

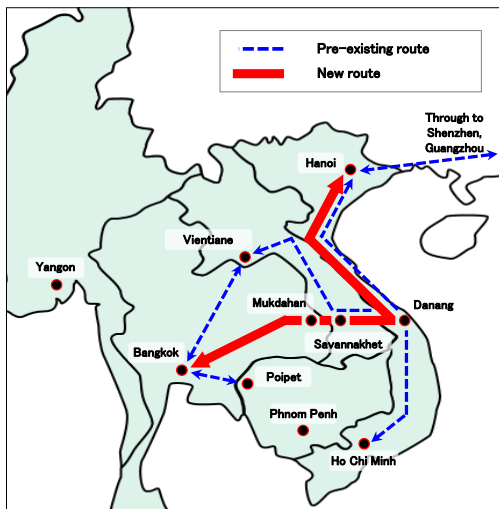
October 18, 2016

Hitachi Transport System, Ltd.
SG Holdings Co., Ltd.

Hitachi Transport System and SG Holdings to launch cross-border trucking transport service in Southeast Asia

More economical than air transportation and faster than sea transportation

Hitachi Transport System, Ltd. (headquarters: Koto-ku, Tokyo, President and CEO: Yasuo Nakatani; “Hitachi Transport System”) and SG Holdings Co., Ltd. (headquarters: Kyoto City, Kyoto, Chairperson and CEO: Eiichi Kuriwada; “SG Holdings”) will launch on October 20, 2016, a consolidated cross-border trucking transport service between Thailand and Vietnam, coming through a joint delivery service between overseas ventures Hitachi Transport System Vantec (Thailand) and Sagawa Express Vietnam.



Hitachi Transport System Vantec (Thailand) and Sagawa Express Vietnam have to date been bolstering their respective transport networks in Southeast Asia, leveraging the countrywide domestic coverage that they maintain in Thailand and Vietnam, respectively. For cross-border transport, however, issues have come about with respect to getting consistent securement of vehicles, as there has been a need to outsource transport services once across the border.

The setting up of a shared transshipment facility at the Thailand–Laos border establishes a new joint delivery route that will facilitate the domestic transport of Hitachi Transport System (Thailand) and the domestic and Vietnam–Laos transport of Sagawa Express Vietnam. Containers will be transferred at the Thailand–Laos border between Hitachi Transport System (Thailand) and Sagawa Express Vietnam trucks, which will then proceed to deliver the newly loaded freight to designated facilities of the respective companies.

The consolidated cross-border trucking transport with this alliance makes delivery from cargo pick-up to designated locations possible in four business days, down from the eight business days required with sea transportation. Moreover, in addition to securing a stable source of vehicles, this helps to save on operations for freight handling at transshipment facilities across the border, enabling routine runs and the delivery of a safe, high-quality transport service.

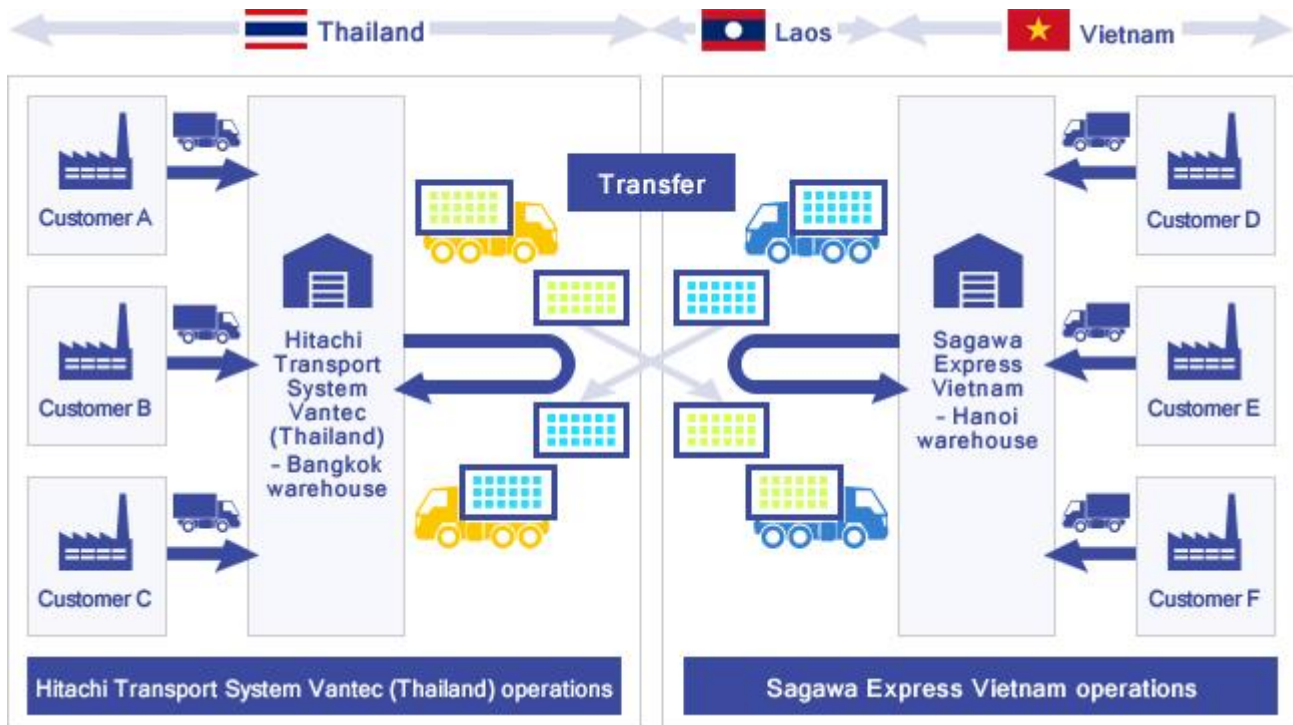
In order to continue delivering services that suit our customers’ various businesses, we are also looking at the development of new routes, such as between Bangkok and Ho Chi Minh, and are working to improve transport quality on our already-existing routes.

Features of the consolidated cross-border trucking transport service between Thailand and Vietnam

Outline

- Joint delivery system of 1,500km ties together hubs in Bangkok, Thailand, and Hanoi, Vietnam (Bangkok–Mukdahan; Savannakhet–Hanoi)
- Transport cycles: One delivery per week
- Lead time: Four business days

Flow diagram



Key benefits

- Reduced risk of freight damage during transfer operations through 40ft container switches
- Lower costs than by air transportation and four-day shorter lead time than by sea transportation
- Scheduled weekly runs of consolidated shipments enable handling also of small-batch requirements

For information regarding this release

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