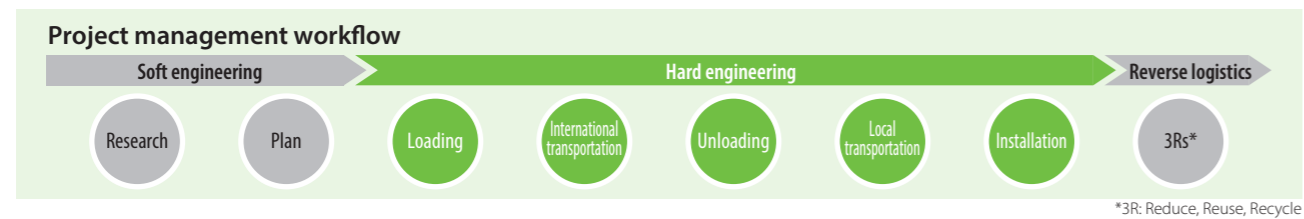


Heavy Machinery and Plant Logistics Business

We support the foundation of society and industries by providing one-stop logistics services covering from shipping to transportation and installation of social infrastructure-related equipment, plant facilities, and production facilities for factories in Japan and overseas. As we handle irreplaceable and precious heavy products, we ensure to put safety and quality above all else. We optimize overall SCM by using our expertise accumulated through the Hitachi Group's heavy electric machinery and railway projects and support the realization of customers' TCM (Total Cost Minimization) in procurement and production logistics and transportation of finished products.

Positioning of the HTS Group in the Market

The HTS Group is one of a few domestic logistics operators who can offer self-managed one-stop service covering from soft engineering to hard engineering for large-scale projects to transport and install heavy cargoes. In the heavy machinery relocation and installation and reverse logistics, we have been developing a wide variety of businesses including services using the Group's domestic network and the development of unique equipment.



Major Services

Services for power plant and industrial project cargoes

With regard to power and industrial plant facilities delivered to various locations around the world, our professional team plans and executes the optimal transportation according to characteristics of each product including precision instruments and heavy cargoes weighing several hundred tons. We can offer any transportation mode by using the Group's network, and our staffs who have abundant experience and high level of expertise ensure the entire process up to the setting up is completed. In addition, we have a dedicated team for transportation of ultra-heavy cargoes using special ships such as a self-propelled barge, and they work with customers to design transporting jig and special cradle.



Services for rail and other transport system project cargoes

We meet various logistics needs including transportation of train cars of bullet trains and other high-speed railways, city trains, and monorails, as well as related equipment such as girders and platform barriers, procured parts to manufacture train cars, and maintenance parts. Our knowledgeable experts combine transport modes of land, sea, and air in an optimal manner to realize safe and high-quality seamless transportation. In addition to delivery of finished products, we also provide a broad range of services for maintenance after an equipment is put into operation by making full use of our 3PL expertise and transportation capacity, supporting the development of transport infrastructure.



Services for renewable energy

We provide transportation and installation services for renewable energy facilities such as solar and wind power generation, through which we will contribute to the achievement of environmental preservation and a sustainable society.

Solar power generation

We have a wealth of experience in transportation and installation of mega-solar power facilities across the country mainly in Kyushu.

Wind Power Generation

We use our special equipment (multi-axle trailer) and engineering capability to transport and install wind power facilities.

Environment-related Solutions

We provide high value-added reverse logistics services to contribute to the realization of a recycling-oriented society.

Recycling solutions for goods and machinery

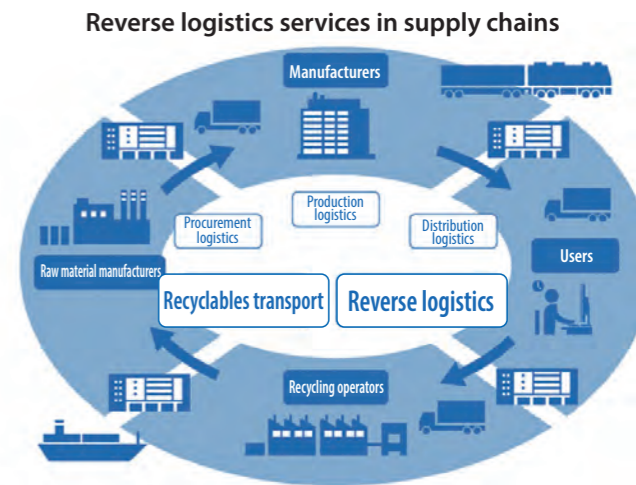
We collect used products for reuse or recycling when delivering PCs, servers, and ATMs.

Recyclables transport

We offer a wide variety of solutions for recycling materials such as waste plastic bottles and waste plastic, including transportation as well as the development of special container with higher transport efficiency.

Compliant recycling

We provide logistics services complying with various related laws and regulations including collection and transportation of PCB-containing wastes and recycling of home appliances.



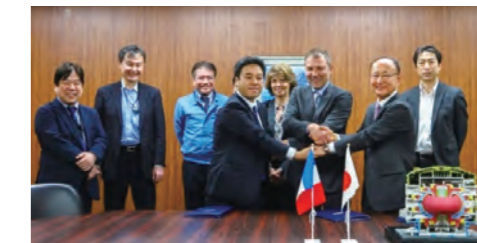
FY2019 Result

Revenues (round amount included in the reportable segments of Domestic logistics and International logistics)

¥39.6 billion (YoY + ¥1.6 billion)

FY2019 Topics

- Signed a basic agreement on the comprehensive transportation of International Thermonuclear Experimental Reactor (ITER) in March 2019
- Continued projects of constructing coal-fired power plants in Japan and overseas
- Expanded the natural energy-related business including biomass, offshore wind power, and solar power generation projects
- Increased recyclables transport using self-developed containers



Three-party agreement of ITER comprehensive transport project

Measures toward LOGISTEED

Expand businesses through collaborative innovation with partner companies

Collaborative innovation with SG Holdings Group
Expand collaborative innovation by leveraging the strengths of both companies



*Photograph taken by SAGAWA EXPRESS in January 2019

We use sales offices owned by SAGAWA EXPRESS CO., LTD. across the country as transfer centers or unloading places, and transport fuel cell buses using our know-how on heavy cargo transportation.



FY2019 results: Transportation of fuel cell buses, relocation of a machinery manufacturer's factory, etc.
FY2020 initiatives: Relocation of hospitals and factories, etc.

Collaborative Innovation with Kintetsu World Express, Inc.
Sales tie-up through joint venture



* Project Cargo Japan, Inc. (PCJ): HTS owns 51% and Kintetsu World Express, Inc. owns 49%
We provide one-stop service with an expanded value chain combining Kintetsu World Express, Inc.'s overseas network and sales capabilities with our heavy machinery and plant logistics services.

FY2019 result: Installation of in-house power generators for the Rugby World Cup
FY2020 initiative: Installation of portable container fuel stations

Message from the officer in charge

Since our foundation in 1950, we have provided high-quality one-stop logistics services ranging from transportation to installation of large products throughout the world by taking advantage of our high level of expertise accumulated through the transportation services for large-scale power-generation facilities of the Hitachi Group. We safely and securely transport important products supporting social and industrial foundation around the world, including power plants, transport infrastructure, industrial plants, and other machineries and facilities in order to make the world a better place.

Yuichi Kuroume

Executive Officer, General Manager, Heavy Cargo Transport and Engineering Headquarters (President, VANTEC HTS FORWARDING, LTD.)

