

October 28, 2020

**Consolidated Financial Results
for the 2nd Quarter of FY2020
(Supplementary Material)**

 **Hitachi Transport System, Ltd.**

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1. Financial Results by Group

[Unit: 100 million yen]

			FY2020						Full year Forecast (as of Jul. 30)	
			2Q (Jul.-Sep. 2020)			1H (Apr.-Sep. 2020)				
			Result	Year on year		Result	Year on year			
				%	changes		%	changes		
Revenues	Organic ^{*1}	Domestic Logistics	917	97%	-24	1,818	98%	-38	-	
		Global Logistics	Overseas	390	94%	-23	711	84%	-136	-
			Allocated to domestic companies ^{*2}	64	78%	-19	130	78%	-37	-
			Subtotal	455	92%	-42	842	83%	-172	-
		Other Services (logistics related businesses)	41	84%	-8	80	86%	-13	-	
		Total	1,412	95%	-74	2,740	92%	-223	5,831	
	VANTEC Group	Domestic Logistics	129	77%	-38	241	73%	-88	-	
		Global Logistics	73	90%	-8	127	77%	-38	-	
		Total	202	81%	-46	368	75%	-125	761	
	Consolidated Adjustment		-24	-	1	-43	-	5	-82	
	Total	Domestic Logistics	1,041	94%	-62	2,050	94%	-126	4,257	
		Global Logistics	Overseas	455	94%	-32	822	83%	-171	-
			Allocated to domestic companies ^{*2}	58	77%	-18	119	78%	-34	-
			Subtotal	513	91%	-49	941	82%	-205	2,089
		Other Services (logistics related businesses)	38	83%	-8	74	85%	-13	164	
Total		1,591	93%	-119	3,064	90%	-343	6,510		
Adjusted Operating Income	Organic ^{*1}	Domestic Logistics	51.7	90%	-6.0	114.5	102%	2.7	-	
		Global Logistics	Overseas	24.5	144%	7.5	36.8	109%	3.0	-
			Allocated to domestic companies ^{*2}	1.1	146%	0.4	-0.1	-	-1.2	-
			Subtotal	25.7	144%	7.9	36.7	105%	1.8	-
		Other Services (logistics related businesses)	3.6	145%	1.1	5.3	79%	-1.4	-	
		Total	81.0	104%	2.9	156.6	102%	3.1	309	
	VANTEC Group	Domestic Logistics	3.4	38%	-5.4	-0.2	-	-13.9	-	
		Overseas	2.2	137%	0.6	1.6	50%	-1.6	-	
		Total	5.5	54%	-4.8	1.4	8%	-15.5	15	
	Amortization of Customer-related intangible assets of VANTEC Group etc.		-2.3	-	0.2	-4.0	-	1.2	-8	
	Total	Domestic Logistics	52.8	82%	-11.5	110.3	91%	-11.1	233	
		Global Logistics	Overseas	26.6	146%	8.4	38.4	107%	2.5	-
			Allocated to domestic companies ^{*2}	1.1	146%	0.4	-0.1	-	-1.2	-
			Subtotal	27.8	146%	8.8	38.4	104%	1.3	73
		Other Services (logistics related businesses)	3.6	145%	1.1	5.3	79%	-1.4	10	
Total		84.1	98%	-1.6	154.0	93%	-11.2	315		
Earnings Before Interest and Taxes (EBIT)		131.3	130%	30.4	238.4	122%	42.5	386		
Net income attributable to stockholders of the parent company		68.5	112%	7.3	131.7	121%	22.9	215		

*1.Hitachi Transport System Group, excluding VANTEC Group.

*2.Forwarding and others.

2. Detail of Variations for Revenues

(1) Revenues

[Unit: 100 million yen]

2Q (Jul.-Sep. 2020)							1H (Apr.-Sep. 2020)						
COVID-19 impact	Environmental /volume changes	Effect of exchange fluctuation	Implement of portfolio strategy	New orders	New collaborative innovation	Total	COVID-19 impact	Environmental /volume changes	Effect of exchange fluctuation	Implement of portfolio strategy	New orders	New collaborative innovation	Total
-76	-110	0	11	45	11	-119	-231	-208	-19	10	86	18	-343

(2) Adjusted Operating Income

2Q (Jul.-Sep. 2020)							
COVID-19 impact	Environmental /volume changes	Effect of exchange fluctuation	Implement of portfolio strategy	New orders	New collaborative innovation	Productivity improvement	Total
-15.0	-1.3	0.2	1.1	5.2	1.7	6.5	-1.6
1H (Apr.-Sep. 2020)							
COVID-19 impact	Environmental /volume changes	Effect of exchange fluctuation	Implement of portfolio strategy	New orders	New collaborative innovation	Productivity improvement	Total
-49.1	13.7	-0.5	-0.5	9.7	2.9	12.5	-11.2

3. Overseas Business

[Unit: 100 million yen]

	Revenues						Adjusted Operating Income					
	FY2020											
	2Q (Jul.-Sep. 2020)			1H (Apr.-Sep. 2020)			2Q (Jul.-Sep. 2020)			1H (Apr.-Sep. 2020)		
	Result	Year on year		Result	Year on year		Result	Year on year		Result	Year on year	
	%	changes		%	changes		%	changes		%	changes	
North America	110	100%	0	177	80%	-43	6.5	107%	0.4	3.6	43%	-4.8
Europe ^{*1}	164	101%	2	282	86%	-48	12.9	122%	2.3	18.1	83%	-3.8
Asia (excluding China)	85	85%	-15	164	81%	-38	3.9	122%	0.7	6.4	94%	-0.4
China	93	83%	-19	191	80%	-48	5.3	409%	4.0	10.9	480%	8.6
Oceania and Others	11	114%	1	24	116%	3	1.5	221%	0.8	2.4	213%	1.3
Elimination of intra-company transactions, etc. ^{*2}	-9	-	-0	-15	-	2	-3.5	-	0.1	-2.9	-	1.6
Total	455	94%	-32	822	83%	-171	26.6	146%	8.4	38.4	107%	2.5

*1.Turkey is treated as an European country.

*2.Amortization of Customer-related intangible assets of VANTEC Group is included in "Elimination of intra-company transactions, etc."

The above is the revenue and adjusted operating income of overseas subsidiaries.

4. Financial indicators, etc.

		FY2019	FY2020
		As of Mar. 31, 2020	As of Sep. 30, 2020
Total assets	(100 Million yen)	8,791	7,906
Total equity attributable to stockholders of the parent company ^{*1}	(100 Million yen)	26.5	18.4
Total equity per share attributable to stockholders of the parent company	(Yen)	2,087.52	1,736.46
Basic earnings per share attributable to stockholders of the parent company (EPS)	(Yen)	193.76	123.20
Dividend per share	(Yen)	43.00	22.00
Return on equity (ROE)	(%)	9.50	13.9*
Return on assets (ROA)	(%)	2.4	3.2*
Price book-value ratio (PBR)	(Ratio)	1.13	1.91
Stock price	(Yen)	2,349	3,325

*1. The numbers in circle indicate total equity attributable to stockholders of the parent company ratio (%).

*2. Annualized rate.

5. Major Operating Expenses*

[Unit: 100 million yen]

	FY2019		FY2020	
	1H (Apr.-Sep. 2019)	1H (Apr.-Sep. 2020)	Year on year	
			%	changes
Subcontract Expenses	1,679.6	1,478.4	88%	-201.2
Personnel Expenses	813.1	770.0	95%	-43.1
Rent Expenses	113.0	85.6	76%	-27.4
Depreciation Expenses	258.3	259.4	100%	1.1

* Include Selling, general and administrative expenses.

6. Capital Expenditures

[Unit: 100 million yen]

	FY2019		FY2020	
	1H (Apr.-Sep. 2019)	Full year	1H (Apr.-Sep. 2020)	Year on year
Purchased Assets*1	90.7	182.5	118.4	27.7

*1. Based on fixed assets recorded in the balance sheet. *2. Allocated over the period of the lease.

7. Trend of New Order / New Startup

[Unit: project]

		FY2019		FY2020	
		1H (Apr.-Sep. 2019)	1H (Apr.-Sep. 2020)	Year on year	
New orders	Domestic	11	4	-7	
	Global	4	4	0	
	Total	15	8	-7	
New startups	Domestic	11	7	-4	
	Global	3	5	2	
	Total	14	12	-2	

• Figures indicate the number of large projects of 10 million yen/month.

(Reference ①) Number of Consolidated Employees*1

[Unit: person]

	FY2019		FY2020	
	As of Sep. 30, 2019	As of Mar. 31, 2020	As of Sep. 30, 2020	Year on year
Regular Employees	24,248	23,837	23,069	-1,179
Part time/Temporary/ other contractors*2	21,827	21,491	21,187	-640
Total	46,075	45,328	44,256	-1,819

*1. Excludes employees of associates accounted for by the equity method.

*2. Includes employees who were reemployed after reaching mandatory retirement age.

(Reference ②) Volume of Freight Forwarding

[Unit: million tons (air), million TEU (sea)]

	FY2019		FY2020	
	1H (Apr.-Sep. 2019)	Full year	1H (Apr.-Sep. 2020)	Year on year
Air	12.4	22.1	6.2	-6.2
Sea	24.2	46.2	21.5	-2.7

• Figures are simple sum before consolidated adjustment.