

Freight Forwarding Business

The LOGISTEED 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 and trade agreement consultation.

FY2022 Result

Revenues (round amount): **¥172.8 billion**
 Freight forwarding volume (round amount):
Ocean transportation 424 thousand TEUs* **Air transportation 142 thousand tons**

Business outline by region

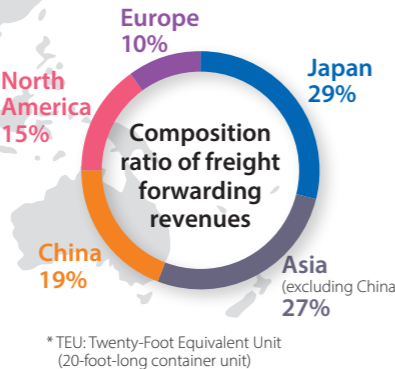
* Logos of the Group's major freight forwarding operators are shown

Europe
 Ocean 39 thousand TEUs
 Air 13 thousand tons
Major export goods
 For Japan: Automobile parts, electric/electronic parts
 For China: Hygiene products, electric/electronic parts
 For Asia/North America: Groceries, textiles

Japan
 Ocean 94 thousand TEUs
 Air 50 thousand tons
Major export goods
 For China/Asia: Hygiene products, electric/electronic parts
 For North America/Europe: Automobile parts, electric/electronic parts

North America
 Ocean 36 thousand TEUs
 Air 11 thousand tons
Major export goods
 For Japan/Asia: Groceries, automobile parts
 For China/Europe: Hygiene products, automobile parts

Asia
 Ocean 171 thousand TEUs
 Air 29 thousand tons
Major export goods
 For Japan/China/Europe: Electric/electronic parts, automobile parts, furniture/houseware
 Within Asia region: Electric/electronic parts, hygiene products, groceries
 For North America: Automobile parts, furniture/houseware



While there are geopolitical risks and other risks for the freight forwarding business, we will utilize our 474 locations around the world (excluding Japan) to provide transportation between locations and distinctive functions at each location, through the system enabling to visualize global supply chain using DX, a source of the Group's competitive advantage. We will continue to address social issues and needs, such as response to equalization of international transportation and supply chain vulnerability.

Examples of LOGISTEED2024 Priority Measures

Initiatives to strengthen cooperation with collaborative innovation partners

We are working to strengthen cooperation with collaborative innovation partners and expand our services and network. We will further promote collaborative innovation activities with AIT Corporation, making the most of advantages of both companies, to expand topline. We will also provide high value-added services combining 3PL and heavy machinery and plant logistics through the business activities with KWE LOGISTEED, Ltd., in addition to collaborative innovation with Kintetsu World Express, Inc. in the freight forwarding business.



Message from the president of subsidiary

As customers are reviewing their supply chains in response to changing global conditions, the Group, which is expected to provide optimal freight forwarding services, will always collect the latest information, expand its network capable of transporting various products around the world, and steadily promote DX. We will continue to support our customers' global business activities by providing higher value-added freight forwarding services.

Yuichi Kuroume
 President,
 LOGISTEED Express, Ltd.



Initiatives to strengthen pharmaceutical logistics network

We acquired IATA CEIV Pharma certification at Kansai International Airport in June 2022 and in Hong Kong in January 2023 (→P25). In December 2022, we acquired all shares of the Netherlands-based Cyber Freight International Holding B.V., which has strengths in pharmaceutical transportation and network, in order to enhance our pharmaceutical logistics network.

Cyber Freight International Holding B.V.
 (wholly-owned subsidiary of LOGISTEED, Ltd.)
 • Based in the Netherlands and engaging in comprehensive logistics business
 →P25 →P53



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.

FY2022 Result

Revenues (round amount included in the reportable segments of Domestic logistics and Global logistics)
¥38.5 billion (YoY + ¥1.6 billion)

FY2022 Topics

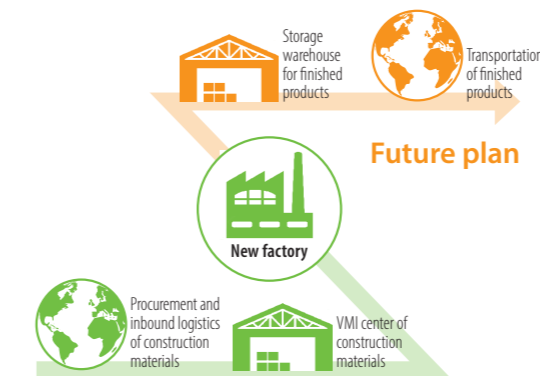
- Transported offshore wind turbine to Japan
- Undertook one-stop transportation of power plants to the U.S. and Australia
- Transported railway cars to Southeast Asia and Latin America (ongoing)
- Large-scale machinery relocation and installation
 - Transported material handling equipment for logistics warehouses
 - Transported and installed platform gates in subway stations
 - Relocated a factory



While there is a risk of market shrinkage due to changes in customers' business structure and environment, social needs such as for the development of social infrastructure to realize a decarbonized society are increasing. We will offer global one-stop service including planning, transportation, installation, and setting up by capitalizing on our competitive advantages such as abundant engineering human resources, own assets, and our global network.

Examples of LOGISTEED2024 Priority Measures

Initiatives for construction-related business of a new semiconductor factory



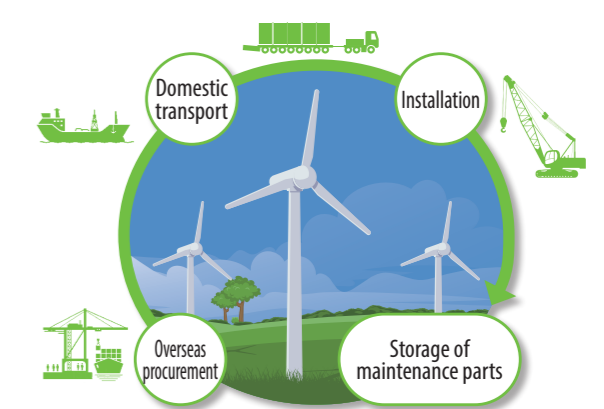
FY2022 Results

We transported factory construction materials, operated warehouses for them and undertook JIT transportation of them to the site. After the factory starts operations in 2024, we will ensure to meet customer needs.

Message from the officer in charge

Six years have passed since the establishment of Heavy Cargo Transport and Engineering Headquarters in 2016, and the environment surrounding our business has drastically changed worldwide. Our most important mission is to transport our customers' valuable products safely and reliably. In April 2023, Heavy Cargo Transport and Engineering Headquarters was integrated with Business Development Headquarters to create and provide value-added services that truly satisfy customers. By integrating our 3PL with freight forwarding business and providing higher value-added services, we will strive to support our customers' business expansion and contribute to society.

Initiatives for construction-related business of wind power generation



In domestic wind power projects, we can provide one-stop services from marine import of huge structures to domestic transportation and installation. We will work to expand our initiatives toward a decarbonized society and also contribute to the realization of a sustainable society.

Daisuke Hayashi
 Deputy General Manager,
 Business Development
 Headquarters,
 Business Management
 Headquarters

