

Enhancing Global Food Value Chains

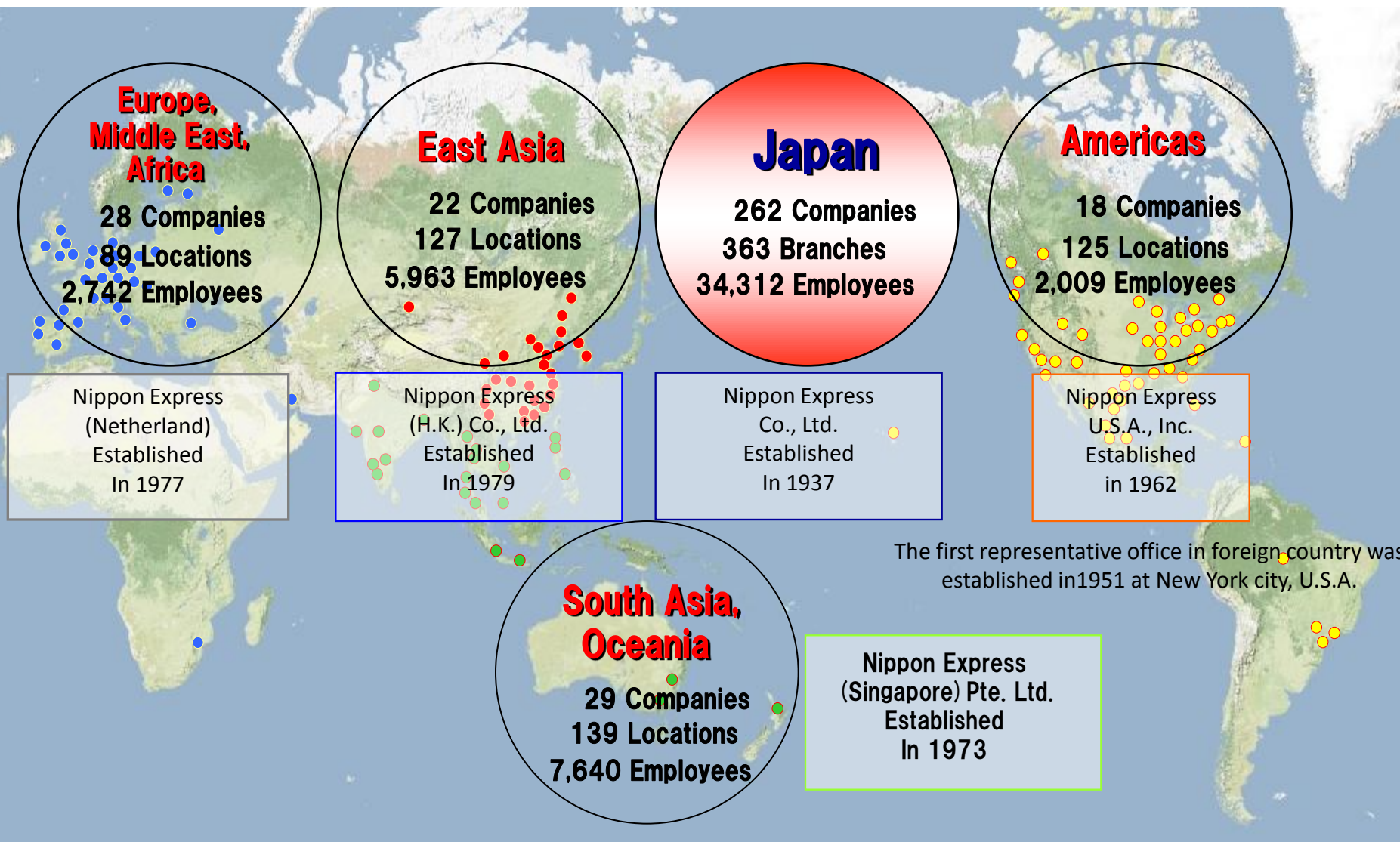
19 June 2014



NIPPON EXPRESS

Global Logistics Solution Division

Our Global Network

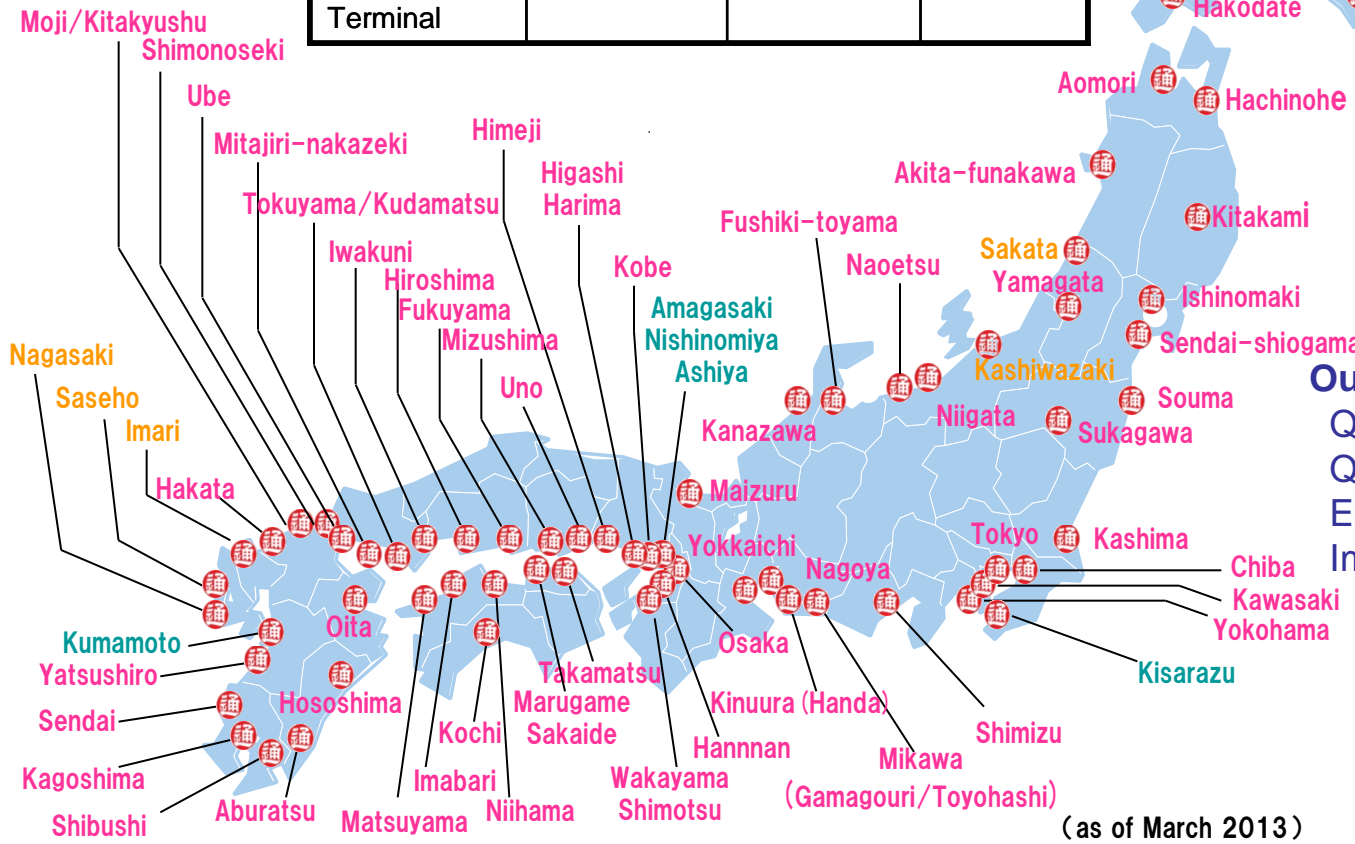


40Countries **229**Cities **480**Facilities **18,628**Employees (As of March 2014 Excluding Japan)

Our international facilities in Japan



	Customs Brokerage Office	AEO Bonded Area	Non-AEO Bonded Area
Main Port	24	20	49
Local Port	63	39	137
Inland Depot	15	13	8
Air Cargo Terminal	27	23	8



Our performance in 2013

Air Export 1,860,000 tons
 Ocean Export 740,000TEU
 8 main ports 400,000TEU
 33 local ports 340,000TEU

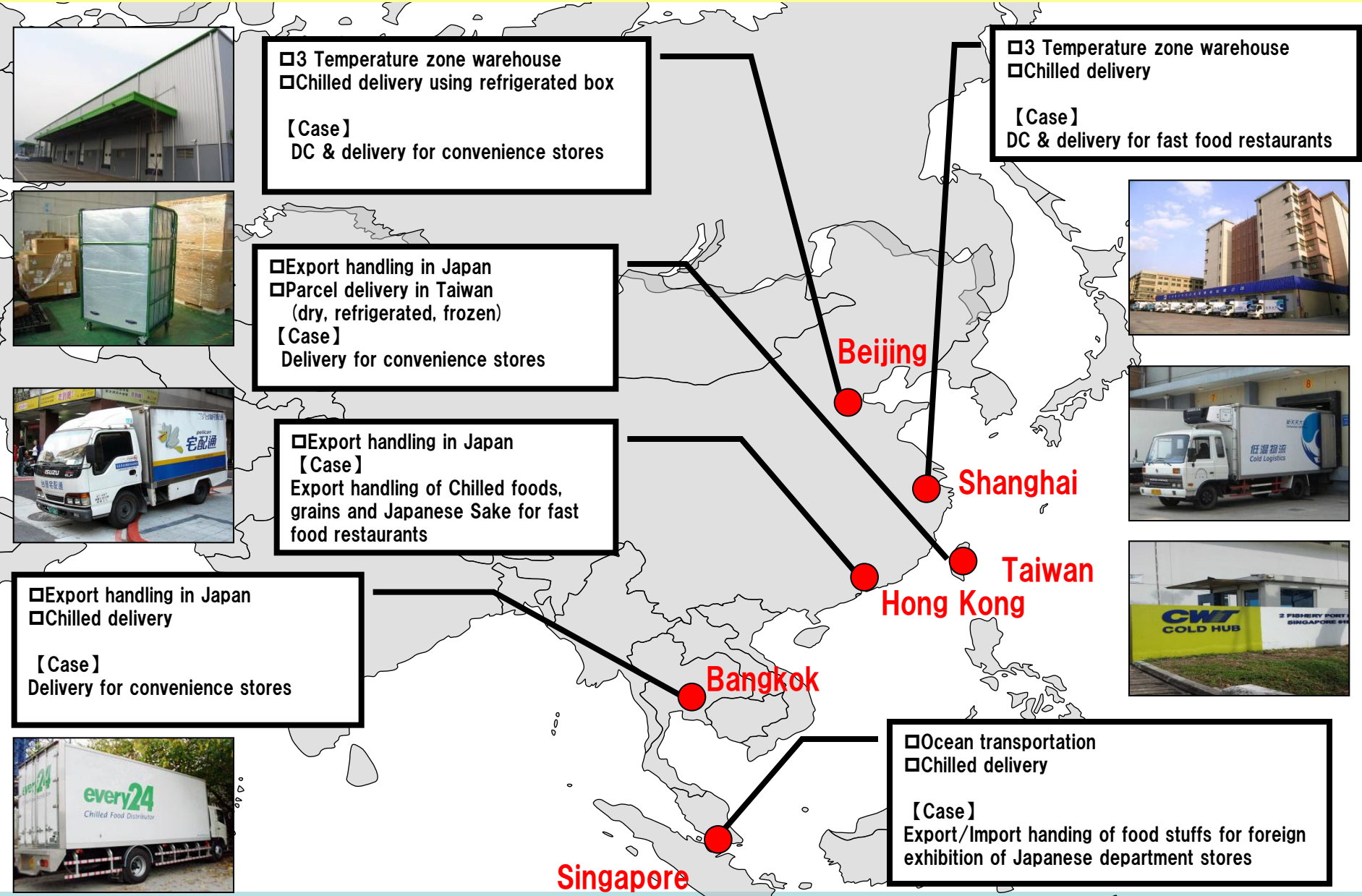
Our customs brokerage

Qualification holder: 1,550 persons
 Qualified broker : 850 persons
 Export entry 1,040,000 entries
 Import entry 1,670,000 entries

Customs Brokerage Office
 Bonded Area
 Custom Brokerage Office
 Bonded Area

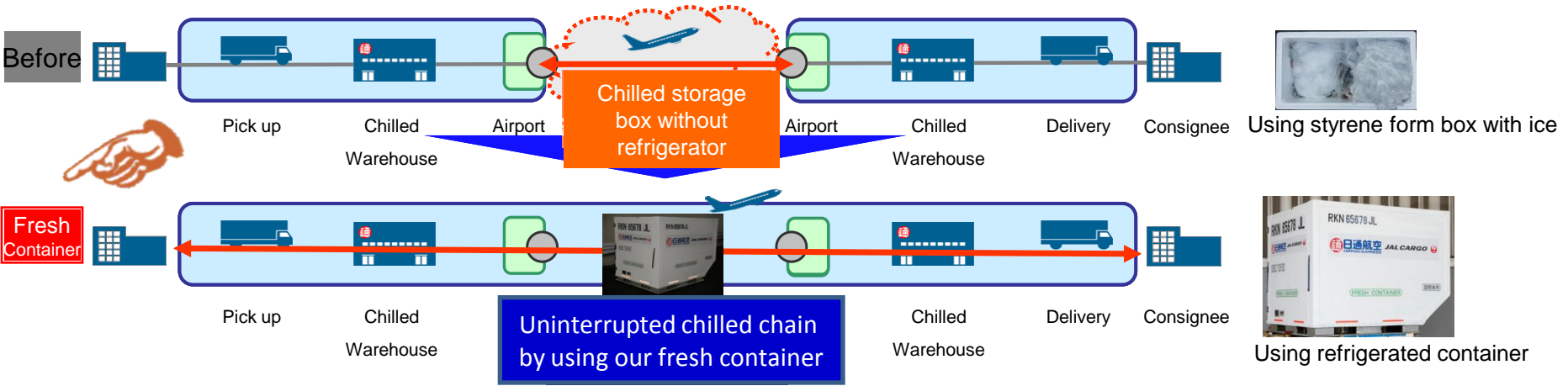
(as of March 2013)

Implementation of chilled logistic network in Asia (Hong Kong/Singapore/Bangkok/Shanghai/Beijing)



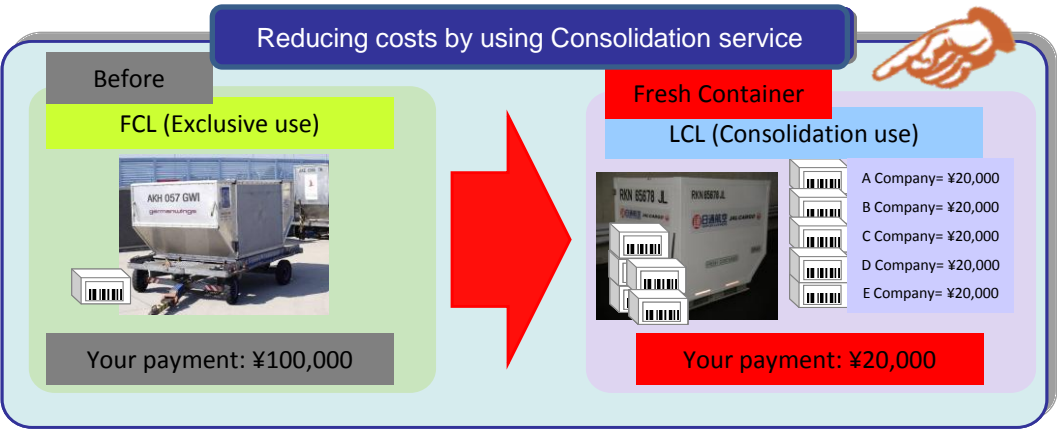
Air Shipment ~ Fresh container services for perishable foods

【Advantage-1】High quality delivery – uninterrupted chilled chain



Fresh container makes remarkable improvements in chilled transportation via air.

【Advantage-2】Reducing delivery cost



Our fresh container service can reduce your chilled transportation cost.

Ocean Shipment ~ LCL reefer services

『It is too big and much expensive by Air !』

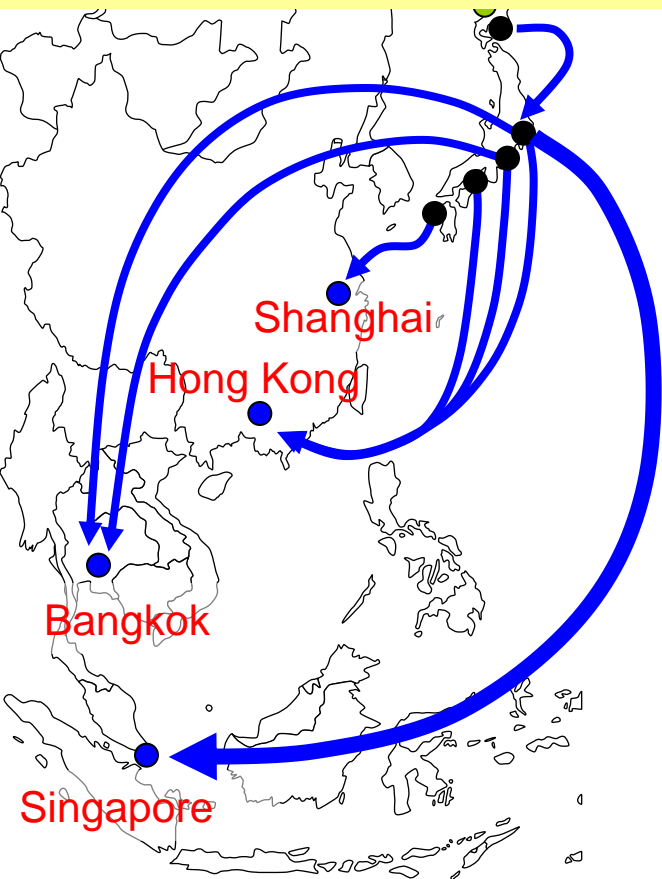
『It is too small by Ocean, (FCL)!』



Advantages

Cheaper than FCL & Air

LCL services 『LCL reefer services』



Destinations

Hokkaido		Singapore 14days	Frozen	Hong Kong 8days	Frozen
Tokyo		Hong Kong 4days	Refrig. Frozen	Bangkok 9days	Frozen
		Singapore 9days	Frozen		
Nagoya		Hong Kong 5days	Refrig. Frozen		
Kobe		Hong Kong 4days	Refrig. Frozen		
Hakata		Shanghai 1day	Frozen	Bangkok 11days	Frozen

Project for export promotion of agricultural products

Fresh keeping transport system (Ongoing experiment)

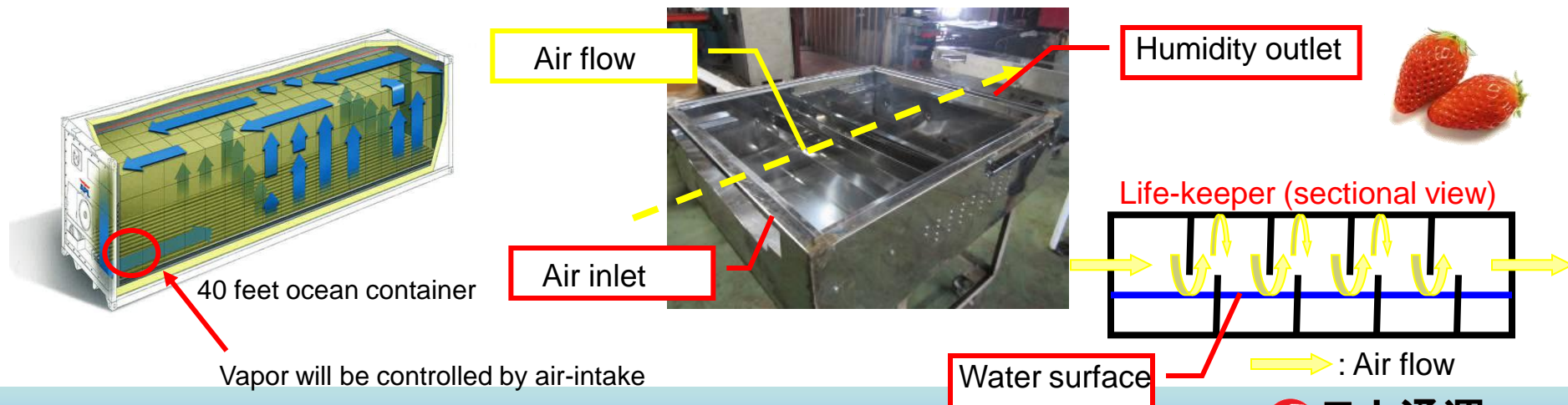
Freshness Low cost

Long-keeping freshness of vegetables & fruits ~ Fresh keeping system

Patent No. : 4367865 (Kitakyushu Foundation for the Advancement of Industry Science and Technology)

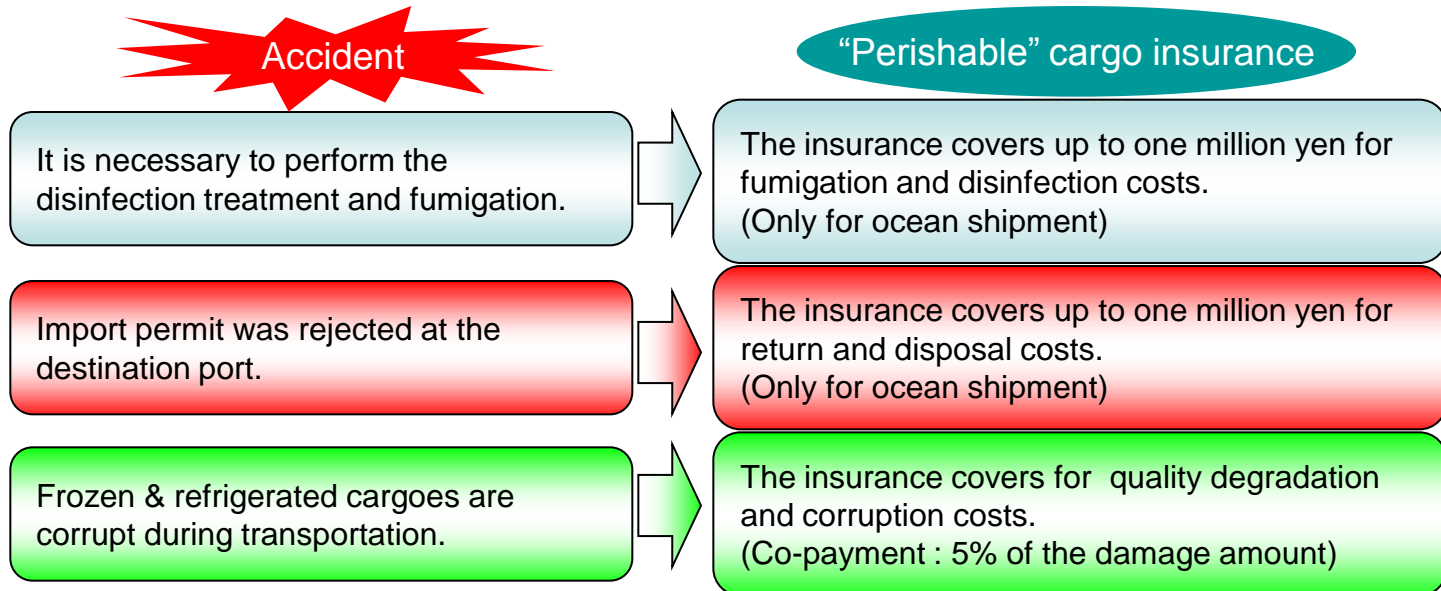
What is freshness keeping transportation system ? Inside temperature from -5C to +30C with humidity
This system will suppress the evaporation of moisture from fresh material.

1. It will keep freshness by keeping the humidity from 90% to 100%.
2. Reefer container has a dehumidifying function other than to perform a refrigeration so that freshness does not last a long time.
3. It will air supply to the humidity inside of the same components as those in the atmosphere.
4. It is less than 100% humidity, you do not have to worry about water drops in the container.
Water drops do not stick to cardboard.



Cargo insurance for exclusively perishable foodstuffs

There is a risk of accident during transportation of perishable foodstuffs for overseas. This cargo insurance will provide wide range of compensations.



● Commodity

➢ Perishable (Meat, vegetable, fruit, fish, flower, etc.) & Processed foodstuffs

● Destination

➢ From Japan to foreign countries (Only for export shipment from Japan)



Enhancing Global Food Value Chains

The Japanese government and the various companies are involved together in food business so that we have established the infrastructure scheme of overall food corresponding to the situation of production, distribution and consumption of the export destination countries.

Solution in Distribution

Requirements

- Export Handling ⇒ Any city in Japan to everywhere
 - One stop window covers Air/Ocean shipments
 - Accurate estimation of method and costs for transportation
 - function to achieve low-cost and variable transportation
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- stable and continuous platform for export
 - Practical advice on Export/Import formalities



Our solutions (Offer of Export Platforms)

- Nippon Express Global Network
 - Nippon Express Logistic Infrastructures (By Air/Ocean)
 - Logistic scheme and cost estimation
 - Developing new means of transportation and new method of keeping freshness
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- Business matching with our existing buyers
 - Providing trading know how on foodstuffs



Logistics

■ Chilled logistics development in overseas (Bonded warehouse and delivery)

In order to deliver “taste” and “safety”, the unique characteristics of Japanese foodstuffs, for local consumers in foreign countries, it is necessary to maintain high quality transportation system (Chilled Logistics). We are establishing it depending on the region, but it is still insufficient as infrastructure. We think it is necessary to promote cost-intensive investment on chilled bonded warehouses and refrigerated vehicles for expansion of food export in the future.

■ Technical development of logistics

In order to gain stable market share in foreign countries, in logistics, it is necessary to guarantee the freshness of Japanese foodstuffs and ensure the high quality transportation.

■ Stable supply of export merchandise

If supply of Japanese merchandise to export is rather small amount and irregular, it would be difficult to develop stable trade. It is necessary to establish a platform that can supply stably a certain amount of merchandise.

■ Ensure sales market (Matching of buyers and sellers)

We have some opportunities to hear that the seller would like to export Japanese foodstuffs. At the same time, we hear that he thinks it is difficult to find the buyer. Buyer does not want every Japanese foodstuffs, but he wants Japanese foodstuffs that would sell well (value-added/featured products) in his country. We think it is necessary to establish the function that connects the seller to the buyer to promote B to B business.