



M. Yamauchi

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Representative Director,
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A Letter to Our Stakeholders

The Yamato Group is pursuing business activities under its Management Philosophy of enriching our society by enhancing the social infrastructure of *TA-Q-BIN* networks, creating more convenient services for comfortable lifestyles, and developing an innovative logistics system. The Group is currently facing significant changes in the business environment, including the recent rapid expansion of the e-commerce market and tightening labor market conditions. Amid these changes, the Group has been promoting its medium-term management plan “KAIKAKU 2019 for NEXT100” (hereinafter, “KAIKAKU 2019”), starting from the fiscal year ended March 31, 2018, with the aim of enhancing its management foundation to achieve sustainable growth for the next 100 years.

Under KAIKAKU 2019, which concludes in the fiscal year ending March 31, 2020, we are aiming to realize our Vision for 2025 through the earnest pursuit of three reforms: “Structural Reform in the Delivery Business,” “Reform of Revenue and Business Structure Geared to Achieving Discrete Growth,” and “Reform of Group Management Structure Geared to Achieving Sustainable Growth,” while also placing “Reforming Working Styles” at the center of our management. In the fiscal year ended March 31, 2018, we prioritized the issue of “Reforming Working Styles” so that we could implement “inclusive management,” which is a Yamato Group founding principle. To that end, we achieved steady results with efforts to establish a work environment that is more employee friendly, offers rewarding experiences, and encourages a high level of motivation. We have positioned the fiscal year ending March 31, 2019 as a year in which we will establish the framework of our management foundation, and we will continue to make Groupwide efforts to achieve this aim.

Also, we deeply regret the actions that occurred at Yamato Home Convenience Co., Ltd. related to the inappropriate billing of corporate clients for its moving services. I will lead the way in reforming the Group’s corporate governance to ensure that such an incident never occurs again. By instilling a strong sense of ethics in each employee throughout the Group and working together toward realizing our Management Philosophy, we will aim to once again become a company that earns the trust of all our stakeholders, starting with our clients.

Going forward, we will steadily implement the reforms I mentioned above so that we can continue to achieve sustainable growth well beyond our 100-year anniversary, which we will celebrate in November 2019, and contribute to an enriched society.