

July 9, 2019 Katolec Corporation Logistics Business Division

Notice-Construction of new distribution center in Vietnam

Our company is constructing a new distribution center to expand its logistics business in Vietnam.

The preceding construction, we established "KATOLEC GLOBAL LOGISTICS VIETNAM CO., LTD." a new global logistics company in Vietnam in January 2019.

A ground-breaking ceremony was held at the Dong Van III Industrial Zone in Ha Nam Province, the site of the construction, in accordance with local religious ceremonies at the end of last month.

We prayed for the safety of the construction and the safe completion of the distribution center. It is scheduled to start operations in March 2020.

It will be the 3rd distribution base following Thailand in 2011 and Hong Kong in 2013 in the global logistics business.

We will support our customers' business strategies by enhancing logistics services linking Japan and the three ASEAN countries and by further expanding our global logistics business.

<Responding to diverse logistics needs>

The Dong Van III Industrial Zone is a government-certified industrial zone exclusively for Japanese companies.

It is conveniently located between the main transportation network in the north and Hai Phong.

Currently, there are supporting industries and high-technology product manufacturers that manufacture various pieces, parts and materials, and there is a growing need for distribution centers (DC).

A demand is also rising for warehouses for hazardous materials that comply with standards for handling inflammable liquids used as raw materials for products.

Our company will respond to these needs in a meticulous manner with Japanese logistics quality.

<From Manufacturing to Logistics - Realization of Logitronics ->

Our company's electronics business entered Vietnam in 2005 first.

We provide electronic equipment manufacturing consignment services (EMS: Electronics Manufacturing Service) mainly to Japanese companies operating in Vietnam at its own plant in the Quang Minh Industrial Zone in Hanoi.

We also procure parts and assemble finished products, primarily for electronic equipment on mounting substrate.

It takes about an hour by car from the new distribution center and is easily accessible.

Taking advantage of the management accuracy we have cultivated in the electronics business, we will improve the overall efficiency of our logistics operations to realize optimal and smooth logistics.



[Outline of distribution center]

Location	Lot CN07, Dong Van III Industrial Zone, Hoang Dong Commune, Duy Tien District, Ha Nam Province, VIETNAM
Structure	1-story steel-framed building (semi-fireproof construction)
Site area	37,689 m ²
Floor area	11,772 m ²
	• Office : 260 m ²
	• Ordinary Warehouse : 10,257 m ²
	Dangerous object warehouse : 1,025.m ²
Purpose	Ordinary warehouse/Dangerous object warehouse
Equipment	Truck berth for Sea Container : 11
Schedule	June,2019 Construction start
	Feb,2020 Construction Completion
	Mar,2020 Operation start

[Outline of new company]

Company	KATOLEC GLOBAL LOGISTICS VIETNAM CO., LTD.
name	
Address	Lot CN07, Dong Van III Industrial Zone, Hoang Dong Commune, Duy Tien
	District, Ha Nam Province, VIETNAM
Establishment	Jan,28.2019
President	Mr. Takashi Takae
Capital	68,178,000,000VND
Business	Warehousing business, distribution processing business such as inspection and
profile	assembly business, transportation and delivery arrangement, import and export
	customs arrangement, in-house logistics contracted business.
Employees	30 employees (schedule)

Contact info

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