

(Revised on February 14, 2019)

Summary of Consolidated Financial Results [IFRS] for the First Quarter Ended June 30, 2017

July 28, 2017

Listed Company: **Hitachi Transport System, Ltd.** Stock Exchange: First Section of Tokyo
 Code Number: 9086 URL: <http://www.hitachi-transportssystem.com/en/>
 Representative: Yasuo Nakatani, President and Chief Executive Officer
 Person in charge: Isao Takaoka, General Manager of Public Relations Department, Corporate Strategy Office
 Date of the release of quarterly report (Schedule): August 10, 2017
 Date of the Start of Dividend Payment (Schedule): —
 Creates supplementary materials for quarterly summaries: Yes
 Briefing held on quarterly settlement of accounts: Yes (for analysts and institutional investors)

(Figures are rounded off to the nearest million yen)

1. Consolidated Financial Highlights for the First Quarter Ended June 30, 2017 (April 1, 2017 to June 30, 2017)

(1) Consolidated Financial Results (Cumulative) (% indicates the percentage change over year)

| | Revenues | | Adjusted operating income ^{*1} | | EBIT ^{*2} | | Income before income taxes | | Net income | | Net income attributable to stockholders of the parent company | |
|---------------|-------------|-------|---|-------|--------------------|------|----------------------------|------|-------------|------|---|------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| June 30, 2017 | 168,851 | 5.2 | 6,564 | (2.4) | 7,932 | 21.9 | 7,707 | 22.9 | 5,181 | 37.9 | 4,784 | 45.5 |
| June 30, 2016 | 160,500 | (5.4) | 6,723 | 9.2 | 6,508 | 7.6 | 6,269 | 7.1 | 3,757 | 15.4 | 3,287 | 14.0 |

| | Basic earnings per share attributable to stockholders of the parent company |
|---------------|---|
| | Yen |
| June 30, 2017 | 42.89 |
| June 30, 2016 | 29.47 |

*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]

(2) Consolidated Financial Position

| | Total assets | Total equity | Total equity attributable to stockholders of the parent company | Total equity attributable to stockholders of the parent company ratio |
|----------------|--------------|----------------|---|---|
| | Million yen | Million yen | Million yen | % |
| June 30, 2017 | 542,924 | <u>195,030</u> | <u>191,552</u> | <u>35.3</u> |
| March 31, 2017 | 549,924 | <u>190,919</u> | <u>187,482</u> | <u>34.1</u> |

2. Dividends

| | Dividend per share | | | | |
|----------------------------|--------------------|-------------|-------------|----------|-------|
| | 1st Quarter | 2nd Quarter | 3rd Quarter | Year-End | Total |
| | Yen | Yen | Yen | Yen | Yen |
| March 31, 2017 | — | 17.00 | — | 17.00 | 34.00 |
| March 31, 2018 | — | — | — | — | — |
| March 31, 2018 (Forecasts) | — | 18.00 | — | 18.00 | 36.00 |

(Note) Revision of the latest dividends forecasts: None

3. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2018 (April 1, 2017 to March 31, 2018)

(% indicates the percentage change over year)

| | Revenues | | Adjusted operating income | | EBIT | | Income before income taxes | | Net income | | Net income attributable to stockholders of the parent company | | Basic earnings per share attributable to stockholders of the parent company |
|-----------|-------------|-----|---------------------------|-------|-------------|-------|----------------------------|-------|-------------|-------|---|-------|---|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Yen |
| Half year | 330,000 | 1.6 | 13,400 | (7.6) | 14,400 | (3.3) | 13,800 | (3.9) | 9,400 | (2.4) | 8,800 | (0.6) | 78.89 |
| Full year | 680,000 | 2.2 | 29,500 | 0.1 | 32,100 | 1.7 | 30,900 | 1.7 | 21,100 | 5.9 | 20,000 | 6.9 | 179.29 |

(Note) Revision of the latest consolidated financial forecasts: None

*** Notes**

- (1) Changes in significant subsidiaries during the term (Change in specified subsidiaries causing changes in scope of consolidation):
None
- (2) Changes in accounting policies and accounting estimates
- (a) Changes in accounting policies required by IFRS: None
 - (b) Changes other than (a) above: None
 - (c) Changes in accounting estimates: None
- (3) Number of Shares Issued (Common Stock)
- (a) Number of shares at the end of the term (Including treasury stock)
 - As of June 30, 2017: 111,776,714 shares,
 - As of March 31, 2017: 111,776,714 shares
 - (b) Number of treasury stock at the end of the term
 - As of June 30, 2017: 226,808 shares,
 - As of March 31, 2017: 226,728 shares
 - (c) Average number of shares during the term
 - Year ended June 30, 2017: 111,549,943 shares,
 - Year ended June 30, 2016: 111,550,338 shares

(Note) Quarterly financial results are outside the scope of quarterly review.

(Note) Explanation on the appropriate use of financial forecasts and other important items

- The financial forecasts shown on this report are estimated based on information available as of the issuing date of this report, and therefore the actual results for the future terms may differ from these forecasted figures due to various unknown factors. For the assumptions for forecasts and cautions regarding the use of the forecasts, please refer to "1. Qualitative Information on Quarterly Financial Results for the Period under Review, (3) Explanation of Future Forecast Information including Consolidated Financial Forecasts" on Page 3.
- The Company plans to post supplementary materials on quarterly financial results on the Company's website promptly after the announcement of the quarterly financial results.

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1. Qualitative Information on Quarterly Financial Results for the Period under Review

(1) Explanation of Operating Results

For the first quarter ended June 30, 2017, consolidated financial results of the Hitachi Transport System Group (the “Group”) are as follows.

| | Three Months Ended June 30, 2016 | Three Months Ended June 30, 2017 | Y on Y change |
|---|-------------------------------------|-------------------------------------|---------------|
| Revenues | 160,500 | 168,851 | 105% |
| Adjusted operating income | 6,723 | 6,564 | 98% |
| EBIT | 6,508 | 7,932 | 122% |
| Net income attributable to stockholders of the parent company | 3,287 | 4,784 | 146% |

Revenues increased by 5% year-on-year to ¥168,851 million. Adjusted operating income decreased by 2% year-on-year to ¥6,564 million, and EBIT and net income attributable to stockholders of the parent company increased by 22% and 46% year-on-year to ¥7,932 million and ¥4,784 million, respectively.

Results by business segment during the period under review are as follows.

【Domestic logistics business】 (Million yen)

| | Three Months Ended June 30, 2016 | Three Months Ended June 30, 2017 | Y on Y change |
|--|-------------------------------------|-------------------------------------|---------------|
| Revenues | 99,796 | 101,624 | 102% |
| Segment profit (Adjusted operating income) | 5,020 | 4,793 | 95% |

Revenues of domestic logistics business increased by 2% year-on-year to ¥101,624 million due to full-scale operations of new projects launched in the previous fiscal year (retail products and foods, etc.) and the effects of collaborative innovation with business partners.

Segment profit decreased by 5% year-on-year to ¥4,793 million due to upfront investments for the next generation/advanced technologies and working method transformation despite a revenues increase and the effects of productivity improvements.

【Global logistics business】 (Million yen)

| | Three Months Ended June 30, 2016 | Three Months Ended June 30, 2017 | Y on Y change |
|--|-------------------------------------|-------------------------------------|---------------|
| Revenues | 56,110 | 62,292 | 111% |
| Segment profit (Adjusted operating income) | 1,552 | 1,399 | 90% |

Revenues of global logistics business increased by 11% year-on-year to ¥62,292 million due to the recovery in handling volume in forwarding business especially in overseas and full-scale operations of new projects launched in the previous fiscal year (automobile and apparel-related).

Segment profit decreased by 10% year-on-year to ¥1,399 million due to an increased share of company-wide expenses after the review of its allocation.

【Other services (logistics related businesses)】 (Million yen)

| | Three Months Ended June 30, 2016 | Three Months Ended June 30, 2017 | Y on Y change |
|--|-------------------------------------|-------------------------------------|---------------|
| Revenues | 4,594 | 4,935 | 107% |
| Segment profit (Adjusted operating income) | 151 | 372 | 246% |

Revenues of other services increased by 7% year-on-year to ¥4,935 million.

Segment profit increased by 146% year-on-year to ¥372 million due to solid growth of information system development business.

(2) Explanation of Financial Position

1) Assets, Liabilities and Net Assets

Total assets as of June 30, 2017 amounted to ¥542,924 million, a decrease of ¥7,000 million compared with the end of the previous fiscal year. Current assets decreased by ¥7,163 million due to decreases of ¥5,632 million in cash and cash equivalents and ¥2,446 million in trade receivables. Non-current assets increased by ¥163 million due to an increase of ¥1,059 million in other financial assets, despite decreases of ¥448 million in intangible assets and ¥308 million in deferred tax assets.

Total liabilities as of June 30, 2017 amounted to ¥347,894 million, a decrease of ¥11,111 million compared with the end of the previous fiscal year. Current liabilities decreased by ¥10,394 million due to decreases of ¥7,331 million in other current liabilities and ¥3,423 million in income tax payable. Non-current liabilities decreased by ¥717 million mainly due to a decrease of ¥ 571 million in long-term debt.

Total equity as of June 30, 2017 amounted to ¥195,030 million, an increase of ¥4,111 million compared with the end of the previous fiscal year. Total equity attributable to stockholders of the parent company ratio increased from 34.1% at the end of the previous fiscal year to 35.3%.

2) Cash flows

Cash and cash equivalents (herein called “cash”) as of June 30, 2017 was ¥51,851 million, a decrease of ¥5,632 million from March 31, 2017.

Cash flows from each activity for the three months ended June 30, 2017 and their significant components are as follows:

Net cash used in operating activities was ¥256 million, an increase of ¥694 million compared with the three months ended June 30, 2016. This is mainly due to an increase in cash from net income of ¥5,181 million, depreciation and amortization of ¥4,704 million, decrease in trade receivables of ¥3,485 million, and income taxes of ¥2,526 million, partly offset by a decrease in cash from income taxes paid of ¥6,979 million, decrease in other assets and other liabilities of ¥6,974 million, and decrease in trade payables of ¥2,845 million.

Net cash used in investing activities was ¥2,606 million, an increase of ¥64,200 million compared with the three months ended June 30, 2016. This is mainly due to a decrease in cash from purchase of property, plant and equipment and intangible assets of ¥2,844 million.

Net cash used in financing activities was ¥3,375 million, a decrease of ¥70,110 million compared with the three months ended June 30, 2016. This is mainly due to a decrease in cash from dividends paid of ¥1,896 million and repayments of lease obligations of ¥1,118 million.

(3) Explanation of Future Forecast Information including Consolidated Financial Forecasts

In the global economy, there is an increasing concern over a shift from the current policy to promote free trade to protectionism/block economies, and Japanese companies are also showing signs of future strategy shift.

In the Japanese economy, the business environment, especially for logistics industry, is becoming severe as changes in consumption behavior represented by expanding EC market in addition to continuing concerns over labor shortage led to increasing needs for high-frequency, high-mix, small-lot delivery and the resulting cost increase to secure labor force to handle such delivery.

Under these circumstances, the Group aims to achieve sustainable growth and improve the Group’s corporate value by ensuring the implementation of the basic strategies of Mid-term Management Plan: “Drive thorough enhancement of 3PL business and increase market share,” “Enhance forwarding business” and “Enhance Heavy Machinery and Plant Logistics.”

No revision is made to the consolidated financial forecasts for the fiscal year ending March 31, 2018 (April 1, 2017 through March 31, 2018), released on April 27, 2017, which also included the interim forecast.

2. Summary of Condensed Quarterly Consolidated Financial Statements and Major Notes

(1) Condensed Quarterly Consolidated Statement of Financial Position

(Million yen)

| | As of March 31, 2017 | As of June 30, 2017 |
|---|----------------------|---------------------|
| (Assets) | | |
| Current assets | | |
| Cash and cash equivalents | 57,483 | 51,851 |
| Trade receivables | 125,600 | 123,154 |
| Inventories | 1,466 | 1,550 |
| Other financial assets | 7,086 | 7,159 |
| Other current assets | 13,227 | 13,985 |
| Total current assets | 204,862 | 197,699 |
| Non-current assets | | |
| Investments accounted for using the equity method | 71,518 | 71,247 |
| Property, plant and equipment | 177,520 | 177,444 |
| Goodwill | 28,067 | 28,309 |
| Intangible assets | 34,766 | 34,318 |
| Deferred tax assets | 8,193 | 7,885 |
| Other financial assets | 16,858 | 17,917 |
| Other non-current assets | 8,140 | 8,105 |
| Total non-current assets | 345,062 | 345,225 |
| Total assets | 549,924 | 542,924 |

(Million yen)

| | As of March 31, 2017 | As of June 30, 2017 |
|---|----------------------|---------------------|
| (Liabilities) | | |
| Current liabilities | | |
| Trade payables | 51,786 | 49,552 |
| Short-term debt | 8,557 | 9,128 |
| Current portion of long-term debt | 5,644 | 5,537 |
| Income tax payable | 7,253 | 3,830 |
| Other financial liabilities | <u>46,523</u> | <u>48,653</u> |
| Other current liabilities | 31,347 | 24,016 |
| Total current liabilities | <u>151,110</u> | <u>140,716</u> |
| Non-current liabilities | | |
| Long-term debt | 149,914 | 149,343 |
| Retirement and severance benefits | 31,187 | 31,584 |
| Deferred tax liabilities | 11,481 | 11,412 |
| Other financial liabilities | <u>12,741</u> | <u>12,535</u> |
| Other non-current liabilities | 2,572 | 2,304 |
| Total non-current liabilities | <u>207,895</u> | <u>207,178</u> |
| Total liabilities | <u>359,005</u> | <u>347,894</u> |
| (Equity) | | |
| Equity attributable to stockholders of the parent company | | |
| Common stock | 16,803 | 16,803 |
| Retained earnings | <u>171,633</u> | <u>173,530</u> |
| Accumulated other comprehensive income | (774) | <u>1,400</u> |
| Treasury stock, at cost | (180) | (181) |
| Total equity attributable to stockholders of the parent company | <u>187,482</u> | <u>191,552</u> |
| Non-controlling interests | <u>3,437</u> | <u>3,478</u> |
| Total equity | <u>190,919</u> | <u>195,030</u> |
| Total liabilities and equity | 549,924 | 542,924 |

(2) Condensed Quarterly Consolidated Statement of Profit or Loss and Comprehensive Income
Condensed Quarterly Consolidated Statement of Profit or Loss

(Million yen)

| | Three Months Ended June 30, 2016 (April 1, 2016 to June 30, 2016) | Three Months Ended June 30, 2017 (April 1, 2017 to June 30, 2017) |
|---|---|---|
| Revenues | 160,500 | 168,851 |
| Cost of sales | (142,636) | (149,950) |
| Gross profit | 17,864 | 18,901 |
| Selling, general and administrative expenses | (11,141) | (12,337) |
| Adjusted operating income | 6,723 | 6,564 |
| Other income | 339 | 177 |
| Other expenses | (365) | (147) |
| Operating income | 6,697 | 6,594 |
| Financial income | 68 | 68 |
| Financial expenses | (562) | (238) |
| Share of profits of investments accounted for using the equity method | 305 | 1,508 |
| Earnings before interest and tax | 6,508 | 7,932 |
| Interest income | 178 | 218 |
| Interest expenses | (417) | (443) |
| Income before income taxes | 6,269 | 7,707 |
| Income taxes | (2,512) | (2,526) |
| Net income | 3,757 | 5,181 |
| Attributable to: | | |
| Stockholders of the parent company | 3,287 | 4,784 |
| Non-controlling interests | 470 | 397 |

| | Three Months Ended June 30, 2016 (April 1, 2016 to June 30, 2016) | Three Months Ended June 30, 2017 (April 1, 2017 to June 30, 2017) |
|---|---|---|
| Earnings per share attributable to stockholders of the parent company | | |
| Basic | ¥29.47 | ¥42.89 |
| Diluted | — | — |

Condensed Quarterly Consolidated Statement of Comprehensive Income

(Million yen)

| | Three Months Ended June 30, 2016 (April 1, 2016 to June 30, 2016) | Three Months Ended June 30, 2017 (April 1, 2017 to June 30, 2017) |
|--|---|---|
| Net income | 3,757 | 5,181 |
| Other comprehensive income (OCI) | | |
| Items not to be reclassified into net income | | |
| Net changes in financial assets measured at fair value through OCI | (270) | 183 |
| Share of OCI of investments accounted for using the equity method | 6 | (6) |
| Total items not to be reclassified into net income | (264) | 177 |
| Items that can be reclassified into net income | | |
| Foreign currency translation adjustments | (6,961) | 2,087 |
| Net changes in cash flow hedges | (11) | — |
| Share of OCI of investments accounted for using the equity method | (49) | (19) |
| Total items that can be reclassified into net income | (7,021) | 2,068 |
| Other comprehensive income | (7,285) | 2,245 |
| Comprehensive income | (3,528) | 7,426 |
| Attributable to: | | |
| Stockholders of the parent company | (2,710) | 6,473 |
| Non-controlling interests | (818) | 953 |

(3) Condensed Quarterly Consolidated Statement of Changes in Equity

(Million yen)

| Three Months Ended June 30, 2016 (April 1, 2016 to June 30, 2016) | | | | | | | |
|--|--------------|-------------------|--|-------------------------|---|---------------------------|--------------|
| | | | | | Total equity attributable to stockholders of the parent company | Non-controlling interests | Total equity |
| | Common stock | Retained earnings | Accumulated other comprehensive income | Treasury stock, at cost | | | |
| Balance at beginning of period | 16,803 | 157,362 | 1,558 | (180) | 175,543 | 3,009 | 178,552 |
| Changes in equity | | | | | | | |
| Net income | — | 3,287 | — | — | 3,287 | 470 | 3,757 |
| Other comprehensive income | — | — | (5,997) | — | (5,997) | (1,288) | (7,285) |
| Dividends | — | (1,673) | — | — | (1,673) | (43) | (1,716) |
| Acquisition and sales of treasury stock | — | — | — | (0) | (0) | — | (0) |
| <u>Changes in liabilities for written put options over non-controlling interests</u> | <u>—</u> | <u>2,680</u> | <u>(923)</u> | <u>—</u> | <u>1,757</u> | <u>519</u> | <u>2,276</u> |
| Total changes in equity | — | 4,294 | (6,920) | (0) | (2,626) | (342) | (2,968) |
| Balance at end of period | 16,803 | 161,656 | (5,362) | (180) | 172,917 | 2,667 | 175,584 |

(Million yen)

| Three Months Ended June 30, 2017 (April 1, 2017 to June 30, 2017) | | | | | | | |
|--|--------------|-------------------|--|-------------------------|---|---------------------------|----------------|
| | | | | | Total equity attributable to stockholders of the parent company | Non-controlling interests | Total equity |
| | Common stock | Retained earnings | Accumulated other comprehensive income | Treasury stock, at cost | | | |
| Balance at beginning of period | 16,803 | 171,633 | (774) | (180) | 187,482 | 3,437 | 190,919 |
| Changes in equity | | | | | | | |
| Net income | — | 4,784 | — | — | 4,784 | 397 | 5,181 |
| Other comprehensive income | — | — | 1,689 | — | 1,689 | 556 | 2,245 |
| Transactions with non-controlling interests | — | 9 | — | — | 9 | (122) | (113) |
| Dividends | — | (1,896) | — | — | (1,896) | (50) | (1,946) |
| Transfer to retained earnings | — | 1 | (1) | — | — | — | — |
| Acquisition and sales of treasury stock | — | — | — | (1) | (1) | — | (1) |
| <u>Changes in liabilities for written put options over non-controlling interests</u> | <u>—</u> | <u>(1,001)</u> | <u>486</u> | <u>—</u> | <u>(515)</u> | <u>(740)</u> | <u>(1,255)</u> |
| Total changes in equity | — | 1,897 | 2,174 | (1) | 4,070 | 41 | 4,111 |
| Balance at end of period | 16,803 | 173,530 | 1,400 | (181) | 191,552 | 3,478 | 195,030 |

(4) Condensed Quarterly Consolidated Statement of Cash Flows

(Million yen)

| | Three Months Ended June 30, 2016 (April 1, 2016 to June 30, 2016) | Three Months Ended June 30, 2017 (April 1, 2017 to June 30, 2017) |
|--|---|---|
| Cash flows from operating activities | | |
| Net income | 3,757 | 5,181 |
| Adjustments to reconcile net income to net cash provided by operating activities | | |
| Depreciation and amortization | 4,768 | 4,704 |
| Share of profits of investments accounted for using the equity method | (305) | (1,508) |
| Income taxes | 2,512 | 2,526 |
| Increase in retirement and severance benefits | 28 | 367 |
| Interest and dividend income | (238) | (280) |
| Interest expenses | 417 | 443 |
| Gain on sale of property, plant and equipment | (231) | (39) |
| Decrease in trade receivables | 1,738 | 3,485 |
| Increase in inventories | (84) | (64) |
| Decrease in trade payables | (2,160) | (2,845) |
| Decrease in other assets and liabilities | (4,864) | (6,974) |
| Other | 449 | 54 |
| Subtotal | 5,787 | 5,050 |
| Interest and dividend received | 356 | 2,015 |
| Interest paid | (409) | (342) |
| Income taxes paid | (6,684) | (6,979) |
| Net cash provided by (used in) operating activities | (950) | (256) |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment and intangible assets | (4,713) | (2,844) |
| Proceeds from sale of property, plant and equipment, and intangible assets | 845 | 120 |
| Proceeds from withdrawal of deposits | 3,500 | — |
| Acquisition of investments accounted for using the equity method | (66,843) | — |
| Other | 405 | 118 |
| Net cash used in investing activities | (66,806) | (2,606) |
| Cash flows from financing activities | | |
| Increase in short-term debt, net | 100,030 | 219 |
| Repayments on long-term debt | (30,366) | (421) |
| Repayments of lease obligations | (1,146) | (1,118) |
| Dividends paid to stockholders of the parent company | (1,673) | (1,896) |
| Dividends paid to holders of non-controlling interests | (43) | (67) |
| Other | (67) | (92) |
| Net cash provided by (used in) financing activities | 66,735 | (3,375) |
| Effect of exchange rate changes on cash and cash equivalents | (1,561) | 605 |
| Net decrease in cash and cash equivalents | (2,582) | (5,632) |
| Cash and cash equivalents at beginning of period | 45,146 | 57,483 |
| Cash and cash equivalents at end of period | 42,564 | 51,851 |

(5) Summary of Notes to the Quarterly Consolidated Financial Statements
 (Notes on Going Concern Assumptions)

None

(Segment information)

Three Months Ended June 30, 2016 (April 1, 2016 to June 30, 2016)

(Million yen)

| | Reporting segment | | | Other services ¹ | Total | Adjustments and eliminations ² | Amount recorded in consolidated financial statements |
|---|--------------------|------------------|----------|-----------------------------|---------|---|--|
| | Domestic logistics | Global logistics | Subtotal | | | | |
| Revenues | | | | | | | |
| Revenues from outside customers | 99,796 | 56,110 | 155,906 | 4,594 | 160,500 | — | 160,500 |
| Revenues from intersegment transactions or transfers | — | — | — | 2,239 | 2,239 | (2,239) | — |
| Total | 99,796 | 56,110 | 155,906 | 6,833 | 162,739 | (2,239) | 160,500 |
| Segment profit | 5,020 | 1,552 | 6,572 | 151 | 6,723 | — | 6,723 |
| Other income | | | | | | | 339 |
| Other expenses | | | | | | | (365) |
| Financial income | | | | | | | 68 |
| Financial expenses | | | | | | | (562) |
| Share of profits of investments accounted for using the equity method | | | | | | | 305 |
| Interest income | | | | | | | 178 |
| Interest expenses | | | | | | | (417) |
| Income before income taxes | | | | | | | 6,269 |

Note: 1. "Other services" includes information system development, service, sale and maintenance of motor vehicles, and travel agency service, which are excluded in the reporting segments.

2. Company-wide expenses which do not belong to any business segment such as corporate general administration expenses incurred in the parent company are allocated to each business segment in accordance with a rational basis.

Three Months Ended June 30, 2017 (April 1, 2017 to June 30, 2017)

(Million yen)

| | Reporting segment | | | Other services ¹ | Total | Adjustments and eliminations ² | Amount recorded in consolidated financial statements |
|---|--------------------|------------------|----------|-----------------------------|---------|---|--|
| | Domestic logistics | Global logistics | Subtotal | | | | |
| Revenues | | | | | | | |
| Revenues from outside customers | 101,624 | 62,292 | 163,916 | 4,935 | 168,851 | — | 168,851 |
| Revenues from intersegment transactions or transfers | — | — | — | 2,518 | 2,518 | (2,518) | — |
| Total | 101,624 | 62,292 | 163,916 | 7,453 | 171,369 | (2,518) | 168,851 |
| Segment profit | 4,793 | 1,399 | 6,192 | 372 | 6,564 | — | 6,564 |
| Other income | | | | | | | 177 |
| Other expenses | | | | | | | (147) |
| Financial income | | | | | | | 68 |
| Financial expenses | | | | | | | (238) |
| Share of profits of investments accounted for using the equity method | | | | | | | 1,508 |
| Interest income | | | | | | | 218 |
| Interest expenses | | | | | | | (443) |
| Income before income taxes | | | | | | | 7,707 |

Note: 1. "Other services" includes information system development, service, sale and maintenance of motor vehicles, and travel agency service, which are excluded in the reporting segments.

2. Company-wide expenses which do not belong to any business segment such as corporate general administration expenses incurred in the parent company are allocated to each business segment in accordance with a rational basis.