

# Summary of Consolidated Financial Results [IFRS] for the First Quarter Ended June 30, 2022

July 28, 2022

Listed Company: **Hitachi Transport System, Ltd.** Stock Exchange: Prime Market of Tokyo  
 Code Number: 9086 URL: <https://www.hitachi-transportssystem.com/en/>  
 Representative: Hiroaki Takagi, Representative Executive Officer, President and Chief Operating Officer (COO)  
 Person in Charge: Tetsuro Taga, General Manager of Public Relations Department, Corporate Strategy Office  
 Date of the Release of Quarterly Report (Schedule): August 12, 2022  
 Date of the Start of Dividend Payment (Schedule): –  
 Creates Supplementary Materials for Quarterly Summaries: Yes  
 Briefing Held on Quarterly Settlement of Accounts: No

(Figures are rounded off to the nearest million yen)

## 1. Consolidated Financial Highlights for the First Quarter Ended June 30, 2022 (April 1, 2022 to June 30, 2022)

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

	Revenues		Adjusted operating income <sup>*1</sup>		EBIT <sup>*2</sup>		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, 2022	199,452	12.0	11,084	8.3	12,009	25.4	10,674	28.7	7,461	49.3	7,030	45.7
June 30, 2021	178,096	20.9	10,234	46.6	9,580	(10.6)	8,296	(10.6)	4,998	(21.8)	4,824	(23.7)

	Basic earnings per share attributable to stockholders of the parent company
	Yen
June 30, 2022	84.00
June 30, 2021	57.64

\*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, 2022	807,660	189,461	180,877	22.4
March 31, 2022	791,878	178,213	170,170	21.5

## 2. Dividends

	Dividend per share				
	1st Quarter	2nd Quarter	3rd Quarter	Year-End	Total
	Yen	Yen	Yen	Yen	Yen
March 31, 2022	—	28.00	—	28.00	56.00
March 31, 2023	—	—	—	—	—
March 31, 2023 (Forecasts)	—	0.00	—	0.00	0.00

(Note) Revision of the latest dividends forecasts: None

(Note) An interim dividend with a record date of September 30, 2022; and a year-end dividend with a record date of March 31, 2023, will not be paid by the Company, conditional upon the completion of the settlement of the tender offer for the Company's common shares and stock acquisition rights by HTSK Co., Ltd. as stated in the "Announcement of Expression of Opinion in Support of the Scheduled Commencement of the Tender Offer by HTSK Co., Ltd. for the Shares of Hitachi Transport System, Ltd., and Recommendation of Tender" and "Notice regarding Dividend Distribution (No Dividend)" released on April 28, 2022.

## 3. Consolidated Financial Forecasts for the Fiscal Year Ending March 31, 2023 (April 1, 2022 to March 31, 2023)

The Company's common shares are planned to be delisted through the Transaction including the Tender Offer and a series of procedures scheduled thereafter by HTSK Co., Ltd. as stated in the "Announcement of Expression of Opinion in Support of the Scheduled Commencement of the Tender Offer by HTSK Co., Ltd. for the Shares of Hitachi Transport System, Ltd., and Recommendation of Tender" released on April 28, 2022. The consolidated financial forecasts for the year ending March 31, 2023 are not disclosed as it is not calculated on the assumption that the company shares will be delisted.

**\* 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, 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, 2022: 84,101,714 shares,

As of March 31, 2022: 84,101,714 shares

(b) Number of treasury stock at the end of the term

As of June 30, 2022: 413,373 shares,

As of March 31, 2022: 413,230 shares

(c) Average number of shares during the term

Three months ended June 30, 2022: 83,688,410 shares,

Three months ended June 30, 2021: 83,687,896 shares

(Note) Quarterly financial results are outside the scope of quarterly review by certified public accountants or an audit corporation.

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

- The Company's common shares are planned to be delisted through the Transaction including the Tender Offer and a series of procedures scheduled thereafter by HTSK Co., Ltd. as stated in the "Announcement of Expression of Opinion in Support of the Scheduled Commencement of the Tender Offer by HTSK Co., Ltd. for the Shares of Hitachi Transport System, Ltd., and Recommendation of Tender" released on April 28, 2022. The consolidated financial forecasts for the year ending March 31, 2023 are not disclosed as it is not calculated on the assumption that the company shares will be delisted.
- The supplementary material on financial results will be posted on the Company's website.

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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, 2022, consolidated financial results of the Hitachi Transport System Group (hereinafter called “the Group”) are as follows.

(Million yen)

	Three Months Ended June 30, 2021	Three Months Ended June 30, 2022	Y on Y change
Revenues	178,096	199,452	112%
Adjusted operating income	10,234	11,084	108%
EBIT	9,580	12,009	125%
Net income attributable to stockholders of the parent company	4,824	7,030	146%

Revenues, adjusted operating income, EBIT, and net income attributable to stockholders of the parent company increased by 12%, 8%, 25%, and 46% year-on-year to ¥199,452 million, ¥11,084 million, ¥12,009 million, and ¥7,030 million, respectively.

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

#### 【Domestic logistics business】

(Million yen)

	Three Months Ended June 30, 2021	Three Months Ended June 30, 2022	Y on Y change
Revenues	104,589	102,780	98%
Segment profit (Adjusted operating income)	6,826	5,318	78%

Revenues of domestic logistics business decreased by 2% year-on-year to ¥102,780 million.

Segment profit decreased by 22% year-on-year to ¥5,318 million mainly due to the fire at a logistics center of our consolidated subsidiary.

#### 【Global logistics business】

(Million yen)

	Three Months Ended June 30, 2021	Three Months Ended June 30, 2022	Y on Y change
Revenues	70,447	93,400	133%
Segment profit (Adjusted operating income)	3,236	5,595	173%

Revenues of global logistics business increased by 33% year-on-year to ¥93,400 million mainly due to contributions from the freight forwarding business, operation of new projects, and the effect of foreign exchange rate fluctuations.

Segment profit increased by 73% year-on-year to ¥5,595 million mainly due to an increase in revenues, improved profitability, and the effect of foreign exchange rate fluctuations.

#### 【Other services (logistics related businesses)】

(Million yen)

	Three Months Ended June 30, 2021	Three Months Ended June 30, 2022	Y on Y change
Revenues	3,060	3,272	107%
Segment profit (Adjusted operating income)	172	171	99%

Revenues of other services increased by 7% year-on-year to ¥3,272 million.

Segment profit decreased by 1% year-on-year to ¥171 million.

## (2) Explanation of Financial Position

### 1) Assets, Liabilities and Net Assets

Total assets as of June 30, 2022 amounted to ¥807,660 million, an increase of ¥15,782 million compared with the end of the previous fiscal year. Current assets increased by ¥1,607 million due to an increase of ¥4,480 million in trade receivables and contract assets despite a decrease of ¥3,643 million in cash and cash equivalents. Non-current assets increased by ¥14,175 million due to increases of ¥9,011 million in right-of-use assets and ¥4,289 million in property, plant and equipment.

Total liabilities as of June 30, 2022 amounted to ¥618,199 million, an increase of ¥4,534 million compared with the end of the previous fiscal year. Current liabilities increased by ¥2,954 million due to an increase of ¥11,147 million in other financial liabilities despite a decrease of ¥5,483 million in other current liabilities. Non-current liabilities increased by ¥1,580 million due to increases of ¥9,147 million in lease liabilities and ¥1,283 million in other non-current liabilities despite a decrease of ¥9,718 million in other financial liabilities.

Total equity as of June 30, 2022 amounted to ¥189,461 million, an increase of ¥11,248 million compared with the end of the previous fiscal year. Total equity attributable to stockholders of the parent company ratio increased from 21.5% at the end of the previous fiscal year to 22.4%.

### 2) Cash flows

Cash and cash equivalents (hereinafter called “cash”) as of June 30, 2022 was ¥91,264 million, a decrease of ¥3,643 million from March 31, 2022.

Cash flows from each activity for the three months ended June 30, 2022 and their significant components are as follows:

Net cash provided by operating activities was ¥12,219 million, an increase of ¥859 million from the three months ended June 30, 2021. This is mainly due to increases in cash from depreciation and amortization of ¥13,632 million and recording net income of ¥7,461 million despite a decrease in cash from income taxes paid of ¥4,729 million.

Net cash used in investing activities was ¥5,761 million, an increase of ¥3,195 million compared with the three months ended June 30, 2021. This is mainly due to decreases in cash from purchase of property, plant and equipment and intangible assets of ¥5,215 million and payments into time deposits of ¥712 million.

Net cash used in financing activities was ¥11,627 million, a decrease of ¥405 million compared with the three months ended June 30, 2021. This is mainly due to a decrease in cash from repayments of lease liabilities of ¥8,437 million and dividends paid to stockholders of the parent company of ¥2,348 million.

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

The Company’s common shares are planned to be delisted through the Transaction including the Tender Offer and a series of procedures scheduled thereafter by HTSK Co., Ltd. as stated in the “Announcement of Expression of Opinion in Support of the Scheduled Commencement of the Tender Offer by HTSK Co., Ltd. for the Shares of Hitachi Transport System, Ltd., and Recommendation of Tender” released on April 28, 2022. The consolidated financial forecasts for the year ending March 31, 2023 are not disclosed as it is not calculated on the assumption that the company shares will be delisted.

The supplementary material on financial results will be posted on the Company’s website.

[URL] <https://www.hitachi-transportssystem.com/en/ir/library/presentations/>

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

### (1) Consolidated Quarterly Consolidated Statement of Financial Position

(Million yen)

	As of March 31, 2022	As of June 30, 2022
(Assets)		
Current assets		
Cash and cash equivalents	94,907	91,264
Trade receivables and contract assets	131,862	136,342
Inventories	1,363	1,358
Other financial assets	10,580	11,419
Other current assets	10,758	10,694
Total current assets	249,470	251,077
Non-current assets		
Investments accounted for using the equity method	6,762	6,843
Property, plant and equipment	169,290	173,579
Right-of-use assets	281,265	290,276
Goodwill	25,881	26,648
Intangible assets	21,270	21,000
Deferred tax assets	14,022	14,146
Other financial assets	17,259	17,533
Other non-current assets	6,659	6,558
Total non-current assets	542,408	556,583
Total assets	791,878	807,660

(Million yen)

	As of March 31, 2022	As of June 30, 2022
(Liabilities)		
Current liabilities		
Trade payables	54,561	53,648
Short-term debt	1,114	690
Current portion of long-term debt	20,092	20,108
Lease liabilities	31,926	32,252
Income tax payable	5,385	3,670
Other financial liabilities	22,019	33,166
Other current liabilities	38,044	32,561
Total current liabilities	173,141	176,095
Non-current liabilities		
Long-term debt	120,386	120,468
Lease liabilities	251,343	260,490
Retirement and severance benefits	39,436	39,786
Deferred tax liabilities	7,969	8,405
Other financial liabilities	18,435	8,717
Other non-current liabilities	2,955	4,238
Total non-current liabilities	440,524	442,104
Total liabilities	613,665	618,199
(Equity)		
Equity attributable to stockholders of the parent company		
Common stock	16,803	16,803
Retained earnings	145,026	148,958
Accumulated other comprehensive income	9,162	15,939
Treasury stock, at cost	(821)	(823)
Total equity attributable to stockholders of the parent company	170,170	180,877
Non-controlling interests	8,043	8,584
Total equity	178,213	189,461
Total liabilities and equity	791,878	807,660

(2) Consolidated 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, 2021 (April 1, 2021 to June 30, 2021)	Three Months Ended June 30, 2022 (April 1, 2022 to June 30, 2022)
Revenues	178,096	199,452
Cost of sales	(154,604)	(173,255)
Gross profit	23,492	26,197
Selling, general and administrative expenses	(13,258)	(15,113)
Adjusted operating income	10,234	11,084
Other income	492	758
Other expenses	(294)	(1,181)
Operating income	10,432	10,661
Financial income	46	1,214
Financial expenses	(1,003)	(42)
Share of profits of investments accounted for using equity method	105	176
Earnings before interest and taxes	9,580	12,009
Interest income	375	169
Interest expenses	(1,659)	(1,504)
Income before income taxes	8,296	10,674
Income taxes	(3,298)	(3,213)
Net income	4,998	7,461
Attributable to:		
Stockholders of the parent company	4,824	7,030
Non-controlling interests	174	431

	Three Months Ended June 30, 2021 (April 1, 2021 to June 30, 2021)	Three Months Ended June 30, 2022 (April 1, 2022 to June 30, 2022)
Earnings per share attributable to stockholders of the parent company		
Basic	¥57.64	¥84.00
Diluted	—	—



Consolidated Quarterly Consolidated Statement of Comprehensive Income

(Million yen)

	Three Months Ended June 30, 2021 (April 1, 2021 to June 30, 2021)	Three Months Ended June 30, 2022 (April 1, 2022 to June 30, 2022)
Net income	4,998	7,461
Other comprehensive income (OCI)		
Items not to be reclassified into net income		
Net changes in financial assets measured at fair value through OCI	(558)	(52)
Remeasurements of defined benefit plans	(66)	—
Share of OCI of investments accounted for using the equity method	2	—
Total items not to be reclassified into net income	(622)	(52)
Items that can be reclassified into net income		
Foreign currency translation adjustments	605	7,101
Net changes in cash flow hedges	(1)	28
Share of OCI of investments accounted for using the equity method	50	78
Total items that can be reclassified into net income	654	7,207
Other comprehensive income	32	7,155
Comprehensive income	5,030	14,616
Attributable to:		
Stockholders of the parent company	4,878	13,698
Non-controlling interests	152	918

## (3) Consolidated Quarterly Consolidated Statement of Changes in Equity

(Million yen)

Three Months Ended June 30, 2021 (April 1, 2021 to June 30, 2021)							
	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 year	16,803	236,311	1,861	(99,817)	155,158	6,949	162,107
Changes in equity							
Net income		4,824			4,824	174	4,998
Other comprehensive income			54		54	(22)	32
Dividends		(2,348)			(2,348)	(113)	(2,461)
Acquisition and sales of treasury stock				(1)	(1)		(1)
Cancellation of treasury stock		(24,975)		24,953	(22)		(22)
Share-based remuneration transactions		33			33		33
Changes in liabilities for written put options over non-controlling interests		(110)	35		(75)	(68)	(143)
Total changes in equity	—	(22,576)	89	24,952	2,465	(29)	2,436
Balance at end of period	16,803	213,735	1,950	(74,865)	157,623	6,920	164,543

(Million yen)

Three Months Ended June 30, 2022 (April 1, 2022 to June 30, 2022)							
	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 year	16,803	145,026	9,162	(821)	170,170	8,043	178,213
Changes in equity							
Net income		7,030			7,030	431	7,461
Other comprehensive income			6,668		6,668	487	7,155
Dividends		(2,348)			(2,348)	(118)	(2,466)
Acquisition and sales of treasury stock				(2)	(2)		(2)
Share-based remuneration transactions		5			5		5
Changes in liabilities for written put options over non-controlling interests		(755)	109		(646)	(259)	(905)
Total changes in equity	—	3,932	6,777	(2)	10,707	541	11,248
Balance at end of period	16,803	148,958	15,939	(823)	180,877	8,584	189,461

## (4) Consolidated Quarterly Consolidated Statement of Cash Flows

(Million yen)

	Three Months Ended June 30, 2021 (April 1, 2021 to June 30, 2021)	Three Months Ended June 30, 2022 (April 1, 2022 to June 30, 2022)
Cash flows from operating activities		
Net income	4,998	7,461
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	12,730	13,632
Income taxes	3,298	3,213
Share of profits (losses) of investments accounted for using equity method	(105)	(176)
Loss by fire	—	812
Insurance proceeds	(5)	(368)
Gain on sale of property, plant and equipment	(32)	(61)
Interest and dividends income	(421)	(217)
Interest expenses	1,659	1,504
(Increase) decrease in trade receivables and contract assets	5,188	(748)
(Increase) decrease in inventories	(85)	45
Increase (decrease) in trade payables	(2,770)	(2,819)
Increase (decrease) in retirement and severance benefits	346	287
Decrease in other assets and liabilities	(7,953)	(4,332)
Other	761	(48)
Subtotal	17,609	18,185
Interest and dividends received	516	389
Interest paid	(1,508)	(1,345)
Fire-related payments	—	(649)
Insurance proceeds received	5	368
Income taxes paid	(5,262)	(4,729)
Net cash provided by operating activities	11,360	12,219
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(2,961)	(5,215)
Proceeds from sale of property, plant and equipment and intangible assets	325	124
Proceeds from sale of investments in associates	14	—
Payments into time deposits	(183)	(712)
Payments for acquisition of businesses	—	(131)
Other	239	173
Net cash used in investing activities	(2,566)	(5,761)

	Three Months Ended June 30, 2021 (April 1, 2021 to June 30, 2021)	Three Months Ended June 30, 2022 (April 1, 2022 to June 30, 2022)
Cash flows from financing activities		
Decrease in short-term debt, net	(624)	(519)
Repayments on long-term debt	(105)	(27)
Repayments on lease liabilities	(8,712)	(8,437)
Dividends paid to stockholders of the parent company	(2,348)	(2,348)
Dividends paid to non-controlling interests	(113)	(118)
Other	(130)	(178)
Net cash used in financing activities	(12,032)	(11,627)
Effect of exchange rate changes on cash and cash equivalents	313	1,526
Net (increase) decrease in cash and cash equivalents	(2,925)	(3,643)
Cash and cash equivalents at beginning of year	104,815	94,907
Cash and cash equivalents at end of year	101,890	91,264

## (5) Summary of Notes to Consolidated Financial Statements

(Notes on Going Concern Assumption)

None

(Additional Information)

(Impact of the spread of the novel coronavirus infection)

We believe COVID-19 has only a limited impact in terms of valuation of the Group's assets as of June 30, 2022. However, if a significant change in the situation regarding the spread of COVID-19 further increases uncertainty, we may need to review the carrying amount of assets or liabilities after the second quarter ending September 30, 2022.

(Fire at our consolidated subsidiary)

On November 29, 2021, a fire broke out at a logistics center at Maishima Sales Office of Hitachi Transport System West Japan Co., Ltd., one of our consolidated subsidiaries, and was put out on December 4, 2021.

Provision for loss by fire as of March 31, 2022 was ¥6,423 million and included loss related to rental properties such as costs to dismantle and remove buildings burned, and the payments to customers and other affected parties that can be reasonably estimated. Provision for loss by fire as of June 30, 2022 was ¥6,832 million, and major changes from March 31, 2022 include an increase of ¥660 million due to additional recognition of provision and a decrease of ¥251 million due to payments to customers and other affected parties.

In addition, during the three months ended June 30, 2022, the Company recorded ¥220 million of various costs arising from alternative transportation in cost of sales and ¥812 million of "Loss by fire," including additional recognition of provision for loss by fire of ¥660 million mentioned above, in other expenses. Insurance money related to the fire the amount of which is fixed of ¥367 million was recorded as insurance proceeds in other income, but the impact of the insurance money still in processing on the Company's condensed quarterly consolidated financial statements in future periods is not yet to be determined at this point.

The Company is now discussing the payments, etc. related to the fire with the relevant parties, and because some of the effects stated above were calculated based on the best estimate using the information available to us at this point, in the case where it becomes necessary to review the accounting estimates as the discussion progresses, it may have an impact on the Company's condensed quarterly consolidated financial statements in future periods.

(Tender Offer)

The Company, at the board of directors' meeting held April 28 2022, resolved to express its opinion supporting the Tender Offer by HTSK Co., Ltd. (the "Tender Offer") for the common shares of the Company, if the Tender Offer is commenced and to recommend that the Company's shareholders tender their Shares in the Tender Offer.

The above-mentioned board resolution was made on the assumption that the Tender Offeror intends to acquire all the Company Shares and that the Company Shares are planned to be delisted through the Transaction including the Tender Offer and a series of procedures scheduled thereafter.

### 1. Overview of the Tender Offeror

[1] Name	HTSK Co., Ltd
[2] Location	Meiji Yasuda Life Insurance Building 11F, 2-1-1 Marunouchi, Chiyoda-ku, Tokyo
[3] Name and Title of Representative	Steven Codispoti, Representative Director
[4] Type of Business	Trade and any other business incidental or related to trade
[5] Amount of Capital	5,000 yen

[6] Date of Foundation	April 21, 2022
[7] Major Shareholders and Shareholding Ratio	HTSK Holdings Co., Ltd. (shareholding ratio: 100.00%)
[8] Relationship between the Company and the Tender Offeror	
Capital Relationship	N/A
Personal Relationship	N/A
Transaction Relationship	N/A
Status as a Related Party	N/A

## 2. Overview of Tender Offer

### (1) Period

It is anticipated that the Tender Offer will begin around the end of September 2022.

### (2) Purchase Price

Common Stock JPY8,913 per share

### (3) Number of shares to be purchased

Number of Shares to be Purchased	Minimum Number of Shares to be Purchased	Maximum Number of Shares to be Purchased
50,401,606 Shares	22,443,900 Shares	- Shares

## (Segment Information)

Three Months Ended June 30, 2021 (April 1, 2021 to June 30, 2021)

(Million yen)

	Reportable segment			Other services <sup>1</sup>	Total	Adjustments and eliminations <sup>2</sup>	Amount recorded in consolidated financial statements
	Domestic logistics	Global logistics	Subtotal				
Revenues							
Revenues from outside customers	104,589	70,447	175,036	3,060	178,096	—	178,096
Revenues from intersegment transactions or transfers	—	—	—	3,128	3,128	(3,128)	—
Total	104,589	70,447	175,036	6,188	181,224	(3,128)	178,096
Segment profit	6,826	3,236	10,062	172	10,234	—	10,234
Other income							492
Other expenses							(294)
Financial income							46
Financial expenses							(1,003)
Share of profits of investments accounted for using the equity method							105
Interest income							375
Interest expenses							(1,659)
Income before income taxes							8,296

Note: 1. "Other services" includes information system development, service, sale and maintenance of motor vehicles which are excluded from the reportable 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, 2022 (April 1, 2022 to June 30, 2022)

(Million yen)

	Reportable segment			Other services <sup>1</sup>	Total	Adjustments and eliminations <sup>2</sup>	Amount recorded in consolidated financial statements
	Domestic logistics	Global logistics	Subtotal				
Revenues							
Revenues from outside customers	102,780	93,400	196,180	3,272	199,452	—	199,452
Revenues from intersegment transactions or transfers	—	—	—	4,670	4,670	(4,670)	—
Total	102,780	93,400	196,180	7,942	204,122	(4,670)	199,452
Segment profit	5,318	5,595	10,913	171	11,084	—	11,084
Other income							758
Other expenses							(1,181)
Financial income							1,214
Financial expenses							(42)
Share of profits of investments accounted for using the equity method							176
Interest income							169
Interest expenses							(1,504)
Income before income taxes							10,674

Note: 1. “Other services” includes information system development, service, sale and maintenance of motor vehicles which are excluded from the reportable 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.