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**Consolidated Financial Results  
for FY2018  
(Supplementary Material)**

 **Hitachi Transport System, Ltd.**

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# 1. Financial Results by Group

[Unit: 100 million yen]

			FY2017	FY2018		FY2019		
			Full year	Full year		Full year		
			Result	Result	Year on year		Plan	
					% change	change		
Revenues	Organic*1	Domestic Logistics	3,496	<b>3,637</b>	104%	141	-	
		Global Logistics	Overseas	1,771	<b>1,785</b>	101%	14	-
			Allocated to domestic companies (forwarding and others)	539	<b>498</b>	92%	-41	-
			Total	2,310	<b>2,283</b>	99%	-27	-
		Other Services*2	228	<b>209</b>	92%	-19	-	
	Subtotal			6,035	<b>6,129</b>	102%	95	-
	VANTEC Group	Domestic Logistics	709	<b>720</b>	102%	11	-	
		Global Logistics	Overseas	375	<b>358</b>	95%	-18	-
			Allocated to domestic companies (forwarding and others)	2	<b>0</b>	-	-2	-
			Total	377	<b>358</b>	95%	-19	-
	Subtotal			1,086	<b>1,078</b>	99%	-8	-
	Consolidated Adjustment			-117	<b>-119</b>	-	-2	-
	Total	Domestic Logistics	4,178	<b>4,328</b>	104%	150	<b>4,419</b>	
		Global Logistics	Overseas	2,091	<b>2,089</b>	100%	-2	-
			Allocated to domestic companies (forwarding and others)	511	<b>469</b>	92%	-43	-
Total			2,603	<b>2,558</b>	98%	-45	<b>2,384</b>	
Other Services*2		223	<b>202</b>	91%	-21	<b>197</b>		
			7,004	<b>7,088</b>	101%	84	<b>7,000</b>	
Adjusted Operating Income	Organic*1	Domestic Logistics	191.5	<b>194.2</b>	101%	2.7	-	
		Global Logistics	Overseas	51.6	<b>62.9</b>	122%	11.3	-
			Allocated to domestic companies (forwarding and others)	6.6	<b>2.0</b>	30%	-4.6	-
			Total	58.1	<b>64.9</b>	112%	6.7	-
		Other Services*2	17.8	<b>19.9</b>	111%	2.0	-	
	Subtotal			267.5	<b>278.9</b>	104%	11.5	-
	VANTEC Group	Domestic Logistics	34.5	<b>35.1</b>	102%	0.6	-	
		Global Logistics	Overseas	6.7	<b>8.1</b>	122%	1.5	-
			Allocated to domestic companies (forwarding and others)	0.0	<b>0.0</b>	-	0.0	-
			Total	6.7	<b>8.1</b>	122%	1.5	-
	Subtotal			41.1	<b>43.2</b>	105%	2.1	-
	Amortization of Customer-related intangible assets of VANTEC Group etc.			-10.5	<b>-10.2</b>	-	0.3	-
	Total	Domestic Logistics	217.4	<b>221.0</b>	102%	3.6	<b>223.0</b>	
		Global Logistics	Overseas	56.2	<b>69.1</b>	123%	12.9	-
			Allocated to domestic companies (forwarding and others)	6.6	<b>2.0</b>	30%	-4.6	-
Total			62.8	<b>71.1</b>	113%	8.3	<b>75.0</b>	
Other Services*2		17.8	<b>19.9</b>	111%	2.0	<b>17.0</b>		
			298.0	<b>311.9</b>	105%	13.9	<b>315.0</b>	
Earnings Before Interest and Taxes (EBIT)			330.9	<b>361.8</b>	109%	30.9	<b>352.0</b>	
Net income attributable to stockholders of the parent company			209.2	<b>227.9</b>	109%	18.7	<b>220.0</b>	

✓Cost allocated to domestic companies (forwarding and others) increased by 300 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 500 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 and Adjusted Operating Income

[Unit: 100 million yen]

Revenues						Adjusted Operating Income							
Exchange fluctuation	Existing businesses, etc.	New orders	Collaborative Innovation Project	Impact of exclusion of Nisshin from the scope of consolidation	Total	Exchange fluctuation	Existing businesses, etc.	New orders	Collaborative Innovation Project	New structural reforms etc.	Impact of disasters	Strategic investments	Total
-28	-89	169	46	-14	84	-2.1	-10.1	20.0	7.2	24.9	-2.0	-24.0	14

### 3. Overseas Business

[Unit:100 million yen]

		FY2017		FY2018					
		Full year		Full year					
		Revenues	Adjusted Operating Income	Revenues	Year on year		Adjusted Operating Income	Year on year	
% change	change				% change	change			
Overseas	North America	434	3.9	452	104%	18	9.9	254%	6.0
	Europe* <sup>1</sup>	694	32.8	694	100%	0	38.0	116%	5.2
	Asia (excluding China)	425	14.4	445	105%	20	19.2	133%	4.7
	China	556	7.3	513	92%	-43	9.1	125%	1.9
	Oceania and Others	38	3.0	38	101%	0	3.0	102%	0.1
	Elimination of intra-company transactions, etc.* <sup>2</sup>	-55	-5.2	-53	-	2	-10.2	-	-5.0
	Total	2,091	56.2	2,089	100%	-2	69.1	123%	12.9

\*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."

### 4. Financial Indicators, etc.

		FY2017		FY2018	
		Full year		Full year	
Total assets	(100 million yen)	5,649		6,125	
Total equity attributable to stockholders of the parent company*	(100 million yen)	36.2	2,043	36.3	2,223
Total equity per share attributable to stockholders of the parent company	(Yen)	1,831.72		1,993.25	
Basic earnings per share attributable to stockholders of the parent company	(Yen)	187.50		204.27	
Dividend per share (annual)	(Yen)	36		40	
Return on equity (ROE)	(%)	10.7		10.7	
Return on assets (ROA)	(%)	3.8		3.9	
Return on invested capital (ROIC)	(%)	5.8		5.7	
Price book-value ratio (PBR)	(Ratio)	1.63		1.65	
Stock price	(Yen)	2,990		3,285	

\*○ indicates total equity attributable to stockholders of the parent company ratio(%)

### 5. Major Operating Expenses\*

[Unit:100 million yen]

	FY2017	FY2018		
		Full year	Full year	Year on year
	% change			change
Subcontract Expenses	3,554.1	3,568.7	100%	14.5
Personnel Expenses	1,667.9	1,672.8	100%	5.0
Rent Expenses	515.8	546.9	106%	31.1
Depreciation Expenses	190.2	190.6	100%	0.4

\*Include Selling, general and administrative expenses

## 6. Capital Expenditures

[Unit: 100 million yen]

	FY2017	FY2018		FY2019(Plan)
	Full year	Full year	Year on year	Full year
Purchased Assets <sup>*1</sup>	130.1	177.6	47.5	231.2
(Reference) Leased Assets <sup>*2</sup>	254.6	393.1	138.6	185.8

\*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]

		FY2017	FY2018	
		Full year	Full year	Year on year
New orders	Domestic	24	15	-9
	Global	8	9	1
	Total	32	24	-8
New startups	Domestic	11	19	8
	Global	7	9	2
	Total	18	28	10

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

## 8. Number of Consolidated Employees<sup>\*1</sup>

[Unit: person]

		FY2017	FY2018		FY2019(Plan)
		As of Mar. 31, 2018	As of Mar. 31, 2019	Year on year	As of Mar. 31, 2020
Consolidated	Regular Employees	25,074	24,139	-935	25,459
	Employees and others <sup>*2</sup>	22,710	22,156	-554	23,632
Total		47,784	46,295	-1,489	49,091

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

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

## (Reference①) Total Space of Distribution Centers

[Unit: 10,000 m<sup>2</sup>]

		FY2017	FY2018	
		As of Mar. 31, 2018	As of Mar. 31, 2019	Year on year
Consolidated	Domestic	499	513	13
	Overseas	231	221	-10
	Total	731	734	3

\* Includes area of the customer-owned distribution centers operated by Hitachi Transport System.

\* Includes warehouse of associates accounted for by the equity method except for SAGAWA EXPRESS Group and AIT Group.

## (Reference②) Volume of Freight Forwarding

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

	FY2017	FY2018	
	Full year	Full year	Year on year
Air	0.300	0.260	-0.040
Sea	0.532	0.538	0.006

\*Figures are simple sum before consolidated adjustment.