

News Release

April 15, 2022

Hitachi Transport System, Ltd.

Recognition of Other Expenses (Loss by Fire) Related to a Fire at a Logistics Center and Revision of Consolidated Financial Forecasts for the Fiscal Year Ended March 31, 2022

The Company expects to recognize other expenses (loss by fire) for the year ended March 31, 2022 as follows. Also, in light of the recent business performance, we revised the consolidated financial forecasts for the fiscal year ended March 31, 2022 announced on January 31, 2022 as follows.

1. Recognition of Other Expenses (Loss by Fire)

As a result of the fire which occurred at a logistics center of our group company Hitachi Transport System West Japan Co., Ltd. on November 29, 2021, we expect to recognize ¥7,294million as other expenses (loss by fire) for the fiscal year ended March 31, 2022 for loss related to rental properties, including costs to dismantle and remove buildings burned, and the payments to customers and other affected parties that can be reasonably estimated.

2. Consolidated Financial Forecasts

(1) Consolidated Financial Forecasts for the Fiscal Year Ended March 31, 2022 (April 1, 2021 to March 31, 2022)

	Revenues	Adjusted operating income*1	EBIT*2	Income before income taxes	Net income	Net income attributable to stockholders of the parent company	Basic earnings per share attributable to stockholders of the parent company
	Million yen	Million yen	Million yen	Million yen	Million yen	Million yen	Yen
Previous forecasts (A)	720,000	37,500	—	—	—	—	—
Revised forecasts (B)	740,000	38,000	29,000	24,000	14,000	13,000	155.34
Change (B-A)	20,000	500	—	—	—	—	
Percentage change (%)	2.8	1.3	—	—	—	—	
(Ref.) Consolidated results for the fiscal year ended March 31, 2021	652,380	36,711	44,429	39,134	23,954	22,873	240.02

*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) Reason for the Revision

For the consolidated financial forecasts for the fiscal year ended March 31, 2022, revenues are expected to exceed the previously announced forecast mainly due to volume increase in the global logistics. Adjusted operating income is expected to exceed the previously announced forecast due to revenue increase and the profitability improvement in the freight forwarding business despite various costs of ¥672 million to be recognized for alternative transportation related to the fire.

The forecasts of items other than revenues and adjusted operating income were revised to reflect other expenses (loss by fire) as described above. We expect to recognize ¥352 million as insurance proceeds for the

loss by fire, but we do not include other insurance money that may be received in the future in the forecast because it is yet to be determined at this point.

(Note) The forecasts above are based on the information available to us and projections as of the date of the release of this announcement, and the actual results may differ from these forecasts.

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