

October 28, 2014

**Consolidated Financial Results
for the First Half of FY2014
(Supplementary Material)**

 **Hitachi Transport System, Ltd.**

< Contact Information >

Public Relations Department, Global Corporate Strategy Office,
Hitachi Transport System, Ltd.

TEL: +81-3-5634-0357 FAX: +81-3-5634-0294

E-Mail: koho@hitachi-transportssystem.com

1. Financial results by group

[Unit : 100 Million yen]

			FY2013	FY2014			FY2013	FY2014				
			1H	1H			Full year	Full year				
			Result	Result	Year on year		Result	Plan	Year on year			
					% change	change			% change	change		
Service revenues	Organic (*1)	Domestic logistics	1,509	1,573	104%	63	3,093	-	-	-	-	
		Global logistics	Overseas	540	867	161%	327	1,341	-	-	-	-
			Other	101	95	95%	-5	205	-	-	-	-
			Total	640	962	150%	322	1,547	-	-	-	-
		Other services(*2)	103	105	102%	2	211	-	-	-	-	
		Total	2,252	2,640	117%	387	4,851	5,300	109%	449		
	VANTEC Group	Domestic logistics	394	377	96%	-17	800	-	-	-	-	
		Global logistics	Overseas	156	149	95%	-7	320	-	-	-	-
			VHF(*3)	198	202	102%	4	403	-	-	-	-
		Total	354	351	99%	-3	723	-	-	-	-	
	Total	748	728	97%	-20	1,523	1,470	97%	-53			
	Consolidated adjustment			-61	-75	-	-14	-129	-170	-	-41	
	Total (Figures on "Summary of financial results")	Domestic logistics	1,901	1,943	102%	42	3,888	3,940	101%	52		
		Global logistics	937	1,247	133%	310	2,152	2,450	114%	298		
		Other services(*2)	101	102	101%	1	205	210	102%	5		
Total		2,939	3,293	112%	353	6,245	6,600	106%	355			
Operating income	Organic (*1)	Domestic logistics	128.7	106.0	82%	-22.7	276.0	-	-	-	-	
		Global logistics	Overseas	7.2	22.2	306%	14.9	28.9	-	-	-	-
			Other	-2.5	-1.7	-	0.7	-4.6	-	-	-	-
			Total	4.8	20.5	427%	15.7	24.3	-	-	-	-
		Other services(*2)	12.6	13.8	110%	1.2	27.4	-	-	-	-	
		Elimination or Corporate	-66.6	-67.5	-	-0.9	-131.8	-	-	-	-	
	Total	79.5	72.8	92%	-6.7	195.9	199.0	102%	3.1			
	VANTEC Group	Domestic logistics	6.8	5.6	83%	-1.1	20.5	-	-	-	-	
		Global logistics	Overseas	2.8	5.8	205%	3.0	8.6	-	-	-	-
			VHF(*3)	3.2	5.0	154%	1.7	10.1	-	-	-	-
		Total	6.0	10.7	178%	4.7	18.7	-	-	-	-	
	Total	12.8	16.4	128%	3.6	39.2	51.0	130%	11.8			
	Goodwill amortization, etc.			-12.6	-12.7	-	-0.1	-25.2	-25.0	-	0.2	
	Total (Figures on "Summary of financial results")	Domestic logistics	129.8	105.9	82%	-23.9	285.2	273.0	96%	-12.2		
		Global logistics	3.9	24.2	625%	20.3	29.1	60.0	206%	30.9		
Other services(*2)		12.6	13.8	110%	1.2	27.4	28.0	102%	0.6			
Elimination or Corporate		-66.6	-67.5	-	-0.9	-131.8	-136.0	-	-4.2			
Total	79.7	76.5	96%	-3.2	209.9	225.0	107%	15.1				
Ordinary income			73.1	81.0	111%	7.9	199.6	225.0	113%	25.4		
Net income			29.5	28.6	97%	-0.9	54.3	100.0	184%	45.7		

*1 Hitachi Transport System Group, excluding VANTEC Group.

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

*3 "VHF" is abbreviation for "VANTEC HTS FORWARDING, LTD.".

2. Overseas business

[Unit : 100 Million yen]

		FY2013		FY2014					
		1H		1H					
		Service revenues	Operating income	Service revenues	Year on year		Operating income	Year on year	
% change	change				% change	change			
Overseas	North America	144	4.0	177	123%	33	4.3	109%	0.4
	Europe	145	2.8	315	217%	170	10.4	374%	7.6
	Asia (excluding China)	173	0.6	188	108%	15	5.6	991%	5.0
	China	225	2.7	322	143%	97	5.7	211%	3.0
	Oceania and Others	9	0.0	14	165%	6	1.5	-	1.5
	Elimination of intra-company transactions, etc.	-24	0.0	-30	-	-6	0.5	1200%	0.4
Total		672	10.1	985	147%	314	28.0	278%	17.9
<Reference> Breakdown by group	Organic	540	7.2	867	161%	327	22.2	306%	14.9
	VANTEC Group	156	2.8	149	95%	-7	5.8	205%	3.0

*Above figures indicate service revenues and operating income of overseas subsidiaries.

*Amortization of intangible assets of VANTEC Group has not been excluded from the above operating income figures.

*Subsidiaries of CDS Group are included in China even for other regions. *Turkey is treated as Europe.

3. Financial indicator etc

		FY2013		FY2014	
		As of Sept. 30, 2013		As of Sept. 30, 2014	
Total assets	(Billion yen)	389.5		432.6	
Equity (○ indicates equity ratio(%))	(Billion yen)	42.4 165.0		39.1 169.1	
Net assets per share	(Yen)	1,479.47		1,515.72	
Net income per share	(Yen)	26.46		25.64	
Dividend per share (annual)	(Yen)	26		28	
Return on equity (annualized)	(%)	(3.6)*		(3.4)	
Return on assets (annualized)	(%)	(1.5)*		(1.3)	
Price book-value ratio	(Ratio)	0.92		0.93	
Stock price	(Yen)	(' 13.9.30) 1,366		(' 14.9.30) 1,416	

*Figures of "Total assets" and "Equity" as a denominator in the use of calculation is used restated balance of "Total assets" and "Equity" as of April 1, 2013 reflected the impact of application of accounting standard for retirement benefits, not used these balance at the end of the previous fiscal year.

4. Major Operating Expenses

[Unit: Million Yen]

	FY2013		FY2014		
	1H		1H		
			Year on year		
				% change	change
Subcontract Expenses	144,556	170,471	118%	25,915	
Personnel Expenses	74,979	78,998	105%	4,019	
Rent Expenses	21,329	23,018	108%	1,689	
Depreciation Expenses	7,720	8,961	116%	1,241	

5. Capital Expenditures

[Unit: Million Yen]

	FY2013		FY2014		FY2014(Plan)	
	1H	Full year	1H	Year on year	Full year	Year on year
Purchased Assets*1	10,283	21,622	7,263	71%	16,933	78%
(Reference) Leased Assets*2	12,915	31,087	20,785	161%	39,118	126%
(Reference) Depreciation Expenses	7,720	16,579	8,961	116%	18,700	113%

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

6. Area of Distribution Centers

[Unit: 10,000 m²]

	FY2013		FY2014		FY2014(Plan)	
	As of Sept. 30, 2013	As of Mar. 31, 2014	As of Sept. 30, 2014	Year on year	As of Mar. 31, 2015	Year on year
Domestic (Japan)	436	461	484	48	493	32
Overseas (Other Countries)	158	176	190	32	196	20
Total	594	637	674	80	689	52

*These figures include area of the customer-owned distribution centers operated by Hitachi Transport System (3rd parties).

7. Number of Employees

[Unit: Person]

	FY2013		FY2014		FY2014(Plan)	
	As of Sept. 30, 2013	As of Mar. 31, 2014	As of Sept. 30, 2014	Year on year	As of Mar. 31, 2015	Year on year
Hitachi Transport System	2,009	1,975	1,975	-34	2,011	36
Subsidiaries	22,374	22,450	22,827	453	23,501	1,051
Consolidated	24,383	24,425	24,802	419	25,512	1,087
Equity Method Affiliate	1,973	1,458	1,475	-498	1,516	58
Part Timers, Temporary Employees	20,866	22,227	23,436	2,570	23,800	1,573
Senior Employees*	801	733	660	-141	704	-29
Total	48,023	48,843	50,373	2,350	51,532	2,689

*Employees which were reemployed after reaching mandatory retirement age.

8. The trend of Major Order / Startup

[Unit: Project]

	FY2012		FY2013		FY2014	
	1H		1H		1H	
Startup	Domestic	22	29		26	
	Global	14	24		14	
	Total	36	53		40	
Orders	Domestic	24	28		18	
	Global	20	30		16	
	Total	44	58		34	

*Figures above indicate 10 million yen/month or larger projects.