

January 21, 2016

Yamato Holdings Co., Ltd.

Representative: Masaki Yamauchi

Representative Director and President

Stock code: 9064, First Section of the Tokyo Stock Exchange

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**Announcement of Business Collaboration and Capital Alliance with
GD Express Carrier Berhad. of Malaysia**
(Accelerate Asian Strategy by Strategic Investment in South East Asia)

The Board of Directors of Yamato Holdings Co., Ltd. (Yamato Group, Head office: Japan, Representative Director: Masaki Yamauchi) at the meeting on January 21, 2016, has approved the business collaboration and capital alliance with GD Express Carrier Bhd. (GDEX, Head office: Malaysia, CEO: Teong Teck Lean), one of the leading parcel delivery companies in Malaysia.

1) Background

- a) Yamato Group, introducing TA-Q-BIN services in Asian areas since 2010, have set out to provide the high quality and high-value-added transportation service in which parcel delivery, logistics, and freight forwarding functions are integrated.
- b) With prospective benefits from both TPP and AEC, it is highly expected that a demand for South East Asia's intra-regional trade will be exponentially increased. By providing cross-border transportation services which is integrated with "last-mile" network throughout this region, we would like to promptly build a strong position in the market.
- c) To accelerate Yamato Group's growth in this region, we will actively make business alliance and execute cross-border M&A to establish parcel delivery network across ASEAN and to enhance freight forwarding and logistics functions.

2) Main purpose of the business collaboration and capital alliance

- a) This alliance is a part of our comprehensive approach to accelerate Asia-centered strategy, and our first approach is to expand parcel delivery network in Malaysia.

- b) GDEX is a Malaysian logistic company listed in the KLSE with the second largest market share in the parcel delivery service industry. The company has established a nation-wide network for parcel delivery services in Malaysia, and achieved the highest profit margin in the industry. The company also managed to achieve significant growth in the B to B parcel delivery sector, having achieved huge growth compared to the other industry players.
 - c) Yamato Group has a subsidiary in Malaysia, Yamato Transport (M) Sdn Bhd (YTM) which is also offering parcel delivery services “TA-Q-BIN” in Malaysia.
In addition, YTM also offers chilled and frozen parcel delivery services “Cool TA-Q-BIN” and Cash-On-Delivery (COD) services “TA-Q-BIN Collect” in Malaysia. Its business is also achieving smooth growth in the country.
 - d) Going forward, GDEX and Yamato Group believes that, a stronger partnership formed via business collaboration and capital alliance will enable both parties to capitalize on each other’s strengths, and together expand to become the leading delivery company in Malaysia.
- 3) The key salient points of the business collaboration
 - a) Business collaboration – The scopes
 - For the routes or areas not covered by YTM at the moment, YTM will cooperate with GDEX to leverage on GDEX’s extensive network to offer wider coverage for YTM’s customers.
 - Cooperation on the linehaul operation between major centers to further improve efficiencies.
 - Collaboration between both companies on cross border logistics between Malaysia and Singapore will be implemented.
 - Collaboration on the business development in the ASEAN region.
 - b) Capital Alliance

Yamato Asia Pte. Ltd. (Yamato Asia, a 100% subsidiary of Yamato Holdings Co., Ltd.) is scheduled to subscribe to the new shares by GDEX.

Upon completion of the subscription, Yamato Asia has the intention to acquire additional shares from existent shareholder of GDEX for up to a total shareholding of 23% in the future.

GDEX is scheduled to become equity method affiliates of Yamato Group as early as possible.

- Total subscription amount: Thousands of Ringgit Malaysia 217,315
(Approximately 5.8 billion of JPY)
1RM=26.79JPY (RM 1.74 per share)
Shareholdings after subscription: 9.1%
- Yamato Asia will nominate one Director to GDEX's Board.

4) Company profile of Yamato Asia

Name	Yamato Asia Pte. Ltd.
Address	223 Mountbatten Road #01-07/08, Singapore 398008
Managing Director	Richard Chua Khing Seng
Major Business	Regional Head Quarters for ASEAN region
Paid-in Capital	S\$ 91,761,364

5) Company profile of GDEX

1RM=26.79 JPY / 1sen=0.01RM

Name	GD Express Carrier Bhd.	
Address	No. 19, Jalan Tandang 46050 Petaling Jaya, Selangor Darul Ehsan Malaysia	
CEO	Teong Teck Lean	
Major Business	Parcel Delivery Business, and other related business	
Paid-in Capital	Thousands of RM 61,816 as of January 20,2016 (Approximately 1,656 millions of JPY)	
Date of Foundation	1996	
Shareholders	GD Express Holdings (M) Sdn.	(30.60%)
	Affin Hwang Nominees (Asing) Sdn. Bhd.	(26.66%)
	HSBC Nominees (Asing) Sdn. Bhd.	(11.08%)
	Lau Wing Tat	(4.25%)
	Leong Chee Tong	(3.13%)
Relationship between Yamato Group and GDEX	There is no capital relationship.	
	There is no personnel relationship.	
	There is business relationship between YTM and GDEX.	
	GDEX is not a related party with respect to Yamato Group.	

GDEX's consolidated operating results and consolidated financial position
for the last three years

Millions of RM

Fiscal year ended	June 2013	June 2014	June 2015
Net Assets	65	97	141
Total Assets	107	140	189
Net assets per share	0.25	0.12	0.11
Operating Revenue	135	159	197
Operating Income	20	25	31
Operating Income before tax	19	24	31
Profit attributable to owners of parent	14	23	28
Profit attributable to owners of parent per share	1.73 sen	2.15 sen	2.43 sen
Dividends per share	1.125 sen	1.125 sen	1.000 sen

6) Schedule going forward

- a) Board of Directors Approval date: January 21, 2016
- b) Subscription Date for the New Issue of shares: January 21, 2016 (tentative)
- c) Payment date for the New Issue of shares: January 29, 2016(tentative)
- d) Registration of the New shares in Yamato-Asia's name: February 10, 2016(tentative)

7) Impact

This transaction will not have material impacts on the consolidated financial results of Yamato Group for the financial year ending March 2016.

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