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**Consolidated Financial Results  
for FY2019  
(Supplementary Material)**

 **Hitachi Transport System, Ltd.**

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# 1. Financial Results by Group

[Unit: 100 million yen]

			FY2018		FY2019							
			4Q (Result)	Full year (Result)	4Q (Jan.-Mar.2020)			Full year (Apr.2019 - Mar.2020)				
					Result	Year on year		Result	Year on year			
						% change	change		% change	change		
Revenues	Organic*1	Domestic Logistics	920	3,637	927	101%	8	3,729	103%	92		
		Global Logistics	Overseas	427	1,785	381	89%	-46	1,636	92%	-149	
			Allocated to domestic companies*2	103	498	71	69%	-31	313	63%	-185	
			Total	530	2,283	453	85%	-78	1,949	85%	-334	
		Other Services	54	209	43	79%	-11	183	87%	-27		
	total	1,504	6,129	1,423	95%	-81	5,861	96%	-269			
	VANTEC Group	Domestic Logistics	170	720	149	88%	-20	648	90%	-72		
		Global Logistics	Overseas	83	358	67	81%	-16	306	86%	-52	
			Allocated to domestic companies*2	0	0	0	-	0	0	-	0	
			Total	83	358	67	81%	-16	306	86%	-52	
	total	252	1,078	216	86%	-36	954	88%	-124			
	Consolidated Adjustment			-26	-119	-21	-	6	-92	-	27	
	Total	Domestic Logistics	1,083	4,328	1,071	99%	-12	4,353	101%	25		
		Global Logistics	Overseas	500	2,089	441	88%	-59	1,910	<b>[93%]</b>	91%	-179
			Allocated to domestic companies*2	96	469	66	69%	-30	287	<b>[89%]</b>	61%	-182
Total			595	2,558	507	85%	-88	2,198	<b>[92%]</b>	86%	-361	
Other Services		52	202	40	78%	-11	172	85%	-30			
total	1,730	7,088	1,618	94%	-112	6,723	95%	-365				
Adjusted Operating Income*3	Organic*1	Domestic Logistics	45.6	194.2	60.0	132%	14.4	236.5	122%	42.3		
		Global Logistics	Overseas	12.0	62.9	11.5	96%	-0.5	59.9	95%	-3.0	
			Allocated to domestic companies*2	0.6	2.0	-1.0	-	-1.6	1.5	75%	-0.5	
			Total	12.6	64.9	10.6	84%	-2.0	61.4	95%	-3.5	
		Other Services	5.1	19.9	-1.0	-	-6.1	9.2	46%	-10.7		
	total	63.3	278.9	69.6	110%	6.3	307.1	110%	28.2			
	VANTEC Group	Domestic Logistics	8.8	35.1	8.3	94%	-0.6	32.8	94%	-2.3		
		Global Logistics	Overseas	1.7	8.1	-0.1	-	-1.8	4.4	54%	-3.8	
			Allocated to domestic companies*2	0.0	0.0	0.0	-	0.0	0.0	-	0.0	
			Total	1.7	8.1	-0.1	-	-1.8	4.4	54%	-3.8	
	total	10.6	43.2	8.2	78%	-2.4	37.2	86%	-6.0			
	Amortization of Customer-related intangible assets of VANTEC Group etc.			-2.6	-10.2	-2.0	-	0.6	-9.5	-	0.8	
	Total	Domestic Logistics	52.4	221.0	65.7	125%	13.3	260.6	118%	39.6		
		Global Logistics	Overseas	13.3	69.1	12.1	91%	-1.2	63.5	92%	-5.6	
			Allocated to domestic companies*2	0.6	2.0	-1.0	-	-1.6	1.5	<b>[94%]</b>	75%	-0.5
Total			13.9	71.1	11.1	80%	-2.7	65.0	<b>[+3.0]</b>	91%	-6.1	
Other Services		5.1	19.9	-1.0	-	-6.1	9.2	<b>[99%]</b>	46%	-10.7		
total	71.3	311.9	75.8	106%	4.5	334.8	107%	22.9				
Earnings Before Interest and Taxes (EBIT)			86.2	361.8	94.7	110%	8.4	396.1	109%	34.3		
Net income attributable to stockholders of the parent company			53.5	227.9	53.6	100%	0.1	216.1	95%	-11.7		

✓ Figures in [ ] are percentages of Y on Y changes excluding the impact of deconsolidation of Nisshin Transportation Gr.  
(One of them shows a Y on Y difference.)

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

\*2.Forwarding and others.

\*3."Other Services" includes information system development, service, sale and maintenance of motor vehicles, and travel agency service.

## 2. Detail of Variations for Revenues

### (1) Revenues

[Unit: 100 million yen]

4Q (Jan.-Mar.2020)									Full year (Apr.2019 - Mar.2020)								
Environmental /volume changes,etc.	Effect of exchange fluctuation	Impact of exclusion of Nisshin from the scope of consolidation	Implmtn of portfolio strategy	New orders	New collaborative innovation	Impact of adopting IFRS 16	Impact of COVID-19	Total	Environmental /volume changes,etc.	Effect of exchange fluctuation	Impact of exclusion of Nisshin from the scope of consolidation	Implmtn of portfolio strategy	New orders	New collaborative innovation	Impact of adopting IFRS 16	Impact of COVID-19	Total
-60	-13	-25	-6	22	13	-3	-40	-112	-251	-72	-172	-43	160	62	-10	-40	-365

### (2) Adjusted Operating Income

4Q (Jan.-Mar.2020)										
Environmental /volume changes,etc.	Effect of exchange fluctuation	Impact of exclusion of Nisshin from the scope of consolidation	Implmtn of portfolio strategy	New orders	New collaborative innovation	Impact of adopting IFRS 16	Productivity improvement	Strategic investments	Impact of COVID-19	Total
-2.9	-0.5	0.0	-1.4	5.3	2.5	4.6	5.0	2.1	-10.1	4.5
Full year (Apr.2019 - Mar.2020)										
Environmental /volume changes,etc.	Effect of exchange fluctuation	Impact of exclusion of Nisshin from the scope of consolidation	Implmtn of portfolio strategy	New orders	New collaborative innovation	Impact of adopting IFRS 16	Productivity improvement	Strategic investments	Impact of COVID-19	Total
-28.1	-3.6	-5.3	-4.4	16.3	9.5	29.8	24.0	-5.2	-10.1	22.9

## 3. Overseas Business

[Unit: 100 million yen]

	Revenues						Adjusted Operating Income					
	4Q (Jan.-Mar.2020)			Full year (Apr.2019 - Mar.2020)			4Q (Jan.-Mar.2020)			Full year (Apr.2019 - Mar.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	102	93%	-8	423	94%	-29	2.5	97%	-0.1	12.6	127%	2.7
Europe <sup>*1</sup>	162	98%	-4	660	95%	-34	8.2	79%	-2.2	42.9	113%	4.8
Asia (excluding China)	100	95%	-5	402	90%	-43	4.0	139%	1.1	13.9	72%	-5.3
China	75	62%	-46	416	81%	-97	-2.6	-	-2.4	-1.2	-	-10.3
Others	10	104%	0	40	106%	2	0.8	136%	0.2	2.8	92%	-0.3
Elimination of intra-company transactions, etc. <sup>*2</sup>	-7	-	3	-32	-	22	-0.7	-	2.2	-7.3	-	2.9
Total	441	88%	-59	1,910	91%	-179	12.1	91%	-1.2	63.5	92%	-5.6

\*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. Financial indicators, etc.

		FY2018	FY2019
		Full Year	Full Year
Total assets	(100 Million yen)	6,125	8,791
Total equity attributable to stockholders of the parent company*1	(100 Million yen)	36.3	26.5
Total equity per share attributable to stockholders of the parent company	(Yen)	1,993.25	2087.52
Basic earnings per share attributable to stockholders of the parent company	(Yen)	204.27	193.76
Dividend per share	(Yen)	40	43
Return on equity (ROE)	(%)	10.7	9.5
Return on assets (ROA)	(%)	3.9	2.4
Return on invested capital (ROIC) *2	(%)	5.7	5.3
		-	5.4
Price book-value ratio (PBR)	(Ratio)	1.65	1.13
Stock price	(Yen)	3,285	2,349

\*1.○ indicates total equity attributable to stockholders of the parent company ratio(%)

\*2.The figures in the upper row exclude the impact of applying IFRS 16 "Lease", and the figures in the lower row after impact of applying IFRS 16 "Lease" and calculated using the new standard (NOPATROIC)

## 5. Major Operating Expenses\*

[Unit: 100 million yen]

	FY2018	FY2019		
	Full year	Full year	Year on year	
			% change	change
Subcontract Expenses	3,568.7	3,251.8	91%	-316.9
Personnel Expenses	1,672.8	1,619.5	97%	-53.4
Rent Expenses	546.9	206.7	38%	-340.3
Depreciation Expenses	190.6	528.2	277%	337.6

\*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.

## 6. Capital Expenditures

[Unit: 100 million yen]

	FY2018	FY2019		
	Full year	Full year	Year on year	
			% change	change
Purchased Assets <sup>*1</sup>	177.6	182.5		4.9
(Reference) Leased Assets <sup>*2</sup>	393.1	63.8		-329.3

\*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]

		FY2018	FY2019	
		Full year	Full year	Year on year
New orders	Domestic	15	20	5
	Global	9	6	-3
	Total	24	26	2
New startups	Domestic	19	23	4
	Global	9	7	-2
	Total	28	30	2

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

## (Reference ①) Number of Consolidated Employees<sup>\*1</sup>

[Unit: person]

		End of 2018	End of 2019	
		Full Year	Full Year	YoY change
Regular Employees		24,139	23,837	-302.0
	Part time/temporary/ other employees <sup>*2</sup>	22,156	21,491	-665.0
Total		46,295	45,328	-967.0

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

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

## (Reference ②) Volume of Freight Forwarding

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

	FY2018	FY2019		
	Full year	Full year	Year on year	
			% change	change
Air	26.0	22.1		-3.9
Sea	53.8	46.2		-7.7

• Figures are simple sum before consolidated adjustment.