

Asahi Group Holdings, Ltd.
Ezaki Glico Co., Ltd.
CHIYODA-UNYU Co., Ltd.
Trancom Co., Ltd.
U-netrans Co., Ltd.
NEXT Logistics Japan Co., Ltd.

**Asahi, Ezaki Glico, CHIYODA-UNYU, Trancom, U-netrans,
and NEXT Logistics Japan
To commercialize and launch a new scheme for trunk-route transportation.**

Companies to bring together know-how in this cross-industry collaboration
as a first step toward solving logistics issues.
Companies will be investing in NEXT Logistics Japan.

NEXT Logistics Japan Co., Ltd. (Hereafter "NLJ." HQ: Shinjuku-ku, Tokyo. President: Yukio Umemura), a subsidiary of Hino Motors, Ltd. (Hereafter "Hino." HQ: Hino City, Tokyo. President & CEO: Yoshio Shimo), will be joined by Asahi Group Holdings, Ltd. (Hereafter "Asahi GHD." HQ: Sumida-ku, Tokyo. President: Akiyoshi Koji), Ezaki Glico Co., Ltd. (Hereafter "Ezaki Glico." HQ: Osaka City, Osaka. President: Katsuhisa Ezaki), CHIYODA-UNYU Co.,Ltd. (Hereafter "CHIYODA-UNYU." HQ: Hino City, Tokyo President: Isao Mizuno), Trancom Co., Ltd. (Hereafter "Trancom." HQ: Nagoya City, Aichi. President: Yutaka Tsunekawa), and U-netrans Co., Ltd (Hereafter "U-netrans." HQ: Toyoda City, Aichi. President: Shinichiro Imai) to bring together the expertise and technologies of these companies involved in logistics, which include cargo owners, transport companies, freight-required/trucks-required service companies and vehicle manufacturers, with the objective of commercializing a new trunk-route transportation scheme to provide solutions to the escalating issues in logistics. The companies will invest a total of approximately 100 million yen in NLJ, and launch operations on December 9.

Since its establishment in June 2018, NLJ has been conducting demonstration experiments aimed at solving society's logistics issues. Due to shifts in our societal environment—such as the aging population and growing needs for individual delivery—the transport industry has been facing significant driver shortages and declines in loading rates, a trend that is particularly evident in trunk-route transportation. As companies who share the same sense of crisis in logistics, we are committed to working together to begin the operation of a new transport scheme aimed at achieving efficiency and labor saving on the Tokyo-Nagoya-Osaka trunk, which is currently a major bottleneck for logistics.

We will build cross-docking centers in two locations, at the east and west ends, to aggregate freight from different cargo owners. In addition to mix-loading freight in optimal arrangements that are calculated from freight and vehicle information, we will also perform load matching for vacant spaces to maximize loading efficiency. By mix-loading freight with different attributes, such as size, weight, and transport frequency, we will be able to make maximum use of vehicles' carrying weight and volume capacities, as well as achieving level loading rates throughout the year by taking into account the different periods of demand.

As for vehicles, we will use specially developed 25m class double-coupled trucks with greater loading efficiency to save labor in logistics operations by enabling a single driver to transport two heavy-duty trucks' worth of freight.

Furthermore, in line with our aim to achieve the utilization of information from the driver-vehicle-freight trilogy, we will achieve visualization of the cargo compartment with the use of various sensors, and implement programs for improving drivers' quality of sleep to help manage their physical conditions—in addition to utilizing data acquired from Hino's "HINO CONNECT" ICT service—so that we may realize safe, secure, and sustainable transportation. Additionally, in order to reform work styles for drivers, we will work on separating transportation and cargo handling work, and putting a stop to long working hours.

Moving forward, we will accumulate know-how through real-world operations and expand the circle of participating companies to evolve this trunk-route transportation scheme. Going forward, we are committed to serving our societies by establishing a logistics system that will be available to all cargo owners and transport companies.

【Comments on this collaboration by participating companies】

Ichiro Shimazaki, General Manager, Logistics Section, Senior Officer, Asahi GHD

“We share the same objectives with respect to employing NLJ's concept to realize high loading rates and efficiency in logistics to address the increasingly difficult conditions we face in logistics—such as driver shortages and long working hours—and we believe these efforts will help us resolve the many issues that our societies face today. This can only be realized through cross-industry collaboration. We hope to serve the greater society through this new transportation model, which is an embodiment of the fruits of each company's technology, wisdom, and innovation.”

Takeshi Watanabe, General Manager, Logistics Department, SCM Headquarters, Ezaki Glico

“Amid calls alerting society to the crisis in logistics, we have been working on improving conditions in logistics with a sense of crisis as a cargo owner and as a company involved in logistics in general. However, the situation is becoming increasingly more difficult and we

felt that we needed to take a more aggressive approach. It was under these circumstances that NLJ approached us with the unprecedented concept of trunk-route transportation in which vehicles, freight, and drivers were united as a trilogy. We decided to join this project as we believed that this cross-industry collaboration with companies involved in logistics may give us clues for developing solutions to our issues. While the birthing pains may be great, we hope to work together to accomplish this task that will lead us into the future.”

Isao Mizuno, President and Representative Director, CHIYODA-UNYU

“We have been in the transportation business for more than 60 years working with Hino Motors, and we are acutely aware that in order to respond to the major, once-in-a century changes that we currently face, it is critical that we establish new technologies and new systems of transportation. We are committed to approach this in a way that these efforts lead the way to solutions for society as a whole, particularly on issues such as driver shortages and work style reforms which cannot be singlehandedly tackled by one company, and that we can make meaningful contributions to the NLF’s efforts through our know-how.”

Ryo Kanbayashi, Director and Managing Executive Officer, Trancom

“As a specialist in logistics, we have been providing solutions to logistics problems for a wide variety of customers for many years. In particular, we will continue to provide consistent and sustainable medium- and long-distance transport services through the matching of ‘freight’ and ‘empty trucks’ through our logistics information service, which runs our freight-wanted and trucks-wanted operations. In light of the increasingly demanding climate surrounding the transport industry—such as driver shortages and compliance requirements—we are committed to building a new trunk-route transport system with NLJ, a company that aims to achieve high-efficiency mass transport.”

Shinichiro Imai, Chairman and President, U-netrans

“We are committed to making positive contributions towards building this new and innovative trunk-route transportation system of the future by evolving the know-how in operational management, dispatch management, and trailer transportation that we have cultivated over the years, and also by leveraging the synergies of collaborating with other industries as we merge our advanced technologies and know-how.”

Yukio Umemura, President and Representative Director, NJL

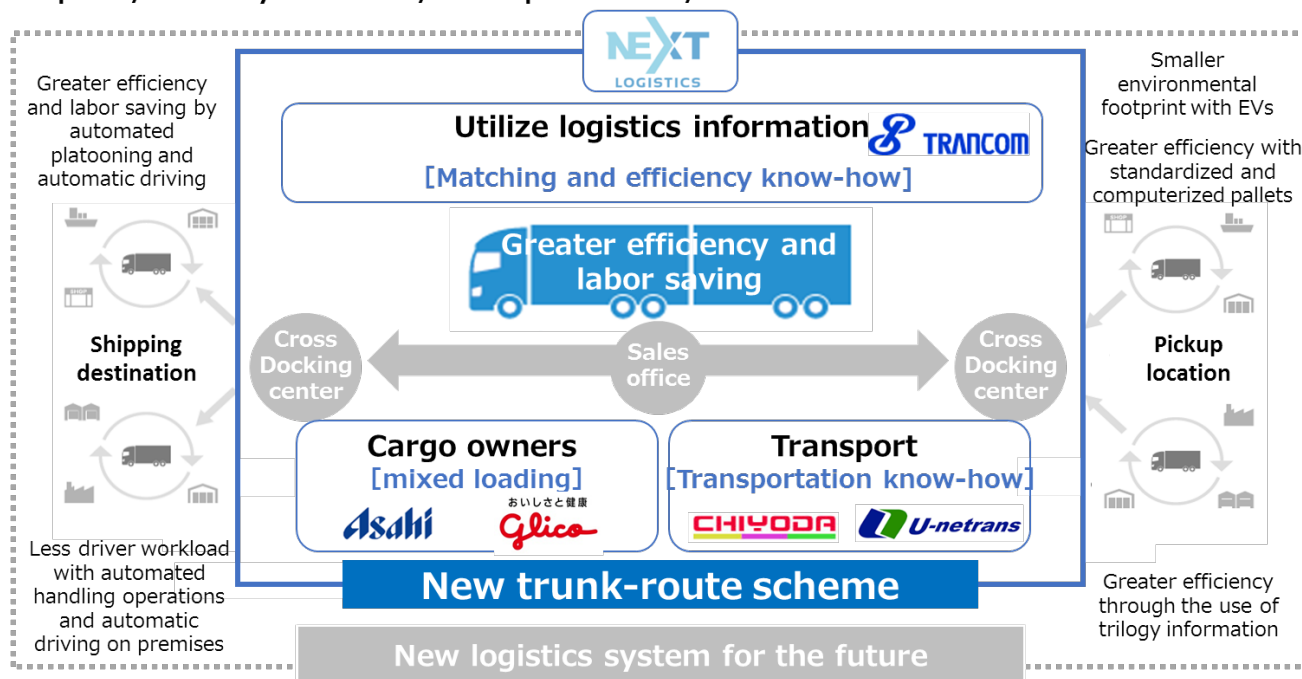
“As the problems surrounding logistics continue to escalate, our sole focus in these efforts is to provide solutions that serve society. We are very grateful and find it meaningful to be able to take the first step in solving these issues in logistics together with partners who embrace NJL’s concept. We are committed to pushing forward with the conviction that making solid advancements one step at a time, starting with we can do, by making full use of each company’s technologies and expertise, and by staying in close touch with the issues associated with logistics will lead to a bright future for logistics.”

【Logistics as envisioned by NLJ】

Bring together know-how and establish a highly efficient trunk-route transportation scheme

【Maximize logistics efficiency】 Transport more luggage with greater efficiency. Transport more freight per truck.

【Secure, safe, and sustainable logistics】 Safety / Better transport quality / Smaller environmental footprint / Work style reforms / Cost optimization / Convenience



【NLJ company overview】

Company name	NEXT Logistics Japan Co., Ltd.
Address	Shinjuku Nomura Building, 1-26-2 Nishi Shinjuku, Shinjuku-ku, Tokyo
Capital	643 million yen * At the time all companies complete their investment
Founded	June 1, 2018
Representative	Yukio Umemura (Hino)