

August 1, 2016
Senko Co., Ltd.
Niigata Unyu Co., Ltd.

Construction of Logistics Center in Busan, South Korea

- Enhancing international logistics operations with a hub
port in Eastern Asia -



(Illustration of new logistics center completed)

Senko Co., Ltd. (Headquarters: Osaka City; President: Yasuhisa Fukuda; "Senko") and Niigata Unyu Co., Ltd. (Headquarters: Niigata City, President: Hiroyoshi Yamada, "Niigata Unyu") have established the joint venture company "NH-SENKO Logistics Co., Ltd. ("NH-SENKO) with HWA SUNG EXPRESS that operates a vehicle transportation business in South Korea, and will construct a logistics center in Busan, South Korea.

The new logistics center is located in the Ungdong Hinterland Complex adjacent to Busan New Port and will begin operating from October 2017. Senko and KO-SENKO Logistics Co., Ltd., a joint venture company formed with locally-based companies, have been operating the KO-SENKO Logistics Center since March 2014.

The opening of the new logistics center will help enhance Senko's operations at the port, and also increase and expand logistics operations in the Eastern Asia region.

At the same time, Niigata Unyu has a strong customer base mainly in the Niigata region along the Japan Sea close to Korea, and operates a transportation network throughout Japan.

The company will build on these advantages to tap into domestic and international demand passing through the new center to expand its international logistics as well as its domestic transportation businesses.

Busan New Port is an international hub port that processes cargo from Asian countries, and is one of the busiest in the world in terms of the number of containers handled. The Ungdong Hinterland Complex has been specified as a free trade zone ("FTZ"), which presents excellent conditions for operating a logistics center, including simplified processes required for logistics, indefinite storage for bonded cargo, and areas for sorting and other logistics operations.

The new center will feature a multitude of facilities such as cold and frozen storage and handling of dangerous goods. In addition to goods storage and logistics operations, maximizing the location of Busan New Port and its container loading and port processing capabilities and the benefits of the FTZ will allow logistics services to be provided at a low cost.

<Reference> Details of South Korean joint venture company

1. Joint venture company overview

- (1) Company name: NH-SENKO Logistics Co., Ltd.
- (2) Established: August 4, 2015
- (3) Representative: Shoki Fujiwara
- (4) Headquarters: Gyeongsangnam-do, Changwon District, South Korea
- (5) Capital: 4 billion won (360 million yen)
- (6) Investment ratio: Senko 55%, Niigata Unyu 10%,
HWA SUNG EXPRESS 35%

2. Investment company overview

Company Name	Senko Co., Ltd.	Niigata Unyu Co., Ltd.	HWA SUNG EXPRESS
Established	July 1946	October 1943	December 1967
Representative	Yasuhisa Fukuda	Hiroyoshi Yamada	Kook-Dong Lee
Headquarters	Oyodonaka, Kita-ku, Osaka, Japan	Meikekita, Chuo-ku, Niigata, Japan	Jung-gu, Busan, Korea
Capital	24,011 million yen	81 million yen	200 million won (18 million yen)
Sales	434 billion yen (FY ended March 2016)	51.9 billion yen (FY ended April 2016)	6 billion won (540 million yen) (FY ended December 2015)
Line of business	Vehicle transportation Warehousing Distribution processing Other	Cargo and vehicle transportation Freight forwarding Customs clearing Warehousing Other	Cargo and vehicle transportation/broker services Multi-mode transportation/broker services Logistics and warehousing Other
Investment ratio	55%	10%	35%

End.