

Dear Sir and Madam

November 4, 2015

Nankai Tsu-un Corporation

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## 【The Second】

# Start Multimodal Transportation from Myanmar to Japan via Bangkok by Truck + Sea

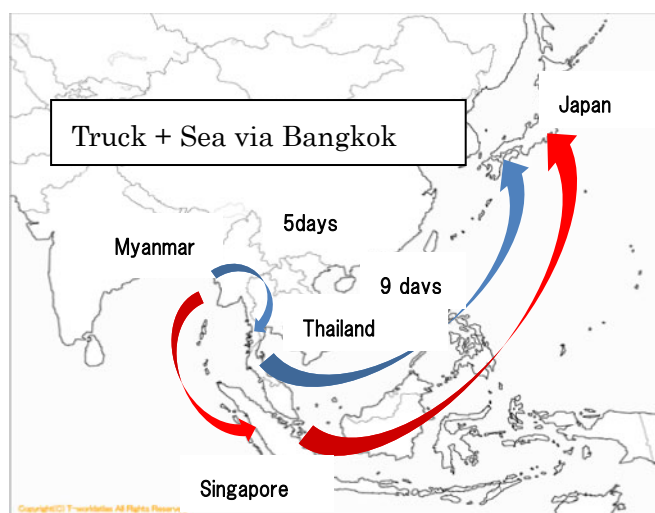
～Round use of border transportation between Myanmar and Thailand makes shorten the delivery date about 2 to 3 weeks at most～

Nankai Tsu-un Corporation(Head office: Izumiotsu-shi, Osaka/Subsidiary office: Latkrabang, Bangkok) announce as the Second of Myanmar-Thailand border transportation that we started the transportation routed from Myanmar factory to Bangkok by truck and from Bangkok port to Japan main port by sea from Nov., 2015.

### ■Myanmar ～ Japan border transportation by truck makes 1 week delivery date shortening

Import by LTL border transportation from Thailand (Bangkok) to Myanmar (Yangon) announced on April, 2015 is growing the volume and customers so far. In addition, we had the request from consignees (especially from garment field) to handle the transportation from Myanmar to Japan via Bangkok by truck + sea for the delivery date shortening.

<Truck + Sea via Bangkok and sea via Singapore>



To reply the request, Truck + Sea via Bangkok (FCL) route which delivered Myanmar to Bangkok by truck and Bangkok to Japan main port by sea under about two weeks (13 to 16 days) was established. This is shortening about one week than normal sea shipment from Yangon to Japan main port transshipped in Singapore or Port Kelang.

Using our border transportation, delivery date will be shortening about 10 days for sending raw material from Thailand and about one week for sending completed

goods from Myanmar to Japan under comparing the delivery as door to door. In total, it will be

about 2 to 3 weeks shortening of delivery date. As the result, our service will be expected the product ordered to Myanmar increased and be considered to contribute the promotion of business between Thailand and Myanmar.

#### ■Availability of GSP(Form A) and Japan-ASEAN EPA(Form AJ)

To import Myanmar product to Japan, importer can have import duty preferential treatment like GSP (Form A) and Japan-ASEAN EPA (Form AJ). Using border transportation from Myanmar to Japan via Bangkok (through the third country), we were not certain that importer could enjoy duty preferential treatment or not first. However by checking customs and doing the trial, we proved our service without any problem for importer to enjoy duty preferential treatment.

#### ■Bypass in mountain area is now opened and more convenience

About 40 km of off road from Myanmar bonded town (Myawaddy) to Kawkareik was one of disadvantage for bonded transportation, but bypass was opened on the end of August, 2015 and decreased a risk a lot. Mutual traffic is now possible and it takes only about 40 minutes which used to take 4 hours for off road. This makes more safety and convenient. This route is now attractive attention as the third transportation to avoid port congestion both sea and air.



<Bypass opened on Aug., 2015 to avoid off road>

#### ■Prospect in the future

It is not allowed the inter-connected of Myanmar truck and Thailand truck, so it is charged for the truck unload and load at Myawaddy and also charged to load to a container at Bangkok. For these transactions, it costs more than shipping by sea from Yangon to Japan by a container. On the other hands, it has the advantage of delivery shortening and clear cargo trace. For the future aspect, inter-connected truck between Myanmar and Bangkok is expected to save the cost, but also we pursue increasing the usage of both ways by our effort, more stable, better cost performance, and convenience.