

Financial Results for the Six-Month Period Ended December 31, 2015

February 12, 2016

Company name: ZERO CO., LTD.

Code No: 9028

Tokyo Stock Exchange (Second Section)

(URL <http://www.zero-group.co.jp/>)

Representative: Takeo Kitamura, President and COO

Contact for inquiries: Toshihiro Takahashi, Corporate Officer Tel: 044-520-0106
 General Manager of Corporate Planning Department

Date of financial report submission February 15, 2016

Date to begin payment of dividend: -

Additional materials for the financial results for 2Q FY2015 None

Briefing session for the financial results for 2Q FY2015 Yes (to analysts)

1. Consolidated Financial Results for the Six-Month Period Ended December 31, 2015 (From July 1, 2015 to December 31, 2015)

(1) Consolidated Results

(Figures less than one million yen are rounded down.)

Percentages shown below are the rates of increase or decrease compared with the same period of the previous year.

	Sales		Operating income		Ordinary income		Net income attributable to owners of parent company	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six Months period ended Dec. 31, 2015	38,611	9.8	2,504	133.2	2,676	127.9	1,638	147.9
Six Months period ended Dec. 31, 2014	35,158	9.9	1,073	-28.1	1,174	-23.1	660	-18.4

(Note) Comprehensive income: 2Q FY2015 1,489 million yen (131.9%)
 2Q FY2014 642 million yen (-25.4%)

	Earnings per share-basic	Earnings per share-diluted
	Yen	Yen
Six Month Period Ended Dec. 31, 2015	98.12	-
Six Month Period Ended Dec. 31, 2014	38.67	-

(2) Consolidated Financial Position

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of Dec. 31, 2015	34,564	17,352	50.2	1,045.80
As of June 30, 2015	35,145	16,605	47.2	971.51

(Ref.) Shareholders' equity: As of Dec. 31, 2015: 17,352 million yen As of June 30, 2015: 16,605 million yen

2. Dividends

(Record date)	Dividend per share				
	At end of 1Q	At end of 2Q	At end of 3Q	At end of 4Q	Annual total
	Yen	Yen	Yen	Yen	Yen
FY2014	-	8.00	-	19.50	27.50
FY2015	-	13.00	-	-	-
Forecast for FY2015			-	30.40	43.40

(Note) Revision from the latest dividend forecast: Yes

3. Consolidated Forecasts for FY2015 (From July 1, 2015 to June 30, 2016)

Percentages shown below for whole FY2014 are the rates of increase or decrease compared with the previous year.

	Sales		Operating income		Ordinary income		Net income attributable to owners of parent company		Earnings per share -basic
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Whole FY2015	77,800	0.7	4,750	29.7	5,000	32.6	2,900	54.4	173.64

(Note) Revision from the latest dividend forecast: Yes

*Remarks

- (1) Changes in important subsidiaries during period (Transfer of particular subsidiary which involves the change of scope of consolidation): N/A
- (2) Application of particular accounting methods for quarterly consolidated financial statements: N/A
- (3) Changes in accounting policies, procedure or notation method for documenting consolidated financial statements
 - ① Changes in accordance with the revision of accounting standards and others: Yes
 - ② Changes other than above: N/A
 - ③ Changes in accounting estimates: N/A
 - ④ Restatement of corrections: N/A
- (4) Number of issued shares (common shares)
 - ① Number of issued shares (including treasury stock) at the end of each period:
As of December 31, 2015: 17,560,242 As of June 30, 2015: 17,560,242
 - ② Number of treasury stock:
As of December 31, 2015: 967,732 As of June 30, 2015: 467,732
 - ③ Average number of issued shares during the fiscal year (excluding treasury stock)
2Q FY2015: 16,701,206 2Q FY2014: 17,092,521

※Implementation status review procedure

This financial report is exempt from the review procedure based upon the Financial Instruments and Exchange Act. The financial statements are under the review procedure at the time of disclosure of this report.

※Explanation regarding appropriate use of forecasts

Statements in this report relating to future matters such as earnings forecasts are based on the information presently available. Actual results may differ from those forecasts depending on various factors.

Table of Contents of Attachments

1. Qualitative Information	2
(1) Analysis of business performance	2
(2) Analysis of the financial condition	3
(3) Forecast for the next consolidated fiscal year	4
2. Summary Information (Notes)	4
(1) Changes in important subsidiaries during period	4
(2) Application of particular accounting methods for quarterly consolidated financial statements.....	4
(3) Changes in accounting policies, accounting estimates and restatement of corrections.....	4
(4) Additional Information	5
3. Consolidated Financial Statements	6
(1) Consolidated Balance Sheet	6
(2) Consolidated Income Statement and Consolidated Comprehensive Income Statement.....	10
(Consolidated Income Statement)	
First six months	10
(Consolidated Comprehensive Income Statement)	
First six months	11
(3) Consolidated Cash Flow Statement	13
(4) Notes to Consolidated Financial Statements	16
(Note for the assumption of going concern)	16
(Note concerning major changes in shareholders' equity)	16
(Segment Information)	16

1. Qualitative Information

(1) Analysis of business performance

While affected by the economic downturn in Emerging countries, as a result of the Japanese companies' positive earnings and the government-led reflation measures, the nation's economy during the first six months of fiscal 2015 (referred to as the "current term") continues its progress. On the other hand, against the backdrop of a sluggish growth in individual consumption and a pressure of labor supply and demand, the nation's economic prospect and business environment remains unclear.

In the automobile industry, Japanese automakers' new vehicle sales in the domestic market turned out to be 92.5% of that in the corresponding quarter from the previous year (hereinafter referred as "year-on-year") (Japan Automobile Manufacturers Association's statistical data), being affected by the hike in vehicle taxes on mini-cars. On the other hand, with the yen continuing to be weak the situation has remained favorable to exports to overseas markets, recording a year-on-year increase.

The used car market is in a downturn due to a weakening in consumer confidence, but in the latest quarter showed signs of recovery on a year-on-year basis. However, the export of used cars is weakening,

Under these circumstances, our Group promoted strategic sales activities matching the changes in the market environment in each of its segments, created higher added-value services by strengthening the group synergy of its three businesses, and worked to strengthen cost reduction and other profit administration systems.

Our Group's financial results for the first six-month of fiscal 2015 recorded sales of 38,611 million yen (109.8% year-on-year) and operating income of 2,504 million yen (233.2% year-on-year), thus posting year-on-year increase in sales and income. Upon taking non-operating gains and losses into account, ordinary income was 2,676 million yen (227.9% year-on-year), and net income attributable to owners of parent company was 1,638 million yen (247.9% year-on-year).

【No. of Motor Vehicles Related to Domestic Distribution】			Unit : Units	
Domestic Sales		July 2014-December 2014	July 2015-December 2015	Year-on-year Change (%)
New Vehicles				
Domestic automakers	*1	2,410,851	2,229,020	92.5%
(Nissan Motor Co. only)	*1	(283,150)	(262,189)	(92.6%)
Foreign automakers	*2	146,231	140,857	96.3%
Used Cars				
Passenger cars	*3	1,739,700	1,770,011	101.7%
Mini-cars	*4	1,370,996	1,373,044	100.1%
Total used cars		3,110,696	3,143,055	101.0%
Deregistered vehicles	*3	119,826	103,300	86.2%
Exports				
Domestic automakers' new vehicles	*1	2,297,764	2,400,441	104.5%
Used passenger cars	*5	718,992	699,628	97.3%

*1: Calculated using the Japan Automobile Manufacturers Association's statistics

*2: Calculated using the Japan Automobile Importers Association's statistics

*3: Calculated using the Japan Automobile Dealers Association's statistics

*4: Calculated using the Japan Light Motor Vehicle and Motorcycle Association's statistics

*5: Calculated using the number of deregistered used cars for export listed in the Japan Automobile Dealers Association's statistics

① Automobile-related Business

In this business segment, domestic sales of Nissan Motor Company, our major customer, was affected by a downturn in consumer confidence, and posted sales of 262,189 units (92.6% year-on-year) of new vehicles in

Japan (Japan Automobile Manufacturers Association's statistical data). Due to the above reasons, sales of Nissan's new cars transportation decreased. However, efforts were made to increase used car exports and transportation of non-Nissan new cars and as a result, the automobile-related business posted an overall increase year on year.

As a result, this segment's sales rose to 29,520 million yen (109.5% year-on-year) and profit was 2,797 million yen (201.6% year-on-year).

② Human Resources Business

In this segment, while companies seeking human resources are on the increase as the nation's economy is on a recovery trend, our corporate clients continue to be very strict in terms of dispatch and contract work fees. Under these circumstances, we were able to increase sales in this segment, thanks to steady efforts to develop new sales regions and customers through strong sales activities and enhanced sales operations in the employee dispatch business.

As a result, this segment posted sales of 6,659 million yen (111.6% year on year) but due to increase in recruitment costs, etc., profits in this segment were 235 million yen (96.4% year-on-year).

③ General Cargo Transportation Business

Sales of 2,682 million yen (109.1% year-on-year) was recorded in this business segment, the growth being attributable to steady movement in the port cargo handling and other businesses. As a result of improvements in the business efficiency from the cost aspect, this segment posted profit of 484 million yen (147.7% year-on-year).

Incidentally, concerning unclassifiable group-wide expenses (expenses concerning the company's administrative departments) and the amortization of goodwill, etc., which are not included in the above profit and loss by segment, they are recognized as "Adjustments" items as listed in "Segment Information" in "3. "Consolidated Financial Statements" and amounted to 1,012 million yen.

(2) Analysis of the financial condition

① Assets, Liabilities and Net Assets

(Assets)

Compared to the end of the previous term, current assets decreased by 577 million yen (3.4%) to 16,312 million yen. This is chiefly due, despite the increase of notes and accounts receivable – trade by 419 million yen, to the decrease of cash and deposits by 723 million yen.

Compared to the end of the previous term, fixed assets decreased by 3 million yen (0.0%) to 18,251 million yen. This is chiefly due, despite the increase of buildings and structures by 94 million yen, to the decrease of goodwill by 173 million yen.

As a result of the foregoing, compared to the end of the previous term, total assets decreased by 581 million yen (1.7%) to 34,564 million yen.

(Liabilities)

Compared to the end of the previous term, current liabilities decreased by 763 million yen (6.9%) to 10,342 million yen. This is due to the decrease of notes and accounts payable by 121 million yen and accrued consumption taxes by 177 million yen.

Compared to the end of the previous term, long-term liabilities decreased by 565 million yen (7.6%) to 6,868 million yen. This is chiefly due to the decrease of long-term loans payable by 522 million yen and provision for retirement benefits by 92 million yen.

As a result of the foregoing, compared to the end of the previous term, total liabilities decreased by 1,328 million yen (7.2%) to 17,211 million yen.

(Net Assets)

Compared to the end of the previous term, net assets increased by 746 million yen (4.5%) to 17,352 million yen.

This is chiefly due, despite the increase of treasury stock by 701 million yen, to the increase of retained earnings by 1,305 million yen.

② Cash Flow Situation

At the end of the current term, cash and cash equivalents (hereinafter referred to as “Funds”) decreased by 671 million yen compared to the end of the previous term, to 5,185 million yen.

The respective cash flow situation in the current term and their causes are as follows.

(Cash flow from operating activities)

Funds provided by operating activities were 1,170 million yen (income in the corresponding quarter from the previous year was 191 million yen).

Income was provided mainly by 2,671 million yen in income before income taxes, 473 million yen in depreciation, and 173 million yen in amortization of goodwill. Payments were made mainly as 901 million yen in income taxes paid, increase of 419 million yen in notes and accounts receivable-trade, and decrease of 177 million yen in accrued consumption taxes.

(Cash flow from investment activities)

Funds used in investment activities were 291 million yen (payments in the corresponding quarter from the previous year were 848 million yen).

Income was provided mainly by 52 million yen as proceeds from withdrawals from time deposits. Payments were made mainly as 268 million yen in payments for purchases of property, plant and equipment, and 90 million yen in purchase of intangible assets.

(Cash flow from financing activities)

Funds used in financing activities were 1,549 million yen (income in the corresponding quarter from the previous year was 466 million yen).

Income was provided mainly by 110 million yen as proceeds from long-term loans payable. Payments were made mainly as 721 million yen in repayment of long-term loans payable, 409 million yen for purchase of treasury stock, and 333 million yen in cash dividends paid.

(3) Forecast for the next consolidated fiscal year

The financial forecasts for fiscal year ending June 30, 2016, published on August 7, 2015, have been revised as set forth in the “Revisions in Financial Forecasts, Determination of Dividend of Surplus (Interim Dividend) and Revisions in Year-end Dividend Projection” disclosed today (February 12, 2016).

2. Summary Information (Notes)

- (1) Changes in important subsidiaries during period: N/A
- (2) Application of particular accounting methods for quarterly consolidated financial statements: N/A
- (3) Changes in accounting policies, accounting estimates and restatement of corrections

(Application of the ASBJ Statement)

The Company has applied “Revised Accounting Standard for Business Combinations (ASBJ Statement No. 21, September 13, 2013) (hereinafter referred to as the “Business Combinations Accounting Standard”), “Revised Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22, September 13, 2013) hereinafter referred to as the “Consolidation Accounting Standard”), “Revised Accounting Standard for Business Divestitures”

(ASBJ Statement No. 7, September 13, 2013) (hereinafter referred to as the “Business Divestitures Accounting Standard”) and other standards from the current term. Accordingly, the accounting methods have been changed to record the difference arising from changes in equity in subsidiaries which the Company continues to control as capital surplus, and to record business acquisition costs as expenses for the fiscal year in which incurred. In addition, regarding business combinations occurring on or after the start of the current term, the accounting method has been changed to retroactively reflect adjustments to the amount allocated to acquisition costs arising from the finalization of the provisional accounting treatment on the consolidated financial statements of the period in which the business combination occurs. Furthermore, presentation of Net income has been changed. In order to reflect the changes in presentation of financial statements, reclassification was made accordingly in the quarterly consolidated financial statements for the three months ended September 30, 2014 and the consolidated financial statements for the previous fiscal year.

The Business Combinations Accounting Standard and other standards have been applied from the start of the current term in accordance with the transitional treatment set forth in Article 58-2 (4) of the Business Combinations Accounting Standard, Article 44-5 (4) of the Consolidation Accounting Standard and Article 57-4 (4) of the Business Divestitures Accounting Standard. Incidentally, there is no effect on the profits and losses in the quarterly consolidated financial statements for the current term and on the capital surplus at the end of the current accounting period.

(4) Additional Information

(Abolition of Retirement Benefits for Directors)

At the ordinary general meeting of shareholders convened on September 29, 2015, a resolution was passed to make final payment pursuant to abolition of the directorate retirement benefits system. Pursuant to the foregoing, the Company reversed the full amount of “Provision for retirement benefits for director” and included the outstanding balance under “Others” of Long-term liabilities as long-term accounts payable in order to continue to be prepared to pay retirement benefits for directors.

Incidentally, in some of the consolidated subsidiaries, in order to prepare for payment of retirement benefits to directors, the amounts to be paid based on internal regulations have been recognized under “Provision for retirement benefits for directors”.

(Introduction of a Performance-based Stock Compensation Program)

At the ordinary general meeting of shareholders convened on September 29, 2015, a resolution was passed to newly introduce a new stock compensation program ‘Board Benefit Trust (BBT)’ (hereinafter referred to as the “Program”) for the Company’s directors, auditors and executive officers (excluding those serving concurrently as officers of the Company’s parent company, outside directors and outside auditors) (hereinafter referred to as the “Directors and Others”). The purpose of the Program is to make clearer the link between compensation of the Directors and Others and the Company’s performance and stock prices, and by having the Directors and Others share not only the merits of an increase in stock prices but the risks of a drop in stock prices, increase the awareness of the Directors and Others of their contribution to improving medium to long-term performance and increasing corporate value.

This is a performance-based stock compensation program whereby shares of the Company are acquired by the Trust using money contributed as funds by the Company, and distributed by the Trust in accordance with the Rules on Distributions of Board Benefits based on points given to each of the Directors and Others in view of their positions and performance. Incidentally, the shares of the Company shall be distributed to the Directors and Others as a general rule when they leave their positions.

Shares owned by the Trust are stated as treasury shares under “Net Assets” of the Consolidated Balance Sheet of the current term by book value in the trust. The book value and number of these treasury shares at the end of the current term was 499 million yen and 357,100 stocks.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheet

(Unit: million yen)

	As of June 30, 2015	As of December 31, 2015
Assets		
Current assets		
Cash and deposits	6,051	5,328
Notes and accounts receivable - trade	8,448	8,868
Merchandise	812	825
Supplies	82	91
Deferred tax assets	262	274
Others	1,320	1,002
Allowance for doubtful accounts	(87)	(77)
Total current assets	16,890	16,312
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	3,288	3,383
Machinery, equipment and vehicles, net	218	273
Tools, furniture and fixtures, net	67	71
Land	7,939	7,939
Lease assets, net	2,059	2,032
Construction in progress	73	4
Total property, plant and equipment	13,647	13,705
Intangible assets		
Goodwill	1,227	1,053
Others	535	558
Total intangible assets	1,763	1,611
Investments and other assets		
Investment securities	1,468	1,458
Long-term loans receivable	85	102
Deferred tax assets	406	391
Others	1,004	1,080

Allowance for doubtful accounts	(120)	(97)
Total investments and other assets	2,844	2,933
Total fixed assets	18,255	18,251
Total assets	35,145	34,564

	As of June 30, 2015	As of December 31, 2015
Liabilities		
Current liabilities		
Notes and accounts payable - trade	3,212	3,091
Short-term loans payable	880	900
Current portion of long-term loans payable	1,335	1,246
Income taxes payable	948	1,046
Accrued consumption taxes	649	472
Allowance for bonuses	435	413
Allowance for sub-lease loss	15	15
Others	3,629	3,158
Total current liabilities	11,106	10,342
Long-term liabilities		
Long-term loans payable	1,823	1,301
Provision for retirement benefits for directors	496	101
Provision for stock contribution	—	20
Allowance for sub-lease loss	28	20
Provision for retirement benefits	2,155	2,063
Deferred tax liabilities	14	9
Deferred tax liabilities for land revaluation	987	987
Asset retirement obligation	84	84
Others	1,842	2,279
Total long-term liabilities	7,433	6,868
Total liabilities	18,540	17,211
Net assets		
Shareholders' equity		
Capital stock	3,390	3,390
Capital surplus	3,204	3,497
Retained earnings	10,317	11,622
Treasury stock	(152)	(854)

Total shareholders' equity		
	16,759	17,656
Accumulated other comprehensive income		
Unrealized gains (losses) on securities	54	43
Revaluation reserve for land	(603)	(603)
Foreign currency translation adjustment	147	88
Accumulated retirement benefits adjustment	247	167
Total accumulated other comprehensive income	(154)	(303)
Total net assets	16,605	17,352
Total liabilities and net assets	35,145	34,564

(2) Consolidated Income Statement and Consolidated Comprehensive Income Statement

(Consolidated Income Statement)
(First six months)

(Unit: million yen)

	First six months of FY14 (from July 1, 2014 to Dec. 31, 2014)	First six months of FY15 (from July 1, 2015 to Dec. 31, 2015)
Sales	35,158	38,611
Cost of sales	30,621	32,396
Gross profit	4,536	6,215
Selling, general and administrative expenses	3,462	3,710
Operating income	1,073	2,504
Non-operating income		
Interest income	1	1
Dividend income	1	0
Commission fee	30	30
Equity in earnings of affiliates	19	67
Sales of inventories	29	13
Others	54	97
Total non-operating income	137	212
Non-operating expenses		
Interest expenses	35	34
Others	2	6
Total non-operating expenses	37	40
Ordinary income	1,174	2,676
Extraordinary income		
Gain on sale of fixed assets	1	2
Compensation receivable	62	—
Gain from the sale of investment securities	—	5
Total extraordinary income	64	8
Extraordinary loss		
Loss on sales of fixed assets	0	—

Loss on disposal of fixed assets	4	13
Total extraordinary losses	5	13
Net income before tax adjustments	1,232	2,671
Income taxes	571	1,032
Income before minority interests	660	1,638
Net income attributable to owners of parent company	660	1,638

(Consolidated Comprehensive Income Statement)
(First six months)

(Unit: million yen)

	First six months of FY14 (from July 1, 2014 to Dec. 31, 2014)	First six months of FY15 (from July 1, 2015 to Dec. 31, 2015)
Income before minority interests	660	1,638
Other comprehensive income		
Unrealized gains (losses) on securities	6	(11)
Accumulated retirement benefits adjustment	(44)	(80)
Equity of equity-method affiliate	18	(58)
Total other comprehensive income (loss)	(18)	(149)
Comprehensive income	642	1,489
(Breakdown)		
Parent company portion of comprehensive income	642	1,489

(3) Consolidated Cash Flow Statement

	(Unit: million yen)	
	First six months of FY14 (from July 1, 2014 to Dec. 31, 2014)	First six months of FY15 (from July 1, 2015 to Dec. 31, 2015)
Cash flows from operating activities		
Net income before tax adjustments	1,232	2,671
Depreciation	405	473
Depreciation of goodwill	169	173
Increase (decrease) in allowance for doubtful accounts	(7)	(32)
Increase (decrease) in allowance for bonuses	(5)	(22)
Increase (decrease) in provision for Directors' stock benefit	-	20
Increase (decrease) in liabilities related to retirement benefits	(139)	(219)
Increase (decrease) in provision for directors' retirement benefits	35	(394)
Increase (decrease) in allowance for sub-lease loss	(7)	(7)
Interest and dividends	(2)	(2)
Interest expenses	35	34
Loss (gain) from sale of investment securities	-	(5)
Loss (gain) from sale of fixed assets	-	10
Loss (gain) from equity in earnings of affiliates	(19)	(67)
Compensation receivable	(62)	-
Decrease (increase) in notes and accounts receivable	211	(419)
Decrease (increase) in inventories	(264)	(22)
Decrease (increase) in other current assets	(158)	269
Increase (decrease) in trade payable	(361)	(121)
Decrease in other current liabilities	(169)	(495)
Increase (decrease) in accrued consumption taxes	79	(177)
Others, net	(8)	439
Subtotal	964	2,104

	First six months of FY14 (from July 1, 2014 to Dec. 31, 2014)	First six months of FY15 (from July 1, 2015 to Dec. 31, 2015)
Interest and dividends received	2	2
Interest expenses paid	(35)	(34)
Income taxes (paid) or refunded	(803)	(901)
Compensation received	62	—
Net cash provided by operating activities	191	1,170
Cash flows from investing activities		
Payments into time deposits	(2)	(0)
Proceeds from withdrawal of time deposits	—	52
Purchase of property, plant and equipment	(505)	(268)
Proceeds from sale of property, plant and equipment	3	2
Purchase of intangible assets	(26)	(90)
Purchase of investment securities	(391)	(0)
Proceeds from sale and redemption of investment in securities	0	8
Proceeds from acquisition of subsidiary associated with change of scope of consolidation	40	—
Payments of loans receivable	(141)	(27)
Proceeds from collection of loans receivable	160	39
Others	13	(8)
Net cash used in investing activities	(848)	(291)
Cash flows from financing activities		
Increase (decrease) in short-term loans payable	570	20
Proceeds from long-term loans payable	950	110
Repayment of long-term loans payable	(654)	(721)
Repayments of lease obligations	(157)	(215)
Purchase of treasury stock	(0)	(409)
Cash dividends paid	(241)	(333)
Net cash used in by financing activities	466	(1,549)
Net increase (decrease) in cash and cash equivalents	(190)	(671)
Cash and cash equivalents at beginning of term	5,148	5,856

Increase (decrease) in cash and cash equivalents associated with change of scope of consolidation	104	—
Cash and cash equivalents at end of term	5,063	5,185

(4) Notes to Consolidated Financial Statements

(Note for the assumption of going concern)
None.

(Note concerning major changes in shareholders' equity)
None.

Segment Information

1. Sales and profit for each reportable segment for the first six months of FY2014 (from July 1, 2014 to December 31, 2014)

(Unit: million yen)

	Automobile transportation-related	Human resources	General cargo transportation	Total	Elimination and corporate (Note 1)	Consolidated (Note 2)
Sales						
(1) Sales of external customers	26,936	5,804	2,417	35,158	—	35,158
(2) Internal sales between business segments or transfer	32	164	41	239	(239)	—
Total	26,969	5,969	2,459	35,398	(239)	35,158
Operating income	1,387	244	327	1,960	(886)	1,073

(Notes)

1. Elimination of -886 million yen includes corporate expense of -717 million yen, goodwill amortization of -169 million yen and elimination among the segments of 0 million yen. The corporate expense is the expense of the administrative departments which do not belong to any reported segment.
2. The segment profit is adjusted according to the operating profit in the quarterly consolidated profit and loss statement.

2. Sales and profit for each reportable segment for the first six months of FY2015 (from July 1, 2015 to December 31, 2015)

(Unit: million yen)

	Automobile transportation-related	Human resources	General cargo transportation	Total	Elimination and corporate (Note 1)	Consolidated (Note 2)
Sales						
(1) Sales for external customers	29,490	6,479	2,642	38,611	—	38,611
(2) Internal sales between business segments or transfer	30	180	40	251	(251)	—
Total	29,520	6,659	2,682	38,863	(251)	38,611
Operating income	2,797	235	484	3,517	(1,012)	2,504

(Notes)

1. Elimination of -1,012 million yen includes corporate expense of -838 million yen, goodwill amortization of -173 million yen and elimination among the segments of 0 million yen. The corporate expense is the expense of the administrative departments which do not belong to any reported segment.
2. The segment profit is adjusted according to the operating profit in the quarterly consolidated profit and loss statement.