

Securities Code: 9086

May 31, 2019

Yasuo Nakatani
Representative Executive Officer
President and Chief Executive Officer
Hitachi Transport System, Ltd.
2-9-2 Kyobashi, Chuo-ku, Tokyo

Notice of Convocation of the 60th Annual General Meeting of Shareholders

You are cordially invited to attend the 60th Annual General Meeting of Shareholders of Hitachi Transport System, Ltd. (the “Company”). The details of the meeting follow below.

If you are unable to attend the meeting on the day, you can exercise your voting rights in writing or via the Internet. Please review the Reference Documents for the General Meeting of Shareholders described hereinafter, and exercise voting rights by no later than 5:00 p.m. on Monday, June 17, 2019.

1. Date and Time: 10:00 a.m. on Tuesday, June 18, 2019(Reception will open at 9:00 a.m.)
2. Place: Main Meeting Room, 2nd floor of the Company Headquarters,
2-9-2 Kyobashi, Chuo-ku, Tokyo, Japan
3. Meeting Agenda:
Matters to be reported: Business Report, Non-consolidated Financial Statements and Consolidated Financial Statements for the 60th Business Year (from April 1, 2018 to March 31, 2019), and results of audits of the Consolidated Financial Statements by the Accounting Auditors and Audit Committee.
Matters to be resolved: Proposal: Election of eight directors due to expiration of the term of office of all directors

- ◎ An excerpt from the Business Report (6. System and Policy of the Company (1) Corporate Governance System; (2) System for Securing the Appropriateness of Business and the State of Operation of the System Concerned; (3) Basic Policies for Control of the Company; and (4) Policies for Determining Allocation of Surplus, (5) the results of analysis and evaluation on the effectiveness of the Board of Directors as a whole) and the “Notes to the Consolidated Financial Statements,” and the “Notes to the Non-consolidated Financial Statements” are posted on the Company’s website (<http://www.hitachi-transportssystem.com>) in accordance with applicable laws and regulations and Article 13 of the Articles of Incorporation of the Company, and are accordingly not provided in this notice of convocation. To dispel any possible doubt, the Business Report and the Consolidated Financial Statements and Non-consolidated Financial Statements audited by the Audit Committee and Accounting Auditors during the preparation of the Audit Report and Accounting Audit Report respectively include the excerpt from the Business Report, the Notes to the Consolidated Financial Statements, and the Notes to the Non-consolidated Financial Statements posted on the Company’s website, in addition to the documents provided in the attachment to this notice of convocation.
- ◎ In the event that any item in the Reference Documents for the General Meeting of Shareholders, Business Report, Consolidated Financial Statements, or Non-consolidated Financial Statements is amended, the Company will announce the amendment on the Company’s website described above.
- ◎ The Company will announce the results of this Annual General Meeting of Shareholders on the Company’s website.

Reference Documents for General Meeting of Shareholders

Proposal and References

Proposal: Election of eight directors due to expiration of the term of office of all directors

The term of office of all eight incumbent directors will expire upon conclusion of this General Meeting of Shareholders. In accordance with a decision of the Nominating Committee, the Company proposes the election of eight directors. The candidates for the directors are as follows. The Company has obtained prior approval of the respective candidates, on the condition that they are elected at this General Meeting of Shareholders.

To dispel any possible doubt, the resolution for the election of directors shall not be by cumulative voting.

Candidate number	Name	Registration	Current positions and Assignments in the Company	Number of attendances for Board of Directors meetings
1	[Candidate for Reappointment] [Candidate for Outside Director] [Candidate for Independent Officer] Sayoko Izumoto	2017	Outside Director [Audit Committee 16/16] [Compensation Committee 5/5]	14/14
2	[Candidate for Reappointment] [Candidate for Outside Director] [Candidate for Independent Officer] Mitsudo Urano	2014	Outside Director [Nomination Committee, as Committee Chairman 8/8] [Compensation Committee as Committee Chairman 5/5]	14/14
3	[Candidate for Reappointment] [Candidate for Outside Director] Koji Tanaka	2018	Chairman of the Board, Outside Director	12/12
4	[Candidate for Reappointment] [Candidate for Outside Director] [Candidate for Independent Officer] Tetsu Fusayama	2016	Outside Director [Nomination Committee 6/6] [Audit Committee 16/16]	14/14
5	[Candidate for Reappointment] [Candidate for Outside Director] [Candidate for Independent	2014	Outside Director [Nomination Committee 8/8]	14/14

	Officer] Emiko Magoshi			
6	[Candidate for Reappointment] [Candidate for Outside Director] Hiroshi Maruta	2015	Outside Director [Audit Committee as Committee Chairman 16/16]	14/14
7	[Candidate for Reappointment] Takashi Jinguji	2016	Representative Executive Officer, Vice President and Chief Executive Officer and Director	14/14
8	[Candidate for Reappointment] Yasuo Nakatani	2013	Representative Executive Officer, President and Chief Executive Officer and Director [Nomination Committee 8/8] [Compensation Committee 5/5]	14/14

*For the candidate who has been in the position of director for one year, the number of attendances for only the Board of Directors meetings held after his/her registration of office is indicated.

*The number of attendances of committee meetings is indicated after the name of assigned committee.

1. Sayoko Izumoto (Born: July 8, 1953)

Number of the Company's shares owned: 0 shares

Candidate for Reappointment

Candidate for Outside Director

Candidate for Independent Officer



• Career summary, positions, assignments, and important posts concurrently held

June 2017	Outside Director, Hitachi Transport System, Ltd. (currently in office) Member of the Audit and Supervisory Board (Outside), DAIICHI SANKYO COMPANY, LIMITED (currently in office)
May 2017	External Audit and Supervisory Board Member, Freund Corporation (currently in office)
April 2017	Member, Information Disclosure and Personal Information Protection Review Board, Ministry of Internal Affairs and Communications (currently in office)
July 2016	Left Deloitte Touche Tohmatsu LLC Established Izumoto Certified Public Accountant Office (currently in office)
January 2015	Member, Information and Communications Council, Ministry of Internal Affairs and Communications (currently in office)
July 2010	Executive Board Member, The Japanese Institute of Certified Public Accountants Headquarters
March 2008	Member, Technical Committee: Post-Retirement Benefits, Accounting Standards Board of Japan
January 2007	Member, Business Accounting Council, Financial Services Agency
July 2001	Council Member, The Japanese Institute of Certified Public Accountants Headquarters
July 1995	Partner, Tohmatsu & Co.
March 1976	Tohmatsu Awoki & Co. (currently known as Deloitte Touche Tohmatsu LLC)

【Reason for the appointment of the candidate for Outside Director】

Ms. Sayoko Izumoto has a long career in corporate accounting at a large audit corporation and has served in various public posts. The Company determines that her knowledge and experience, with focus on the field of audit and supervision of business execution, will contribute to the management of the Company. Therefore, the Company appoints her as a candidate for Outside Director again on this occasion.

【Special interest between the candidate and the Company】

No special interest exists between the Company and Ms. Sayoko Izumoto.

【Independence of Outside Directors】

Since Ms. Sayoko Izumoto fulfills the “Criteria for Independence of Outside Directors” prescribed by the Company, the Company has determined that she has sufficient independence and is unlikely to involve any conflict of interest with general shareholders of the Company. The Company has registered Ms. Izumoto as an independent officer as stipulated in the relevant rules of the Tokyo Stock Exchange.

【Limitation of liability agreement】

The Company has entered into a limitation of liability agreement with Ms. Sayoko Izumoto to limit her liability referred to in Article 423(1) of the Companies Act of Japan for damages that may be suffered by the Company as a result of her neglect of duty. This arrangement is intended to encourage Ms. Izumoto to fully exercise her roles as an Outside Director. The upper limit of liability under this agreement is equal to the minimum amount permitted under applicable laws of Japan. If the appointment of Ms. Izumoto as Outside Director is approved, the Company will renew the limitation of liability agreement with her.

【Tenure as director】

The tenure of Ms. Sayoko Izumoto as director will reach two years upon conclusion of this General Meeting of Shareholders.

【Number of Board of Directors meetings that the candidate attended during his/her tenure】

14/14

2. Mitsudo Urano (Born: March 20, 1948)

Number of the Company's shares owned: 3,000 shares

Candidate for Reappointment

Candidate for Outside Director

Candidate for Independent Officer



• Career summary, positions, assignments, and important posts concurrently held

June 2014	Outside Director, Hitachi Transport System, Ltd. (currently in office)
June 2013	Advisor, NICHIREI CORPORATION
	Outside Director, Resona Holdings, Inc. (currently in office)
	Outside Director, HOYA CORPORATION (currently in office)
June 2011	Outside Director, Yokogawa Electric Corporation (currently in office)
June 2007	Representative Director and Chairman, NICHIREI CORPORATION
April 2007	Director and Chairman, Nichirei Foods Inc.
January 2005	Representative Director and President, Nichirei Foods Inc.
June 2001	Representative Director and President, NICHIREI CORPORATION
June 1999	Director and General Manager, Strategic Planning Division, NICHIREI CORPORATION
April 1995	General Manager, Low Temperature Logistics Planning Division, NICHIREI CORPORATION
April 1971	Nippon Reizo Co., Ltd. (currently known as NICHIREI CORPORATION)

【Reason for the appointment of the candidate for Outside Director】

Mr. Mitsudo Urano has worked to enhance management efficiency as a top executive in manufacturing and logistics businesses and has experienced a number of positions as an outside officer at various corporations. The Company determines that his deep insight and extensive experience in top management will contribute to the management of the Company. Therefore, the Company appoints him as a candidate for Outside Director again on this occasion.

【Special interest between the candidate and the Company】

No special interest exists between the Company and Mr. Mitsudo Urano.

【Independence of Outside Directors】

Since Mr. Mitsudo Urano fulfills the “Criteria for Independence of Outside Directors” prescribed by the Company, the Company has determined that he has sufficient independence and is unlikely to involve any conflict of interest with general shareholders of the Company. The Company has registered Mr. Urano as an independent officer as stipulated in the relevant rules of the Tokyo Stock Exchange.

【Limitation of liability agreement】

The Company has entered into a limitation of liability agreement with Mr. Mitsudo Urano to limit his liability referred to in Article 423(1) of the Companies Act of Japan for damages that may be suffered by the Company as a result of his neglect of duty. This arrangement is intended to encourage Mr. Urano to fully exercise his roles as an Outside Director. The upper limit of liability under this agreement is equal to the minimum amount permitted under applicable laws of Japan. If the appointment of Mr. Urano as Outside Director is approved, the Company will renew the limitation of liability agreement with him.

【Tenure as director】

The tenure of Mr. Mitsudo Urano as director will reach five years upon conclusion of this General Meeting of Shareholders.

【Number of Board of Directors meetings that the candidate attended during his/her tenure】

14/14

3. Koji Tanaka (Born: January 22, 1952)

Number of the Company's shares owned: 0 shares

Candidate for Reappointment

Candidate for Outside Director



• Career summary, positions, assignments, and important posts concurrently held

June 2018	President, The Hitachi Global Foundation (currently in office) Outside Director, Hitachi Transport System, Ltd. (currently in office) Director, Hitachi Chemical Company, Ltd (currently in office) Director, Hitachi Construction Machinery Co., Ltd. (currently in office)
April 2018	Advisor, Hitachi, Ltd. (currently in office)
June 2016	Director, Hitachi Chemical Company, Ltd
June 2014	Outside Director, Hitachi Metals, Ltd.
April 2011	Representative Executive Officer, Executive Vice President and Executive Officer, Hitachi, Ltd.
April 2007	Vice President and Executive Officer, Hitachi, Ltd.
May 2006	General Manager, Hitachi Works, Power Systems, Hitachi, Ltd.
October 2001	Deputy General Manager, Group Strategy Division, Hitachi High-Technologies Corporation
April 1974	Hitachi, Ltd.

【Reason for the appointment of the candidate for Outside Director】

Mr. Koji Tanaka served as Executive Vice President of Hitachi, Ltd. and also experienced a number of posts as officer in other companies. Due to his extensive experience in corporate management, the Company has determined that his experience and competence will be of great help for the Company's business management. Therefore, the Company appoints him as a candidate for Outside Director again on this occasion.

【Special interest between the candidate and the Company】

No special interest exists between the Company and Mr. Koji Tanaka.

【Special interest between the candidate and the Company or any entity that has a special relationship with the Company】

Mr. Koji Tanaka has served as executive officer of Hitachi, Ltd. before, which is a specified related business operator of the Company.

【Limitation of liability agreement】

The Company has entered into a limitation of liability agreement with Mr. Koji Tanaka to limit his liability referred to in Article 423(1) of the Companies Act of Japan for damages that may be

suffered by the Company as a result of his neglect of duty. This arrangement is intended to encourage Mr. Tanaka to fully exercise his roles as an Outside Director. The upper limit of liability under this agreement is equal to the minimum amount permitted under applicable laws of Japan. If the appointment of Mr. Tanaka as Outside Director is approved, the Company will renew the limitation of liability agreement with him.

【Tenure as director】

The tenure of Mr. Koji Tanaka as director will reach one year upon conclusion of this General Meeting of Shareholders.

【Number of Board of Directors meetings that the candidate attended during his/her tenure】

12/12

4. Tetsu Fusayama (Born: June 21, 1952)

Number of the Company's shares owned: 0 shares

Candidate for Reappointment

Candidate for Outside Director

Candidate for Independent Officer



• Career summary, positions, assignments, and important posts concurrently held

June 2016	Outside Director, Hitachi Transport System, Ltd. (currently in office)
December 2014	Established Fusayama Law Office (currently in office)
April 2014	Chairman, Appeal Committee, Japan Football Association (currently in office)
January 2013	Founder and Partner, Tokyo Excel Law Firm
August 2012	Attorney-at-Law, Otani Law Office
	Registered as attorney-at-law with the Dai-Ichi Tokyo Bar Association
October 2010	Chief Prosecutor, Fukuoka District Public Prosecutors Office
January 2010	Chief Prosecutor, Nagano District Public Prosecutors Office
October 2008	Chief Prosecutor, Saga District Public Prosecutors Office
January 2008	Public Prosecutor, Supreme Public Prosecutors Office
August 2006	Director-General, Public Security Department, Tokyo High Public Prosecutors Office
April 2005	Director-General, Criminal Affairs Department, Nagoya High Public Prosecutors Office
April 1979	Public Prosecutor, Tokyo District Public Prosecutors Office

【Reason for the appointment of the candidate for Outside Director】

Mr. Tetsu Fusayama has a long career as a public prosecutor and attorney. He therefore has a wealth of knowledge and experience in legal and compliance issues. Since the Company has determined that Mr. Fusayama will be able to contribute to the promotion of the Company's compliance-oriented business management, the Company appoints him as a candidate for Outside Director again on this occasion.

【Special interest between the candidate and the Company】

No special interest exists between the Company and Mr. Tetsu Fusayama.

【Independence of Outside Directors】

Since Mr. Tetsu Fusayama fulfills the "Criteria for Independence of Outside Directors" prescribed by the Company, the Company has determined that he has sufficient independence and is unlikely to involve any conflict of interest with general shareholders of the Company. The Company has

registered Mr. Fusayama as an independent officer as stipulated in the relevant rules of the Tokyo Stock Exchange.

【Limitation of liability agreement】

The Company has entered into a limitation of liability agreement with Mr. Tetsu Fusayama to limit his liability referred to in Article 423(1) of the Companies Act of Japan for damages that may be suffered by the Company as a result of his neglect of duty. This arrangement is intended to encourage Mr. Fusayama to fully exercise his roles as an Outside Director. The upper limit of liability under this agreement is equal to the minimum amount permitted under applicable laws of Japan. If the appointment of Mr. Fusayama as Outside Director is approved, the Company will renew the limitation of liability agreement with him.

【Tenure as director】

The tenure of Mr. Tetsu Fusayama as director will reach three years upon conclusion of this General Meeting of Shareholders.

【Number of Board of Directors meetings that the candidate attended during his/her tenure】

14/14

5. Emiko Magoshi (Born: April 16, 1952)

(Name on Official Family Registry: Emiko Yamamoto)

Number of the Company's shares owned: 0 shares

Candidate for Reappointment

Candidate for Outside Director

Candidate for Independent Officer



• Career summary, positions, assignments, and important posts concurrently held

April 2019	Director, AXA Holdings Japan Co., Ltd (currently in office) Vice President, J. F. Oberlin University (currently in office)
March 2016	Director, AXA Life Insurance Co., Ltd.
October 2014	Member, Science Council of Japan (currently in office)
June 2014	Outside Director, Hitachi Transport System, Ltd. (currently in office)
December 2007	Public member, Tokyo Metropolitan Government Labor Relations Commission
October 2007	Visiting Professor, University of Tsukuba
March 2003	President, Transcultural Management Society (currently in office)
April 2002	Professor, College of Business Management and Graduate School of Business Administration, J. F. Oberlin University (currently in office)
April 2001	Professor, Faculty of Modern Culture, Tokyo Junshin Women's College
April 1996	Assistant Professor, Faculty of Modern Culture, Tokyo Junshin Women's College
April 1991	Common Instructor, Faculty of Foreign Studies, Sophia University
December 1989	Representative Director, Interlink Inc.

【Reason for the appointment of the candidate for Outside Director】

Ms. Emiko Magoshi is a scholar in the field of business administration and well versed in international management. She has also served as a public member of the Tokyo Metropolitan Government Labor Relations Commission. The Company determines that her knowledge and experience will contribute to the management of the Company. Therefore, the Company appoints her as a candidate for Outside Director again on this occasion.

【Special interest between the candidate and the Company】

No special interest exists between the Company and Ms. Emiko Magoshi.

【Independence of Outside Directors】

Since Ms. Emiko Magoshi fulfills the “Criteria for Independence of Outside Directors” prescribed by the Company, the Company has determined that she has sufficient independence and is unlikely

to involve any conflict of interest with general shareholders of the Company. The Company has registered Ms. Magoshi as an independent officer as stipulated in the relevant rules of the Tokyo Stock Exchange.

【Limitation of liability agreement】

The Company has entered into a limitation of liability agreement with Ms. Emiko Magoshi to limit her liability referred to in Article 423(1) of the Companies Act of Japan for damages that may be suffered by the Company as a result of her neglect of duty. This arrangement is intended to encourage Ms. Magoshi to fully exercise her roles as an Outside Director. The upper limit of liability under this agreement is equal to the minimum amount permitted under applicable laws of Japan. If the appointment of Ms. Magoshi as Outside Director is approved, the Company will renew the limitation of liability agreement with her.

【Tenure as director】

The tenure of Ms. Emiko Magoshi as director will reach five years upon conclusion of this General Meeting of Shareholders.

【Number of Board of Directors meetings that the candidate attended during his/her tenure】

14/14

6. Hiroshi Maruta (Born: August 19, 1953)

Number of the Company's shares owned: 0 shares

Candidate for Reappointment

Candidate for Outside Director



• Career summary, positions, assignments, and important posts concurrently held

June 2015	Outside Director, Hitachi Transport System, Ltd. (currently in office)
April 2014	Group CFO, Infrastructure Systems Group, Hitachi, Ltd.
April 2013	General Manager, Finance Group, Infrastructure Systems Company, Hitachi, Ltd.
June 2012	Representative Director, Senior Vice President and Executive Officer, Hitachi Plant Technologies, Ltd.
April 2012	Director, Senior Vice President and Executive Officer in charge of Management Strategy, Group Strategy, Finance and Hitachi Smart Transformation Project, Hitachi Plant Technologies, Ltd.
April 2011	Director, Vice President and Executive Officer in charge of Management Strategy, Group Strategy and Finance, Hitachi Plant Technologies, Ltd.
October 2009	General Manager, Finance Division, Hitachi Plant Technologies, Ltd.
October 2004	Executive Vice President and Chief Financial Officer, Hitachi America, Ltd.
June 2004	Senior Vice President and Chief Financial Officer, Hitachi America, Ltd.
August 1999	President & CEO, Hitachi Investment Management, Ltd.
April 1999	Deputy General Manager, Finance Department, Hitachi, Ltd.
April 1978	Hitachi, Ltd.

【Reason for the appointment of the candidate for Outside Director】

Mr. Hiroshi Maruta has deep insights in the field of finance and accounting and has extensive experience working overseas. The Company determines that his knowledge and experience will contribute to the management of the Company. Therefore, the Company appoints him as a candidate for Outside Director again on this occasion.

【Special interest between the candidate and the Company】

No special interest exists between the Company and Mr. Hiroshi Maruta.

【Relations between the candidate and a specified related business operator】

Mr. Hiroshi Maruta has served as executive officer of Hitachi, Ltd. before, which is a specified related business operator of the Company.

【Limitation of liability agreement】

The Company has entered into a limitation of liability agreement with Mr. Hiroshi Maruta to limit

his liability referred to in Article 423(1) of the Companies Act of Japan for damages that may be suffered by the Company as a result of his neglect of duty. This arrangement is intended to encourage Mr. Maruta to fully exercise his roles as an Outside Director. The upper limit of liability under this agreement is equal to the minimum amount permitted under applicable laws of Japan. If the appointment of Mr. Maruta as Outside Director is approved, the Company will renew the limitation of liability agreement with him.

【Tenure as director】

The tenure of Mr. Hiroshi Maruta as director will reach four years upon conclusion of this General Meeting of Shareholders.

【Number of Board of Directors meetings that the candidate attended during his/her tenure】

14/14

7. Takashi Jinguji (Born: October 13, 1955)

Number of the Company's shares owned: 3,000 shares

Candidate for Reappointment



• Career summary, positions, assignments, and important posts concurrently held

April 2019	Representative Executive Officer, Vice President and Chief Executive Officer and Director , Hitachi Transport System, Ltd. (currently in office)
December 2018	Director, AIT Corporation (currently in office)
June 2016	Director, Hitachi Transport System, Ltd.
April 2016	General Manager, Global Business Management Office, Hitachi Transport System, Ltd.
June 2015	President, VANTEC HTS FORWARDING, LTD (currently in office)
April 2014	General Manager, Global Corporate Strategy Office, Hitachi Transport System, Ltd.
April 2013	Senior Vice President and Executive Officer, Hitachi Transport System, Ltd. (currently in office)
April 2011	Vice President and Executive Officer, Hitachi Transport System, Ltd.
April 2008	Executive Officer (Chief Executive for Asia), Hitachi Transport System, Ltd. President, Hitachi Transport System (Asia) Pte. Ltd.
April 2006	Deputy General Manager, First Metropolitan Area Headquarters, Hitachi Transport System, Ltd.
February 2001	General Manager, General Affairs Department, First Metropolitan Area Headquarters, Hitachi Transport System, Ltd.
April 1979	Hitachi Transport System, Ltd.

【Reason for the appointment of the candidate for Director】

Since joining the Company, Mr. Takashi Jinguji has been engaged in a variety of operations including personnel management, labor management, marketing, business strategy, and operations outside Japan. At present, he serves Representative Executive Officer, Vice President and Chief Executive Officer and Director. The Company has determined that his wide-ranging business experience and knowledge makes him qualified as a director who can contribute to the enhancement of the Company's value. Therefore, the Company appoints Mr. Jinguji as a candidate for Director again on this occasion.

【Special interest between the candidate and the Company】

No special interest exists between the Company and Mr. Takashi Jinguji.

【Tenure as director】

The tenure of Mr. Takashi Jinguji as director will reach three years upon conclusion of this General Meeting of Shareholders.

【Number of Board of Directors meetings that the candidate attended during his/her tenure】

14/14

8. Yasuo Nakatani (Born: November 12, 1955)

Number of the Company's shares owned: 6,000 shares

Candidate for Reappointment



• Career summary, positions, assignments, and important posts concurrently held

June 2013	Representative Executive Officer, President and Chief Executive Officer and Director, Hitachi Transport System, Ltd. (currently in office)
April 2013	Representative Executive Officer, Executive Vice President, Hitachi Transport System, Ltd.
July 2012	Deputy General Manager, UC Project Department, Hitachi Transport System, Ltd.
April 2012	Senior Vice President and Executive Officer, General Manager of Global Corporate Strategy Office and General Manager of AEO & Corporate Export Regulation Office, Hitachi Transport System, Ltd.
April 2010	Vice President and Executive Officer, Hitachi Transport System, Ltd.
April 2008	Chief Executive for North America, Hitachi Transport System, Ltd. President, Hitachi Transport System (America), Ltd.
April 2007	General Manager of Global Business Office and Deputy General Manager of Global Sales Development Headquarters, Hitachi Transport System, Ltd.
April 2006	Executive Officer, General Manager of International Sales Headquarters, Hitachi Transport System, Ltd.
April 2005	Deputy General Manager, International Sales Headquarters, Hitachi Transport System, Ltd.
October 2004	General Manager, 1st Sales Division, International Sales Headquarters, Hitachi Transport System, Ltd.
October 2003	General Manager, 2nd Sales Division, International Sales Headquarters, Hitachi Transport System, Ltd.
February 1999	International Sales Headquarters, Hitachi Transport System, Ltd. (dispatched from Hitachi Transport System (America), Ltd.)
April 1978	Hitachi Transport System, Ltd.

【Reason for the appointment of the candidate for Director】

Since his assumption of office as Representative Executive Officer, President and Chief Executive Officer and Director of the Company in June 2013, Mr. Yasuo Nakatani has been exercising strong leadership to enhance the Company's value. In light of his proven track record of successfully improving the Company's performance, the Company has determined that Mr. Nakatani has the

competence to promote the Company's global management and ensure ongoing enhancement of its corporate value. The Company therefore appoints Mr. Nakatani as a candidate for Director again on this occasion.

【Special interest between the candidate and the Company】

No special interest exists between the Company and Mr. Yasuo Nakatani.

【Tenure as director】

The tenure of Mr. Yasuo Nakatani as director will reach six years upon conclusion of this General Meeting of Shareholders.

【Number of Board of Directors meetings that the candidate attended during his/her tenure】

14/14

[Reference] Judgment Criteria for Independence of Independent Outside Officers

Outside directors to whom none of the undermentioned standards applied will be appointed as independent officer without the possibility of any conflict of interest with general shareholders.

- (1) A director, auditor, accounting advisor, executive officer, corporate officer or manager and any other person equivalent thereto of a corporation or organization that holds 10% or more of the outstanding shares of the Company, either directly or indirectly, as of the end of the previous fiscal year (collectively, “Related Party”), or those who had been a Related Party in the last five years
- (2) A Related Party of subsidiaries of corporation or organization described in (1)
- (3) A Related Party of a corporation or organization where 10% or more of its outstanding shares are owned, either directly or indirectly, by the Company as of the end of the previous fiscal year
- (4) A Related Party of a company whose transaction volume with the Company accounts for 2% or more of the Company’s consolidated service revenues for the previous fiscal year, or those who had been a Related Party in the last five years of such company
- (5) A Related Party of a business partner that receives payments from the Company and its consolidated subsidiaries that account for 2% or more of such company’s consolidated service revenues for the previous fiscal year, or those who had been a Related Party in the last five years of such business party
- (6) A Related Party of a financial institution from which the Company borrows the amount that accounts for 2% or more of the Company’s consolidated total assets, or those who had been a Related Party in the last five years of such financial institution
- (7) A consultant, or accounting or legal professional who receives cash or other economic benefits equal to 10 million yen or more per year (average annual amount if the payment covers multiple fiscal years) in the last five years in addition to Director’s compensation from the Company
- (8) A person who received donation or financial assistance equal to 10 million yen or more per year from the Company during the previous fiscal year, or those who belong to the recipient organization
- (9) A Related Party of a company that accepts director (s) or auditor (s) from the Company or its consolidated subsidiaries, or its parent company or consolidated subsidiaries
- (10) Spouses or relatives by blood or affinity within the second degree of kinship of those described in (1) through (9) (excluding those who are not in an important position such as officer)
- (11) Spouses or relatives by blood or affinity within the second degree of kinship of an executive director, executive officer, corporate officer, or manager or employees of the Company or its consolidated subsidiaries (“Executive”), or those who had been an Executive in the last ten years, and a Related Party of the Company or its consolidated subsidiaries

End