

**Financial Report for
the Fiscal Year ended
March 31, 2016**

Supplementary Materials



**Value Beyond Logistics
Mitsui-Soko Group**

May 18, 2016



(1) Company Profile

Company name:	MITSUI-SOKO HOLDINGS Co., Ltd.
Representative:	Kei Fujioka, President
Head office:	20-1, Nishi-shimbashi 3-chome, Minato-ku, Tokyo, Japan
Established:	October 11, 1909
Capital:	¥11.1 billion
Number of shares issued:	124,415,013
Number of subsidiaries (consolidated):	40 domestic and 49 overseas (As of March 31, 2016)
Number of employees (consolidated):	9,035 (As of March 31, 2016)
Businesses (consolidated):	Logistics business (Warehouse, Port terminal, Global flow, Global express, Logistics systems, BPO, Supply Chain Solution, Transport Network)
and	
	Real estate business
Offices (consolidated):	(Domestic) Tokyo, Yokohama, Nagoya, Yokkaichi, Osaka, Kobe, Kitakyushu, Fukuoka (Overseas) U.S.A., Mexico, Brazil, U.K., Belgium, Czech Republic, Turkey, U.A.E., Singapore, Malaysia, Thailand, Indonesia, Vietnam, India, South Africa, Hong Kong, China, Taiwan, South Korea
Assets (consolidated):	¥ 285,939 million (As of March 31, 2016)



(2) Outline of Mitsui-Soko Group 1

Domestic consolidated subsidiaries: 40, Overseas consolidated subsidiaries: 49,
Equity-method affiliates: 6, Unconsolidated subsidiaries: 2, Non-equity-method affiliates: 3

Warehouse business/ Port terminal business	Core business company: Mitsui-Soko Co., Ltd.
Consolidated subsidiaries	Mitsui-Soko Kyushu Co., Ltd., IM Express Co., Ltd., Sanso K.K., Toko Maruraku Transportation Co., Ltd., Sanso Kouun Co., Ltd., Sanko Trucking Co., Ltd., Sanei K.K., Mitsunori Corporation, Mitsui Warehouse Terminal Service Co., Ltd., Sanyu Service Co., Ltd., Kobe Sunso Koun Co., Ltd., Sun Transport Co., Ltd., MK Services Co., Ltd., Seiyu Koun Co., Ltd., Hakata Sanso-Butsuryu Co., Ltd., Naha International Container Terminal, Inc.
Global flow business	Core business company: Mitsui-Soko International Pte. Ltd.
Consolidated subsidiaries	Mitsui-Soko International Japan Co., Ltd., Mitsui-Soko North East Asia Co., Ltd., Mitsui-Soko (China) Investment Co., Ltd., Mitex Logistics (Shanghai) Co.,Ltd., MSC Trading(Shanghai) Co.,Ltd., Shanghai MITS Commerce & Trade Co., Ltd., Mitex Shenzhen Logistics Co.,Ltd., Nantong Sinavico International Logistics Co., Ltd., Mitex International(Hong Kong)Ltd., Mitex Multimodal Express Ltd., Noble Business International Ltd., Mitex (Tianjin) Co., Ltd., Mitsui-Soko(Taiwan)Co.,Ltd., Mitsui-Soko(Korea)Co.,Ltd., Mitsui-Soko(Singapore) Pte.Ltd., Mitsui-Soko Southeast Asia Pte.Ltd., Mitsui-Soko(Thailand)Co.,Ltd., Mitsui-Soko(Chiangmai) Co.,Ltd., Mits Logistics(Thailand)Co.,Ltd., Mits Transport (Thailand)Co.,Ltd., North Star Logistics Company Limited, Mitsui-Soko(Malaysia)Sdn.Bhd., Mitsui-Soko Agencies(Malaysia)Sdn.Bhd., Integrated Mits Sdn.Bhd., PT Mitsui-Soko Indonesia, Mitsui-Soko(Philippines),Inc., Mitsui-Soko(U.S.A.)Inc., Mitsui-Soko(Americas) Inc. , Mitsui-Soko(Mexico)S.A. de C.V., Mitsui-Soko(Europe)s.r.o., PST CLC,a.s., Prime Cargo A/S, Prime Cargo (H.K.) Limited, Prime Cargo Shanghai Ltd., PC KH ApS, Steamline A/S, Prime Cargo Poland, PST Hungary Kft.
Equity-method affiliates	Shanghai Jinjiang Mitsui-Soko International Logistics Co., Ltd., JV Sunrise Logistics Co., Ltd., AW Rostamani Logistics LLC.



(3) Outline of Mitsui-Soko Group 2

Global express business	Core business company: Mitsui-Soko Express Co., Ltd.
Consolidated subsidiaries	MSE China (Guangzhou) Co., Ltd., MSE Express America, Inc., MSE Express Mexico, S.A. DE C.V., MSE Express Do Brasil Participacoes Ltda., MSE Express (Thailand) Co., Ltd. N.V. MSE Europe S.A., MSE Europe Freight Forwarding and Logistic Limited, MS Express South Africa (Pty) Ltd.
Equity-method affiliates	MSE China (Beijing) Co.,Ltd., PT. Puninar MSE Indonesia, MSE Forwarders India Pvt. Ltd.
Logistics systems business	Core business company: Mitsui-Soko Logistics Co., Ltd.
Consolidated subsidiaries	Hokkaimitsui-Soko Logistics Co., Ltd., MS Logitech Service Co., Ltd., Co-next Inc.
BPO business	Core business company: Mitsui-Soko Business Trust Co., Ltd.
Consolidated subsidiaries	Mitsui-Soko Business Partners Co., Ltd.
Supply chain solution business	Core business company: Mitsui-Soko Supply Chain Solutions Co., Ltd.
Consolidated subsidiaries	Logistics Operation Service Co., Ltd., MS Supply Chain Solutions (Thailand) Ltd., MS Supply Chain Solutions (Malaysia) Sdn.Bhd.
Transport network business	Core business company: Mitsui-Soko Transport Co., Ltd.
Consolidated subsidiaries	Marukyo Transportation Co., Ltd., Marukyo Transportation Co., Ltd. (Cyushikoku) AMT Co., Ltd. , Marukyo Transportation Co., Ltd. (Kyushu), Marukyo Transportation Co., Ltd. (Hiroshima), Marukyo Group Cooperative , Swallow Logistics Co., Ltd., Fujimatsu Unyu Souko Co., Ltd., Marukyo Shokusan Co., Ltd., Kiwa General Service Co., Ltd., Zhangjiagang Bonded Area Marukyo Transportation & Trade Co., Ltd., Shanghai Marukyo Transportation Co., Ltd.
Corporate/ Real estate business	Holding company : Mitsui-Soko Holdings Co., Ltd.
Consolidated subsidiary	Mitsui-Soko Bizport Co., Ltd.



(4) Consolidated Performance

(Millions of yen)

	FY2012 (Apr.2011-Mar.2012)	FY2013 (Apr.2012-Mar.2013)	FY2014 (Apr.2013-Mar.2014)	FY2015 (Apr.2014-Mar.2015)	FY2016 (Apr.2015-Mar.2016)
Net revenue	107,344	148,241	161,535	170,486	212,971
Operating income	6,731	5,362	5,494	6,112	3,287
Ordinary income	5,251	3,746	3,806	4,308	912
Net income	2,151	3,166	4,491	1,212	211
Operating profit margin	6.3%	3.6%	3.4%	3.6%	1.5%

Cash flows from operating activities	9,682	7,141	13,639	8,047	11,101
Cash flows from investing activities	15,388	(35,745)	(5,339)	(14,809)	(36,019)
Cash flows from financing activities	9,606	3,139	(24,012)	12,835	28,826
Interest-bearing debt	119,356	132,148	110,073	125,081	160,781

Shareholders' equity	50,136	54,766	62,618	68,245	61,675
Total assets	197,338	232,872	220,728	245,213	285,939
ROA	3.5%	2.5%	2.7%	2.7%	1.4%
ROE	4.3%	6.0%	7.7%	1.9%	0.3%
Shareholders' equity ratio	25.4%	23.5%	28.4%	27.8%	21.6%

ROA=(Operating income + interest & dividend income)/Total assets

ROE=Net income/Shareholders' equity



(5) Net Revenue and Operating Income (comparison with the forecast released on Feb. 2016)

(Millions of yen)

Consolidated Total	4Q Net Revenue (3 months)			4Q Operating Income (3 months)		
	Estimate released on Feb. 2016	Results	Amount of change	Estimate released on Feb. 2016	Results	Amount of change
Warehouse	13,500	12,989	(510)	200	108	(91)
Port terminal	3,500	3,548	+48	150	71	(78)
Global flow	22,500	18,426	(4,073)	300	113	(186)
Global express	5,500	6,601	+1,101	200	668	+468
Logistics systems	7,500	7,689	+189	150	32	(117)
BPO	2,000	2,170	+170	0	(6)	(6)
SCS	5,000	5,756	+756	50	59	+9
Transport network	9,500	6,570	(2,929)	350	227	(122)
Elimination etc.	(1,500)	(1,880)	(380)	(800)	(828)	(28)
Logistics Business Total	67,500	61,874	(5,625)	600	447	(152)
Real estate	2,500	2,450	(49)	1,200	1,272	+72
Elimination and /or corporate	—	(129)	(129)	(1,000)	(1,064)	(64)
Total	70,000	64,196	(5,803)	800	655	(144)



(6) Performance forecast by segments

(Millions of yen)

Consolidated Total		Forecast for FY2017				
				1st Half	2nd Half	Total
		1Q	2Q			
Net Revenue	Logistics Business	56,500	57,500	114,000	117,000	231,000
	Real estate	2,500	2,500	5,000	4,500	9,500
	Elimination	(100)	(100)	(200)	(300)	(500)
	Total	58,900	59,900	118,800	121,200	240,000
Operating Income	Logistics Business	800	1,000	1,800	3,200	5,000
	Real estate	1,200	1,200	2,400	2,300	4,700
	Elimination	(900)	(1,000)	(1,900)	(1,800)	(3,700)
	Total	1,100	1,200	2,300	3,700	6,000



(7) Business Volume in the Logistics Sector (Year-on-Year)

Consolidated basis		Year ended March 31, 2015				Year ended March 31, 2016			
		Mitsui-Soko& Mitsui-Soko Kyushyu	Domestic subsidiaries	Overseas subsidiaries	Consolidated Total	Mitsui-Soko& Mitsui-Soko Kyushyu	Domestic subsidiaries	Overseas subsidiaries	Consolidated Total
Storage in warehouse	Average storage balance (in thousands of tons)	508	31	365	903	523	33	380	935
	Rate of goods turnover	29.0%	30.6%	58.9%	41.0%	26.9%	30.1%	52.7%	37.9%
	Storage area (in thousands of square meters)	685	32	485	1,202	688	32	595	1,315
Handling in warehouse	Incoming (in thousands of tons)	1,784	115	2,612	4,511	1,690	118	2,381	4,188
	Outgoing (in thousands of tons)	1,736	110	2,459	4,305	1,690	117	2,464	4,272
Work at container terminal	Volume handled (in thousands of tons)	29,116	4,039	—	33,155	27,840	3,874	—	31,714
Domestic transport	Volume transported (in thousands of tons)	11,588	500	—	12,088	11,072	593	—	11,665
International transport	Volume transported (in thousands of tons)	1,320	56	279	1,655	1,501	50	231	1,782
Distribution & processing	Sales proceeds (in millions of yen)	391	—	273	665	394	—	326	720

Increase / Decrease Consolidated basis		Year ended March 31, 2015	Details of increase/decrease					Year ended March 31, 2016
			Mitsui-Soko& Mitsui-Soko Kyushyu	Domestic subsidiaries	Overseas subsidiaries	Total increase/ decrease	Ratio of increase/ decrease	
Storage in warehouse	Average storage balance (in thousands of tons)	903	+15	+2	+15	+32	+3.5%	935
	Rate of goods turnover	41.0%	(2.0)%	(0.5)%	(6.3)%	(3.1)%	—	37.9%
	Storage area (in thousands of square meters)	1,202	+2	—	+110	+112	+9.3%	1,315
Handling in warehouse	Incoming (in thousands of tons)	4,511	(95)	+3	(231)	(323)	(7.2)%	4,188
	Outgoing (in thousands of tons)	4,305	(46)	+8	+5	(33)	(0.8)%	4,272
Work at container terminal	Volume handled (in thousands of tons)	33,155	(1,276)	(164)	—	(1,440)	(4.3)%	31,714
Domestic transport	Volume transported (in thousands of tons)	12,088	(516)	+93	—	(423)	(3.5)%	11,665
International transport	Volume transported (in thousands of tons)	1,655	+181	(6)	(48)	+127	+7.7%	1,782
Distribution & processing	Sales proceeds (in millions of yen)	665	+2	—	+53	+55	+8.3%	720



(8) Business Volume in the Logistics Sector (Half Year)

Consolidated basis		1st Half of FY2016				2nd Half of FY2016			
		Mitsui-Soko& Mitsui-Soko Kyushyu	Domestic subsidiaries	Overseas subsidiaries	Consolidated Total	Mitsui-Soko& Mitsui-Soko Kyushyu	Domestic subsidiaries	Overseas subsidiaries	Consolidated Total
Storage in warehouse	Average storage balance (in thousands of tons)	525	33	384	941	521	33	376	929
	Rate of goods turnover	27.1%	29.2%	47.0%	35.4%	26.8%	30.9%	58.6%	39.8%
	Storage area (in thousands of square meters)	711	32	579	1,322	688	32	595	1,315
Handling in warehouse	Incoming (in thousands of tons)	859	57	1,058	1,975	830	61	1,323	2,214
	Outgoing (in thousands of tons)	842	57	1,152	2,050	849	61	1,312	2,221
Work at container terminal	Volume handled (in thousands of tons)	13,575	1,987	—	15,563	14,265	1,887	—	16,151
Domestic transport	Volume transported (in thousands of tons)	5,563	276	—	5,839	5,509	317	—	5,826
International transport	Volume transported (in thousands of tons)	698	24	115	836	803	27	116	945
Distribution & processing	Sales proceeds (in millions of yen)	178	—	192	370	216	—	135	350

Increase / Decrease Consolidated basis		1st Half				2nd Half			
		Mitsui-Soko& Mitsui-Soko Kyushyu	Domestic subsidiaries	Overseas subsidiaries	Consolidated Total	Mitsui-Soko& Mitsui-Soko Kyushyu	Domestic subsidiaries	Overseas subsidiaries	Consolidated Total
Storage in warehouse	Average storage balance (in thousands of tons)	+20	+3	+46	+69	+9	+0	(15)	(6)
	Rate of goods turnover	(2.8)%	(1.5)%	(13.2)%	(6.3)%	(1.2)%	+0.4%	+0.8%	(0.6)%
	Storage area (in thousands of square meters)	+25	+1	+134	+161	+2	—	+110	+112
Handling in warehouse	Incoming (in thousands of tons)	(56)	+3	(161)	(214)	(39)	+0	(70)	(109)
	Outgoing (in thousands of tons)	(44)	+4	(59)	(100)	(1)	+4	+64	+67
Work at container terminal	Volume handled (in thousands of tons)	(546)	(34)	—	(581)	(730)	(130)	—	(860)
Domestic transport	Volume transported (in thousands of tons)	(357)	+59	—	(298)	(159)	+33	—	(126)
International transport	Volume transported (in thousands of tons)	+20	(1)	(26)	(7)	+161	(5)	(22)	+134
Distribution & processing	Sales proceeds (in millions of yen)	(22)	—	+60	+38	+24	—	(7)	+17



(9) Business Volume in the Logistics Sector by Segments

	Warehouse				Port terminal operations		Global flow/ Global express/ BPO					
Storage & handling in warehouse	(1,000 tons)						(1,000 tons)					
		Incoming	Outgoing	Av. Balance	Turnover			Global flow				
	FY2016	1,769	1,771	501	29.5%			Incoming	Outgoing	Av. Balance	Turnover	
	FY2015	1,858	1,825	472	33.0%			FY2016	2,381	2,464	380	52.7%
								FY2015	2,612	2,459	365	58.9%
		Incoming	Outgoing	Av. Balance	Turnover				Incoming	Outgoing	Av. Balance	Turnover
	FY2016/	(88)	(54)	+29	(3.6)			FY2016/	(231)	+5	+15	(6.3)
	FY2015	(4.7)%	(2.9)%	+6.1%	—			FY2015	(8.9)%	+0.2%	+4.2%	—
Transportation	(1,000 tons)				(No. of containers)		Global flow			Global express (tons)		
		Overland				Overland		Japan IN/OUT	Overseas IN/OUT	Air cargo		
	FY2016	7,790			FY2016	45,361	FY2016	1,308,461	437,746	50,142		
FY2015	7,887			FY2015	64,522	FY2015	1,130,630	492,300	56,297			
		Overland				Overland		Japan IN/OUT	Overseas IN/OUT	Air cargo		
	FY2016/	(97)			FY2016/	(19,161)	FY2016/	+177,831	(54,554)	Δ6,155		
	FY2015	(1.2)%			FY2015	(29.7)%	FY2015	+15.7%	(11.1)%	(10.9)%		
Port terminal operations	(1,000 tons)			(TEU)			<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;"> FY2016: Year ended March 31, 2016 FY2015: Year ended March 31, 2015 </div>					
		Import	Export		Terminal							
	FY2016	880	1,767	FY2016	981,181							
FY2015	926	1,800	FY2015	1,069,071								
	Import	Export		Terminal								
FY2016/	(46)	(33)	FY2016/	(87,890)								
FY2015	(5.0)%	(1.8)%	FY2015	(8.2)%								
Others	Customs (number of cases)			Agency (TEU)		BPO (1,000 boxes)		BPO (1,000 orders)				
		Import	Export		Booking Handling		No. of boxes (end balance)	File management	Dispatch	Order entry		
	FY2016	63,686	78,932	FY2016	130,754	FY2016	5,597	1,161,131	5,637	3,381		
FY2015	74,643	70,772	FY2015	126,879	FY2015	4,688	1,076,946	5,283	3,725			
	Import	Export		Booking Handling		No. of boxes (end balance)	File management	Dispatch	Order entry			
FY2016/	(10,957)	+8,160	FY2016/	+3,875	FY2016/	+909	+84,185	+354	(344)			
FY2015	(14.7)%	+11.5%	FY2015	+3.1%	FY2015	+19.4%	+7.8%	+6.7%	(9.2)%			



(10) List of Cargo Volume in Warehouse

1.Storage balance

	Mar.31,2012	Mar.31,2013	Mar.31,2014	Mar.31,2015	Mar.31,2016
Tons (1,000 tons)	484	483	476	511	511
Amount (Millions of yen)	304,725	282,292	320,031	346,649	368,619

2.Change in monthly balance (April 1, 2015-March 31, 2016)

	30-Apr	31-May	30-Jun	31-Jul	31-Aug	30-Sep
Tons (1,000 tons)	504	517	526	533	540	529
Amount (Millions of yen)	336,874	342,348	361,142	368,028	369,081	373,872

	31-Oct	30-Nov	31-Dec	31-Jan	29-Feb	31-Mar
Tons (1,000 tons)	533	519	519	517	527	511
Amount (Millions of yen)	369,082	371,457	360,349	354,301	349,328	368,619

3.Warehouse volume

		FY2012	FY2013	FY2014	FY2015	FY2016
Tons (1,000 tons)	Apr-Sep	907	898	883	915	859
	Oct-Mar	890	883	859	869	830
	Total	1,797	1,781	1,742	1,784	1,690
Amount (Millions of yen)	Apr-Sep	362,276	378,674	530,752	619,969	616,863
	Oct-Mar	393,745	413,928	576,764	610,729	604,723
	Total	756,021	792,602	1,107,516	1,230,698	1,221,586

4.Turnover rate

		FY2012	FY2013	FY2014	FY2015	FY2016
Tons	Apr-Sep	32.0%	29.7%	29.9%	29.9%	26.9%
	Oct-Mar	30.8%	30.2%	29.8%	28.0%	26.8%
	Total	31.4%	30.0%	29.9%	29.0%	26.8%
Amount	Apr-Sep	21.2%	19.6%	29.0%	28.6%	28.0%
	Oct-Mar	21.4%	23.0%	29.1%	29.5%	27.9%
	Total	21.3%	21.3%	29.1%	29.1%	28.0%

5.Monthly turnover rate (April 1, 2015-March 31, 2016)

	30-Apr	31-May	30-Jun	31-Jul	31-Aug	30-Sep
Tons	27.7%	25.3%	28.7%	28.6%	25.2%	25.9%
Amount	29.4%	26.7%	31.2%	29.0%	24.7%	27.2%

	31-Oct	30-Nov	31-Dec	31-Jan	29-Feb	31-Mar
Tons	28.2%	26.7%	28.2%	23.8%	25.8%	28.0%
Amount	29.4%	25.3%	29.5%	25.2%	25.8%	32.3%

6.Warehouse floor space (Storage area)

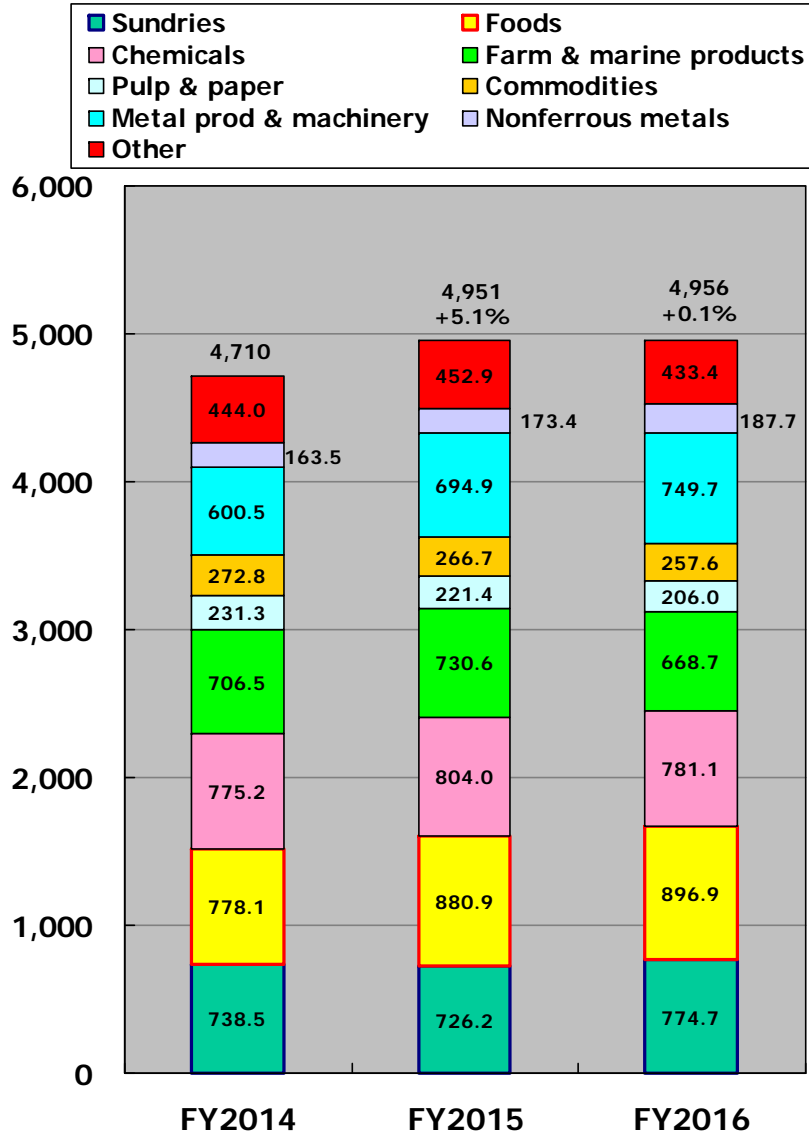
	Mar.31 2012	Mar.31 2013	Mar.31 2014	Mar.31 2015	Mar.31 2016
Area (1,000 sq. meters)	646	674	683	685	688

(The amount composed of Mitsui-Soko Co., Ltd., Mitsui-Soko Kyushu Co., Ltd., Mitsui-Soko Business Trust Co., Ltd.)

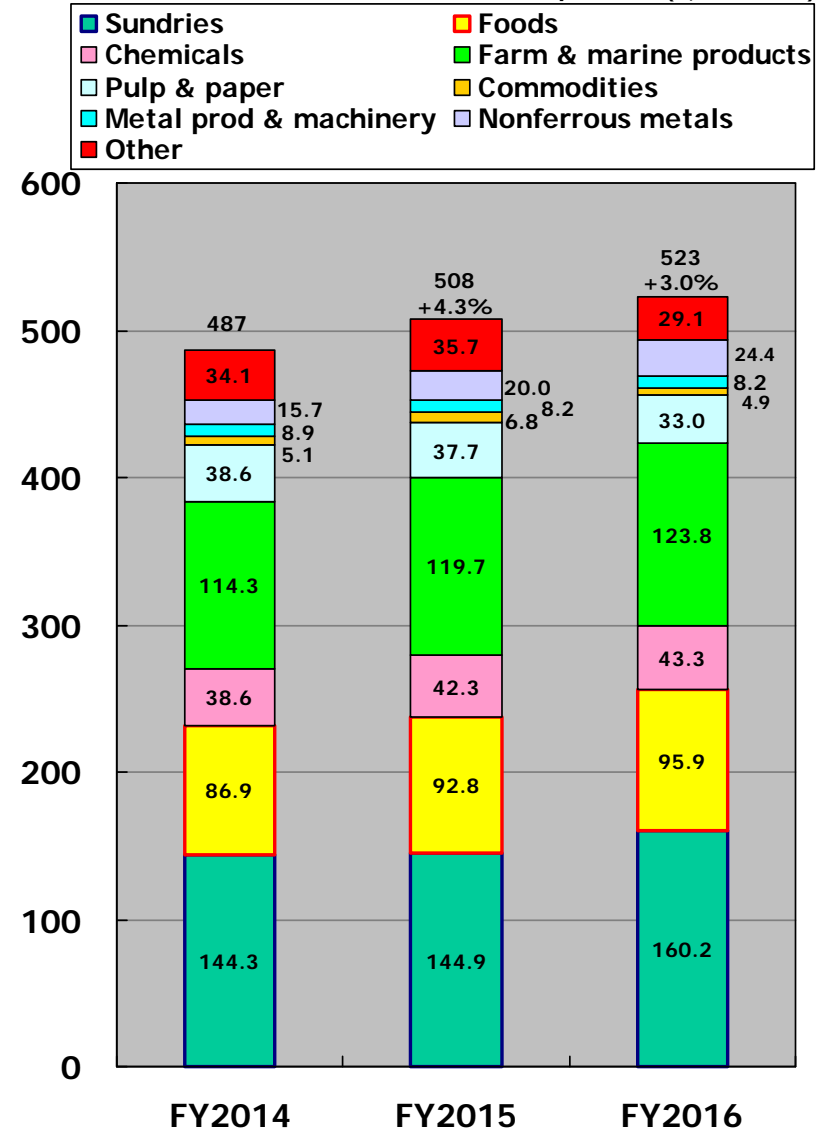


(11) Handling Volume (Yearly Average Storage Balance, Tons)

21 main companies in Japan (1,000 Tons)



Mitsui-Soko & Mitsui-Soko Kyushu (1,000 Tons)

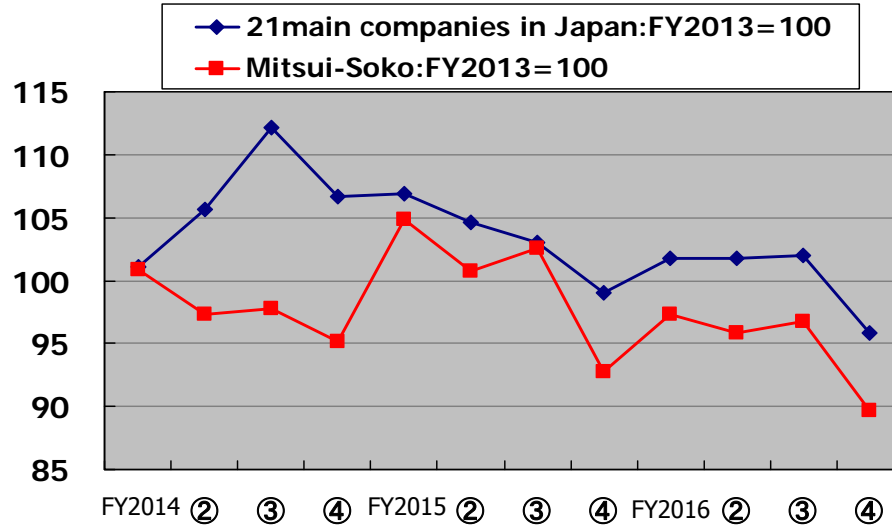




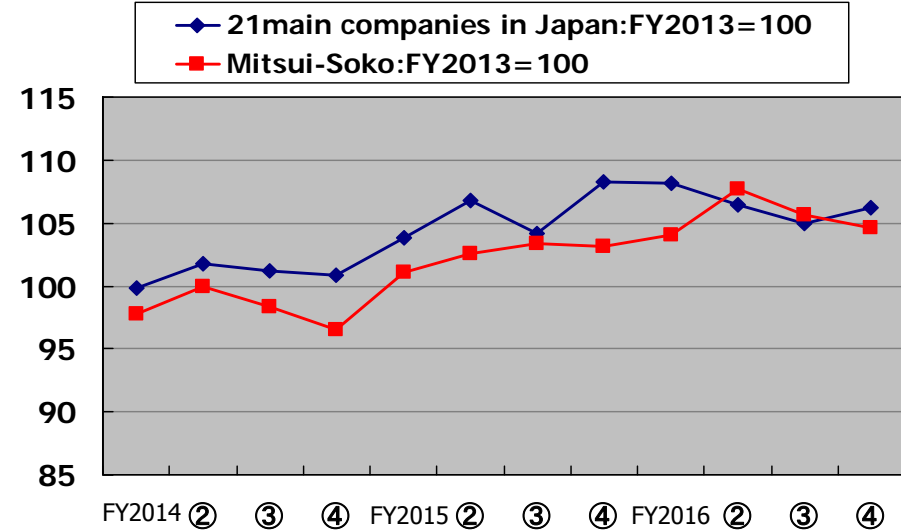
(12) Yearly Business Volume

Warehouse Business

Receiving Cargo Volume

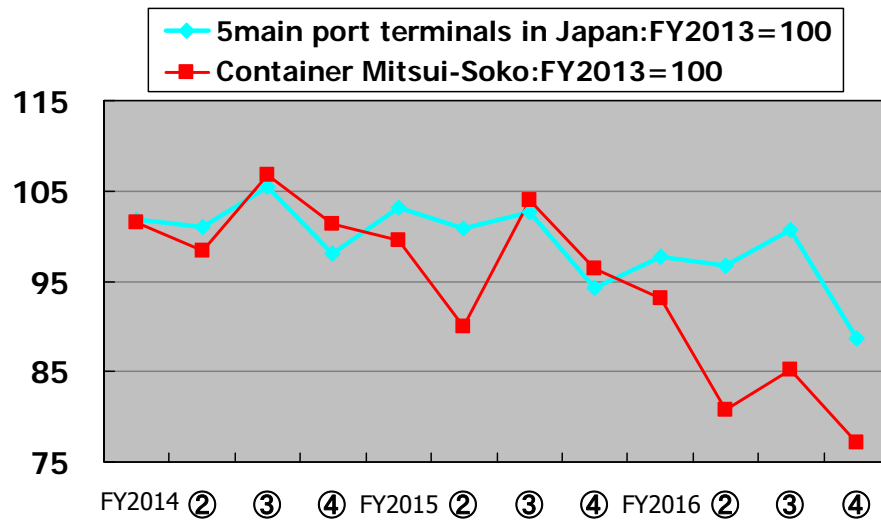


Storage Volume



Port Terminal Business

Container Handling Volume



*Statistics for 5 main port terminals in Japan are based on figures up to Jan. 2016.



(13) Consolidated Balance Sheet

(Millions of yen)

	Mar. 31, 2015	Mar. 31, 2016	Change	Main factors for change	
Current assets	Cash & deposits	23,796	26,402	+2,605	
	Notes & accounts receivable	25,282	32,324	+7,042	
	Deferred income taxes	1,110	1,336	+225	
	Other current assets	8,055	9,976	+1,920	
	Allowance for doubtful accounts	(98)	(92)	+6	
Non-current assets	Buildings & structures, net	63,438	76,375	+12,937	Acquisition of Marukyo Transportation and completion of a new overseas warehouse.
	Machinery & delivery equipment, net	3,716	5,311	+1,595	
	Land	50,666	56,803	+6,137	
	Construction in progress	7,642	3,466	(4,176)	
	Other PP&E, net	2,510	2,436	(74)	
	Goodwill	21,100	34,965	+13,864	Acquisition of newly consolidated subsidiaries.
	Other Intangibles, net	6,260	7,712	+1,452	
	Investment securities	16,976	13,275	(3,701)	
	Long-term loans	415	474	+58	
	Deferred income taxes	810	1,931	+1,121	
	Defined benefit asset	4,757	3,665	(1,091)	
Other investments	8,996	9,806	+810		
Allowance for doubtful accounts	(223)	(232)	(8)		
Current liabilities	Notes & accounts payable	13,698	17,850	+4,151	
	Short-term borrowings & current portion of long-term debt	27,572	33,446	+5,874	
	Accrued income taxes	1,463	1,890	+427	
	Accrued bonus	2,051	2,875	+824	
	Other current liabilities	13,855	16,064	+2,209	
Non-current liabilities	Bonds	57,000	47,000	(10,000)	Redemption of the 7th& 10th corporate bond.
	Long-term borrowings	40,508	80,334	+39,826	Acquisition of shares of newly consolidated subsidiaries.
	Deferred income taxes	7,349	6,574	(774)	
	Defined benefit liability	4,345	6,695	+2,350	
	Other noncurrent liabilities	4,387	6,523	+2,136	
Common stock	11,100	11,100	—		
Capital surplus	5,563	5,563	—		
Retained earnings	39,919	38,889	(1,029)		
Treasury stock, at cost	(101)	(101)	—		
Unrealized gains on available-for-sale securities	6,351	4,829	(1,522)		
Deferred gains or losses on hedges	(0)	0	—		
Foreign currency translation adjustments	4,173	1,108	(3,065)		
Remeasurements of defined benefit plans	1,237	284	(952)		
Minority interests	4,735	5,006	+270		
Total liabilities and net assets	245,213	285,939	+40,725		



(14) Consolidated Income Statement

(Millions of yen)

		FY2015 (Apr.2014-Mar.2015)	FY2016 (Apr.2015-Mar.2016)	Change	Main factors for change
Net revenue	Storage services	19,625	25,408	+5,782	
	Warehouse handling services	13,560	23,094	+9,533	
	Port terminal services	20,838	20,349	(489)	
	Transportation services	68,567	91,397	+22,830	Acquisition of MSCS and Marukyo Transportation.
	Real estate	9,855	8,970	(885)	
	Other	38,038	43,751	+5,713	
	Total	170,486	212,971	+42,485	
Cost of sales	Direct operation expenses	84,703	103,157	+18,453	Acquisition of MSCS and Marukyo Transportation.
	Lease and rental	13,914	16,211	+2,296	
	Depreciation expenses	5,883	7,048	+1,165	
	Taxes and dues	1,830	1,894	+63	
	Salaries & benefits	19,734	27,541	+7,806	
	Provision for accrued bonuses	1,490	1,360	(129)	
	Retirement benefit cost	533	575	+42	
	Other	22,142	30,027	+7,884	
Total	150,232	187,816	+37,584		
Gross profit		20,253	25,155	+4,901	
SG&A	Remuneration salaries & benefits	3,852	5,898	+2,046	
	Provision for accrued bonuses	528	1,623	+1,095	
	Retirement benefit cost	115	261	+146	
	Depreciation expenses	1,191	1,197	+6	
	Amortization of goodwill	1,813	2,969	+1,155	
	Taxes and dues	235	441	+205	
	Other	6,403	9,474	+3,070	
	Total	14,140	21,867	+7,726	
Operating income		6,112	3,287	(2,824)	
Nonoperating income	Interest and dividends	391	763	+372	
	Foreign exchange gain	548	—	(548)	
	Equity in earnings of nonconsolidated subsidiaries and affiliates	64	65	+1	
	Other	487	598	+111	
Nonoperating expenses	Commission fee	1,320	500	(820)	
	Interest expenses	1,104	1,363	+259	
	Foreign exchange loss	—	691	+691	
	Taxes and dues	69	548	+479	
	Other	801	699	(101)	
Ordinary income		4,308	912	(3,395)	
Extraordinary gains	Gain on negative goodwill	—	1,704	+1,704	Acquisition of Marukyo Transportation.
	Gain on sales of securities	237	951	+713	
	Gain on sales of fixed assets	—	1,177	+1,177	Sales of buildings in Ginza and Fukuzumi.
	Gain on redemption of golf club memberships	1	—	(1)	
	Total	239	3,832	+3,592	
Extraordinary losses	Acquisition related loss	—	291	+291	
	Impairment loss	—	1,424	+1,424	
	Other	172	214	+42	
	Total	172	1,930	+1,758	
Income before income taxes		4,376	2,814	(1,561)	
Income taxes - current		2,179	2,758	+579	
Income taxes - deferred		296	(108)	(405)	
Minority interests		688	(47)	(735)	
Net income		1,212	211	(1,000)	



(15) Consolidated Cash Flows

(Millions of yen)

		FY2015 (Apr. 2014-Mar. 2015)	FY2016 (Apr. 2015-Mar. 2016)	Change	Main factors for change
Operating activities	Income before income taxes	4,376	2,814	(1,561)	
	Depreciation expenses	7,074	8,246	+1,171	
	Amortization of goodwill	1,813	2,969	+1,155	
	Gain on negative goodwill	—	(1,704)	(1,704)	
	Impairment loss	—	1,424	+1,424	
	Change in allowance for doubtful accounts	(7)	(32)	(24)	
	Change in accrued bonus	114	88	(25)	
	Change in accrued pension and severance costs	210	562	+351	
	Interest & dividend income	(391)	(763)	(372)	
	Interest expense	1,104	1,358	+254	
	Equity in earnings of nonconsolidated subsidiaries and affiliates	(64)	(65)	(1)	
	Gain on sales of PP&E	(39)	(1,236)	(1,196)	
	Gain on disposal of PP&E	57	119	+62	
	Loss on investment securities	(238)	(951)	(712)	
	Gain on write-down of securities	—	87	+87	
	Change in trade receivables	(2,056)	3,748	+5,805	
	Change in trade payables	(1,185)	(2,703)	(1,517)	
	Other, net	(479)	270	+750	
	Interest & dividend received	446	830	+384	
	Interest paid	(1,118)	(1,267)	(149)	
Income taxes paid	(1,568)	(2,695)	(1,127)		
Cash flows from operating activities	8,047	11,101	+3,054		
Investing activities	Payments for purchases of non-current assets	(14,502)	(14,436)	+66	
	Proceeds from sales of non-current assets	123	5,570	+5,446	
	Payments for purchases of investment securities	(301)	(14)	+287	
	Proceeds from sales of investment securities	260	2,400	+2,139	
	Payments for acquisition of subsidiaries' shares	(154)	—	+154	
	Payments for investment in subsidiaries and affiliates	(617)	—	+617	
	Payments for loans extended	(88)	(71)	+16	
	Proceeds from loans collected	48	166	+118	
	Payments for acquisition of subsidiaries' shares, resulting in consolidation scope change	—	(21,944)	(21,944)	Acquisition of shares of MSCS & Prime Cargo.
	Proceeds from acquisition of subsidiaries' shares, resulting in consolidation scope change	400	79	(321)	
	Payments for time deposits	(51)	(954)	(903)	
	Proceed from transfer of time deposits	148	763	+614	
	Payments for business transfer	—	(7,577)	(7,577)	Related to MSCS.
	Other, net	(76)	—	+76	
Cash flows from investing activities	(14,809)	(36,019)	(21,210)		
Financing activities	Proceeds from short-term borrowings	98,050	159,606	+61,556	
	Payments for short-term borrowings	(99,910)	(158,785)	(58,875)	
	Proceeds from long-term borrowings	17,102	52,184	+35,081	
	Payments for long-term borrowings	(14,852)	(15,360)	(507)	
	Corporate bonds issued	20,000	—	(20,000)	
	Corporate bonds redeemed	(6,000)	(7,000)	(1,000)	
	Payments for purchase of treasury stock	(0)	(0)	—	
	Dividends paid	(1,117)	(1,241)	Δ124	
	Other, net	(436)	(576)	(140)	
	Cash flows from financing activities	12,835	28,826	+15,990	
Translation adjustments on cash and cash equivalents	699	(1,625)	(2,325)		
Net increase in cash and cash equivalents	6,774	2,283	(4,490)		
Cash and cash equivalents at the beginning of the term	15,943	22,717	+6,774		
Cash and cash equivalents at the end of the term	22,717	25,000	+2,283		