



NEWS RELEASE

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Acquired Homac's Logistics Subsidiary

- Expanding the Platform Business for DIY products -

On November.9, 2010, Hitachi Transport System, Ltd. (herein called HTS) has agreed with Homac Corp. (herein called Homac), which is the DCM holding group company and the main business is retail DIY products, that 90% of the stocks of Direx Co.,(herein called Direx) owned by Homac will be transferred to HTS. Also, Homac will outsource the logistics operations in Hokkaido and Tohoku to HTS.

1. Background of the stocks transfer

Homac has decided this outsourcing of logistics operations and transferred of Direx stocks, to maximize the operating efficiency and cost reduction.

HTS will make synergy effects between the original retail logistics service, which is the strength of HTS, and the new service for Homac. And the logistics network in East Japan area, mainly in Hokkaido and Tohoku are enhanced by promoting these synergy effects. HTS will make more logistics solution in view of customer's business strategy and requests of restructuring their logistics subsidiaries.

Regarding the Information about the stocks transfer

- (1) Summary: 90% of Direx stocks owed by Homac will be transferred to HTS.
- (2) Agreement made on: November.9, 2010
- (3) Stocks transfer to be made on: Feb.01, 2011 (To be confirmed)

2. Corporate Profile of Direx

(1) Company Name	Direx Co.,
(2) Location of H.Q.	Sapporo city, Hokkaido, Japan
(3) Representative	Representative Director & Chairman & President: Osamu Hoshino
(4) Detail of Business	Transportation, Warehousing
(5) Capital	156 million JPY
(6) Founded	July 2, 1959
(7) Relationship with HTS	No relationship in capital ties, personnel, dealing matters

3. Corporate Profile of Homac

(1) Company Name	Homac Corp.
(2) Location of H.Q.	Sapporo city, Hokkaido, Japan
(3) Representative	Representative Director & President: Kenji Shibata
(4) Detail of Business	Retail DIY products service
(5) Capital	10,982 million JPY
(6) Founded	December 17, 1951
(7) Net assets	48,427 million JPY
(8) Total assets	106,748 million JPY
(9) Relationship with HTS	No relationship in capital ties, personnel, dealing matters

4. The situation of HTS holding stocks

(1) Before transferred to HTS	Holding percentage: 0%
(2) Acquired stocks by HTS	Holding percentage: 90%
(3) After transferred to HTS	Holding percentage: 90%