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**Consolidated Financial Results
for the 1st Quarter of FY2018
(Supplementary Material)**

 **Hitachi Transport System, Ltd.**

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1. Financial Results by Group

[Unit : 100 Million yen]

		FY2017	FY2018					
			1Q (Result)	1Q (Result)	Year on year		Full year (Plan)	
				% change	change			
Revenues	Organic*1	Domestic Logistics	851	880	103%	29	-	
		Global Logistics	Overseas	435	445	102%	9	-
			Allocated to domestic companies (forwarding and others)	118	133	112%	15	-
			Total	553	577	104%	24	-
		Other Services*2	51	50	99%	-1	-	
	total	1,454	1,507	104%	53	6,105		
	VANTEC Group	Domestic Logistics	172	179	104%	6	-	
		Global Logistics	Overseas	91	93	102%	1	-
			Allocated to domestic companies (forwarding and others)	0	0	-	-0	-
			Total	92	93	101%	1	-
	total	264	271	103%	7	1,093		
	Consolidated Adjustment		-30	-30	-	-1	-98	
	Total	Domestic Logistics	1,016	1,051	103%	35	4,360	
		Global Logistics	Overseas	513	523	102%	10	-
			Allocated to domestic companies (forwarding and others)	110	125	114%	15	-
Total			623	648	104%	25	2,537	
Other Services*2		49	48	98%	-1	203		
		1,689	1,748	104%	59	7,100		
Adjusted Operating Income	Organic*1	Domestic Logistics	44.1	48.0	109%	3.9	-	
		Global Logistics	Overseas	12.3	15.8	129%	3.5	-
			Allocated to domestic companies (forwarding and others)	0.8	✓ -0.0	-	-0.9	-
			Total	13.1	15.7	120%	2.6	-
		Other Services*2	3.7	2.5	66%	-1.3	-	
	total	60.9	66.2	109%	5.3	280.0		
	VANTEC Group	Domestic Logistics	6.0	7.7	129%	1.7	-	
		Global Logistics	Overseas	1.4	2.9	209%	1.5	-
			Allocated to domestic companies (forwarding and others)	0.0	0.0	-	0.0	-
			Total	1.4	2.9	209%	1.5	-
	total	7.4	10.6	144%	3.3	41.0		
	Amortization of Customer-related intangible assets of VANTEC Group etc		-2.6	-2.6	-	0.0	-11.0	
	Total	Domestic Logistics	47.9	53.6	112%	5.7	219.0	
		Global Logistics	Overseas	13.2	18.2	138%	5.0	-
			Allocated to domestic companies (forwarding and others)	0.8	-0.0	-	-0.9	-
Total			14.0	18.1	130%	4.1	73.0	
Other Services*2		3.7	2.5	66%	-1.3	18.0		
		65.6	74.2	113%	8.6	310.0		
Earnings Before Interest and Taxes (EBIT)		79.3	80.7	102%	1.4	347.0		
Net income attributable to stockholders of the parent company		47.8	50.5	106%	2.7	215.0		

✓ Cost allocated to domestic companies (forwarding and others) increased 80 million yen from a year earlier due to a partial change in the allocation method of company-wide expenses. (Adjusted operating income would have been 80 million yen under the previous method.)

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

*2."Other Services" includes information system development, service, sale and maintenance of motor vehicles, and travel agency service.

2. Detail of Variations for Revenues

[Unit : 100 Million yen]

	New orders	Existing businesses, etc	Exchange fluctuation	Collaborative Innovation Project	Total
1Q of FY2018	31	-15	10	33	59

3. Overseas Business

[Unit : 100 Million yen]

		FY2017		FY2018					
		1Q		1Q					
		Revenues	Adjusted Operating Income	Revenues	Year on year		Adjusted Operating Income	Year on year	
% change	change				% change	change			
Overseas	North America	106	1.7	112	106%	6	3.2	188%	1.5
	Europe* ¹	169	7.7	181	107%	12	9.7	126%	2.0
	Asia (excluding China)	99	3.8	113	114%	14	4.9	129%	1.1
	China	144	1.8	123	85%	-21	2.4	132%	0.6
	Oceania and Others	9	0.4	10	107%	1	0.6	152%	0.2
	Elimination of intra-company transactions, etc.* ²	-14	-2.3	-14	-	-1	-2.6	-	-0.4
Total		513	13.2	523	102%	10	18.2	138%	5.0

*1.Turkey is treated as Europe.

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

4. Major Operating Expenses*

[Unit : 100 Million yen]

		FY2017		FY2018			
		1Q		1Q		Year on year	
				% change	change		
Subcontract Expenses		847.9		872.2		103%	24.3
Personnel Expenses		413.7		418.1		101%	4.4
Rent Expenses		126.1		132.7		105%	6.6
Depreciation Expenses		47.0		47.3		101%	0.3

*Include Selling, general and administrative expenses

5. The trend of New order / New startup

[Unit : Project]

		FY2017		FY2018		
		1Q		1Q		Year on year
New orders	Domestic	2		3		1
	Global	4		4		0
	Total	6		7		1
New startups	Domestic	1		5		4
	Global	1		2		1
	Total	2		7		5

•Figures indicate 10 million yen/month or larger projects.