

January 29, 2021

**Consolidated Financial Results
for the 3rd Quarter of FY2020
(Supplementary Material)**

 **Hitachi Transport System, Ltd.**

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1. Financial Results by Group

[Unit: 100 million yen]

			FY2020						Full year Forecast (As of Jan.29)		
			3Q (Oct.-Dec. 2020)			9 months (Apr.-Dec. 2020)					
			Result	Year on year		Result	Year on year				
				% change	change		% change	change			
Revenues	Organic ^{*1}	Domestic Logistics	934	99%	-12	2,752	98%	-49	-		
		Global Logistics	Overseas	417	102%	9	1,128	90%	-127	-	
			Allocated to domestic companies ^{*2}	85	114%	11	216	89%	-26	-	
			Subtotal	502	104%	20	1,344	90%	-153	-	
		Other Services (logistics related businesses)	39	83%	-8	119	85%	-21	-		
		Total	1,475	100%	-0	4,215	95%	-223	5,667		
	VANTEC Group	Domestic Logistics	151	89%	-18	392	79%	-106	-		
		Global Logistics	84	112%	9	211	88%	-29	-		
		Total	235	96%	-9	603	82%	-134	827		
	Consolidated Adjustment		-30	-	-8	-73	-	-2	-94		
	Total	Domestic Logistics	1,079	97%	-28	3,129	95%	-154	4,228		
		Global Logistics	Overseas	489	103%	13	1,311	89%	-158	-	
			Allocated to domestic companies ^{*2}	77	111%	8	195	88%	-26	-	
			Subtotal	566	104%	21	1,507	89%	-184	2,018	
		Other Services (logistics related businesses)	36	79%	-9	110	83%	-22	155		
		Total	1,680	99%	-17	4,745	93%	-360	6,400		
	Adjusted Operating Income	Organic ^{*1}	Domestic Logistics	61.5	95%	-3.3	176.0	100%	-0.5	-	
			Global Logistics	Overseas	26.3	180%	11.7	63.1	130%	14.7	-
				Allocated to domestic companies ^{*2}	3.1	236%	1.8	3.0	124%	0.6	-
				Subtotal	29.4	185%	13.5	66.1	130%	15.3	-
Other Services (logistics related businesses)			4.1	120%	0.7	9.4	93%	-0.8	-		
Total			94.9	113%	10.9	251.5	106%	14.0	320		
VANTEC Group		Domestic Logistics	15.7	146%	4.9	15.5	63%	-9.0	-		
		Overseas	2.3	180%	1.0	3.9	88%	-0.6	-		
		Total	18.0	149%	6.0	19.4	67%	-9.5	28		
Amortization of Customer-related intangible assets of VANTEC Group etc.		-1.2	-	1.2	-5.2	-	2.3	-8			
Total		Domestic Logistics	75.3	102%	1.7	185.5	95%	-9.4	240		
		Global Logistics	Overseas	29.4	189%	13.9	67.8	132%	16.4	-	
			Allocated to domestic companies ^{*2}	3.1	236%	1.8	3.0	124%	0.6	-	
			Subtotal	32.5	193%	15.6	70.8	131%	16.9	87	
	Other Services (logistics related businesses)	4.1	120%	0.7	9.4	93%	-0.8	14			
	Total	111.8	119%	18.0	265.8	103%	6.8	340			
Earnings Before Interest and Taxes (EBIT)		107.8	102%	2.3	346.2	115%	44.8	420			
Net income attributable to stockholders of the parent company		55.7	104%	2.0	187.4	115%	24.9	220			

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

*2.Forwarding and others.

2. Detail of Variations for Revenues

(1) Revenues

[Unit: 100 million yen]

3Q (Oct.-Dec. 2020)							9 months (Apr.-Dec. 2020)						
COVID-19 impact	Environmental /volume changes	Effect of exchange fluctuation	Implement of portfolio strategy	New orders	New collaborative innovation	Total	COVID-19 impact	Environmental /volume changes	Effect of exchange fluctuation	Implement of portfolio strategy	New orders	New collaborative innovation	Total
-39	-29	-7	-4	55	6	-17	-270	-231	-25	2	141	24	-360

(2) Adjusted Operating Income

3Q (Oct.-Dec. 2020)							
COVID-19 impact	Environmental /volume changes	Effect of exchange fluctuation	Implement of portfolio strategy	New orders	New collaborative innovation	Productivity improvement	Total
-6.8	14.1	-0.1	-1.2	4.8	0.4	6.8	18.0
9 months (Apr.-Dec. 2020)							
COVID-19 impact	Environmental /volume changes	Effect of exchange fluctuation	Implement of portfolio strategy	New orders	New collaborative innovation	Productivity improvement	Total
-56.0	27.8	-0.6	-1.7	14.5	3.3	19.4	6.8

3. Overseas Business

[Unit: 100 million yen]

	Revenues						Adjusted Operating Income					
	3Q (Oct.-Dec. 2020)			9 months (Apr.-Dec. 2020)			3Q (Oct.-Dec. 2020)			9 months (Apr.-Dec. 2020)		
	Result	Year on year		Result	Year on year		Result	Year on year		Result	Year on year	
		% change	change		% change	change		% change	change		% change	change
North America	115	113%	13	291	91%	-30	4.5	255%	2.7	8.0	80%	-2.0
Europe ^{*1}	171	102%	3	453	91%	-45	14.2	111%	1.4	32.3	93%	-2.4
Asia (excluding China)	99	98%	-2	263	87%	-40	4.7	151%	1.6	11.1	112%	1.2
China	105	103%	3	297	87%	-45	6.8	-	7.7	17.7	1312%	16.4
Others	11	109%	1	35	114%	4	1.4	157%	0.5	3.8	187%	1.8
Elimination of intra-company transactions, etc. ^{*2}	-12	-	-5	-28	-	-3	-2.2	-	-0.1	-5.1	-	1.5
Total	489	103%	13	1,311	89%	-158	29.4	189%	13.9	67.8	132%	16.4

*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."

The above is the revenue and adjusted operating income of overseas subsidiaries.

4. Major Operating Expenses

[Unit: 100 million yen]

	FY2019	FY2020		
	9 months (Apr.-Dec. 2019)	9 months (Apr.-Dec. 2020)	Year on year	
			% change	change
Subcontract Expenses	2,460.3	2,256.9	92%	-203.4
Personnel Expenses	1,218.9	1,163.9	95%	-55.0
Rent Expenses	163.3	131.1	80%	-32.2
Depreciation Expenses	389.7	384.1	99%	-5.6

* Include Selling, general and administrative expenses.

• By adopting IFRS 16 "Leases", some expenses that were treated as Lease Expenses (Rent Expenses) last year are divided into Depreciation and Interest expenses (Outside Operating Expenses) from this fiscal year.

5. Trend of New Order / New Startup

[Unit: project]

		FY2019	FY2020	
		9 months (Apr.-Dec. 2019)	9 months (Apr.-Dec. 2020)	Year on year
New orders	Domestic	14	7	-7
	Global	5	9	4
	Total	19	16	-3
New startups	Domestic	15	12	-3
	Global	5	8	3
	Total	20	20	0

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