Freight Forwarding Business

The HTS Group makes full use of its global network and seamlessly connects various transport modes including ocean, air, truck, and rail to provide optimal transport services to customers. We meet a wide range of global logistics needs of customers including one-stop logistics service integrating freight forwarding, 3PL, and heavy machinery and plant logistics and operations that require high level of expertise such as agency service for trade administration, service related to exhibitions and overseas events, and trade agreement consultation.

FY2021 Result

<table>
<thead>
<tr>
<th>Revenues (round amount):</th>
<th>¥169.6 billion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freight forwarding volume (round amount):</td>
<td>Ocean transportation 455 thousand TEUs*</td>
</tr>
<tr>
<td>Air transportation</td>
<td>176 thousand tons</td>
</tr>
</tbody>
</table>

Business outline by region

* Logos of the Group's major freight forwarding operations are shown.

Japan
- Ocean 102 thousand TEUs
- Air 63 thousand tons
- Major export goods:
  - For China/Asia: Hygiene products, electric/electronic parts
  - For North America/Europe: Automobile parts

North America
- Ocean 44 thousand TEUs
- Air 12 thousand tons
- Major export goods:
  - For Japan/Asia: Road products
  - For China/Europe: Hygiene products, automobile parts

Asia
- Ocean 172 thousand TEUs
- Air 66 thousand tons
- Major export goods:
  - For Japan/China/Europe: Electronic/electric parts
  - Within Asian region: Hygiene products
  - For North America: Tires

Europe
- Ocean 38 thousand TEUs
- Air 16 thousand tons
- Major export goods:
  - For Japan/China/Europe: Electronic/electric parts

North America
- Ocean 100 thousand TEUs
- Air 52 thousand tons
- Major export goods:
  - For Japan: Electronic/electric parts
  - For Asia: Hygiene products, electric/electronic parts
  - For North America/Europe: Automobile parts

Examples of LOGISTEED2024 Priority Measures

To achieve our vision to “become a leading 3PL company in Asia,” we aim to evolve into our customers’ global supply chain strategic partner by providing seamless freight forwarding service with high added value. To enhance overall business platform, we will expand our global network, the Group’s strength, through M&As and collaborative innovation with partners as well as improve operational efficiency of both customers and the Company through DX and promote investment in human resources and assets in growing industries.

Message from the officer in charge

As the world situation is rapidly changing due to persistent disruptions in international transportation network and supply chain, we believe it is important more than ever to select the optimal freight forwarding service. The Group will continue to support our customers’ supply chain and social infrastructure by steadily promoting network expansion and DX initiatives as well as providing the optimal solution for a diverse range of international transportation needs on a timely manner.

Yuichi Kuroume
President, VANTEC HTS FORWARDING, LTD.

Heavy Machinery and Plant Logistics Business

Since its foundation in 1950, we have supported the foundation of society and industries and strived to improve transport technology by providing one-stop logistics services covering from shipping to transportation and installation of heavy products, including power plant, industrial machinery, railway cars, and precision equipment and medical equipment requiring careful handling in Japan and overseas. We will provide total logistics solutions capitalizing on our experiences and expertise we have cultivated over the years to meet a wide range of customer needs and contribute to the development of society.

FY2021 Result

| Revenues (round amount included in the reportable segments of Domestic logistics and Global logistics): |
| ¥36.9 billion (YoY + ¥1.7 billion) |

FY2021 Topics

- Transported power plant to the U.S.
- Transported railway cars to Vietnam and Taiwan (ongoing)
- Expanded new energy-related business in Japan (solar business, and onshore wind power)
- Continued transport of toroidal field coil for International Thermonuclear Experimental Reactor (ITER)
- Undertook one-stop transportation of compact modular boilers in Japan

Examples of LOGISTEED2024 Priority Measures

We will further enhance the business domain composed of the technologies cultivated since our founding, around 1,000 full-time employees and dedicated assets as well as take advantage of the strengths to focus on new growing sectors in the social infrastructure industry toward the realization of energy transition and decarbonization, with an aim to provide services promptly meeting customer needs and accelerate social value creation.

Message from the officer in charge

As the social environment surrounding the heavy machinery and plant logistics business drastically changes, the service domains and contents needed by customers are also rapidly changing. To rapidly adapt to these changes, we will further improve “Gemba Power” and proposal capabilities, the foundation of our services, and strive to fully meet customer needs, support customers’ business activities, and establish industrial foundation that will help make the world a better place.

Daisuke Hayashi
General Manager, Heavy Cargo Transport and Engineering Headquarters, Business Management Headquarters