

LOGISTEED Joins Joint Distribution Initiative Utilizing Rail Modal Shift Between Aichi Pref. and the San-in Region **“Supporting a Collaborative Logistics Program by Two Specialty Steel Manufacturers”**

LOGISTEED, Ltd. is pleased to announce that one of its group companies, LOGISTEED West Japan, Ltd. (LOGISTEED West Japan), has joined a joint distribution initiative launched by Proterial, Ltd. (Proterial) and Daido Steel Co., Ltd. (Daido Steel) connecting Aichi Prefecture and the San-in Region, with operations commencing in August 2026.

The initiative utilizes a round-use transportation model incorporating rail modal shift to improve logistics efficiency and reduce environmental impact. LOGISTEED West Japan supports the initiative by providing transportation services within the San-in Region and warehousing operations for products from both companies.

1. Background

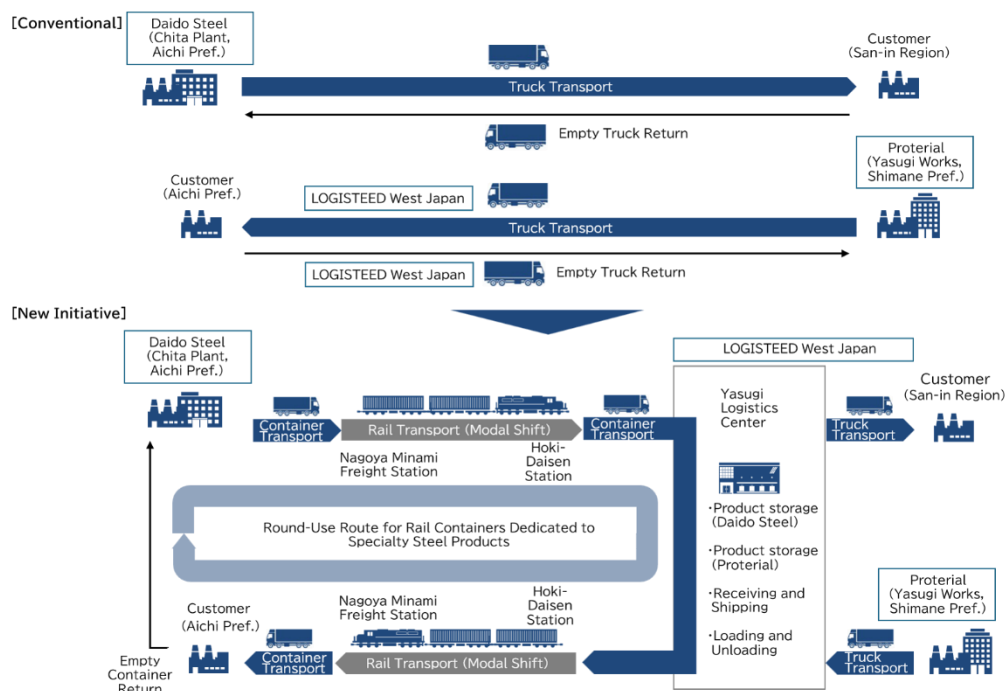
The logistics industry is facing increasing challenges in securing transportation capacity for long-haul freight movements due to the growing shortage of truck drivers and the need to comply with overtime work regulations. At the same time, reducing CO2 emissions from transportation has become an increasingly important priority as companies strengthen their environmental sustainability efforts.

In response to these challenges, Proterial and Daido Steel launched a joint distribution program utilizing rail transportation for steel materials moving between Aichi Prefecture and the San-in Region.

2. Overview of the Joint Distribution Scheme

Previously, Daido Steel's products were transported from Aichi Prefecture to the San-in Region, while Proterial's products were transported from the San-in Region to Aichi Prefecture, each using separate truck transportation arrangements.

Under the new initiative, rail transportation is utilized between Nagoya Minami Freight Station and Hoki-Daisen Station. In the San-in Region, the operation makes use of the Yasugi Logistics Center operated by LOGISTEED West Japan. Daido Steel's products are unloaded at the center, and Proterial's products are subsequently loaded into the containers for the return trip.



By jointly utilizing rail containers dedicated to specialty steel, the two companies have established a round-use transportation model in which Daido Steel's products are transported from Aichi Prefecture to the San-in Region and Proterial's products are transported on the return route from the San-in Region to Aichi Prefecture. This enables more efficient utilization of transportation assets while supporting modal shift.



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3. Benefits of the Initiative

The initiative is expected to generate the following benefits along the applicable transportation route:

- Approximately 62% reduction in CO2 emissions (estimated annual impact)
- Approximately 76% reduction in total truck driver operating hours (estimated annual impact)

By shifting a portion of long-haul freight transportation from trucks to rail, the initiative contributes to reducing environmental impact while improving transportation efficiency and mitigating the burden on truck drivers. It is also expected to help secure sustainable transportation capacity in the future.

The LOGISTEED Group will continue to work with customers and logistics partners to promote initiatives such as modal shift and joint distribution, striving to achieve both logistics efficiency and environmental sustainability.

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