

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

Revenues (round amount): **¥169.6 billion** Freight forwarding volume (round amount):
Ocean transportation 455 thousand TEUs* **Air transportation 176 thousand tons**

Business outline by region

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

Europe    

Ocean 38 thousand TEUs
Air 16 thousand tons
Major export goods
 For Japan: Furniture, electric/electronic parts
 For China: Textiles, hygiene products
 For Asia/North America: Food products

Japan 

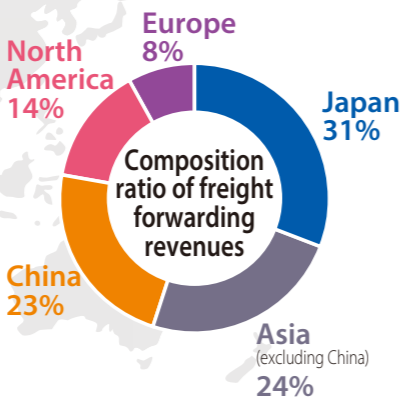
Ocean 102 thousand TEUs 
Air 63 thousand tons
Major export goods
 For China/Asia: Hygiene products, electric/electronic parts
 For North America/Europe: Automobile parts

North America   

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

Asia   

Ocean 172 thousand TEUs
Air 33 thousand tons
Major export goods
 For Japan/China/Europe: Electric/electronic parts
 Within Asian region: Hygiene products
 For North America: Tires



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

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 proposals on optimization of customers' supply chains using accumulated data. In terms of individual businesses, we positioned pharmaceutical and healthcare-related, cross-border EC logistics, and decarbonization-related project freight forwarding as major targets for expansion and will focus on initiatives to invest in and expand these growing domains.

Message from the officer in charge

As the world situation is rapidly changing due to persistent disruptions in international transportation network and supply shortages, we believe it is important more than ever to select the optimal freight forwarding service. The Group will continue to support our customers' supply chains 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,
 VATEC 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)

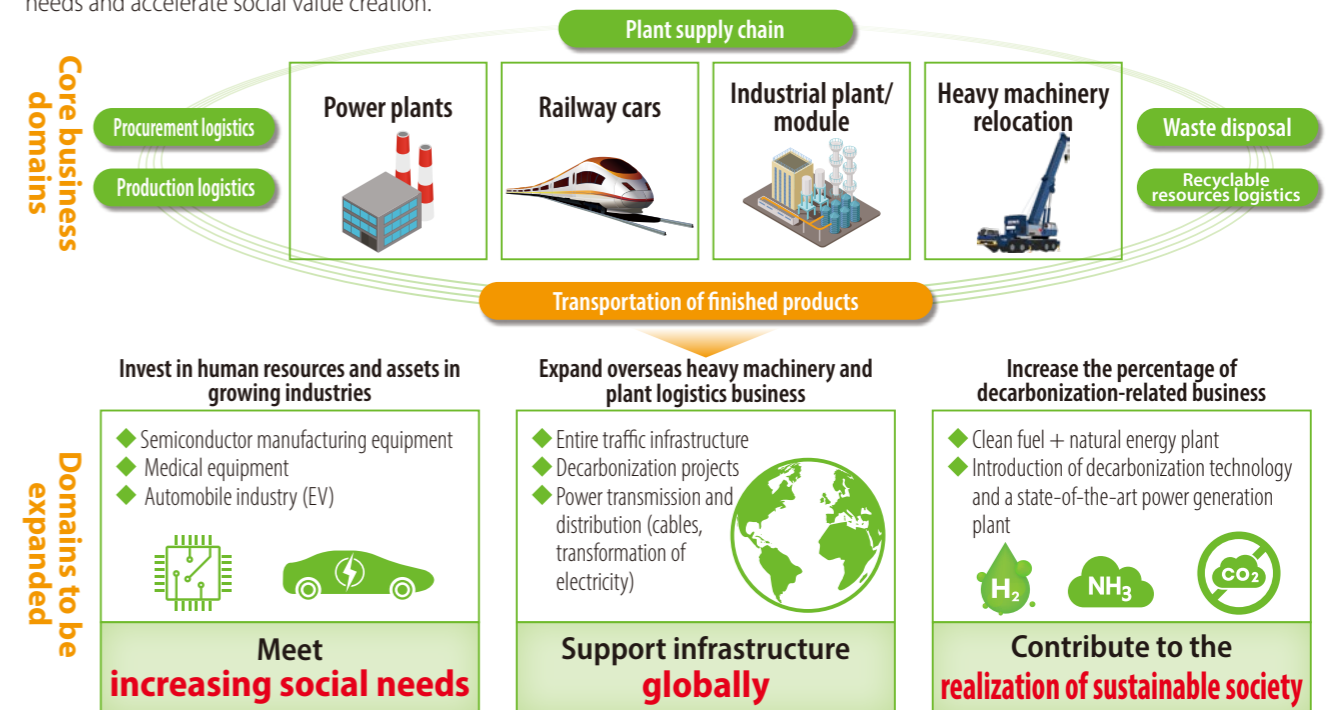
FY2021 Topics

- Transported power plant to the U.S.
- Transported railway cars to Vietnam and Taiwan (ongoing)
- Expanded new energy-related business in Japan (solar, biomass, and onshore wind power) **→ P84**
- 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

