

Financial Results for the Half Year ended September 30, 2007

October 26, 2007

Listed Company: **Hitachi Transport System, Ltd.**

Stock exchange: First section of Tokyo

Code number: 9086

URL: <http://www.hitachi-hb.co.jp/>

Representative: Takao Suzuki, President and Chief Executive Officer

Date of the Start of Dividend Payment: November 30, 2007

(Figures are rounded off to the nearest million yen)

1. Consolidated Financial Highlights for the half year (April 1, 2007 to September 30, 2007)

(1) Consolidated Financial Results

(% indicates the percentage change over year)

	Service revenues		Operating income		Ordinary income		(Interim) Net income	
Half years ended:	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2007	165,932	12.1	6,675	18.2	6,868	19.6	3,586	22.6
September 30, 2006	148,061	7.1	5,649	24.8	5,741	23.6	2,925	24.3
Year ended March 31, 2007	303,958		11,746		12,168		6,787	

	(Interim) Net income per share	(Interim) Net income per share (Diluted)
Half years ended:	Yen	Yen
September 30, 2007	32.15	-
September 30, 2006	26.22	-
Year ended March 31, 2007	60.84	-

(Reference) Equity in earnings of affiliated companies:

September 2007: 58 Million yen September 2006: 23 Million yen March 2007: 70 Million yen

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
Half years ended:	Million yen	Million yen	%	Yen
September 30, 2007	211,048	136,264	64.3	1,216.63
September 30, 2006	203,738	130,042	63.7	1,162.92
Year ended March 31, 2007	208,283	133,393	63.8	1,191.96

(Reference) Equity:

September 2007: 135,720 Million yen September 2006: 129,730 Million yen March 2007: 132,968 Million yen

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of term
Half years ended:	Million yen	Million yen	Million yen	Million yen
September 30, 2007	4,743	(7,288)	(910)	33,878
September 30, 2006	1,190	(2,615)	(754)	36,195
Year ended March 31, 2007	9,858	(9,319)	(1,710)	37,263

2. Dividend

(Date of standard)	Dividend per share				
	First quarter	Interim	Third quarter	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
March 31, 2007	-	8.00	-	8.00	16.00
March 31, 2008	-	9.00	-	-	18.00
March 31, 2008 (Forecast)	-	-	-	9.00	-

3. Consolidated Financial Forecasts for the year ending March 31, 2008 (April 1, 2007 to March 31, 2008)

(% indicates the percentage change over year)

	Service revenues		Operating income		Ordinary income		Net income		Net income per share	
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen	Yen
	333,000	9.6	13,400	14.1	13,500	10.9	7,400	9.0	66.34	

4. Others

(1) Changes in major subsidiaries during the period (Changes in specified subsidiaries due to changes in the scope of consolidation): None

(2) Changes in accounting policies

(a) Change due to the modification in accounting method: Yes

(b) Any other changes: None

(3) Issued shares (Common stock)

(a) Issued shares at end of term (Including Treasury stock)

September 2007: 111,776,714 shares September 2006: 111,776,714 shares March 2007: 111,776,714 shares

(b) Treasury stock at cost

September 2007: 222,956 shares September 2006: 221,482 shares March 2007: 222,384 shares

(Reference) Non-consolidated Financial Highlights

(Figures are rounded down)

1. Non-consolidated Financial Highlights for the half year (April 1, 2007 to September 30, 2007)

(1) Non-consolidated Financial Results

(% indicates the percentage change over year)

	Service revenues		Operating income		Ordinary income		(Interim) Net income	
Half years ended:	Million yen	%	Million yen	%	Million yen	%	Million yen	%
September 30, 2007	120,599	5.5	3,629	32.3	4,796	29.8	2,953	26.0
September 30, 2006	114,357	4.9	2,744	43.6	3,695	27.2	2,343	31.8
Year ended March 31, 2007	234,359		6,039		7,332		4,644	

	(Interim) Net income per share
Half years ended:	Yen
September 30, 2007	26.47
September 30, 2006	21.01
Year ended March 31, 2007	41.64

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
Half years ended:	Million yen	Million yen	%	Yen
September 30, 2007	176,195	110,042	62.5	986.45
September 30, 2006	173,120	106,549	61.5	955.13
Year ended March 31, 2007	177,622	108,004	60.8	968.17

(Reference) Equity:

September 2007: 110,042 Million yen September 2006: 106,549 Million yen March 2007: 108,004 Million yen

2. Non-consolidated Financial Forecasts for the year ending March 31, 2008 (April 1, 2007 to March 31, 2008)

(% indicates the percentage change over year)

	Service revenues		Operating income		Ordinary income		Net income		Net income per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
	245,000	4.5	7,100	17.6	8,500	15.9	5,000	7.6	44.82

* The financial forecasts above are based on current estimates and uncertain factors. The Company's actual results may be materially different and the figures have remained those announced before.

I. Operating Results

[Analysis of Operating Results]

(1) Overview of the current interim term

In the global economy in the current interim term, the U.S. economy is decelerating, but high growth has been maintained in newly emerging forces, including BRICs. Consumer spending has been increasing steadily while capital expenditure remains slightly weak in Japan. Meanwhile, severe business situations have continued in the logistics industry due to the current high oil costs and increasingly intensifying intercorporate competitions.

Under these circumstances, we restructured our business organization in our efforts to improve competitiveness while utilizing our advantages as a leading company, and clearly hammering out the differences from our competitors in the growing market on the basis of our core business, an integrated support of corporate physical distribution, namely, "third party logistics (3PL: Comprehensive logistics services)." Our domestic and overseas sales systems were restructured in April this year, aiming to form a consistent business system, both internationally and domestically, in the 3PL business. At the same time, regional representative offices were set up in North America, Europe, China and Asia for the prompt deployment of global businesses at overseas sites.

Consolidated service revenues for the current interim term was ¥165,932 million, an increase of 12 percent compared with the corresponding period of a year earlier, mainly because of continuous expansion of the 3PL business and the exploitation of large business projects. Although the global logistics business has slowed down due to the effects of a decreased volume of physical distribution in our companies in North America and expenses incurred in setting up overseas business sites, the overall consolidated operating income reached ¥6,675 million, an increase of 18 percent compared with the corresponding period a year earlier thanks to improvements in the workability and productivity of the 3PL business, the smooth launch of new contracts, and efficient operation of large business projects. The consolidated ordinary income was ¥6,868 million, an increase of 20 percent compared with the corresponding period of a year earlier, and consolidated interim net income was ¥3,586 million, an increase of 23 percent compared with the corresponding period a year earlier.

The interim dividend was raised by ¥1 as in the preceding term to ¥9 a share. ¥9 a share, an increase of ¥1 is also planned for the year-end dividend, totaling ¥18 for the annual dividend.

The sales results of the main segments in the current interim term are shown below.

In the domestic logistics business, we established an efficient and low-cost logistics operation system for distributors, and implemented optimum, meticulous services including procurement logistics for manufacturers.

During this interim term, a subsidiary distribution company having taken over from Shiseido Co., Ltd. started the operation in April this year in a new system and a new company named Hitachi Collabonext Transport System Co., Ltd. In addition, we implemented a number of new business projects for our customers in various industries, including retail sales, food, and automotive parts industries. We also carried out heavy load transportations, in both land and marine transportations (e.g. land transportation of the new bullet train model N700 system), as well as the integrated operation of information equipment from transportation,

installation, and setup to disposal.

The consolidated service revenues of these businesses reached ¥119,978 million, an increase of 14 percent compared with the corresponding period a year earlier because the 3PL business remained strong, mainly in the information, communications, medical and people's living areas. Consolidated operating income increased 16 percent to ¥9,142 million compared with the corresponding period a year earlier, thanks to increased revenues and decreased expenses, owing to the smooth launch of new business projects, and improvements of workability, productivity, and transportation efficiency.

In the global logistics business, as the 3PL business has been expanded globally, with increased demand for integrated operations, both domestically and overseas, from procurement to sales, our focus was put on sales in profitable regions like North America and China as well as newly emerging regions such as east European nations, in our efforts to establish optimum, highly qualified logistics systems to meet the global strategies of our customers.

We implemented new business projects for our customers in the food industry, etc. in North America during the current interim term. Our focus in Europe was put on the logistics of liquid crystal panel related materials, and succeeded in heavy load transportation, such as the transportation of railroad vehicles shipped to England. In China, proactive logistics services, including material inspection, were deployed for our customers in the apparel industry, and our efforts focused on the expansion of the logistics business to clothing and general merchandise through a new company established in December last year. In addition to our efforts to expand our business sites in North America and the Middle East, an office was opened in India in August this year to provide a business site for full-scale business deployment in this country. In October this year, basic agreement was reached with a logistics company in the Czech Republic; enabling us to participate in the logistics business in the nation as part of our efforts to improve logistics services and thereby our competitiveness across Europe, centering around East Europe, where development is expected in future.

The consolidated service revenues of this business increased 8 percent to ¥36,852 million compared with the corresponding period the previous year, thanks to increased overseas logistics and import/export related businesses. The consolidated operating income was ¥515 million, a decrease of 47 percent compared with the corresponding period the previous year, due to aggravated profitability caused by the decreased volume of physical distribution of flat-panel televisions in North America, and expenses incurred in opening overseas business sites.

In other services business, favorable sales have continued in the tourist agency business, mainly targeting business travelers, and the sales and lease businesses remained strong in the automotive sales related businesses. Information system related businesses also remained strong mainly around the logistics business.

Consolidated service revenues of these businesses increased 4 percent to ¥9,102 million compared with the corresponding period the previous year, and consolidated operating income reached ¥841 million, an increase of 20 percent compared with the corresponding period the previous year.

(2) Prediction for the full year

The future business situation is expected to remain fluid due to worrisome factors, such as the decelerated economy in the U.S. and increased oil costs as well as intensified competition.

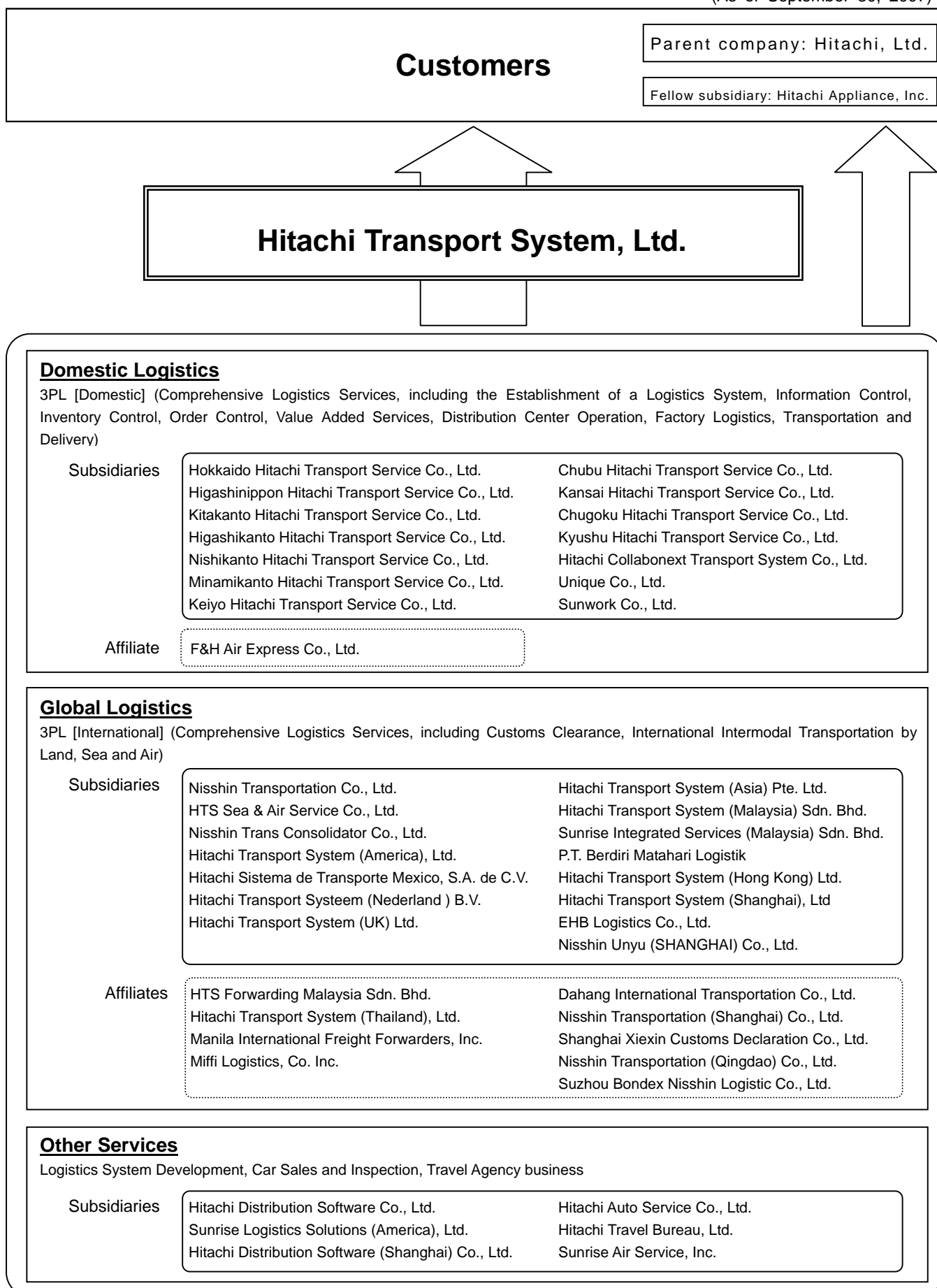
Under these circumstances, we have strengthened the collaboration between domestic and overseas sales divisions under a new sales system reorganized in April this year, with the intention of a rapid expansion of the global 3PL business in order to steadily achieve the full year plans for the fiscal year of 2007, as well as fulfilling our Vision 2010.

The predictions of full year business results are as follows (as of October 22, 2007):

Consolidated service revenues	¥333,000 million	(10% increase from the previous term)
Consolidated operating income	¥13,400 million	(14% increase from the previous term)
Consolidated ordinary income	¥13,500 million	(11% increase from the previous term)
Consolidated net income	¥7,400 million	(9% increase from the previous term)

II. Hitachi Transport System Group

(As of September 30, 2007)



Consolidated subsidiaries (35 companies)

Affiliates (10 companies)

Consolidated Balance Sheets

(Millions of yen, rounded off)

Item	First half for the year ending March 2008 (As of September 30, 2007)		First half for the year ended March 2007 (As of September 30, 2006)		Year ended March 2007 (As of March 31, 2007)	
	Amount	Composition	Amount	Composition	Amount	Composition
Assets:		%		%		%
Current assets:	108,329	51.3	106,028	52.0	108,059	51.9
Cash	4,252		4,252		4,116	
Trade receivables of accounts and notes	67,183		62,934		63,848	
Deposit to parent company	30,020		32,407		33,201	
Other current assets	7,100		6,858		7,208	
Allowance for doubtful receivables	(226)		(423)		(314)	
Non-current assets:	102,719	48.7	97,710	48.0	100,224	48.1
Property and equipment	81,693	38.8	81,310	39.9	82,459	39.6
Buildings and structures	42,718		40,005		44,150	
Land	30,674		30,849		30,717	
Other property and equipment	8,301		10,456		7,592	
Intangible assets:	5,976	2.8	3,824	1.9	3,707	1.8
Goodwill	2,384		-		-	
Other intangible assets	3,592		3,824		3,707	
Investments and other assets	15,050	7.1	12,576	6.2	14,058	6.7
Total assets	211,048	100.0	203,738	100.0	208,283	100.0
Liabilities:						
Current liabilities:	49,191	23.3	43,972	21.6	49,632	23.9
Trade payables of accounts and notes	23,202		21,136		22,230	
Short-term bank loans	-		75		-	
Current portion of long-term debt	4,000		-		4,000	
Other current liabilities	21,989		22,761		23,402	
Non-current liabilities:	25,593	12.1	29,724	14.6	25,258	12.1
Long-term debt	12,000		16,000		12,000	
Accrued retirement and severance benefits	10,747		11,018		10,386	
Accrued retirement benefits for directors	719		612		683	
Other non-current liabilities	2,127		2,094		2,189	
Total liabilities	74,784	35.4	73,696	36.2	74,890	36.0
Net assets:						
Shareholders' equity:	134,620	63.8	128,955	63.3	131,927	63.3
Common stock	16,803	8.0	16,803	8.2	16,803	8.1
Additional paid-in capital	13,427	6.4	13,427	6.6	13,427	6.4
Retained earnings	104,564	49.5	98,897	48.6	101,870	48.9
Treasury stock at cost	(174)	(0.1)	(172)	(0.1)	(173)	(0.1)
Valuation, translation, adjustments and others:	1,100	0.5	775	0.4	1,041	0.5
Net unrealized holding gain on securities	649	0.3	623	0.3	669	0.3
Foreign currency translation adjustments	451	0.2	152	0.1	372	0.2
Minority interests	544	0.3	312	0.1	425	0.2
Total net assets	136,264	64.6	130,042	63.8	133,393	64.0
Commitments and contingencies	211,048	100.0	203,738	100.0	208,283	100.0

Consolidated Statements of Income

(Millions of yen, rounded off)

Item	Term	First half for the year ending March 2008 〔 From April 1, 2007 To September 30, 2007 〕		First half for the year ended March 2007 〔 From April 1, 2006 To September 30, 2006 〕		Year ended March 2007 〔 From April 1, 2006 To March 31, 2007 〕	
		Amount	%	Amount	%	Amount	%
			%		%		%
Service revenues		165,932	100.0	148,061	100.0	303,958	100.0
Cost of service		150,145	90.5	134,908	91.1	276,229	90.9
<u>Gross profit</u>		15,787	9.5	13,153	8.9	27,729	9.1
Selling, general and administrative expenses		9,112	5.5	7,504	5.1	15,983	5.2
<u>Operating income</u>		6,675	4.0	5,649	3.8	11,746	3.9
Other income		322	0.2	222	0.2	671	0.2
(Interest income)		(128)		(58)		(162)	
(Dividends income)		(32)		(32)		(45)	
(Equity in earnings of affiliated companies)		(58)		(23)		(70)	
(Others)		(104)		(109)		(394)	
Other expenses		129	0.1	130	0.1	249	0.1
(Interest expenses)		(69)		(72)		(140)	
(Exchange loss)		(17)		(19)		(-)	
(Others)		(43)		(39)		(109)	
<u>Ordinary income</u>		6,868	4.1	5,741	3.9	12,168	4.0
Extraordinary profit		-	-	-	-	544	0.2
(Gain on sales of property, plant and equipment)		(-)		(-)		(544)	
Extraordinary loss		404	0.2	637	0.5	1,153	0.4
(Loss on sales of property, plant and equipment)		(44)		(15)		(24)	
(Loss on disposal of property, plant and equipment)		(249)		(183)		(439)	
(Area business restructuring cost)		(68)		(42)		(141)	
(Additional retirement benefits)		(28)		(397)		(416)	
(Impairment loss)		(15)		(-)		(133)	
<u>Income before income taxes and minority interests</u>		6,464	3.9	5,104	3.4	11,559	3.8
Current income taxes		2,386	1.4	2,205	1.4	4,312	1.4
Deferred income taxes		416	0.3	(20)	(0.0)	432	0.2
Minority interests (losses)		76	0.0	(6)	(0.0)	28	0.0
Net income		3,586	2.2	2,925	2.0	6,787	2.2

Consolidated Statements of Changes in Net Assets

First half for the year ending March 2008 (From April 1, 2007 to September 30, 2007)

(Millions of yen, rounded off)

	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31, 2007	16,803	13,427	101,870	(173)	131,927
Changes during the half year					
Cash dividends			(892)		(892)
Interim net income			3,586		3,586
Purchase of treasury stock				(1)	(1)
Disposal of treasury stock		0		0	0
Net changes of items other than shareholders' equity					
Total changes during the half year	0	0	2,694	(1)	2,693
Balance at September 30, 2007	16,803	13,427	104,564	(174)	134,620

	Valuation, translation, adjustments and others			Minority interests	Total net assets
	Net unrealized holding gain on securities	Foreign currency translation adjustments	Total valuation, translation, adjustments and others		
Balance at March 31, 2007	669	372	1,041	425	133,393
Changes during the half year					
Cash dividends					(892)
Interim net income					3,586
Purchase of treasury stock					(1)
Disposal of treasury stock					0
Net changes of items other than shareholders' equity	(20)	79	59	119	178
Total changes during the half year	(20)	79	59	119	2,871
Balance at September 30, 2007	649	451	1,100	544	136,264

First half for the year ended March 2007 (From April 1, 2006 to September 30, 2006)

(Millions of yen, rounded off)

	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31, 2006	16,803	13,427	96,888	(172)	126,946
Changes during the half year					
Cash dividends			(780)		(780)
Directors' bonuses			(136)		(136)
Interim net income			2,925		2,925
Purchase of treasury stock				(0)	(0)
Disposal of treasury stock		0		0	0
Net changes of items other than shareholders' equity					
Total changes during the half year	0	0	2,009	(0)	2,009
Balance at September 30, 2006	16,803	13,427	98,897	(172)	128,955

	Valuation, translation, adjustments and others			Minority interests	Total net assets
	Net unrealized holding gain on securities	Foreign currency translation adjustments	Total valuation, translation, adjustments and others		
Balance at March 31, 2006	807	86	893	294	128,133
Changes during the half year					
Cash dividends					(780)
Directors' bonuses					(136)
Interim net income					2,925
Purchase of treasury stock					(0)
Disposal of treasury stock					0
Net changes of items other than shareholders' equity	(184)	66	(118)	18	(100)
Total changes during the half year	(184)	66	(118)	18	1,909
Balance at September 30, 2006	623	152	775	312	130,042

For the year ended March 2007 (From April 1, 2006 to March 31, 2007)

(Millions of yen, rounded off)

	Shareholders' equity				
	Common stock	Additional paid-in capital	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31, 2006	16,803	13,427	96,888	(172)	126,946
Changes during the year					
Cash dividends			(1,672)		(1,672)
Directors' bonuses			(136)		(136)
Net income			6,787		6,787
Changes in scope of consolidation			3		3
Purchase of treasury stock				(1)	(1)
Disposal of treasury stock		0		0	0
Net changes of items other than shareholders' equity					
Total changes during the year	0	0	4,982	(1)	4,981
Balance at March 31, 2007	16,803	13,427	101,870	(173)	131,927

	Valuation, translation, adjustments and others			Minority interests	Total net assets
	Net unrealized holding gain on securities	Foreign currency translation adjustments	Total valuation, translation, adjustments and others		
Balance at March 31, 2006	807	86	893	294	128,133
Changes during the year					
Cash dividends					(1,672)
Directors' bonuses					(136)
Net income					6,787
Changes in scope of consolidation					3
Purchase of treasury stock					(1)
Disposal of treasury stock					0
Net changes of items other than shareholders' equity	(138)	286	148	131	279
Total changes during the year	(138)	286	148	131	5,260
Balance at March 31, 2007	669	372	1,041	425	133,393

Consolidated Statements of Cash Flows

(Millions of yen, rounded off)

Term Item	First half for the year ending March 2008 (From April 1, 2007 To September 30, 2007)	First half for the year ended March 2007 (From April 1, 2006 To September 30, 2006)	Year ended March 2007 (From April 1, 2006 To March 31, 2007)
Cash flows from operating activities:			
Income before income taxes and minority interests	6,464	5,104	11,559
Depreciation and amortization	3,959	3,572	7,568
Impairment losses for fixed assets	15	-	133
Depletion of goodwill	85	-	-
Gain on sales of property and equipment	-	-	(544)
Decrease in accrued retirement and severance benefits	(256)	(319)	(951)
Decrease in accrued retirement benefits for directors	36	(350)	(279)
Increase (Decrease) in other allowance	(88)	126	27
Interest income and dividends	(160)	(90)	(207)
Interest expenses	69	72	140
Increase in trade receivables	(1,430)	(3,259)	(3,902)
Increase (Decrease) in inventories	88	(148)	(67)
Increase in trade payables	(981)	(578)	282
Bonuses paid to directors	-	(138)	(138)
Change in other assets and liabilities	(999)	(837)	(731)
Other, net	674	141	743
Subtotal	7,476	3,296	13,633
Receipts of interest income and dividends	160	90	207
Interest paid	(72)	(75)	(142)
Income taxes paid	(2,821)	(2,121)	(3,840)
Net cash provided by operating activities	4,743	1,190	9,858
Cash flows from investing activities:			
Increase in time deposits	(20)	(20)	(30)
Decrease in time deposits	30	45	65
Purchase of property and equipment	(5,205)	(2,483)	(8,512)
Proceeds from sales of property and equipment	39	23	760
Purchase of investments in securities	(1)	-	(2)
Proceeds from sales of investments in securities	-	72	72
Purchase of long-term prepaid expenses	(689)	-	(1,881)
Expenditure through purchase of subsidiaries causing change in consolidation range	(929)	-	-
Other, net	(513)	(252)	209
Net cash used in investing activities	(7,288)	(2,615)	(9,319)
Cash flows from financing activities:			
Decrease in short-term bank loans	-	-	(75)
Dividends paid to shareholders	(892)	(780)	(1,672)
Dividends paid to minority shareholders of subsidiaries	(25)	(3)	(7)
Other, net	7	29	44
Net cash used in financing activities	(910)	(754)	(1,710)
Effect of exchange rate changes on cash and cash equivalents	70	63	123
Net increase (decrease) in cash and cash equivalents	(3,385)	(2,116)	(1,048)
Cash and cash equivalents at beginning of year	37,263	38,311	38,311
Cash and cash equivalents at end of year	33,878	36,195	37,263

Segment Information

1. Business Segment Information

First half for the year ending March 2008 (From April 1, 2007 to September 30, 2007)

(Millions of yen, rounded off)

	Domestic Logistics	Global Logistics	Other Services	Subtotal	Intersegment elimination	Total
Service revenues and operating income & loss						
Service revenues						
(1) Service revenues from unaffiliated customers	119,978	36,852	9,102	165,932	-	165,932
(2) Service revenues from intersegment transactions	-	-	2,844	2,844	(2,844)	-
Total	119,978	36,852	11,946	168,776	(2,844)	165,932
Cost of service	110,836	36,337	11,105	158,278	979	159,257
Operating income (loss)	9,142	515	841	10,498	(3,823)	6,675

First half for the year ended March 2007 (From April 1, 2006 to September 30, 2006)

(Millions of yen, rounded off)

	Domestic Logistics	Global Logistics	Other Services	Subtotal	Intersegment elimination	Total
Service revenues and operating income & loss						
Service revenues						
(1) Service revenues from unaffiliated customers	105,123	34,155	8,783	148,061	-	148,061
(2) Service revenues from intersegment transactions	-	-	2,997	2,997	(2,997)	-
Total	105,123	34,155	11,780	151,058	(2,997)	148,061
Cost of service	97,240	33,186	11,079	141,505	907	142,412
Operating income	7,883	969	701	9,553	(3,904)	5,649

For the year ended March 2007 (From April 1, 2006 to March 31, 2007)

(Millions of yen, rounded off)

	Domestic Logistics	Global Logistics	Other Services	Subtotal	Intersegment elimination	Total
Service revenues and operating income & loss						
Service revenues						
(1) Service revenues from unaffiliated customers	216,230	69,559	18,169	303,958	-	303,958
(2) Service revenues from intersegment transactions	-	-	5,989	5,989	(5,989)	-
Total	216,230	69,559	24,158	309,947	(5,989)	303,958
Cost of service	199,629	67,861	22,706	290,196	2,016	292,212
Operating income	16,601	1,698	1,452	19,751	(8,005)	11,746

(Note) 1. Business segment is based on the aggregation of service revenues.

2. The major businesses in each segment are as follows:

Business segment	Businesses
Domestic Logistics	<ul style="list-style-type: none"> * Third Party Logistics (3PL) [Domestic] (Comprehensive Logistics Services, including the Establishment of a Logistics System, Information Control, Inventory Control, Order Control, Value Added Services, Distribution Center Operation, Factory Logistics, Transportation and Delivery) * Transportation, Installation and Setting Up of General Cargo, Heavy Machinery and Artworks * Factory and Office Moving * Warehousing and Trunk Room Services * Collection and Transportation of Industrial Waste
Global Logistics	<ul style="list-style-type: none"> * Third Party Logistics (3PL) [International] (Comprehensive Logistics Services, including Customs Clearance, International Intermodal Transportation by Land, Sea and Air) * Overseas Logistics * Air cargo sales agent business
Other Services	<ul style="list-style-type: none"> * Logistics Consulting * Logistics System Design and Development * Information System business * Computer sales * Travel Agency business * Automobile Inspection Service, Car Sales and Rental * Real Estate Agent business * Driving School

3. In the cost of services, the amount of cost included in the intersegment elimination, which is impossible to be allocate, is as follows:

First half for the year ending March 2008: 3,828 Million yen, First half for the year ended March 2007: 3,888 Million yen
Year ended March 2007: 7,988 Million yen

The main factor is the cost related to the management department in the headquarters of the parent company.

2. Geographic Segment Information

Geographic segment information is not shown as service revenues in Japan comprises more than 90% of the total service revenues in each segment.

3. Overseas Service Revenues

Overseas service revenues are not shown as they comprises less than 10% of the consolidated service revenues.