

# News Release

May 24, 2019

## Announcement of Formulation of the New Mid-term Management Plan

～ 「LOGISTEED 2021」 ～

Hitachi Transport System, Ltd. announces the formulation of the new medium-term management plan that runs from FY2019 to FY2021 (from the year ending March 31, 2020 to the year ending March 31, 2022). We will hold a meeting about this plan on May 24, 2019.

Please refer to "Investor Relations (<http://www.hitachi-transportssystem.com/en/ir/>)" on our Website for more details.

### [Basic Policy]

Under our brand slogan "Taking on the Future" and our business concept "LOGISTEED," the Hitachi Transport System Group is committed to expand collaborative areas across businesses and industries and create new innovation exceeding the domain of logistics with enhancement of logistics (Smart Logistics) as a function as our core target.

『LOGISTEED』: A word that combines LOGISTICS with Exceed, Proceed, Succeed, and Speed.  
It represents our determination to lead businesses to a new domain beyond the conventional logistics.

As the supply chain structure is changing significantly due to technological advancement and social changes, including "IoT," "AI (artificial intelligence)," "Robotics," "FinTech," "Sharing economy," and digitalization, the Group, in the new Mid-term Management Plan commencing in the fiscal year ending March 31, 2020, will promote digitalization of the Group and its collaborative partners and build open platform, in order to realize supply chain based on and originating from our logistics domain.

The Group strives to enhance our new existence value and increase corporate value by changing and evolving to a company represented by "LOGISTEED" in order to become the most preferred solution provider.

### [Numerical Targets]

	FY2018 (Result)	FY2021 (Plan)
Revenues	708.8 billion yen	720.0 billion yen
Adjusted Operating Income <sup>*1</sup>	31.2 billion yen	36.0 billion yen
Adjusted Operating Income margin	4.4%	5.0%
EBIT <sup>*2</sup>	36.2 billion yen	40.0 billion yen
EBIT margin	5.1%	5.5%
ROE	10.7%	Over 10%

\* 1. [Adjusted operating income] = [Revenues] - [Cost of sales] - [Selling, general and administrative expenses]

\* 2. EBIT (Earnings Before Interest and Taxes) = [Income before income taxes] - [Interest income] + [Interest expenses]

End