

Future Supply Chain and Nippon Express Strategic Partnership Aspires To Be India’s Leading Logistics Player

**Sign A Business Collaboration Agreement To Generate Synergies
Nippon Express Has Received All Requisite Approvals To Acquire 22% Stake in FSC**

December 11, 2019, Mumbai: Nippon Express Co., Ltd. acting through its subsidiary Nippon Express (South Asia & Oceania) Pte. Ltd. (**Nippon Express**) and Future Supply Chain Solutions Limited (**FSC**) have signed a Business Collaboration Agreement (**BCA**) to jointly explore growth opportunities for new and existing customers based on their strategic partnership and business collaboration and expand revenues for both the companies. The two companies will jointly start the business collaboration from January 2020.

The partnership will jointly leverage Nippon Express’ competency in diverse sectors for the Indian market aspiring to become India’s leading logistics player. FSC will demonstrate its 3PL and express logistics operations, attracting potential new business opportunities from Nippon Express’ existing Japanese and MNC clients. Both the companies have agreed to formalize a steering committee and Nippon Express will depute its representatives to operate alongside FSC’s management.

Nippon Express and FSC aim to pursue three business strategies through this collaboration.

1. Offer FSC’s integrated and high quality service offering to Japanese and other foreign customers of Nippon Express who are currently doing business in India or are planning to penetrate into Indian market in near future.
2. Offer Nippon Express’ global logistics services to Indian customers via FSC.
3. Increase FSC’s operational efficiencies through introduction of latest / global technologies and process improvements / Kaizen activity.

Commenting on the strategic partnership, **Mr. Satoshi Horikiri, Senior Managing Executive Officer, and Chief Managing Officer of International Business Headquarters at Nippon Express** said *“I am very happy to announce that Future Supply Chain Solutions and Nippon Express have both signed a business collaboration agreement. This partnership will form an important part of our long-term vision of becoming a logistics company with a strong presence in global market through dynamic growth. To be specific, we hope to increase our sales outside Japan from our current sales of US\$ 4 billion to US\$ 12 billion by 2028 and become a proud world-class logistics company.”*

Commenting on the transaction, **Mr. Mayur Toshniwal, Managing Director at FSC** said *“I am pleased to share that Nippon Express has joined the FSC family as a strategic partner. Together we will provide a best in class supply chain service offering to our customers in India, given our complementary skill sets and domain expertise. We are excited about the business expansion potential and revenue synergies from this partnership and remain committed to deliver significant value to our stakeholders in the long term.”*

Nippon Express and FSC have received all necessary approvals with respect to Nippon Express’ acquisition of 22% stake in FSC, announced on September 20, 2019. This includes approval from the Competition Commission of India, FSC shareholders, BSE Limited and the National Stock Exchange of India Limited.

About Future Supply Chain Solutions Limited

Future Supply Chain Solutions Limited is a public company domiciled in India and incorporated on March 8, 2006. The equity shares of FSC were listed on BSE Limited and the National Stock Exchange of India Limited on December 18, 2017. FSC is a leading third-party logistics service operator in India and covers the entire gamut of supply chain services across logistics value chain including smart warehousing, an efficient transportation and distribution system and temperature controlled logistics. FSC operates a pan-India distribution network, offers integrated warehouse management systems with highly automated state-of-the-art technology systems, and hub and spoke transportation model that enable innovative service offerings to the customers in an optimized and cost efficient manner. It caters to corporates in diverse sectors. As of September 30, 2019, FSC operations are run through 90 distribution centers across India, covering approximately 8.33 million sq. ft. of warehouse space. Its hub-and-spoke distribution model comprises 13 hubs and 132 branches across India.

About Nippon Express

Nippon Express is one of the world's leading logistics companies with excellent land - sea - air service comprehensive strengths, and has 711 bases in 308 cities in 48 countries. It is expanding the storage and transport of goods worldwide. Nippon Express also aims to reduce the environmental impact of transportation and CO2 emissions through the use of technologies, intermodal transportation, and joint delivery. It is also designated as a designated public institution under the Basic Law on Disaster Management, and transports support supplies in the event of a disaster. Nippon Express was established in 1937 and has 71,525 employees, with consolidated annual sales about US\$20 billion. The warehouse operates approximately 10 million square meters, the number one in Japan, and approximately 3050,000 square meters overseas. (As of March 31, 2019) Nippon Express provides one-stop logistics solutions as a consultant linking people and businesses across national and regional boundaries.

Forward Looking Statements

This report contains forward looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates', or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures, and financial results are forward looking statements. Forward looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent developments, information or events.

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