



News Release

August 29, 2022

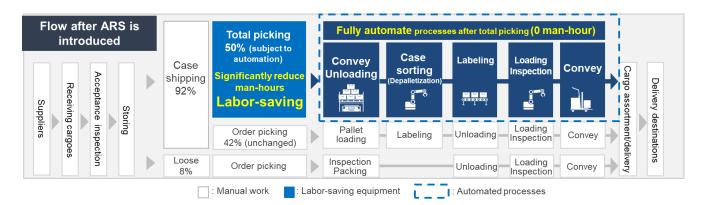
HTS received both "the 28th Japan MH Grand Prize (Excellence Award)" and "Logistics Award 2022 (Semi Grand Prize)"

Hitachi Transport System (HTS) is pleased to announce that it has received Excellence Award at "the 28th Japan MH Grand Prize" hosted by Japan Material Handling Society, and Semi Grand Prize at "Logistics Award 2022" hosted by Japan Institute of Logistics Systems for its "Automated Robotic Sorting system (ARS)."

ARS is a system introduced in East Japan II Medical DC (Saitama Prefecture) in October 2021, handling shipping operation for multiple customers including KYORIN Pharmaceutical Co., Ltd. We won these awards in recognition of achieving unmanned operation through full automation of processes after total picking (pallet transport, case sorting, and staging) during the case shipping operation.

[Overview of the system]

The system was developed under the concept of (1) unmanned operation, (2) flexible operation, (3) flexible facilities, and (4) sharing. The scope covers whole processes after total picking of cases, from receiving cargoes at vertical transporters to staging pallets sorted by destination, and we have achieved full automation within the scope.



Workflow after ARS is introduced



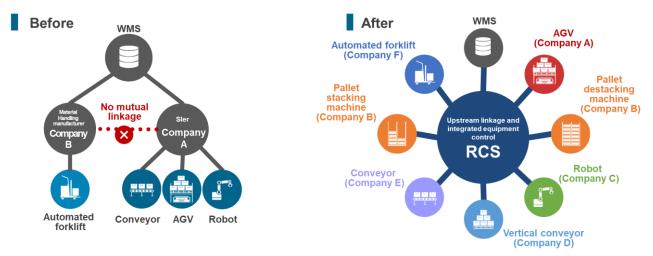
Unmanned operation with ARS



[Equipment linkage and sharing]

ARS is comprised of robotic depalletizers/palletizers, pallet AGVs, automated forklifts, and ancillary equipment including barcode scanners, automatic labelers, empty pallet stacking machines, and destacking machines. Previously, mutual equipment linkage of different manufacturers was not possible, but our integrated control system Resource Control System (RCS)*1 made it possible to seamlessly link them. It has also become possible for multiple customers to share equipment by using the standardized Warehouse Management System (WMS)*2 for medical logistics, rather than the custom-made WMS for each customer, improving the utilization rate of the equipment.

- *1 RCS (Resource Control System): An integrated control system to optimize logistics center operation
- *2 WMS (Warehouse Management System): Logistics center management system



(RCS stands for Resource Control System)

Image of equipment linkage after ARS is introduced

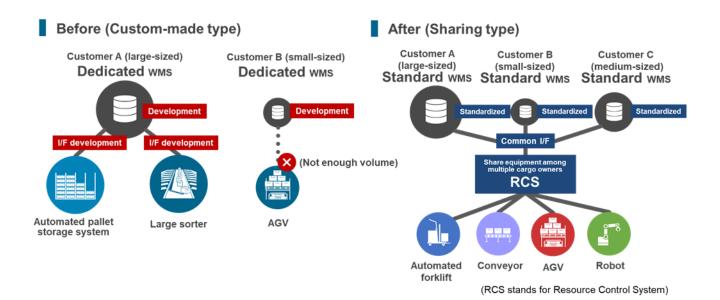


Image of equipment sharing

Customer Feedback (KYORIN Pharmaceutical Co., Ltd.)



Congratulations on your receiving great prizes.

Thanks to the system you developed, we have automated the sorting operation for case shipping (picking, labeling, and sorting by destination) and successfully eradicated human errors. The system allows us to switch to manual operation in the event of disasters or equipment malfunctions, enabling us to maintain and continue a stable product shipping system.

Best wishes for your continued success.

Under the business concept "LOGISTEED," we aim to become the most preferred global supply chain solutions provider, and we strive to achieve new innovations by enhancing the core domain and expanding collaborative area across businesses and industries.

End

