The six months ended June 30, 2017

(1) Explanation of Results of Operations

Consolidated Income Statement for the six months ended June 30, 2017 (millions of yen)

	2Q of FY2016 (A)	2Q of FY2017 (B)	Increase/(decrease)	
			Amount(C) (B)-(A)	Percentage (C)/(A)
Sales	5,431	5,638	207	+3.8%
Operating income	982	967	(15)	(1.5%)
Ordinary income	875	926	51	+5.8%
Profit attributable to owners of the parent	596	649	52	+8.8%
No. of Tank containers (as of June 30)	6,538	6,970	432	+6.6%
Utilization rate (over 6 months)	72.9%	74.4%	+1.5%	

During the six months ended June 30, 2017, the Japanese economy saw the overall production of both materials and processing industries continue to rise due to factors such as an increase in exports and strong performance in the manufacturing industry. Similarly, in the non-manufacturing industry, the construction-related business was robust due to city center redevelopment business and an increase in public works in line with economic policies. As a result, the Japanese economy was on a gradual recovery track. In addition, regarding the employment situation, the number of people employed continues to be on the rise, owing to factors such as a high active job opening to applicant ratio.

Looking at the global economy, in the U.S., personal consumption stabilized, supported by improvements in the employment and income situations with a lower unemployment rate amid a rising number of employers. In Europe, while PMI in the service industry fell significantly, PMI in the manufacturing industry continued to improve, and the corporate sector maintained its stable performance. In China, the economy saw signs of recovery, as investment in infrastructure and real estate-related development grew significantly owing to economic support policies of the government that prioritize stable growth, and the recovery in private demand.

Under such circumstances, the Group conducted vigorous sales activities, and the volume of export transactions from Japan, import transactions, and domestic transactions handled increased compared to the same period of the previous fiscal year. Accordingly, sales for the six months ended June 30, 2017 were higher compared to the same period of the previous fiscal year at ¥5,638 million. In terms of profits, we secured ¥967 million of operating income, despite the increased depreciation due to aggressive domestic capital investments for future development, as well as rising procurement costs for tank containers accompanying the increase in the number of containers held. On the other hand, the decrease of interest expenses to ¥32 million (¥60 million in the same period of the previous fiscal year) through the refinancing arrangements implemented at the end of the previous fiscal year, and reduced foreign exchange losses at ¥17 million (¥52 million in the same period of the previous fiscal year), decreased non-operating expenses and resulted in an ordinary income of ¥926 million. As a result, profit attributable to

owners of the parent was higher compared to the same period of the previous fiscal year at ¥649 million.

(2) Explanation of Financial Position

1) Status of Assets, Liabilities and Shareholders' Equity

Consolidated Balance Sheet as of June 30, 2017 (millions of yen)

ASSET	FY2016 (A)	2Q of FY2017 (B)	Increase/(decrease)	
			Amount(C) (B)-(A)	Percentage (C)/(A)
Total current assets	3,922	4,072	149	+3.8%
Total non-current assets	10,897	10,884	(12)	(0.1%)
Deferred assets	0	-	(0)	(100.0%)
Total	**14,819**	**14,956**	**136**	**+0.9%**

LIABILITIES AND SHAREHOLDERS' EQUITY	FY2016 (A)	2Q of FY2017 (B)	Increase/(decrease)	
			Amount(C) (B)-(A)	Percentage (C)/(A)
Total current liabilities	2,884	2,939	55	+1.9%
Total non-current liabilities	4,892	4,530	(361)	(7.4%)
Total liabilities	**7,777**	**7,470**	**(306)**	**(3.9%)**
Shareholders' equity	7,022	7,475	452	+6.4%
Total accumulated other comprehensive income	20	10	(9)	(47.0%)
Total shareholders' equity	**7,042**	**7,485**	**443**	**+6.3%**
Total	**14,819**	**14,956**	**136**	**+0.9%**

Total assets at the end of the second quarter ended June 30, 2017 increased by ¥136 million (0.9% increase) when compared to the end of the previous fiscal year, to ¥14,956 million.

Total current assets rose by ¥149 million yen (3.8% increase) as compared to the end of the previous fiscal year, to ¥4,072 million. This was primarily due to an increase of ¥365 million in other current assets, despite declines of ¥165 million in cash and deposits and ¥50 million in accounts receivable-trade.

Total non-current assets decreased by ¥12 million (0.1% decrease) when compared to the end of the previous fiscal year, to ¥10,884 million. This was primarily due to the completion of the Keiyo Rinkai Branch in February and the construction of gas-related facilities, which caused a decrease of ¥156 million in other non-current assets (net) that included construction in

progress, and a decrease of ¥232 million in tank containers (net) owing to depreciation, despite an increase of ¥304 million in buildings and structures (net), as well as increases of ¥31 million in intangible assets and ¥39 million in investments and other assets.

Total current liabilities increased by ¥55 million (1.9% increase), as compared to the end of the previous fiscal year, to ¥2,939 million. This was primarily due to increases of ¥22 million in short-term loans payable, ¥13 million in lease obligations, ¥129 million in income taxes payable and ¥19 million in other current liabilities, despite decreases of ¥104 million in current portion of loans payable and ¥30 million in current portion of bonds payable.

Total non-current liabilities fell by ¥361 million (7.4% decrease), when compared to the end of the previous fiscal year, to ¥4,530 million. This was primarily due to decreases of ¥320 million in long-term loans payable and ¥35 million in lease obligations.

Total shareholders' equity rose by ¥443 million (6.3% increase) as compared to the end of the previous fiscal year to ¥7,485 million. This was primarily due to an increase of ¥452 million in retained earnings, against a decline of ¥9 million in foreign currency translation adjustment.

2)Status of Cash Flows

	FY2016	2Q of FY2016 (A)	2Q of FY2017 (B)	Increase/(decrease) Amount (B)-(A)
Net cash provided by operating activities	1,945	1,251	943	(308)
Net cash used in investing activities	(678)	(104)	(646)	(541)
Free cash flow	1,267	1,146	296	(849)
Net cash used in financing activities	(1,176)	(922)	(787)	134
Effect of exchange rate changes on cash and cash equivalents	(52)	(180)	(15)	165
Net increase(decrease) in cash and cash equivalents	38	43	(505)	(549)
Cash and cash equivalents at the beginning of the year	2,525	2,525	2,564	38
Cash and cash equivalents at the end of the year	2,564	2,569	2,059	(510)

Cash and cash equivalents (hereinafter referred to as "funds") at the end of the second quarter ended June 30, 2017 fell by ¥505 million compared to the end of the previous fiscal year to ¥2,059 million. The status of cash flows for the second quarter ended June 30, 2017 and the related factors are as described below.

(Net cash provided by operating activities)

Funds provided by operating activities resulted in a cash inflow of ¥943 million (compared to a cash inflow of ¥1,251 million in the

same period of the previous fiscal year). This was primarily due to cash inflow from profit before income taxes of ¥922 million, as well as depreciation and amortization of ¥437 million, in contrast to cash outflow for income taxes paid of ¥153 million, and an increase of ¥233 million in advances paid.

(Net cash used in investing activities)

Funds used in investing activities resulted in a cash outflow of ¥646 million (compared to a cash outflow of ¥104 million in the same period of the previous fiscal year). This was primarily due to cash outflow of ¥340 million in net increase in time deposits, ¥234 million in purchase of property, plant and equipment, and of ¥30 million in purchase of intangible assets.

(Net cash used in financing activities)

Funds used in financing activities resulted in a cash outflow of ¥787 million (compared to a cash outflow of ¥922 million in the same period of the previous fiscal year). This was mainly because of cash outflow for the repayment of short-term loans of ¥308 million, repayment of long-term loans of ¥624 million, redemption of bonds of ¥30 million, repayment of lease obligations of ¥141 million, and payment of dividends to shareholders of ¥196 million, despite cash inflow from short-term loans payable of ¥330 million and long-term loans payable of ¥200 million.

(3) Explanation of Consolidated Results Projections and Other Future Forecast Information

The consolidated results projections remain unchanged from the figures announced on February 13, 2017.

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