through one-stop management of clients’ logistics operations by the Yamato Group, covering the entire process starting from procuring merchandise for their physical stores as well as their official e-commerce sites, to the storage, packaging and sending of such merchandise.
- ④ In the six months ended September 30, 2022, we signed a “Logistics Partnership Agreement” with a comprehensive food product manufacturer to optimize the entire supply chain, from the sourcing of materials to selling its products. Based on this Agreement, Yamato Transport Co., Ltd. will aim to consolidate the supply chain which had been optimized individually by channel and product in the past, and integrate inventory management of products sold in the stores and via EC, as well as ingredients and materials used in the factories, together with making the inventory between channels more liquid, thereby establishing a logistics structure that supplies only what is necessary to each facility and store in a timely manner. We will also engage in sustainable operations in consideration of the global environment, as well as reducing GHG emissions from the delivery of merchandise.
- ⑤ Operating revenue from customers amounted to 416,363 million yen, up 6.2% from the previous fiscal year, mainly as a result of the Unit tapping growing e-commerce demand, as well as promoting logistics optimization of corporate clients. Operating expenses increased 5.4% from the previous year due to factors including the increase in expenses related to the promotion of our Medium-term management plan “One YAMATO 2023”, and operating profit declined 1,661 million yen from the previous year.

(Reference)

(Million parcels / units)

Category	For the six months ended September 30, 2021	For the six months ended September 30, 2022	Change	Growth (%)
TA-Q-BIN/TA-Q-BIN Compact/EAZY	914	940	25	2.8
Nekopos	188	209	21	11.3
Kuroneko DM-Bin	412	400	(12)	(3.0)

● **Other**

- ① During the six months ended September 30, 2022, we continued to promote efforts to expand sales for transportation by transport box taking advantage of the network consisting of multiple corporate groups and for vehicle maintenance services.
- ② Operating revenue from customers was 29,738 million yen, down 32.3% from the previous year. Operating profit was 7,080 million yen, down 1,026 million yen from the previous year.

**ESG Initiatives**

- ① The Yamato Group places utmost priority on protecting human life and conducts a range of safety measures. Accordingly, its transport safety management practices in that regard involve drawing up its Safety Management Regulations, building up its transport safety management systems, and formulating annual plans, all centered on respective Group companies whose main operations involve transport. During the six months ended September 30, 2022, the entire Yamato Group carried out the “Zero Traffic Accidents Campaign” in order to improve safety awareness
- ② For the Yamato Group, enhancing corporate value is one of the most important management priorities, and the Group is engaged in various initiatives to strengthen its management structure, as part of its corporate governance effort. Based on the Group’s corporate philosophy, we conduct business activities in accordance with laws and social norms, and are promoting compliance-based management.
- ③ The Yamato Group has been working to strengthen its sustainable management, by establishing the Sustainable Medium-Term Environmental Plan 2023 and Medium-Term Social Plan 2023, based on our two visions outlined in the transformation plan “YAMATO NEXT100”; “Connect. Deliver the Future via Green Logistics” and “Through Co-Creation and Fair Business Activities, Help Create a Society That Leaves No One Behind”.
- ④ Under the “Environmental” component of the Sustainable Medium-Term Environmental Plan 2023 and Medium-Term Social Plan 2023, together with the quantitative targets to lower the environmental burden from our business activities, we have set targets for areas such as materials and vehicles, where the logistics industry can contribute in spreading innovative technologies. The Yamato Group is also targeting green logistics initiatives in partnership with our diverse partners, as well as providing products and services with low environmental burden, thereby creating environmental value.
- ⑤ Under the “Social” component of the Sustainable Medium-Term Environmental Plan 2023 and Medium-Term Social Plan 2023, the Yamato Group respects the diversity of its people, and established a work environment that brings out the best of employees, thereby addressing social issues. We are working to create an enriched society through measures such as promoting regional development through collaborations. During the six months ended September 30, 2022, we began the “Universal Manner Qualification” for Yamato employees, which was developed with a company that provides research and consulting on universal design from the perspectives of people with disabilities. In this Qualification, we offer an original curriculum that is in line with Yamato’s everyday operations, including scenes where employees deliver and receive parcels, to learn the challenges faced by people with disabilities as well as how to appropriately support them, seeking to enhance universal manners of our employees as well as contributing to a society that respects human rights and diversity.

- ⑥ Aiming to create more sustainable social value, the Yamato Group promotes initiatives for sharing value with society based on the concept of “Creating Shared Value (CSV).” We continue to operate the Neko Support Station as a local community facility that supports the healthy and sustainable development of the local community, and the safe and comfortable lives of people in the area. We also provide housekeeping support services, monitoring services that use “HelloLight” IoT light bulbs, consultation services for everyday life, and hold events that enable interaction among community members.
- ⑦ Aspiring to be a company that continually evolves in step with society, and led by the Yamato Welfare Foundation, the Yamato Group conducts various activities to help realize a society in which disabled people can experience the joy of working autonomously. Specifically, we engage in ongoing programs that support economic independence of people with disabilities, such that include actively employing people with disabilities at the Swan Bakery which makes and sells bread, providing them with workplaces through the consigned delivery of Kuroneko DM-Bin, and operating job-finding support facilities where they take part in training to acquire skills and knowledge necessary for employment.



## (2) Explanation of financial position

### (Assets, liabilities and net assets)

Total assets were 1,074,028 million yen as of September 30, 2022, down 12,826 million yen from the end of the previous fiscal year. The decrease was largely attributable to the decrease in cash and deposits of 20,252 million yen, while property, plant and equipment increased by 6,824 million yen.

Liabilities decreased 5,583 million yen to 483,037 million yen from the end of the previous fiscal year. The decrease was largely attributable to the 16,612 million yen decrease in notes and accounts payable - trade, while the provision for bonuses increased 6,394 million yen and short-term borrowings increased 5,000 million yen.

Total net assets were 590,990 million yen, down 7,242 million yen from the end of the previous fiscal year. The major factors included profit attributable to owners of the parent being 10,358 million yen, and conducting 8,440 million yen of dividends of surplus, as well as the acquisition of 10,000 million yen of our own shares.

As a result, the equity ratio changed to 54.4% from 54.3% in the previous fiscal year.

### (Cash flows)

Net cash provided by operating activities for the six months ended September 30, 2022 amounted to 27,238 million yen. Compared with the same period of the previous fiscal year, the amount of net cash provided increased by 23,487 million yen. This is largely attributable to the 22,741 million yen increase in consumption taxes payable, the 13,690 million yen decrease in retirement benefit liability, and the 17,986 million yen decrease in income taxes paid.

Net cash used in investing activities was 31,492 million yen, an increase in spending of 2,449 million yen compared with net cash provided in investing activities in the same period of the previous fiscal year. This is largely attributable to a 3,826 million yen increase in spending related to the acquisition of property, plant and equipment.

Net cash used in financing activities was 17,249 million yen, a decrease in spending of 19,165 million yen compared with net cash used in financial activities in the same period of the previous fiscal year. This is largely attributable to a decrease in proceeds from borrowings of 11,000 million yen and an increase in the purchase of treasury shares of 10,022 million yen.

As a result of the above, cash and cash equivalents were 160,109 million yen as of September 30, 2022, down 20,494 million yen from the end of the previous fiscal year.

### (3) Explanation of consolidated earnings forecasts and other forward-looking statements

The business environment surrounding Yamato Group is undergoing significant change, with the diversification of customer needs, depopulation of rural areas, the decline in working population, and climate change. Moreover, the spread of COVID-19 has triggered a change in consumption behavior and lifestyles, and has accelerated growth in the e-commerce domain across all industries. The future outlook is made further unclear due to factors such as the increasing global inflationary trend, rising resource and food prices caused by instability in international affairs and the ongoing depreciation of the yen resulting from the widening gap between domestic and foreign interest rates.

Under such circumstances, Yamato Group has been accelerating initiatives to provide comprehensive value in addressing needs of its customers and society with its sights set on transforming the supply chain in response to changing distribution structures, based on the Medium-term management plan "One YAMATO 2023", with the fiscal year ending March 31, 2024 set as its final fiscal year.

In the fiscal year ending March 31, 2023, which is the second year of the medium-term management plan, outsourcing expenses for transportation and operations as well as other expenses have temporarily increased, because the Company is in the process of structural reforms, building the EC logistics network to meet the growing EC demand and optimizing operations in the existing network, and it is taking longer than expected for the positive effects to be realized. In addition, operating profit is expected to be lower than the previous forecast due to factors such as the continuous rise in fuel and electricity costs. Ordinary profit is expected to be below the previous forecast, due to factors such as the expectation of valuation losses related to overseas subsidiaries.

The changes from the previously announced consolidated earnings forecast (announced on August 8, 2022) is as follows:

Consolidated earnings forecasts for the full year of the fiscal year ending March 31, 2023

	Operating revenue	Operating profit	Ordinary profit	Profit attributable to owners of parent	Basic earnings per share
	Millions of yen	Millions of yen	Millions of yen	Millions of yen	Yen
Forecast as of August 8, 2022 (A)	1,820,000	91,000	91,000	57,000	157.26
New Forecast (B)	1,835,000	75,000	72,000	45,000	124.16
Forecast Change (B-A)	15,000	(16,000)	(19,000)	(12,000)	—
Forecast Change (%)	0.8	(17.6)	(20.9)	(21.1)	—

## 2. Consolidated Financial Statements and Significant Notes Thereto

### (1) Consolidated balance sheet

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	182,644	162,392
Notes and accounts receivable - trade, and contract assets	218,922	215,062
Accounts receivable - installment	48,055	49,430
Merchandise and finished goods	186	217
Work in process	167	163
Raw materials and supplies	1,861	1,431
Other	30,462	33,916
Allowance for doubtful accounts	(1,456)	(1,402)
Total current assets	480,844	461,212
Non-current assets		
Property, plant and equipment		
Buildings and structures	376,844	378,306
Accumulated depreciation	(219,830)	(224,310)
Buildings and structures, net	157,013	153,996
Vehicles	197,104	196,911
Accumulated depreciation	(171,897)	(170,689)
Vehicles, net	25,207	26,222
Land	179,650	179,801
Leased assets	39,653	42,029
Accumulated depreciation	(11,286)	(11,710)
Leased assets, net	28,366	30,318
Other	140,785	149,655
Accumulated depreciation	(101,144)	(103,290)
Other, net	39,640	46,365
Total property, plant and equipment	429,878	436,702
Intangible assets	45,646	46,034
Investments and other assets		
Investment securities	47,972	46,983
Other	84,124	84,860
Allowance for doubtful accounts	(1,611)	(1,765)
Total investments and other assets	130,484	130,078
Total non-current assets	606,010	612,816
Total assets	1,086,854	1,074,028

(Millions of yen)

	As of March 31, 2022	As of September 30, 2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	165,346	148,733
Short-term borrowings	15,000	20,000
Lease liabilities	4,850	5,680
Income taxes payable	14,395	11,522
Deferred installment income	4,714	4,753
Provision for bonuses	38,942	45,336
Other	109,558	105,696
Total current liabilities	352,807	341,723
Non-current liabilities		
Lease liabilities	26,038	28,643
Retirement benefit liability	94,141	96,751
Other	15,633	15,918
Total non-current liabilities	135,814	141,314
Total liabilities	488,621	483,037
<b>Net assets</b>		
Shareholders' equity		
Share capital	127,234	127,234
Capital surplus	36,813	36,834
Retained earnings	464,494	446,695
Treasury shares	(49,551)	(39,834)
Total shareholders' equity	578,991	570,930
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	11,498	10,329
Foreign currency translation adjustment	(513)	2,224
Remeasurements of defined benefit plans	565	712
Total accumulated other comprehensive income	11,551	13,266
Non-controlling interests	7,690	6,793
Total net assets	598,233	590,990
Total liabilities and net assets	1,086,854	1,074,028

**(2) Consolidated statement of income and consolidated statement of comprehensive income**  
**Consolidated statement of income (cumulative)**

(Millions of yen)

	For the six months ended September 30, 2021	For the six months ended September 30, 2022
Operating revenue	865,470	883,755
Operating costs	802,336	839,037
Operating gross profit	63,133	44,718
Selling, general and administrative expenses	31,443	26,669
Operating profit	31,690	18,048
Non-operating income		
Interest income	94	109
Dividend income	919	1,248
Gain on investments in investment partnerships	4,178	–
Other	869	1,193
Total non-operating income	6,060	2,551
Non-operating expenses		
Interest expenses	399	405
Share of loss of entities accounted for using equity method	270	1,324
Other	159	595
Total non-operating expenses	829	2,324
Ordinary profit	36,921	18,275
Extraordinary income		
Gain on sales of non-current assets	0	1
Penalty income	53	75
Gain on liquidation of subsidiary	1,210	–
Other	0	–
Total extraordinary income	1,264	76
Extraordinary losses		
Loss on retirement of non-current assets	223	151
Impairment losses	566	–
Loss on valuation of investment securities	2	2
Dismantlement expenses	–	753
Loss on revision of retirement benefit plan	14,999	–
Other	99	12
Total extraordinary losses	15,892	920
Profit before income taxes	22,293	17,432
Income taxes	7,572	6,989
Profit	14,721	10,442
Profit attributable to non-controlling interests	89	83
Profit attributable to owners of the parent	14,631	10,358

**Consolidated statement of comprehensive income (cumulative)**

(Millions of yen)

	For the six months ended September 30, 2021	For the six months ended September 30, 2022
Profit	14,721	10,442
Other comprehensive income		
Valuation difference on available-for-sale securities	5,952	(1,156)
Foreign currency translation adjustment	339	2,729
Remeasurements of defined benefit plans, net of tax	(300)	169
Share of other comprehensive income of entities accounted for using equity method	6	(15)
Total other comprehensive income	5,998	1,727
Comprehensive income	20,719	12,170
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	20,217	12,073
Comprehensive income attributable to non-controlling interests	501	96

**(3) Consolidated statement of cash flows**

(Millions of yen)

	For the six months ended September 30, 2021	For the six months ended September 30, 2022
Cash flows from operating activities		
Profit before income taxes	22,293	17,432
Depreciation	16,882	20,667
Impairment losses	566	–
Increase (decrease) in retirement benefit liability	16,300	2,610
Increase (decrease) in provision for bonuses	7,294	6,345
Share of loss (profit) of entities accounted for using equity method	270	1,324
Decrease (increase) in trade receivables	1,051	3,914
Increase (decrease) in trade payables	(8,023)	(17,523)
Other, net	(24,726)	2,414
Subtotal	31,908	37,185
Interest and dividends received	1,132	1,362
Interest paid	(431)	(437)
Income taxes paid	(28,858)	(10,872)
Net cash provided by (used in) operating activities	3,750	27,238
Cash flows from investing activities		
Purchase of property, plant and equipment	(17,040)	(20,867)
Proceeds from sale of property, plant and equipment	143	143
Purchase of investment securities	(2,224)	(873)
Proceeds from sale of investment securities	0	2,212
Loan advances	(2,626)	(696)
Proceeds from collection of loans receivable	2,361	1,099
Other payments	(13,704)	(15,330)
Other proceeds	4,049	2,820
Net cash provided by (used in) investing activities	(29,042)	(31,492)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	20,000	5,000
Repayments of lease liabilities	(2,884)	(2,819)
Repayments of long-term borrowings	(4,000)	–
Purchase of treasury shares	(1)	(10,024)
Dividends paid	(11,133)	(8,433)
Payments for acquisition of shares of subsidiaries that do not change the scope of consolidation	–	(612)
Income from disposal of shares of subsidiaries that do not change the scope of consolidation	–	18
Other, net	(64)	(377)
Net cash provided by (used in) financing activities	1,915	(17,249)
Effect of exchange rate change on cash and cash equivalents	442	1,009
Net increase (decrease) in cash and cash equivalents	(22,933)	(20,494)
Cash and cash equivalents at beginning of period	241,284	180,603
Cash and cash equivalents at end of period	218,351	160,109

**(4) Notes to consolidated financial statements**

**(Notes to premise of going concern)**

Not applicable.

**(Notes when there are significant changes in amounts of equity)**

Not applicable.

**(Changes to the scope of consolidation and/or the application of the equity method)**

Major changes to the scope of consolidation

During the three months ended June 30, 2022, Yamato Web Solutions Co., Ltd. has been dissolved, with Yamato System Development Co., Ltd. as the surviving company, and has been removed from the scope of consolidation.

**(Application of specific accounting for preparing the quarterly consolidated financial statements)**

Calculation of tax expenses

Tax expenses are calculated by multiplying the profit before income taxes by the reasonably estimated effective tax rates after the application of tax effect accounting to the profit before income taxes for the fiscal year including the three months ended September 30, 2022.



**(Segment information, etc.)****[Segment information]**

## I. For the six months ended September 30, 2021

## 1. Information regarding the amounts of operating revenue and profit or loss by reportable segment

(Millions of yen)

	Retail Business Unit	Corporate Business Unit	Other (Note 1)	Total	Reconciliation (Note 2)	Amount recorded in consolidated statement of income (Note 3)
Operating revenue						
Operating revenue from customers	429,379	392,158	43,932	865,470	-	865,470
Inter-segment operating revenue or transfers	128,989	13,580	62,633	205,203	(205,203)	-
Total	558,368	405,738	106,565	1,070,673	(205,203)	865,470
Segment profit	9,934	14,178	8,106	32,220	(529)	31,690

Notes: 1. "Other" includes Yamato Home Convenience Co., Ltd. (lifestyle support services), Yamato System Development Co., Ltd. (information systems development) and Yamato Autoworks Co., Ltd. (collective vehicle management agent business for transportation companies).

2. The adjustment of negative 529 million yen of segment profit includes group-wide expenses of negative 6,347 million yen not allocated to each reportable segment (general and administrative expenses of the Company as a pure holding company) and eliminating transactions among segments of 5,817 million yen.
3. An adjustment was made between segment profit and operating profit in the consolidated statement of income.

## 2. Information regarding impairment losses related to non-current assets or goodwill etc. for each reporting segment

(Major impairment losses related to non-current assets)

In segment "Other", an impairment loss of 566 million yen was booked in the six months ended September 30, 2021, as a result of lowering the book value of the asset group for which profitability has declined, to the value equal to the amount that can be collected.

## II. For the six months ended September 30, 2022

## 1. Information regarding the amounts of operating revenue and profit or loss by reportable segment

(Millions of yen)

	Retail Business Unit	Corporate Business Unit	Other (Note 1)	Total	Reconciliation (Note 2)	Amount recorded in consolidated statement of income (Note 3)
Operating revenue						
Operating revenue from customers	437,653	416,363	29,738	883,755	-	883,755
Inter-segment operating revenue or transfers	143,731	8,774	56,054	208,560	(208,560)	-
Total	581,384	425,137	85,793	1,092,316	(208,560)	883,755
Segment profit (loss)	(1,479)	12,517	7,080	18,118	(69)	18,048

Notes: 1. "Other" includes Yamato System Development Co., Ltd. (information systems development), and Yamato Autoworks Co., Ltd. (collective vehicle management agent business for transportation companies).

2. The adjustment of negative 69 million yen of segment profit includes group-wide expenses of negative 3,890 million yen not allocated to each reportable segment (general and administrative expenses of the Company as a pure holding company) and eliminating transactions among segments of 3,821 million yen.
3. An adjustment was made between segment profit and operating profit in the consolidated statement of income.

## 2. Information regarding impairment losses related to non-current assets or goodwill etc. for each reporting segment

(Major impairment losses related to non-current assets)

None

### 3. Supplementary Information

#### Operating revenue by segment

Business segment	Income	For the six months ended September 30, 2021		For the six months ended September 30, 2022		Change (%)
		Amount (Millions of yen)	Ratio (%)	Amount (Millions of yen)	Ratio (%)	
Retail Business Unit	Transportation income	543,076	62.7	567,698	64.2	4.5
	Logistical support income	3,091	0.4	1,394	0.2	(54.9)
	Others	13,989	1.6	13,518	1.5	(3.4)
	Eliminations	(130,778)	(15.1)	(144,957)	(16.4)	10.8
	Total	429,379	49.6	437,653	49.5	1.9
Corporate Business Unit	Transportation income	291,726	33.7	299,212	33.9	2.6
	Logistical support income	117,930	13.6	133,795	15.1	13.5
	Others	15,914	1.8	16,629	1.9	4.5
	Eliminations	(33,413)	(3.9)	(33,275)	(3.8)	(0.4)
	Total	392,158	45.3	416,363	47.1	6.2
Other	Transportation income	24,158	2.8	12,152	1.4	(49.7)
	Others	91,508	10.6	77,488	8.8	(15.3)
	Eliminations	(71,734)	(8.3)	(59,902)	(6.8)	(16.5)
	Total	43,932	5.1	29,738	3.4	(32.3)
Total		865,470	100.0	883,755	100.0	2.1