

<Earnings Presentation Memo>

1. Details of revenues(Non-consolidated)

○ Railway Container

(Unit: Number of containers)

	FY2016	FY2015	Difference	Difference (%)
Number of containers	1,904,333	1,923,849	(19,516)	(1.0)
Unit price (Yen per container)	42,712	42,504	208	0.5

○ Breakdown by destination of Marine and Harbor Transportation/Exports

(Unit: Millions of yen)

	FY2016	FY2015	Difference	Difference (%)
North America	13,210	15,442	(2,232)	(14.5)
Europe	7,935	9,223	(1,288)	(14.0)
Asia & Oceania	31,159	32,509	(1,349)	(4.2)
Other	4,188	5,219	(1,031)	(19.8)
Total	56,493	62,395	(5,901)	(9.5)

○ Breakdown by destination of Air Transportation/Exports

(Unit: Millions of yen)

	FY2016	FY2015	Difference	Difference (%)
North America	19,143	20,777	(1,634)	(7.9)
Europe	15,704	14,733	971	6.6
Asia & Oceania	33,780	32,276	1,503	4.7
Other	4,092	4,250	(158)	(3.7)
Total	72,720	72,037	682	0.9

○ Revenue related to Security Transportation

(Unit: Millions of yen)

	FY2016	FY2015	Difference	Difference (%)
Revenue related to Security Transportation	72,884	74,039	(1,155)	(1.6)

* Revenue related to Security Transportation is recorded under "Chartered Truck Services" and "Incidental Operations," respectively.

○ Revenue related to Warehousing

(Unit: Millions of yen)

	FY2016	FY2015	Difference	Difference (%)
Revenue related to Warehousing	116,089	120,341	(4,252)	(3.5)

○ Revenue from Heavy Haulage & Construction

(Unit: Millions of yen)

	FY2016	FY2015	Difference	Difference (%)
Work in Japan	52,249	49,675	2,573	5.2
Work overseas	5,682	12,032	(6,350)	(52.8)
Total	57,932	61,708	(3,776)	(6.1)

2. Details of operating expenses(Non-consolidated)

○ Employment costs

(Unit: Millions of yen)

		FY2016	FY2015	Difference	Difference (%)
Drivers/workers	Nationwide employees	6,804	7,051	(246)	(3.5)
	Other employees	113,107	112,456	650	0.6
	Subtotal	119,911	119,508	403	0.3
Office personnel	Nationwide employees	112,531	111,982	548	0.5
	Other employees	24,058	22,524	1,534	6.8
	Subtotal	136,590	134,507	2,083	1.5
Total		256,502	254,015	2,487	1.0

○ Railway forwarding costs

(Unit: Millions of yen)

	FY2016	FY2015	Difference	Difference (%)
Railway forwarding costs	42,993	43,640	(647)	(1.5)
(Reference) Railway utilization transportation revenue	84,016	84,827	(810)	(1.0)

○ Marine forwarding costs

(Unit: Millions of yen)

	FY2016	FY2015	Difference	Difference (%)
Marine forwarding costs	23,728	27,263	(3,534)	(13.0)
(Reference) Marine transportation revenue	67,769	73,698	(5,929)	(8.0)

○ Air forwarding costs

(Unit: Millions of yen)

	FY2016	FY2015	Difference	Difference (%)
Air forwarding costs	36,831	39,035	(2,204)	(5.6)
(Reference) Air transportation revenue	136,208	134,613	1,595	1.2

○ Vehicle chartering and subcontracting costs

(Unit: Millions of yen)

	FY2016	FY2015	Difference	Difference (%)
Vehicle chartering costs	187,732	186,164	1,568	0.8
Subcontracting costs	235,610	245,439	(9,829)	(4.0)
Worker dispatching costs	11,568	9,920	1,647	16.6
Total	434,910	441,524	(6,613)	(1.5)

○ Depreciation and amortization

(Unit: Millions of yen)

	FY2016	FY2015	Difference	Difference (%)
Vehicles	6,726	6,530	196	3.0
Buildings/structures	12,860	12,888	(28)	(0.2)
Software	3,169	3,670	(500)	(13.6)
Other	6,175	6,437	(262)	(4.1)
Total	28,932	29,527	(595)	(2.0)

○ Facility usage charges

(Unit: Millions of yen)

	FY2016	FY2015	Difference	Difference (%)
Vehicles	4,170	4,206	(36)	(0.9)
Buildings/land	51,896	52,296	(400)	(0.8)
Other work-related	11,716	11,739	(22)	(0.2)
Other operation-related	3,813	3,889	(75)	(2.0)
Total	71,597	72,132	(534)	(0.7)

○ Other

(Unit: Millions of yen)

	FY2016	FY2015	Difference	Difference (%)
Other work expenses	62,458	66,619	(4,160)	(6.2)
(Fuel oil costs)	[8,021]	[8,866]	[(844)]	[(9.5)]
Other operating expenses	44,342	44,398	(56)	(0.1)
(Fuel oil costs)	[405]	[447]	[(42)]	[(9.4)]
(Travel costs)	[5,848]	[5,923]	[(74)]	[(1.3)]
(R&D costs)	[311]	[366]	[(54)]	[(14.8)]
Taxes	11,225	10,004	1,220	12.2
Bad debts written off	117	—	117	—
Total	118,143	121,022	(2,878)	(2.4)

(Reference) Balance of interest-bearing liabilities

○ Consolidated

(Unit: Millions of yen)

	As of Mar. 31, 2017	As of Mar. 31, 2016
Bonds payable	145,000	85,000
Loans payable	270,330	303,246
Deposits from employees	28,339	28,036
Lease obligations	4,432	3,987
Total	448,103	420,271

(Reference) Breakdown of fuel oil costs

○ Non-consolidated

(Unit: Millions of yen, kℓ, yen/ℓ) (Impact on unit price)

		FY2016	FY2015	Difference	Difference (%)	
Light oil	Amount	5,676	6,117	(440)	(7.2)	(369)
	Usage	70,656	71,487	(831)	(1.2)	
	Unit price	80.34	85.57	(5.23)	(6.1)	
Gasoline	Amount	617	679	(61)	(9.0)	(35)
	Usage	5,433	5,645	(212)	(3.8)	
	Unit price	113.71	120.31	(6.60)	(5.5)	
Heavy oil for vessels	Amount	1,821	2,153	(331)	(15.4)	(325)
	Usage	52,101	52,263	(162)	(0.3)	
	Unit price	34.96	41.21	(6.25)	(15.2)	
Other	Amount	310	363	(52)	(14.5)	
Total		8,426	9,313	(886)	(9.5)	Total (731)

* Above figures are recorded under "Other work expenses" and "Other operating expenses" in "Other" on the previous page.

○ Consolidated

(Unit: Millions of yen, kℓ, yen/ℓ) (Impact on unit price)

		FY2016	FY2015	Difference	Difference (%)	
Light oil	Amount	11,578	12,524	(946)	(7.6)	(779)
	Usage	144,962	146,908	(1,946)	(1.3)	
	Unit price	79.87	85.26	(5.39)	(6.3)	
Gasoline	Amount	980	1,092	(112)	(10.3)	(58)
	Usage	8,619	9,067	(447)	(4.9)	
	Unit price	113.79	120.54	(6.75)	(5.6)	
Heavy oil for vessels	Amount	2,856	3,578	(722)	(20.2)	(508)
	Usage	79,115	84,161	(5,046)	(6.0)	
	Unit price	36.10	42.52	(6.42)	(15.1)	
Other	Amount	806	845	(39)	(4.7)	
Total		16,221	18,041	(1,820)	(10.1)	Total (1,345)

* Above figures do not include figures from overseas consolidated subsidiaries.

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