Freight Forwarding Business

Making full use of the HTS Group’s extensive global network, we provide international freight forwarding services including air and ocean transportations in which we have a wealth of experience and achievements. We meet a wide variety of global logistics needs of customers in all industries and seamlessly connect global supply chains by combining optimal transport modes.

Major Services

■ Ocean freight transportation service

We use abundant expertise and networks to meet customer needs and safely transport large quantities of daily commodities, apparel, and general merchandise as well as large-scale cargoes such as railway cars and industrial plants.

■ NVOCC (International multimodal transport)

Efficiently combining land, ocean, and air transportation modes, we provide door-to-door, safe, high-quality one-stop transportation to overseas destination for cargoes of all sizes from container cargo to small-lot cargo.

■ Agency service for trade administration

When customers export cargoes, our agency service takes care of complicated trade administration including transportation insurance and various certificates, as well as the preparation of shipping documents necessary for export (e.g. invoice, packing list).

■ Customs clearance service

Our registered customs specialists with abundant experience prepare customs documents required for import/export, customs clearance and submit them to customs on behalf of customers. We support a wide range of products including electronic equipment which requires a high level of control decisions and apparel that requires specialized knowledge.

■ Air freight transportation service

We reliably and speedily transport cargoes that require careful handling including electronic products, industrial machinery, medical products, and foods.

Acquisition of AEO and C-TPAT Certifications

- Both the Customs-Trade Partnership Against Terrorism (C-TPAT) program of the U.S. and the Authorized Economic Operator (AEO) program implemented by other countries and regions promote cargo security management and enhancement of compliance in the international trade, and authorized operators are granted benefits such as simplified procedures. As part of our efforts to provide safe and high-quality international transportation services, the Group is acquiring these certifications. To this date, our U.S. subsidiary acquired the C-TPAT certification, and our subsidiaries in Japan, the Netherlands, the Czech Republic, and Thailand acquired the AEO certification.

Features of Our Services

■ Automobile transportation

We transport general vehicles as well as undisclosed confidential vehicles. We accommodate various needs such that only those with permission from customers handle packing using special cases in the area with security control.

■ Event transportation

Our experts having a wealth of experience meet diverse requests of customers. We propose the optimal plan suited for the situation for services including not only installation and exhibition of exhibits but also arrangement for returning exhibits, re-import, and delivery after the event.

■ Air transportation of precision instruments

To ensure safe and speedy air transportation of heavy, tall or unbalance cargoes, we get involved in the process of packaging design.

■ Buyer’s consolidation

We reduce transportation costs and risk for product damage when handling cargo by consolidating cargoes from multiple suppliers imported by the same customer into a single marine container.

FY2019 Result

Revenues (round amount): ¥93.8 billion

Freight forwarding volume (round amount):

Ocean transportation 462 thousand TEUs*

Air transportation 221 thousand tons

Topics by overseas region

<table>
<thead>
<tr>
<th>Country</th>
<th>Ocean 104 thousand TEUs</th>
<th>Air 61 thousand tons</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Europe</td>
<td>40 thousand TEUs</td>
<td>26 thousand tons</td>
</tr>
<tr>
<td>Asia</td>
<td>178 thousand TEUs</td>
<td>36 thousand tons</td>
</tr>
<tr>
<td>North America</td>
<td>35 thousand TEUs</td>
<td>12 thousand tons</td>
</tr>
<tr>
<td>North America</td>
<td></td>
<td></td>
</tr>
<tr>
<td>China</td>
<td>106 thousand TEUs</td>
<td>91 thousand tons</td>
</tr>
</tbody>
</table>

* TEU: Twenty-Foot Equivalent Unit; The volume converted into the number of 20-foot-long marine containers

Message from the officer in charge

As the global supply chain becomes diversified and complicated, it is becoming increasingly important to consider and select the best international transport modes in a timely manner. The Group will continue to support our customers’ global business activities by making full use of our specialized expertise and a network of more than 700 locations around the world and always providing optimal and seamless freight forwarding services.