

News Release

November 29, 2019
Hitachi Transport System, Ltd.

Announcement of Acquisition of Distribution Service Business from Hitachi Life, Ltd.

Hitachi Transport System, Ltd. (President and CEO: Yasuo Nakatani, "Hitachi Transport System") hereby announced that we have concluded a share purchase agreement to acquire all shares of a new company* that will succeed the distribution service business of Hitachi Life, Ltd. (Managing Director: Shigeru Kako, "Hitachi Life").

*Hitachi Life will transfer its distribution service business to a new company through a company split.

1. Background and purpose

As part of its priority measures in our Mid-term Management Plan "LOGISTEED 2021" to build a solid core domain and acquire new growth opportunities, the Hitachi Transport System Group will acquire all shares of a new company that will succeed the distribution service business from Hitachi Life.

While the in-plant logistics operation in the Hitachi Group's plants in Ibaraki Prefecture is outsourced to the Hitachi Transport System Group, part of the packing and shipping operations is handled by Hitachi Life's distribution service. This share acquisition will enable the Hitachi Transport System Group to undertake the entire logistics operation for the product shipping in each plant, allowing us to reduce costs through the integrated operation of packing and transportation as well as further improve our service quality.

Under the business concept "LOGISTEED," we aim to become the most preferred solutions provider for all of our stakeholders. We strive to achieve new innovations by enhancing the core domain and expanding collaborative area across businesses and industries.

2. Company outlines

(1) Outline of Hitachi Life, Ltd.

Name	Hitachi Life, Ltd.
Location	1-20-2 Saiwai-cho, Hitachi City, Ibaraki, Japan
Representative	Shigeru Kako, Managing Director
Business description	Real estate business (purchasing, selling, renting, leasing and brokering real estate), social service business (hotels/sports clubs/nursing care service), distribution service business (product packing and relocating, warehousing business, etc.)
Capital	1 billion yen (Hitachi, Ltd. 78.22%, Hitachi Urban Investment, Ltd. 21.78%)
Establishment	May, 1966 (Founded: January, 1939)

Hitachi, Ltd. will establish a new company by merging Hitachi Urban Investment, Ltd. and Hitachi Life, Ltd. on April 1, 2020. Please refer to the news release issued by Hitachi, Ltd. on November 29, 2019.

(2) Outline of the new company (planned)

Name	TBD
Location	Hitachi City, Ibaraki, Japan
Business description	Distribution service business (product packing and relocating, warehousing business, etc.)
Capital	0.1 billion yen
Establishment	April, 2020

3. Timeline

Date of share purchase agreement	November 29, 2019
Date of share purchase	April, 2020 (planned)

End

■ Contact Information

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