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**Consolidated Financial Results
for the 3rd Quarter of FY2018
(Supplementary Material)**

 **Hitachi Transport System, Ltd.**

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1. Financial Results by Group

[Unit: 100 million yen]

			FY2018						Full year (Plan) (As of Apr. 27)	
			3Q (Oct.–Dec. 2018)			9 months (Apr.–Dec. 2018)				
			Result	Year on year		Result	Year on year			
				% change	change		% change	change		
Revenues	Organic*1	Domestic Logistics	936	105%	45	2,717	104%	111	–	
		Global Logistics	Overseas	463	96%	–17	1,357	100%	–3	–
			Allocated to domestic companies (forwarding and others)	138	96%	–6	396	99%	–5	–
			Total	600	96%	–23	1,753	100%	–7	–
		Other Services*2	50	89%	–6	155	94%	–9	–	
	Subtotal		1,586	101%	16	4,625	102%	94	6,105	
	VANTEC Group	Domestic Logistics	188	104%	8	550	103%	18	–	
		Global Logistics	Overseas	91	92%	–8	275	98%	–7	–
			Allocated to domestic companies (forwarding and others)	0	–	–0	0	–	–1	–
			Total	91	91%	–9	275	97%	–8	–
	Subtotal		280	100%	–1	825	101%	10	1,093	
	Consolidated Adjustment		–31	–	–2	–92	–	–4	–98	
	Total	Domestic Logistics	1,117	105%	52	3,245	104%	127	4,360	
		Global Logistics	Overseas	540	96%	–25	1,590	99%	–10	–
			Allocated to domestic companies (forwarding and others)	129	94%	–8	373	98%	–7	–
Total			669	95%	–33	1,963	99%	–17	2,537	
Other Services*2		48	88%	–7	150	94%	–10	203		
		1,835	101%	13	5,358	102%	100	7,100		
Adjusted Operating Income	Organic*1	Domestic Logistics	55.2	108%	3.9	148.6	104%	6.1	–	
		Global Logistics	Overseas	18.8	133%	4.7	50.9	131%	11.9	–
			Allocated to domestic companies (forwarding and others)	1.8	73%	–0.7	1.4	22%	–4.9	–
			Total	20.6	124%	4.0	52.2	115%	7.0	–
		Other Services*2	7.3	196%	3.6	14.8	124%	2.9	–	
	Subtotal		83.0	116%	11.5	215.6	108%	15.9	280.0	
	VANTEC Group	Domestic Logistics	10.4	121%	1.8	26.3	112%	2.9	–	
		Global Logistics	Overseas	1.3	123%	0.2	6.4	164%	2.5	–
			Allocated to domestic companies (forwarding and others)	0.0	–	0.0	0.0	–	0.0	–
			Total	1.3	123%	0.2	6.4	164%	2.5	–
	Subtotal		11.7	121%	2.1	32.7	120%	5.4	41.0	
	Amortization of Customer-related intangible assets of VANTEC Group etc		–2.6	–	0.1	–7.7	–	0.2	–11.0	
	Total	Domestic Logistics	63.5	110%	5.8	168.6	106%	9.2	219.0	
		Global Logistics	Overseas	19.6	133%	4.9	55.8	135%	14.5	–
			Allocated to domestic companies (forwarding and others)	1.8	73%	–0.7	1.4	22%	–4.9	–
Total			21.4	125%	4.3	57.2	120%	9.5	73.0	
Other Services*2		7.3	196%	3.6	14.8	124%	2.9	18.0		
		92.1	117%	13.6	240.6	110%	21.6	310.0		
Earnings before interest and taxes (EBIT)		127.3	134%	32.2	275.6	109%	23.5	347.0		
Net income attributable to stockholders of the parent company		91.1	149%	29.8	174.4	113%	19.7	215.0		

✓ Cost allocated to domestic companies (forwarding and others) increased by 240 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 380 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]

FY2018									
3Q (Oct.–Dec. 2018)					9 months (Apr.–Dec. 2018)				
Exchange fluctuation	Existing businesses, etc.	New orders	Collaborative Innovation Project	Total	Exchange fluctuation	Existing businesses, etc.	New orders	Collaborative Innovation Project	Total
–17	–13	49	–7	12	–14	–67	124	57	100

3. Detail of Operating Income

[Unit: 100 million yen]

FY2018															
3Q (Oct.–Dec. 2018)								9 months (Apr.–Dec. 2018)							
Exchange fluctuation	Existing businesses, etc.	New orders	Structural reforms, etc.	Collaborative Innovation Project	Strategic investments	Impact of disasters	Total	Exchange fluctuation	Existing businesses, etc.	New orders	Structural reforms, etc.	Collaborative Innovation Project	Strategic investments	Impact of disasters	Total
-1.0	6.0	5.2	8.1	0.5	-5.2	0.0	13.6	-1.1	-0.2	13.8	15.4	7.5	-11.8	-2.0	21.6

4. Overseas Business

[Unit: 100 million yen]

		FY2018											
		3Q (Oct.–Dec. 2018)						9 months (Apr.–Dec. 2018)					
		Revenues	Year on year		Adjusted Operating Income	Year on year		Revenues	Year on year		Adjusted Operating Income	Year on year	
% change	change		% change	change		% change	change		% change	change			
Overseas	North America	117	104%	5	1.3	1218%	1.2	343	106%	18	7.4	345%	5.2
	Europe* ¹	176	93%	-14	10.3	107%	0.7	528	99%	-7	27.7	108%	2.2
	Asia (excluding China)	116	105%	6	6.1	189%	2.9	340	110%	30	16.3	152%	5.6
	China	136	86%	-21	3.9	155%	1.4	393	89%	-51	9.3	141%	2.7
	Oceania and Others	10	97%	-0	1.0	82%	-0.2	29	102%	0	2.5	107%	0.2
	Elimination of intra-company transactions, etc.* ²	-14	-	-0	-3.0	-	-1.1	-43	-	-1	-7.3	-	-1.4
	Total	540	96%	-25	19.6	133%	4.9	1,590	99%	-10	55.8	135%	14.5

*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."

5. Major Operating Expenses*

[Unit: 100 million yen]

	FY2017	FY2018		
	9 months (Apr.–Dec. 2017)	9 months (Apr.–Dec. 2018)	Year on year	
			% change	change
Subcontract Expenses	2,673.1	2,688.5	101%	15.3
Personnel Expenses	1,248.7	1,262.4	101%	13.7
Rent Expenses	379.8	406.7	107%	26.9
Depreciation Expenses	142.0	142.3	100%	0.4

* Include Selling, general and administrative expenses.

6. Trend of New Order / New Startup

[Unit: project]

		FY2017	FY2018	
		9 months (Apr.–Dec. 2017)	9 months (Apr.–Dec. 2018)	Year on year
New orders	Domestic	20	9	-11
	Global	7	7	0
	Total	27	16	-11
New startups	Domestic	6	15	9
	Global	6	8	2
	Total	12	23	11

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