Hitachi Transport System

News Release

Cancellation of Treasury Shares

At the Board of Directors meeting held today, Hitachi Transport System, Ltd. ("HTS") resolved to cancel a portion of its treasury shares as follows, in accordance with Article 178 of the Companies Act.

1. Details of the cancellation

(1) Class of shares to be cancelled: Common stock

(2) Number of shares to be cancelled: 6,975,786 shares (6.2% of the total number of issued shares prior to the cancellation)

(3) Scheduled date of the cancellation: June 4, 2021

For reference, the number of shares after the cancellation will be as follows:

・Total number of issued shares after the cancellation: 104,800,928 shares

・Number of its treasury shares after the cancellation: 20,927,359 shares (20.0% of the total number of issued shares after the cancellation)

As a result of the cancellation, HTS is expected meet one of the continued listing criteria on the Prime Market, a new market segment of the Tokyo Stock Exchange, namely, a tradable share ratio of at least 35%.

As explained in the Presentation Material of financial results for FY2020 disclosed on April 28, 2021, while HTS will prioritize utilization of cash and cash equivalents as it aims to build and expand a business ecosystem that extends beyond the boundaries of regions and businesses, HTS is also considering utilization of its treasury shares.

In addition, going forward, from the perspective of alleviating concerns about an equity dilution through utilization of its treasury shares, HTS will consider cancelling its treasury shares from time to time.

Note: In addition to the above "Number of its treasury shares after the cancellation", HTS holds 185,600 shares in (trust units of) Custody Bank of Japan, Ltd. as a performance-linked stock compensation plan for executive officers utilizing a trust (as of March 31, 2021).

End

■ Contact Information

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