



Quarterly Report  
January - March 2004



## Key figures January 1 - March 31, 2004

(in accordance with US GAAP)

in € '000	2004	2003 <sup>1</sup>	Change
<b>Net sales</b>			
Specialized Sector Solutions	158,864	134,841	17.8 %
Air & Ocean	69,228	63,332	9.3 %
Regional Logistics Services	203,420	190,958	6.5 %
Other	379	489	-22.5 %
<b>Total</b>	<b>431,891</b>	<b>389,620</b>	<b>10.9 %</b>
<b>Segment results</b>			
Specialized Sector Solutions	6,683	3,845	73.8 %
Air & Ocean	511	(756)	N/A
Regional Logistics Services	3,491	2,534	37.8 %
Non-allocated results	(5,586)	(6,534)	14.5 %
<b>Operating Income (Ebit)</b>	<b>5,099</b>	<b>(911)</b>	<b>N/A</b>
<b>Net income (loss)</b>	<b>(937)</b>	<b>(12,892)</b>	<b>92.7 %</b>
<b>Earnings per share in €</b>	<b>(0.01)</b>	<b>(0.15)</b>	<b>N/A</b>
<b>Operating cash flow</b>	<b>18,084</b>	<b>8,906</b>	<b>103.1 %</b>
<b>Capital expenditures</b>	<b>5,731</b>	<b>12,782</b>	<b>-55.2 %</b>
<b>Depreciation and amortization</b>	<b>10,325</b>	<b>10,236</b>	<b>0.9 %</b>
<b>Share capital</b>	<b>107,187</b>	<b>107,187<sup>2</sup></b>	<b>-</b>
<b>Total shareholders' equity</b>	<b>276,683</b>	<b>279,753<sup>2</sup></b>	<b>-1.1 %</b>
<b>Number of employees</b>	<b>9,476</b>	<b>9,908<sup>3</sup></b>	<b>-4.4 %</b>

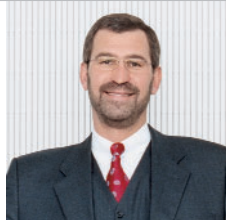
<sup>1</sup> Reclassification according to US GAAP SFAS 144 (discontinued operations)

<sup>2</sup> Comparison to December 31, 2003

<sup>3</sup> Comparison to December 31, 2003 (discontinued operations not included)

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from left to right:  
Dr. Klaus Eierhoff, CEO  
Martin Löffler, CFO  
Stefan Delacher, CMO

*Dear Shareholders*

Fiscal year 2004 was off to a good start for the Thiel Logistik Group. After a tough year of reorganization and restructuring in 2003, the focus of the first quarter of 2004 was on the continued consolidation of the Company. The new corporate structure is taking hold and numerous cross-selling projects have already been initiated that should introduce additional synergy effects to the Company. Intensified cooperation among the subsidiaries at domestic and international locations has led to a reduction of costs. This, in turn, has had a favorable effect on the operating income. On a comparable basis, Ebit increased from EUR -0.9 million to EUR 5.1 million. Earnings after taxes increased from EUR -12.9 million to EUR -0.9 million.

The competitive pressure in the logistics market gives Thiel Logistik an opportunity to enter into strategic alliances. We are therefore working on the joint use of transportation and warehousing resources with other logistics companies. Logistics processes are being improved for customers as a result and efficiency in handling these processes is increasing. Here, too, the first cooperative effort has already been initiated.

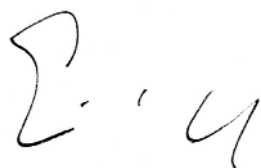
An important element in the divestment strategy established last year was the sale of the Ingolstadt public transport business in the first quarter from our subsidiary KVB/Südkraft to the former co-shareholder, the City of Ingolstadt, which acquired all of the shares in the company and a property in Ingolstadt effective January 1, 2004. After fulfilling standard criteria, earnings will be reported in the second quarter of 2004. A few days after the end of the first quarter, KVB/Südkraft also sold the public transport activities in the City of Munich, completing the separation from the public transport sector.

An important event for the Thiel Group in the first quarter was the preparation for and implementation of the capital increase. The trading of subscription rights started on March 11 and ended on April 13. It was highly successful for the Company since the shareholders converted 99.9 percent of the subscription rights. Two days later, the remaining subscription rights were sold at auction. The capital increase improved the Company's equity base. The equity ratio rises from 28 percent to 38 percent. At the same time, a major portion of the proceeds from the issue of about EUR 100 million will be used for the improvement of balance sheet ratios and to repay short-term liabilities.

We have high hopes for the eastward expansion of the European Union. Our regional logistics providers Quehenberger, Südkraft, and Delacher are already present with branch offices in the most important Eastern European countries. The increasing movement of goods with these countries should bring additional growth opportunities to the Company.

On the whole, we are confident about the future development of business. The figures from the first quarter demonstrate that we are on track to reach our targets for the year 2004. We are therefore confirming our projection calling for an increase in sales by at least 3 percent and Ebit of EUR 20 million.

Grevenmacher/Luxembourg, May 2004

A handwritten signature in black ink, appearing to read 'K. Eierhoff', written in a cursive style.

Dr. Klaus Eierhoff

CEO and Executive Member of the Board of Directors

### Performance of the Thiel Share

Despite a volatile capital market environment, the stock of Thiel Logistik AG was able to record a gain of 46.68 percent for the period from the first trading day in 2004 (January 2, 2004) to April 2, 2004:

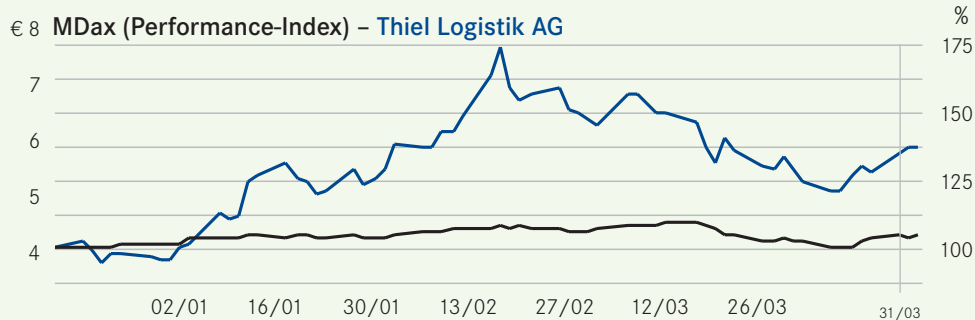
Opening price on January 2, 2004	EUR 4.02
High	EUR 7.45 on February 17, 2004
Low	EUR 3.98 on January 7, 2004
Closing price on March 31, 2004	EUR 5.84 (ex subscription rights)

During this period, 18.59 million shares in Thiel Logistik AG were traded, representing a volume of EUR 101.92 million. The average trading volume per day was EUR 1.57 million. In the same period, the MDax gained 7.81 percent.

Opening (MDax) on January 2, 2004	4,472.33 points
High	4,980.47 points on March 8, 2004
Low	4,523.53 points on March 22, 2004
Closing price on March 31, 2004	4,750.08 points

Source: Deutsche Börse & Onvista

In the months from January to early March, the revival of the economy projected for the year 2004 had a positive effect on stock prices in Europe. In this period, the German benchmark index Dax moved between 3,900 and 4,200 points. In the month of March 2004, however, the fear of additional terrorist attacks and the fact that economic indicators were weaker than expected in Germany led to a downward trend in stock prices.



### Capital Increase of Thiel Logistik AG

The most important capital market event for Thiel Logistik AG in the first quarter of 2004 was the launch of the announced capital increase.

Thiel Logistik AG had decided to expand the original scope of the capital increase to EUR 100 million because since the end of 2003 the capital market had noticeably responded to the successful restructuring of the Company with a better stock price. The newly defined volume of the capital increase was achieved in full since the primary shareholder

DELTON maintained its 50.26 percent stake after the capital increase; in addition, Deutsche Bank, which was appointed with the implementation of the capital increase and the subscription notice, guaranteed the placement of the remaining 49.74 percent of the shares under customary market conditions. Thus the Freefloat has not changed.

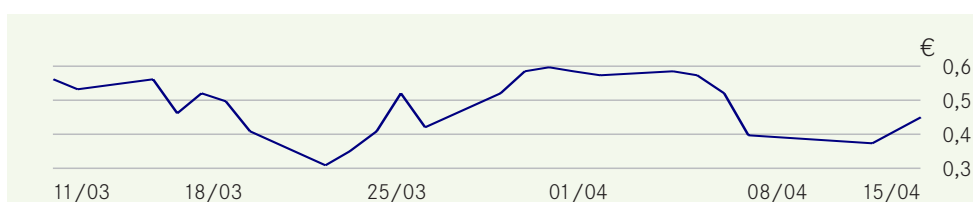
The capital increase issued by Thiel Logistik AG was a capital increase from authorized capital with subscription rights. At a ratio of 10:3 a total of 25,724,997 no par value shares with voting rights, each representing EUR 1.25 of the share capital with dividend rights for the fiscal year 2004 (January 1-December 31), were issued at a subscription price of EUR 3.90 per share. The capital increase brought Thiel Logistik AG proceeds of approximately EUR 100 million. This additional capital serves to strengthen the equity base and reduce short-term liabilities to banks.

Share capital before capital increase	EUR 107,187,487.50
Share capital after capital increase	EUR 139,343,733.75
Number of shares before capital increase	85,749,990 shares
Number of shares after capital increase	111,474,987 shares

The subscription period for the new Thiel Logistik shares started on March 11, 2004 and ended on April 13, 2004. Just under 90,000 subscription rights that were not exercised during the subscription period were sold at a price of EUR 0.45 each on April 15, 2004 in a public auction on the Luxembourg Stock Exchange. Shareholders and purchasers of subscription rights were able to freely dispose of the new Thiel Logistik shares at the end of the subscription period after April 22, 2004.

#### Development of Subscription Rights from March 11, 2004 - April 15, 2004

In conjunction with the capital increase, subscription rights trading was opened on March 11, 2004 and lasted until April 13, 2004.



Opening price on March 11, 2004	EUR 0.55
High	EUR 0.58 on March 31, 2004
Low	EUR 0.32 on March 22, 2004

Source: Deutsche Börse

Despite the volatile capital market environment in Europe – two German companies canceled their planned IPOs on the Frankfurt Stock Exchange – the price for subscription rights in Thiel Logistik AG developed very steadily.

**The equity holdings of the members of the Board of Directors and Executive Board as of March 31, 2004 have not changed (Annual Report 2003, page 21).**

## **ECONOMIC DEVELOPMENTS: RESTRAINED OPTIMISM**

After the economy began to improve in the fourth quarter of 2003, the German economy continued its recovery in the first quarter of 2004 at a restrained rate. While the German gross domestic product grew by 0.2 percent in the fourth quarter of 2003, the growth rate in the first three months of 2004 was estimated to have been around 0.25 percent. (Source: Deutsche Bundesbank). The ifo business climate index fell in March, and with it another of the most important early indicators of the disposition of the German economy. In the quarter under review, positive stimuli came almost exclusively from foreign trade. The reluctance of companies to make investments is dampening economic recovery. In contrast, economic growth in the euro zone has picked up since the beginning of the year – even though it may be slower than in regions such as the USA, China, and Japan. Experts expect economic growth to reach 1.7 percent in the euro zone this year and 1.5 percent in Germany (Source: Arbeitsgemeinschaft deutscher wirtschaftswissenschaftlicher Forschungsinstitute).

In the quarter under review, the logistics market was dominated by high price pressure accompanied by rising customer requirements. Despite the increasingly complex expectations of logistics services, capital spending stagnated (Source: SCI-Logistikbarometer). But the trend towards outsourcing services continues. For the current fiscal year, the outlook in the logistics business is one of restrained optimism, even though the uncertainty about the introduction of a German truck toll system is making price negotiations more difficult.

Above all larger logistics service providers are expecting sales to grow due to the eastward expansion of the EU. On the other hand, cost pressure in the transportation business is expected to intensify as a result of a drop in prices. Thiel Logistik is already well positioned in the EU accession countries and has subsidiaries with facilities in Poland, Slovakia, Slovenia, the Czech Republic, and Hungary.

### **The Company at a Glance**

In connection with the continued consolidation of the Company, several projects were initiated in the first quarter that among other things are geared at identifying cross-selling potentials and reducing the number of empty trips within the Group. The expansion of the cooperation among domestic and international subsidiaries was continued in the quarter under review. Examples include the shared use of infrastructures such as offices and warehouse space as well as Group-wide purchasing of products and services from IT to vehicles and office supplies. In addition, the market affords Thiel Logistik an opportunity to enter into partnerships with other logistics companies. The shared use of transportation and warehousing resources is meant to improve logistics processes and increase the efficiency of handling these processes.

### **Expansion of CRM Project**

Building on the new corporate structure, the project CRM@Thiel was expanded to include all areas of the Company in the first quarter. CRM@Thiel is a project for the implementation of customer relationship management requirements that Thiel Logistik

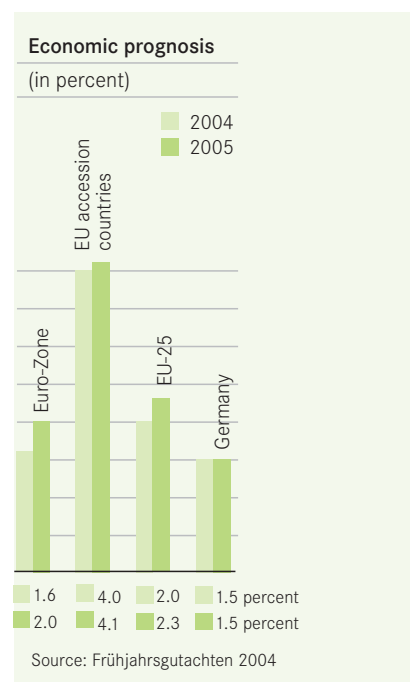
is pursuing with the following goals and measures:

- Support of subsidiaries through corporate marketing for areas such as sales campaigns, tender management, and cross selling. The sales topics are currently being processed decentrally but are coordinated centrally.
- Support of all sales activities in the Group through a centrally operated software system that is steadily adapted to Company requirements and the conditions of the market. This CRM system optimizes marketing, sales, and customer support efforts on a local level. The successes of the strategies are monitored on a regular basis; measures can be modified at any time.
- In addition, the system represents the central platform for the utilization of Group-wide potentials. Local competitive advantages of the subsidiaries can be supplemented with transregional opportunities for internationally established companies. The local offerings of the Thiel subsidiaries, their sometimes specialized customer solutions, and their exclusive positioning characteristics have high cross selling potentials. An important aspect is the “One face to the customer” principle, i.e. the customer has a single contact in the Thiel Group for all needs that are fulfilled by various Thiel companies.

The CRM project was developed with the most important units in the Company and has already been implemented. The project is currently being expanded to include the other Thiel companies. The project will be completed with a software update at the turn of the year 2004/2005.

Beyond the projects described above, the divestment strategy was nearly completed in the first quarter with the sale of the public transport system in Ingolstadt. The former co-shareholder, Verkehrsgesellschaft der Stadt Ingolstadt, acquired all of the shares of the company from the Thiel subsidiary Südkraft with retroactive effect as of January 1, 2004 as well as a property in Ingolstadt. The business segments sold include the rapid transit system for Ingolstadt including the former KVB subsidiary IN-BUS and the Airport-Express bus offering connections between Ingolstadt and Munich Airport. Eighty-two buses were sold along with the companies. Due to the usual contractual conditions associated with this sale, it will not affect earnings until the second quarter, however.

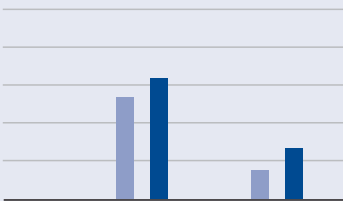
On a corporate level, the positive trend in the development of business continued. Sales of the Thiel Group rose from EUR 389.6 million to EUR 431.9 million in the first quarter. The inclusion of Overbruck, a company not consolidated in the prior year quarter, was one of the primary reasons for the increase. Thiel Logistik also improved its gross margin from 6.7 percent to 7.5 percent. In the prior quarter, the Company had reached a value of 7.3 percent. Calculated on a comparable basis, Ebit rose from EUR -0.9 million in Q1 2003 to EUR 5.1 million in Q1 2004.



**Segment result**

(in Mio. €)

	Sales	Result
2003	134.8	3.8
2004	158.9	6.7



**INDUSTRY SOLUTIONS**

Thiel offers industry solutions to provide customers with logistics services that are optimally tailored to their needs. The Thiel Group focuses on the four core business segments Automotive, Fashion & Lifestyle, Media and Furniture as well as the potential business unit Freshnet (food and restaurant chains). The Industry Solutions business segment achieved an improvement in sales from EUR 134.8 million to EUR 158.9 million in the first quarter. The addition of Overbruck, which had not been consolidated in the prior year quarter, had an effect in this regard. Segment result increased from EUR 3.8 million to EUR 6.7 million.

**Thiel Automotive**

The Automotive sector with its lead company Microlog provides selected manufacturers and suppliers with logistic services for procurement, production, and distribution processes. In the first quarter, Automotive was still confronted with the difficult market conditions facing the industry. This led to a decline in new business for the segment on the whole. In addition, planned projects had to be postponed and the budgeted sales could not be realized as a consequence. Other new business projects, in turn, had to be delayed before they were started. At the same time, there were volume reductions in existing business. In some unit companies, the loss in sales was nearly compensated with cost savings. Nonetheless, the Automotive sector did not achieve the projected targets for sales and earnings in the first quarter. Its sales totaled EUR 52.7 million in the first three months of 2004 (prior year quarter: EUR 56.5 million).

Management still expects that the tendency towards outsourcing in the Automotive sector will continue due to rising competition and price pressure. Demand for logistics services should therefore rise again as well.

**Thiel Fashion & Lifestyle**

The Fashion & Lifestyle sector continued its positive development in the first quarter thanks to the acquisition of several new customers. But sales will not be affected until a few months from now. At the same time, small, unprofitable customers were replaced with larger ones. In the first quarter, sales remained constant at EUR 61 million. The opening of the branch office in Valencia in February had a favorable effect on the sector's development on the whole.

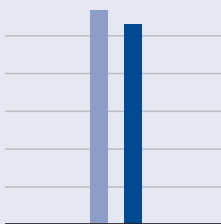
The trend in the change of the product mix is stronger than expected, however. The percentage of shelf goods is continuing to rise while the percentage of hanging garments is falling. Since the margins for shelf goods are lower than for hanging garments, this development has had a negative impact on earnings. Since earnings developed better than projected on the whole, however, it was possible to partly compensate for this trend.

In the first quarter, Fashion & Lifestyle started an important customer project with the Charles Vögele fashion company. As a 4PL/LLP (lead logistic provider) service provider, the sector supports the Company in the management of the entire logistics chain, from quality control in production to shipping, processing, and warehousing to delivery to retailers' shelves. Fourth-party logistics providers or 4PLs are logistics companies that in-



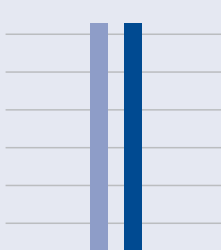
Sales (in Mio. €)

2003	56.5
2004	52.7



Sales (in Mio. €)

2003	61
2004	61



tegrate all companies involved along the logistics chain. In the case of Charles Vögele, the entire value chain is subject to a precise review using specially developed software. Fashion & Lifestyle uses the results obtained in the process to optimize its customers' flows of data and goods and looks for the best logistics service providers for the individual elements of the logistics chain.

### Thiel Media

Overbruck was not consolidated within Thiel Logistik in the prior year quarter. In the first quarter of 2004, Thiel Media's sales totaled EUR 29.5 million. Calculated on a comparable basis, the lead company Overbruck was able to keep its sales constant despite the difficult market environment in the press business. As a result of cost reductions, Thiel Media even improved its earnings slightly year-on-year.

In the contract logistics segment, Overbruck extended and expanded several service contracts with its customers. Beyond ramp services, they primarily concern services that are downstream from rotation, such as sorting mailings or shrink-wrapping products.

The subsidiary VerlagsService Eichberg received a new contract for mailings (circulars and letters) from EP Europost; it replaces the contract with Royal Mail that is nearing the end of its term. As part of this contract, EP Europost delivers material that Eichberg sorts for the individual delivery zones and transports to the customers through newspaper networks.

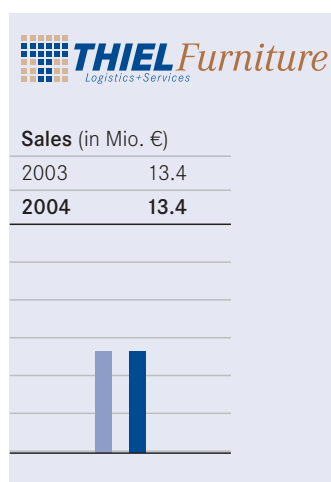
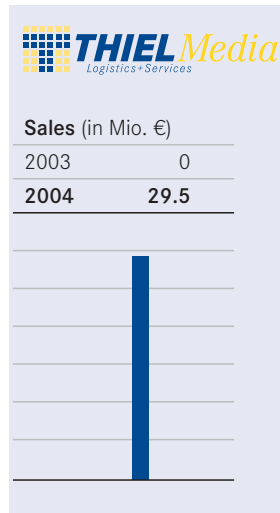
### Thiel Furniture

The furniture sector was still not able to recover from its crisis in the quarter under review. This development was felt at Thiel Furniture as well. Nonetheless, sales were maintained at the same level as in the prior year quarter. Thiel Furniture, which consists of six operating companies in Germany and Poland, generated unchanged sales of EUR 13.4 million in the first quarter of 2004. Earnings also remained stable in comparison with the prior year quarter.

The largest customer for Thiel Furniture is the Schieder-Möbel Group. It simultaneously holds an interest in the business units lead company, LOG. In the first quarter of 2004, Thiel Furniture was able to gain notable new customers. Among them are Euro Diffusion, Kerkhoff International, Luxima, and Black Red White. Thiel Furniture organizes all or part of the furniture distribution supply chain for these companies. Sales from these new customers will not be realized for several months yet.

With the aid of the worldwide network of the Thiel Group, Thiel Furniture offers logistics services for the entire supply chain of the furniture industry and is able to create cost synergies as a result. In Poland, for example, Thiel Furniture organizes the furniture logistics for several Polish importers from the product plant to inventory turnover and end customer delivery. The success of this concept led to the initiation of a similar project this past March in Malaysia.

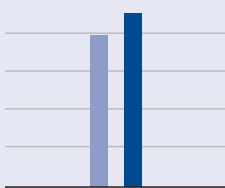
Bundling logistics tasks from a single source not only makes it possible to utilize cost





Sales (in Mio. €)

2003	2.0
<b>2004</b>	<b>2.3</b>



advantages, but also improves the quality of the logistics services. By reducing inventory turnover – ideally, the furniture stock is turned over only once – the risk of damage is also reduced. In order to accomplish this goal, Thiel Furniture will open a new furniture distribution center in Germany in May 2004 with 22 loading and unloading ramps and 25,000 square meters of space.

**Thiel Freshnet**

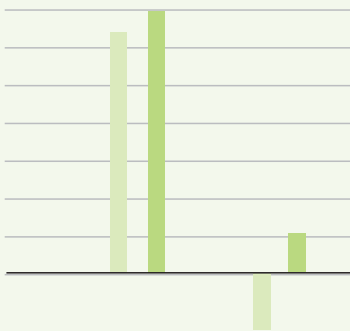
Freshnet, which specializes in services for the food industry and restaurant chains, still faces a stagnating market. But the concentration on restaurant chains has had a positive effect for Freshnet. Above all thanks to the organic growth achieved with the major customer Burger King, both in terms of square footage and in the number of stores, Freshnet achieved growth in sales from EUR 2 million to EUR 2.3 million in the first quarter. The logistics services offered by Thiel Freshnet range from transporting foods and other goods to stores to coordinating logistics processes and handling financial services for its customers.

**AIR & OCEAN**

Air & Ocean comprises the air and sea transportation activities of the Thiel Logistik Group and supports the services of the two other segments Industry Solutions and Regional Logistics Services. The services offered are above all designed for medium-sized companies. The segment is controlled by the lead company Birkart Globistics. The liberalization of world trade, the increasingly international division of labor, and the growing global integration of economies open up additional opportunities for growth.

**Segment result**  
(in Mio. €)

	Sales	Result
2003	63.3	-0.76
<b>2004</b>	<b>69.2</b>	<b>0.51</b>



The Air & Ocean segment reinforced the positive development of its business in the first quarter. This applies to both sales and earnings. The basis for the growth was the expansion of business with major existing customers (Woolworth, Autoliv, and Samsung) and the acquisition of several new customers (Ziener, Bernhardt, and Discovery) in Germany and other countries.

The business segment Air & Ocean achieved sales of EUR 69.2 million in the first quarter of 2004 after EUR 63.3 million in the same period in 2003. The significant increase had a positive effect on the business segment's result. After a loss of EUR 0.76 million, the business segment managed to generate a result of EUR 0.51 million.

The business segment and its lead company Birkart Globistics are thus fully on track with the targets for the year. On the whole, business in Germany developed very favorably in addition to the activities in other countries. The loss of margins in the sea freight business was compensated by the significant gain of new business and rising cargo rates. The air freight business continued its upwards trend from 2003.

## REGIONAL LOGISTICS SERVICES

Local roots and intensive customer relations that in part have been established in the course of many years are the characteristics of Quehenberger, Südkraft and Delacher, the lead companies for the Regional Logistics Services business segment. The range spans from transportation services to contract logistics. The focus is on Central and Eastern Europe. The segment profits from the continuing trend towards outsourcing logistics functions. In the first quarter of 2004, the Thiel Group recorded sales of EUR 203.4 million in this business segment, which was significantly higher than the EUR 191 million achieved in the prior year quarter. Business segment's result improved from EUR 2.5 million to EUR 3.5 million.

### Quehenberger

Quehenberger Logistikgruppe in Austria recorded a pleasing development in sales and earnings in the first quarter. About half of the increase in sales by more than 11 percent was due to the introduction of truck tolls in Austria at the beginning of the year. On the whole, the steps towards expansion made in the previous year and newly gained projects were responsible for this rise in sales. New branches were established in Eastern Europe and the Austrian facilities in Fürnitz and Innsbruck were expanded.

Quehenberger's sales grew from a total of EUR 72.2 million to EUR 90 million in the first quarter. The development of earnings was very positive.

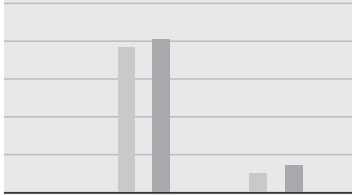
A tire warehouse was established in Traiskirchen in the first quarter. Quehenberger uses the facility to store used tires on rims for one of the largest car dealers in Austria. The warehousing is supplemented with value added services such as cleaning and balancing the tires. In addition, Traiskirchen has managed to join forces with "Profi-Reifen", a sales subsidiary of Continental, to secure the entire product volume for Austria for the Quehenberger network.

Moreover, Hervis, the sports subsidiary of the Spar Group, appointed Quehenberger as its safety representative for all 74 branches in Austria. In addition to the officially prescribed activities, Quehenberger also provides consulting services. Quehenberger also took on the Austrian transportation services for the Italian construction chemistry company Mapei.

Quehenberger runs a full trainload of urea from Linz to Castellanza in Italy twice a week for AMI (Agrolinz Melamine International). A new combination transportation technology (Mobiler) is used in the process. The 30 Mobilers required were designed and developed in accordance with the specifications of our specialists. This project was produced in close cooperation with Rail Cargo Austria.

### Segment result (in Mio. €)

	Sales	Result
2003	191.0	2.5
<b>2004</b>	<b>203.4</b>	<b>3.5</b>

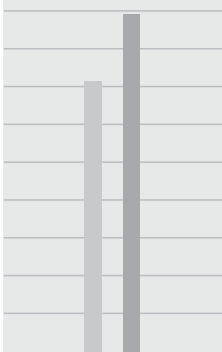


### Quehenberger



### Sales (in Mio. €)

2003	72.2
<b>2004</b>	<b>90.0</b>

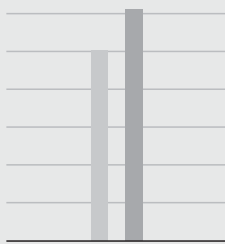




**and Luxembourg logistics providers**

Sales (in Mio. €)

2003	50.3
<b>2004</b>	<b>61.3</b>



**Südkraft**

In the first quarter, Südkraft managed to assert itself in a difficult market environment. It gained new customers and expanded existing customer relations. The decision not to introduce a truck toll system in Germany had a negative effect for two reasons: First of all, price adjustments had to be reversed at the beginning of the year after the failure to introduce tolls. Secondly, investments had already been made in toll monitoring devices (on-board units). On the whole, Südkraft generated sales totaling EUR 61.3 million in the first quarter and thus significantly exceeded the performance in the prior year quarter, when sales had reached EUR 50.3 million.

The result of the business unit were slightly higher in the first quarter than in 2003. Since January 2004, Südkraft has been coordinating traffic between the five Bavarian plants of BMW. At least 80 trucks with more than 300 routes are managed a day. Projected annual sales are in the range of about EUR 13 million. In addition, since the beginning of the year this Thiel lead company has been responsible for the distribution logistics of the paper factory in Monheim that belongs to Seyfert GmbH. As of April, Südkraft will assume the distribution and in-house logistics at the Reichenbach facility of Seyfert GmbH.

Against the backdrop of the strategic restructuring of the Thiel Group, the public transport system (ÖPNV) for Ingolstadt belonging to the Südkraft Group was sold to Verkehrsgesellschaft der Stadt Ingolstadt (INVG) with retroactive effect as of January 1, 2004. A few days after the end of the quarter, the Munich segment of ÖPNV was sold as well. The Südkraft branch in Freiberg and SES International AG in Thayngen, Switzerland, bundled their activities in Switzerland. Since mid-February 2004, the two companies have shared a presence in the market and have been offering daily connections for consolidated cargo and partial and full loads from the Stuttgart/Central Neckar region to Switzerland and back. By consolidating the freight volume, the two companies are now among the leading providers in the region.

**Delacher**

The business unit Delacher achieved its targets for the first quarter of 2004. Sales stabilized at EUR 52 million while the result of the business units developed according to plan.

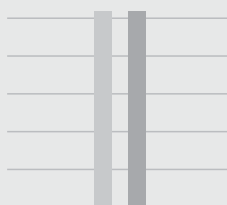
For Delacher, the first quarter was characterized by the continued development of the services it offers for regional markets and the implementation of new legal requirements. In addition, efforts were made to increase synergies between individual subsidiaries and optimize value chains. This applied in particular to the joint projects in the Delacher Group. An example is the joint use of infrastructures such as offices and warehouses by Delacher and Quehenberger in Hungary.

The Delacher Group has succeeded in gaining new customers despite the difficult economic environment and in expanding its market leadership in several market segments. This was particularly true in Turkey, where the market position was strengthened despite the devaluation of the Turkish lira. Business was increased in the EU accession countries Czech Republic and Hungary. Delacher has secured a good position in these markets.



Sales (in Mio. €)

2003	52
<b>2004</b>	<b>52</b>



The range of services offered by the business unit Delacher was above all developed by improving the networks within the Group. New connections to Southern Europe were established to supplement the range of services for Regional Logistics Services.

## **HUMAN RESOURCES**

On March 31, 2004, the Thiel Logistik Group had 9,476 employees. On December 31, 2003, the total number had been 9,908 employees (exclusive discontinued operations). On the reporting date, the Company had 9,063 full-time employees. In the course of the restructuring and the related divestments, the workforce was thus reduced by 432 employees in the quarter under review.

The focus of activities in personnel management is currently on the identification of promising internal potentials for the future. The goal of these efforts is to increasingly fill management positions internally, to establish stronger bond to the Company above all among younger managers, and to successfully compete for the best employees.

The stronger variability of compensation for managers is continuously being developed and adapted to new requirements. The utilization of individual potentials and the customized, person-related development of competences will be intensified in the near future. In the course of the year, we will start to introduce new information technology for the administrative management of target agreement processes, performance management, and talent management.

## **OUTLOOK**

Fiscal year 2004 was off to a good start for the Thiel Logistik Group. The results of the first quarter demonstrate that we are on the right course to reach the planned targets for this fiscal year on a corporate level. Sales should increase by about 3 percent and Ebit should reach EUR 20 million, which represents an Ebit margin of about 1.1 percent.

## FINANCIAL POSITION AS OF MARCH 31, 2004

### 1. RESULTS OF OPERATIONS

#### Strong performance at segment and group levels

The positive trend in business performance at group level continued in the first quarter of 2004. Thiel Group increased its sales from EUR 389.6 million in Q1 2003 to EUR 431.9 million in Q1 2004. Performance was boosted not only by the initial consolidation of Overbruck Group, but also by organic growth of 2.6 percent.

The gross margin was raised from 6.7 percent to 7.5 percent year-on-year. There was also good progress on operating expenses, with a further quarter-on-quarter reduction. Meanwhile, despite the initial consolidation of Overbruck Group, there was only slight rise year-on-year of EUR 2.2 million to EUR 27.4 million in the first quarter of 2004.

Thiel Group's operating segments generated first-quarter operating income of EUR 10.7 million, an advance of EUR 5.1 million (prior year period: EUR 5.6 million). After taking account of holding expenses of EUR 4.4 million and a charge of EUR 1.2 million for amortization of capitalized customer contracts, Group operating income totaled EUR 5.1 million.

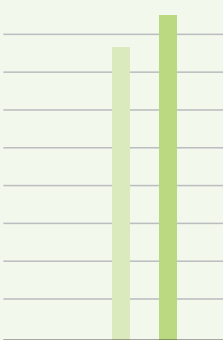
The restructuring of the Group was completed in the fiscal year 2003. Accordingly, no restructuring costs were incurred in the period under review, whereas these came to EUR 1.8 million in the prior year period.

The financial result improved from EUR -4.1 million in the first quarter of 2003 to EUR -3.9 million. After a net tax result of EUR -0.9 million (prior year period: near to EUR 0.0 million) and the result from discontinued operations of EUR -0.4 million (prior year period: EUR -8.0 million), income before minority interests was close to breakeven at EUR -0.1 million (prior year period: EUR -13.0 million).

The Group's refocusing on its core businesses is complete. The exit from those business units that are to be shut down or sold off in the coming months should not, from today's perspective, mean any significant expenses being incurred in fiscal year 2004. Thiel Group's net loss for the reporting period was cut from EUR 12.9 million to EUR 0.9 million, representing an improvement of EUR 12 million against the prior year period.

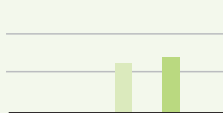
#### Sales (in Mio. €)

2003	389.6
<b>2004</b>	<b>431.9</b>



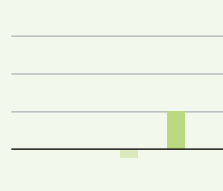
#### Gross margin (in percent)

2003	6.7
<b>2004</b>	<b>7.5</b>



#### EBIT (in Mio. €)

2003	-0.9
<b>2004</b>	<b>5.1</b>



## 2. BALANCE SHEET

Compared with the reporting date of December 31, 2003, total assets fell EUR 7.3 million to EUR 991.2 million (from EUR 998.5 million in 2003). This was due to the successes of the divestment program, with the sale of BTL Group on January 1, 2004 making a major contribution.

At EUR 238.5 million, trade accounts receivable remained constant. This is encouraging given the strong sales performance in March. The particular focus on efficient working capital management produced strong positive trends, especially at business unit Thiel Media and the lead companies Delacher and Südkraft. In the first quarter of 2004 pre-paid expenses and other current assets increased from EUR 33.2 million to EUR 35.3 million, due to prepayment of insurance policies and transport-related expenses.

The amount reported in the balance sheet under assets held for sale increased by EUR 10.4 million to EUR 15.3 million (from EUR 4.9 million in 2003) due to the inclusion of lead company Südkraft's public transport business, previously shown under property, plant and equipment. Assets of discontinued businesses held for sale fell from EUR 26.3 million as of December 31, 2003 to EUR 11.0 million as of March 31, 2004. This reflected in particular the sale of BTL Group and receipts of payments arising from the sales of businesses.

In the first quarter of 2004 property, plant and equipment decreased from EUR 277.7 million to EUR 263.7 million. The reclassification of the Südkraft lead company's public transport fixed assets led to a EUR 10.2 million decline in property, plant and equipment. Asset additions came to EUR 4.5 million, compared with asset disposals of EUR 0.5 million and depreciation of EUR 8.0 million.

Intangible assets fell EUR 0.9 million in the reporting period, from EUR 31.4 million to EUR 30.5 million. Asset additions came to EUR 1.4 million, as against amortization of EUR 2.3 million. There were no significant disposals of intangible assets in the first quarter of 2004. Other assets increased by EUR 2.7 million, from EUR 7.1 million as of December 31, 2003 to EUR 9.8 million as of March 31, 2004.

Utilization of existing short-term credit lines in the amount of EUR 5.8 million increased short-term borrowings from EUR 157.0 million as of December 31, 2003 to EUR 162.8 million as of March 31, 2004.

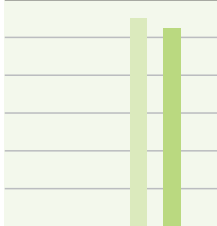
The positive sales performance in the first quarter of 2004 also led to a higher tax burden. For instance, taxes and levies payable to the tax office and customs authorities increased, as did those in respect of vacation provision and bonus payments. Accrued expenses, other liabilities and deferred income rose to EUR 118.4 million in the reporting period, compared with EUR 111.0 million as of the balance sheet date of December 31, 2003.

The reduction in liabilities of discontinued businesses held for sale from EUR 26.8 million to EUR 9.8 million was primarily due to the sale of BTL Group. Long-term debt

### Assets

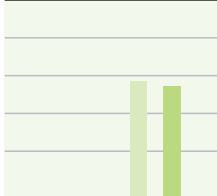
#### Property, plant and equipment, net (in Mio. €)

2003	277.7
<b>2004</b>	<b>263.7</b>



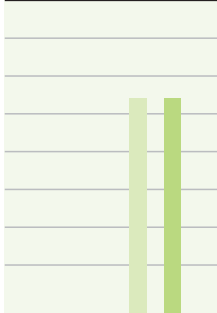
#### Intangible Assets (in Mio. €)

2003	31.4
<b>2004</b>	<b>30.5</b>



#### Goodwill (in Mio. €)

2003	288.1
<b>2004</b>	<b>288.7</b>

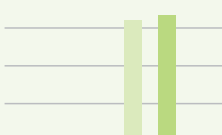


## Liabilities

### Current liabilities

(in Mio. €)

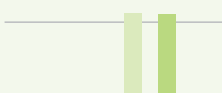
2003	470.8
<b>2004</b>	<b>468.4</b>



### Non-current liabilities

(in Mio. €)

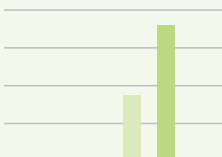
2003	245.7
<b>2004</b>	<b>242.8</b>



## Operating Cash Flow

(in Mio. €)

2003	8.9
<b>2004</b>	<b>18.1</b>



decreased from EUR 107.9 million to EUR 106.5 million on account of loan repayments that had fallen due.

Gross financial liabilities (borrowings and lease obligations) had increased as of March 31, 2004, rising to EUR 321.7 million from EUR 318.5 million as of December 31, 2003. Less cash and cash equivalents and securities portfolios, net financial liabilities came to EUR 258.8 million (EUR 263.0 million as of December 31, 2003).

Other non-current liabilities were cut from EUR 11.3 million to EUR 9.8 million in the first quarter of 2004. Minority interests rose from EUR 2.2 million to EUR 3.3 million, due to result allocations and changes in shareholdings.

The net loss of EUR 0.9 million reduced retained earnings and other reserves from EUR -87.6 million to EUR -88.5 million. The sharp decline in accumulated other comprehensive income, which was down EUR 2.2 million from EUR 1.4 million to EUR -0.8 million, was due to the foreign currency effect from the divestment of BTL Group. The equity ratio as of March 31, 2004 was 27.9 percent.

Net cash from the capital increase of around EUR 100 million will strengthen the Group's financial base and lead to a significant increase in the equity ratio in the second quarter. The pro forma equity ratio as per March 31, 2004 amounts to 38 percent.

## 3. STATEMENTS OF CASH FLOW

The cash flow statement shows the sources and uses of funds for the quarters of 2003 and 2004 under review and is therefore of key significance in assessing the financial position of the Thiel Group.

Cash funds reviewed in the cash flow statement are equivalent to the balance sheet item cash and cash equivalents. Net changes in cash from discontinued activities is represented as a separate line item in the cash flow statement.

Net cash provided by operating activities in the first quarter of 2004 amounted to EUR 18.1 million (prior year period: EUR 8.9 million). Based on a loss for the period of EUR 0.9 million, the reconciliation of net cash provided by operating activities shows scheduled depreciation and amortization of EUR 10.3 million (EUR 10.2 million).

The clear focus on stringent working capital management also bore fruit in the first quarter of 2004. Changes in operating assets and liabilities resulted in a positive cash effect of EUR 8.1 million (prior year period: EUR 5.8 million)

Net changes in cash used in investing activities amounted to EUR -8.1 million (prior year period: EUR -33.1 million). In the prior year period EUR 30.0 million were invested for the increase in the shares of Microlog-Group. Thanks to profitability-oriented investment management, first-quarter capital expenditures were reduced to EUR 5.7 million (prior

year period: EUR 12.8 million). Capital additions in 2004 were EUR 4.5 million for property, plant and equipment and EUR 1.4 million for intangible assets. There were substantial investments in Thiel Furniture and the lead company Quehenberger.

The final steps in Thiel Group's divestment program will be completed in the next few months and lead to further cash inflows. The sale of the public transport business of the lead company Südkraft will be reflected in the cash flow from investing activities in the second quarter of 2004. In the first quarter of 2004 proceeds from the disposal of non-current assets totaled EUR 0.5 million (prior year period: EUR 3.9 million).

Net changes in cash provided by financing activities amounted to EUR 2.0 million in the first quarter of 2004. Compared with the 2004 first quarter figure of EUR 5.8 million, the high cash inflow of EUR 17.6 million in the prior year period was heavily affected by increases in short-term borrowings for financing acquisitions totaling EUR 20.2 million.

Repayments led to a decline of EUR 1.5 million in long-term borrowings (prior year period: EUR 0.3 million). Repayments of debt arising from finance leases led to cash outflows of EUR 1.6 million. The cash outflows in this area were significantly higher, at EUR 3.0 million, in the prior year period.

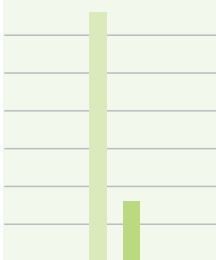
The line item net cash used in discontinued operations contains all those corporate divisions that were assessed as to be discontinued operations according to US GAAP criteria in the first quarter of 2004. The proceeds from the sale of the corporate divisions during the first quarter of 2004 are also included in this line of the cash flow statement. Cash outflows from discontinued operations amounted to EUR 4.7 million in the first quarter of 2004 (prior year period: EUR 11.8 million).

As of March 31, 2004, Thiel Group reported total cash and cash equivalents of EUR 58.4 million (prior year period: EUR 92.7 million).

#### Investing activities

##### Cash Outflow (in Mio. €)

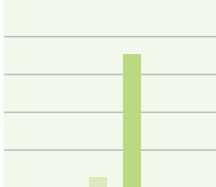
2003	33.1
<b>2004</b>	<b>8.1</b>



#### Financing activities

##### Cash Inflow (in Mio. €)

2003	17.6
<b>2004</b>	<b>2.0</b>



(€ in thousands except per share amounts)

January 01 - March 31	2004	2003
Net sales	431,891	389,620
Cost of sales	(399,349)	(363,516)
<b>Gross margin</b>	<b>32,542</b>	<b>26,104</b>
Operating expenses		
Selling costs	(7,896)	(7,413)
General and administrative costs	(21,849)	(19,645)
Other operating income (expense), net	2,302	1,813
<b>Total operating expenses</b>	<b>(27,443)</b>	<b>(25,245)</b>
<b>Operating income before restructuring and impairment</b>	<b>5,099</b>	<b>859</b>
Restructuring costs	-	(1,770)
Impairment of long-lived assets	-	-
Impairment of goodwill	-	-
<b>Operating income</b>	<b>5,099</b>	<b>(911)</b>
Interest expense, net	(3,880)	(4,023)
Other financial income (expense), net	(35)	372
Equity in earnings of associated companies	2	(458)
<b>Income (Loss) from continuing operations before income taxes</b>	<b>1,186</b>	<b>(5,020)</b>
Income taxes	(868)	24
<b>Income (Loss) from continuing operations</b>	<b>318</b>	<b>(4,996)</b>
Income (Loss) from discontinued operations, net of tax	(385)	(8,022)
<b>Income (Loss) before minority interest</b>	<b>(67)</b>	<b>(13,018)</b>
Minority interest	(870)	126
<b>Net income (Net loss)</b>	<b>(937)</b>	<b>(12,892)</b>
<b>Earnings per share (in €) – basic and fully diluted</b>		
Income (Loss) from continuing operations	0.00	(0.06)
Income (Loss) from discontinued operations, net of tax	0.00	(0.09)
Net income (Net loss)	(0.01)	(0.15)
Weighted average number of shares outstanding		
Basic and fully diluted	85,749,990	85,749,990

**Consolidated Statements of Cash Flows**

Thiel Logistik AG 2004

(€ in thousands except per share amounts)

January 01 - March 31,	2004	2003
<b>Cash flows from operating activities</b>		
Net (Loss) income	(937)	(12,892)
Adjustments to reconcile net (loss) income to net cash provided by operating activities		
Income (Loss) from discontinued operations	385	8,022
Depreciation and amortization	10,325	10,236
Non-cash items in connection with disposal of non-current assets	(427)	(485)
Deferred income taxes	(496)	(2,203)
Other, net	1,145	461
Changes in operating assets and liabilities		
Decrease (Increase) in trade accounts receivable and other assets	(371)	(16,105)
Decrease (Increase) in inventory	335	2,073
Increase (Decrease) in trade accounts payable and other liabilities	6,956	20,465
Change in retirement and other employee-related obligations	1,169	(666)
<b>Net cash provided by operating activities</b>	<b>18,084</b>	<b>8,906</b>
<b>Cash flows from investing activities</b>		
Capital expenditures	(5,731)	(12,782)
Proceeds from disposal of non-current assets	460	3,924
Purchase of available for sale securities	-	(24)
Purchase of trading securities	-	(65)
Proceeds from sale of trading securities	-	377
Change in other loans granted	(2,773)	4,740
Payments for acquisitions of subsidiaries, net of cash acquired	(35)	(29,259)
<b>Net cash used in investing activities</b>	<b>(8,079)</b>	<b>(33,089)</b>
<b>Cash flows from financing activities</b>		
Proceeds from short-term borrowings	10,799	32,449
Repayment of short-term borrowings	(5,036)	(12,269)
Repayment of long-term borrowings	(1,473)	(309)
Repayment of finance lease obligations	(1,556)	(3,019)
Other financing activities	(770)	704
<b>Net cash provided by financing activities</b>	<b>1,964</b>	<b>17,556</b>
<b>Net cash used in discontinued operations</b>	<b>(4,721)</b>	<b>(11,799)</b>
Effects of exchange rate changes on cash	142	(390)
<b>(Decrease) Increase in cash and cash equivalents</b>	<b>7,390</b>	<b>18,816</b>
Cash and cash equivalents at beginning of year	51,012	111,565
(Decrease) Increase	7,390	(18,816)
<b>Cash and cash equivalents at end of period</b>	<b>58,402</b>	<b>92,749</b>

(€ in thousands except per share amounts)

ASSETS	March 31, 2004	Dec. 31, 2003	March 31, 2003
Current assets			
Cash and cash equivalents	58,402	51,012	92,749
Trading securities at fair value	402	402	1,693
Trade accounts receivable, net of allowances	238,460	238,531	238,537
Accounts receivable due from associated companies	1,365	1,252	284
Inventories	5,242	5,577	6,111
Deferred income taxes	4,248	2,638	4,433
Prepaid expenses and other current assets	35,269	33,195	37,304
Assets held for sale	15,294	4,897	4,184
Assets of discontinued businesses held for sale	10,972	26,252	87,868
<b>Total current assets</b>	<b>369,654</b>	<b>363,756</b>	<b>473,163</b>
Non-current assets			
Property, plant and equipment, net	263,697	277,705	292,021
Investments in associated companies	1,306	1,315	4,509
Other investments	3,343	3,522	15,403
Securities available for sale at fair value	3,724	3,668	3,704
Securities, held to maturity	370	370	381
Deferred income taxes	20,019	21,586	27,241
Intangible assets	30,548	31,391	25,855
Other assets	9,843	7,102	6,778
Goodwill	288,688	288,087	269,877
<b>Total non-current assets</b>	<b>621,538</b>	<b>634,746</b>	<b>645,769</b>
<b>Total assets</b>	<b>991,192</b>	<b>998,502</b>	<b>1,118,932</b>

**Consolidated Balance Sheets** Thiel Logistik AG 2004

(€ in thousands except per share amounts)

LIABILITIES AND SHAREHOLDERS' EQUITY	March 31, 2004	Dec. 31, 2003	March 31, 2003
Current liabilities			
Short-term borrowings and current portion of long-term debt	162,840	157,036	134,480
Trade accounts payable	156,520	155,889	154,038
Accounts payable due to associated companies	1,409	939	1,175
Lease obligations, short-term portion	6,347	6,494	6,299
Accrued income taxes	12,583	11,993	12,200
Deferred income taxes	527	687	1,307
Accrued expenses, other liabilities and deferred income	118,374	110,985	94,834
Liabilities of discontinued businesses held for sale	9,754	26,789	23,734
<b>Total current liabilities</b>	<b>468,354</b>	<b>470,812</b>	<b>428,067</b>
Non-current liabilities			
Long-term debt	106,455	107,927	125,138
Lease obligations	46,095	47,031	47,822
Retirement and other employee-related obligations	49,625	48,456	45,501
Deferred income taxes	30,686	30,993	31,224
Other non-current liabilities	9,947	11,295	12,810
<b>Total non-current liabilities</b>	<b>242,808</b>	<b>245,702</b>	<b>262,495</b>
<b>Minority interest</b>	<b>3,347</b>	<b>2,235</b>	<b>4,398</b>
Shareholders' equity			
Ordinary shares – voting, no-par value	107,187	107,187	107,187
Additional paid-in capital	258,806	258,806	258,806
Retained earnings and other reserves	(88,542)	(87,605)	55,710
Accumulated other comprehensive income	(768)	1,365	2,269
<b>Shareholders' equity</b>	<b>276,683</b>	<b>279,753</b>	<b>423,972</b>
<b>Total liabilities and shareholders' equity</b>	<b>991,192</b>	<b>998,502</b>	<b>1,118,932</b>

(€ in thousands except per share amounts)

	Ordinary shares – voting, no-par value	Additional paid-in capital	Retained earnings and other reserves	Accumulated other comprehensive income	Total
<b>December 31, 2002 (restated)</b>	<b>107,187</b>	<b>258,806</b>	<b>68,602</b>	<b>4,293</b>	<b>438,888</b>
Comprehensive loss					
Net loss			(12,892)		(12,892)
Other comprehensive loss, net of tax					
Unrealized losses on securities available for sale				(359)	
Loss on cash flow hedges				(221)	
Foreign currency translation adjustment				(1,444)	
Other comprehensive loss, net of tax					(2,024)
Total comprehensive loss					(14,916)
<b>March 31, 2003 (restated)</b>	<b>107,187</b>	<b>258,806</b>	<b>55,710</b>	<b>2,269</b>	<b>423,972</b>
Comprehensive loss					
Net loss			(143,315)		(143,315)
Other comprehensive loss, net of tax					
Unrealized gains on securities available for sale				1,502	
Gain on cash flow hedges				278	
Foreign currency translation adjustment				(2,684)	
Other comprehensive loss, net of tax					(904)
Total comprehensive loss					(144,219)
<b>December 31, 2003</b>	<b>107,187</b>	<b>258,806</b>	<b>(87,605)</b>	<b>1,365</b>	<b>279,753</b>
Comprehensive loss					
Net loss			(937)		(937)
Other comprehensive loss, net of tax					
Unrealized gains on securities available for sale				55	
Loss on cash flow hedges				(228)	
Foreign currency translation adjustment				(1,960)	
Other comprehensive loss, net of tax					(2,133)
Total comprehensive loss					(3,070)
<b>March 31, 2004</b>	<b>107,187</b>	<b>258,806</b>	<b>(88,542)</b>	<b>(768)</b>	<b>276,683</b>

## Consolidated Financial Statements for the Period ended March 31, 2004

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Basis of Presentation

The consolidated financial statements include all accounts of the Company and all assets, liabilities and results of operations of its subsidiaries, some of which have a minority interest. All significant intercompany accounts and transactions have been eliminated. The consolidated financial statements are presented in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

#### Scope of consolidation

As of March 31, 2004, Thiel Group comprises 171 fully consolidated foreign and domestic subsidiaries.

#### Use of Estimates

Preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Actual results could differ from those estimates. Management believes that estimates are reasonable.

#### Foreign Currency Translation

The functional currency of the Company's operations is the Euro.

The assets and liabilities of the Group's operations having a functional currency other than the Euro are translated into Euro using the exchange rate in effect at the reporting date and revenues and expenses are translated at the average rate during the reported period. Exchange gains or losses on translation of the Company's net equity investment in these operations are deferred as a separate component of shareholders' equity.

Gains and losses arising from transactions denominated in currencies other than the Euro are reflected in the income statement.

#### Revenue Recognition

Thiel Group generates sales from its core business segments Specialized Sector Solutions, Air & Ocean and Regional Logistics Services by providing end-to-end logistics and service solutions for industry and commerce. Sales are recognized net of applicable provisions for discounts and allowances, when realized or realized and earned. This is usually the case when there is clear evidence of an agreement, the risk of ownership has been transferred or the service has been rendered, the price has been agreed upon, and there is adequate assurance that collection will be made.

#### Income Taxes

The Group provides for income taxes using the liability method which requires that deferred tax assets and liabilities be recognized for the expected future tax consequences of temporary differences arising between the bases of assets and liabilities for financial reporting and income tax purposes. Currently enacted tax rates are used to determine deferred income tax.

(€ in thousands except per share amounts)

Under this method, the Group is required to record deferred income taxes on the revaluation of certain non-current assets and, in relation with an acquisition, on the difference between the fair values of the net assets acquired and their tax base. Valuation allowances on deferred tax assets are provided where management believes it is more likely than not that the Group will not realize such amounts.

#### **Cash and Cash Equivalents**

For the purpose of the cash flow statement, cash and cash equivalents comprise cash on hand and deposits held at call with banks with an original maturity of three months or less.

#### **Inventories**

Inventories are stated at the lower of cost or net realizable value, with cost being determined substantially by weighted average method.

#### **Assets Held for Sale**

The Group adopts SFAS 144, "Accounting for the Impairment or Disposal of Long-Lived Assets". SFAS 144 establishes a single accounting model for the impairment or disposal of long-lived assets, including discontinued operations. Major changes include additional criteria for long-lived assets to qualify as "held for sale" and the requirement that long-lived assets to be disposed of other than by sale be classified as held and used until the disposal transaction occurs. In the Consolidated Balance Sheets as of March 31, 2004 individual assets were classified as "held for sale" and disclosed in balance sheet line item "Assets held for sale".

In the course of restructuring the operations of Thiel Group, the new management has decided to dispose of a number of businesses not deemed relevant in the pursuit of the new corporate strategy.

In the Consolidated Balance Sheets as of March 31, 2004, and as of all prior periods presented assets and liabilities of businesses to be discontinued have been reclassified as assets and liabilities of discontinued businesses held for sale. In the Consolidated Statements of Income for the period ended March 31, 2004, as well as for all prior periods presented profits and losses attributable to businesses to be discontinued have been segregated from continuing operations and reflected as discontinued operations. The effect of net cash provided by discontinued operations has been separately disclosed in the Consolidated Statements of Cash Flows for the period ended March 31, 2004, as well as for all prior periods presented. Reference is made to note 6.

#### **Investments**

Significant investments in which the Company has 20 percent to 50 percent of the voting rights and the ability to exercise significant influence over operating and financial policies ("associated companies") are accounted for using the equity method.

#### **Property, Plant and Equipment and Intangible Assets**

Property, plant and equipment is stated at historical cost less accumulated depreciation. Additions and improvements which add to the life of the related asset or improve its utility to the Group are capitalized, whereas maintenance and repairs are expensed as incurred. Depreciation is provided using the straight-line method over estimated useful lives ranging from 10 to 50 years for plant and buildings and 5 to 25 years for machinery, fixtures and equipment.

Acquired intangible assets are recognized and amortized over their estimated useful lives ranging from 3 to 10 years.

**Leasing**

The Group leases certain fixed assets. All leases that meet certain specified criteria representing situations where the substantial risks and rewards of ownership have been transferred to the Group are accounted for as capital leases. Capital leases are recorded at the lower of the fair market value of the leased asset or the net present value of the future rental payments at the inception of the lease. Capitalized lease assets and related leasehold improvements, if any, are amortized over the economic life of the asset or its lease term, as the case may be. All other leases are accounted for as operating leases.

**Impairment Evaluation of Long-Lived Assets**

The Group adopts SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets," which addresses financial accounting and reporting for the impairment and disposal of long-lived assets, and SFAS No. 142, "Goodwill and Other Intangible Assets", with respect to the impairment.

The Group reviews the carrying value of its long-lived assets, including fixed assets, investments, goodwill, and intangible assets, for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be fully recoverable. Recoverability of long-lived assets, excluding goodwill, is assessed by a comparison of the carrying amount of the asset (or the group of assets, including the asset in question, that represents the lowest level of separately-identifiable cash flows) to the total estimated undiscounted cash flows expected to be generated by the asset or group. If the estimated future net undiscounted cash flows are less than the carrying amount of the asset or group, the asset or group is considered impaired and expense is recognized equal to the amount required to reduce the carrying amount of the asset to its then fair value. Fair value is determined by discounting the cash flows expected to be generated by the asset, when the quoted market prices are not available for the long-lived assets. Based on the Company's review of its investments for the three-month period ended March 31, 2004 no adjustments were required to the carrying value of long-lived assets.

SFAS No. 142 prohibits the amortization of goodwill and indefinite life intangible assets. Instead, goodwill and indefinite life intangible assets will be tested for impairment at least annually and on an interim basis when an event occurs or circumstances change between annual tests that would more-likely-than-not result in impairment. Under SFAS No. 142, goodwill is assessed for impairment by using the fair value based method. The Group determines fair value by utilizing discounted cash flows. The fair value test required by SFAS No. 142 for goodwill and indefinite lived intangible assets includes a two-step approach. Under the first step, companies must compare the fair value of a "reporting unit" to its carrying value. A reporting unit is the level at which goodwill impairment is measured and it is defined as an operating segment or one level below it if certain conditions are met. If the fair value of the reporting unit is less than its carrying value, goodwill is impaired and companies must proceed with step two. Under step two, the amount of goodwill impairment is measured by the amount that the reporting unit's goodwill carrying value exceeds the "implied" fair value of goodwill. The implied fair value of goodwill can only be determined by deducting the fair value of all tangible and intangible net assets (including unrecognized intangible assets) of the reporting unit from the fair value of the reporting unit (as determined in Step 1). In this step, companies must allocate the fair value of the reporting unit to all of the reporting unit's assets and liabilities (a hypothetical purchase price allocation).

SFAS No. 142 requires companies to perform the impairment test at least annually. The regular impairment test is performed by Thiel Group as of September 30 of each fiscal year.

**Exit or Disposal Activities**

In June 2002, the FASB issued SFAS 146, "Accounting for Costs Associated with Exit or Disposal Activities". SFAS 146 requires entities to recognize costs associated with exit or disposal activities only when liabilities for these costs are incurred (subsequent to a commitment to a plan) rather than at the date of a commitment to an exit or disposal plan. The provisions of SFAS 146 are to be applied prospectively to exit and disposal activities initiated after December 31, 2002.

The provisions of SFAS 146 have been applied to the accounting for restructuring costs. Reference is made to note 5.

**Derivative Financial Instruments**

The Group adopts Statement of Financial Accounting Standard No. 133 (SFAS 133), "Accounting for Derivative Instruments and Hedging Activities", subsequently amended by SFAS 138, which requires that all derivative instruments be reported on the balance sheet at fair values and establishes criteria for designation and effectiveness of hedging relationship.

Derivative products are used for non-trading purposes including the management of foreign currency exposure and interest rate positions. Hedges of fair value exposure are entered into in order to hedge the fair value of a recognized asset or liability or a firm commitment. The Group enters into hedges of cash flow exposure in order to hedge a forecasted transaction or the variability of cash flows to be paid related to a recognized liability. Changes in derivative fair values that are designated as fair value hedges are recognized in earnings as offsets to the change in fair value of related hedged assets, liabilities and firm commitments. Changes in the derivative fair values that are designated as cash flow hedges are deferred and recorded as a component of accumulated other comprehensive income until the hedged transactions occur and are recognized in earnings. Derivatives that are executed for risk management purposes but not designated as hedges under SFAS 133 and SFAS 138 are recorded at their market value and changes in fair value recognized in current earnings.

**Stock-Based Compensation**

The Group accounts for employee stock options in accordance with Accounting Principles Board Opinion No. 25 (APB 25), "Accounting for Stock Issued to Employees" and, accordingly, does not recognize compensation expense for its stock-based compensations to employees in the Consolidated Financial Statements as stock options were granted at exercise prices exceeding the respective share prices at the day of grant.

**Earnings per Share (EPS)**

Basic and diluted earnings per share (EPS) are based on the weighted average number of registered shares outstanding.

## 2. RESTATEMENTS, RECLASSIFICATIONS AND OTHER ADJUSTMENTS

### Restatements due to correction of an error

Retroactive corrections in the valuation of capital lease contracts resulted in restatements of the Consolidated Statement of Income for the period ending March 31, 2003, in the Consolidated Statement of Cash Flows and the Consolidated Balance Sheet as of March 31, 2003.

### Reclassifications

The accounting of discontinued operations results in reclassifications in the Consolidated Statement of Income for the period ending March 31, 2003, as well as in the Consolidated Statement of Cash Flows and the Consolidated Balance sheet as of March 31, 2003. Reference is made to note 6.

### Other adjustments

During the one-year allocation period after the acquisition of Microlog Group as of October 1, 2002, the purchase price of 75,908 Euro for a stake of 97.23 percent was reallocated. Due to high-value long-term service contracts an amount of 13,491 Euro was allocated to customer contracts. Customer contracts are amortized over the duration of the long-term service contracts. As a result of the reallocation of the purchase price for Microlog Group, the Consolidated Statement of Income for the period ending March 31, 2003, as well as the Consolidated Statement of Cash Flows and the Consolidated Balance Sheet as of March 31, 2003 were adjusted to reflect this change.

## 3. PRO FORMA DISCLOSURES

Under the assumption that all material business acquisitions completed during fiscal year ended December 31, 2003 had occurred on January 1, 2003, the Group's pro forma consolidated sales would have been 428,237 Euro for the three-month period ended March 31, 2003. Pro forma consolidated operating loss would have been (240) Euro for the three-month period ended March 31, 2003. Pro forma consolidated net loss of the Group would have amounted to (11,761) Euro for the three-month period ended March 31, 2003.

Pro forma basic and diluted loss per share for the three-month period ended March 31, 2003 would have amounted to (0.16) Euro.

## 4. SEGMENT REPORTING

### Segmentation

The segment reporting structure of Thiel Group comprises:

#### Specialized Sector Solutions

Thiel Group provides logistics services for specific industry sectors in which it has developed particular specialist knowledge and expertise. In this business segment Thiel Group offers comprehensive logistics services in particular to the automotive, fashion, media and furniture industries. The managing companies for this business segment are: Microlog Logistics AG ("Microlog") for THIEL Automotive; Birkart Globistics GmbH & Co. Logistik und Service KG ("Birkart Globistics") for THIEL Fashion and Lifestyle; Overbruck Spedition GmbH ("Overbruck") for THIEL Media and LOG Beteiligungs GmbH ("LOG") for THIEL Furniture. In addition, THIEL FreshNet is Thiel Group's Potential Core Sector within this segment.

### Air & Ocean

In this business segment, the Group bundles its air and sea transport activities. Services in this business segment are aimed at complementing Thiel Group's regional transport networks as well as services offered in Specialized Sector Solutions. Through its business segment Air & Ocean, Thiel Group is active in the area of intercontinental logistics services, specializing in air and sea transport services but also offering contract logistics services. The Group's managing company in this business segment and the lead coordinator for non-European activities is Birkart Globistics.

### Regional Logistics Services

Thiel Group's subsidiaries bundled in this business segment provide logistics services on a regional basis. Logistics services offered range from transport services to contract logistics, including supply chain management. Thiel Group's designated managing companies in this business segment are: delacher Logistics AG & Co. KG for Delacher, Quehenberger Logistik AG & Co. KG for Quehenberger and Kraftverkehr Bayern GmbH for Südkraft. Subsidiaries in this business segment operate primarily in the southern part of Germany and in Austria. They have local roots and traditional client relationships in their respective regions making them particularly sensitive to their customers' needs.

### Segment information

Management evaluates individual segment performance based on segment results before amortization of customer contracts, restructuring and impairment charges, interest and other financial income (expense), and income taxes. Segment assets are composed of total assets excluding long-term investments. Intersegment transactions are measured at arm's length.

The following table sets forth segment information for the three-month periods ended March 31, 2004 and 2003. To facilitate comparison, the data for the three-month period ended March 31, 2003 have been restated in line with the new reporting structure.

	Specialized Sector Solutions	Air & Ocean	Regional Logistics Services	Total reportable segments
<b>Period ended March 31, 2004</b>				
External segment sales	158,864	69,228	203,420	431,512
Intersegment sales	3,779	1,340	2,069	7,188
<b>Total segment sales</b>	<b>162,643</b>	<b>70,568</b>	<b>205,489</b>	<b>438,700</b>
Segment result	6,683	511	3,491	10,685
Depreciation and amortization	3,526	364	4,650	8,540
Additions to long-lived assets	2,794	130	2,123	5,047
Segment assets	412,290	108,364	481,752	1,002,406
<b>Period ended March 31, 2003</b>				
External segment sales	134,841	63,332	190,958	389,131
Intersegment sales	3,430	3,291	4,861	11,582
<b>Total segment sales</b>	<b>138,271</b>	<b>66,623</b>	<b>195,819</b>	<b>400,713</b>
Segment result	3,845	(756)	2,534	5,623
Depreciation and amortization	3,617	517	4,968	9,102
Additions to long-lived assets	5,167	364	4,013	9,544
Segment assets	350,403	103,605	528,006	982,014

Additions to long-lived assets comprise additions to property, plant and equipment and intangible assets excluding goodwill and include amounts capitalized due to lease contracts classified as capital leases.

The reconciliation from total external segment sales to consolidated net sales for the three-month periods ended March 31, 2004 and 2003 is as follows:

Period ended March 31,	2004	2003
Total external segment sales	431,512	389,131
+ Other corporate revenues	379	489
<b>Consolidated net sales</b>	<b>431,891</b>	<b>389,620</b>

(€ in thousands except per share amounts)

The reconciliation from total reportable segment results to income from continuing operations before income taxes for the the three-month periods ended March 31, 2004 and 2003 is as follows:

Period ended March 31,	2004	2003
Total reportable segment results	10,685	5,623
- Amortization of capitalized customer contracts	(1,206)	(445)
- Depreciation and amortization of unallocated long-lived assets	(579)	(689)
- General corporate result before depreciation and amortization	(3,801)	(3,630)
<b>Operating income (loss) before restructuring and impairment</b>	<b>5,099</b>	<b>859</b>
- Restructuring costs	-	(1,770)
- Impairment of long-lived assets	-	-
- Impairment of goodwill	-	-
<b>Operating income (loss)</b>	<b>5,099</b>	<b>(911)</b>
- Financial result	(3,915)	(3,651)
+ Equity in earnings of associated companies	2	(458)
<b>Income from continuing operations before income taxes</b>	<b>1,186</b>	<b>(5,020)</b>

The item "General corporate result before depreciation and amortization" comprises general corporate expenses of holding companies not directly attributable to the individual segments.

The item "Financial result" comprises income statement line items "Interest expense, net" and "Other financial income (loss), net".

The reconciliation from total segment assets to total consolidated assets as of March 31, 2004 and 2003 is as follows:

March 31,	2004	2003
Total reportable segment assets	1,002,406	982,014
+ Unallocated amounts	157,046	303,385
- Intersegment eliminations	(168,260)	(166,467)
<b>Total consolidated assets</b>	<b>991,192</b>	<b>1,118,932</b>

The item "Unallocated amounts" comprises investments, total assets of discontinued operations as well as assets of holding companies not directly attributable to segments.

### Geographic information

The table below summarizes geographic information on net sales for the three-month periods ended March 31, 2004 and 2003:

Period ended March 31,	2004	2003
Germany	215,789	190,006
Austria	115,149	101,856
Asia	21,530	19,037
Switzerland	18,726	20,405
All other countries	60,697	58,316
<b>Total Net Sales</b>	<b>431,891</b>	<b>389,620</b>

The table below sets forth geographic information on long-lived assets as of March 31, 2004 and 2003:

March 31,	2004	2003
Germany	151,021	160,305
Austria	67,465	74,045
Asia	2,332	2,944
Switzerland	29,734	33,684
All other countries	43,693	46,898
<b>Total Long-lived Assets</b>	<b>294,245</b>	<b>317,876</b>

Long-lived assets comprise property, plant and equipment as well as intangible assets excluding goodwill.

### Other Information

Revenues from major customers account for less than 5 percent per major customer.

## 5. RESTRUCTURING COSTS

In order to improve the transparency of its operating results, Thiel Group has decided to choose another format for the presentation of its Consolidated Statements of Income. All one-time expenses of the reported period not attributable to operating activities have been disclosed under income statement line item "Restructuring costs" and led to reclassifications in the Consolidated Statements of Income of the three-month period ended March 31, 2003.

Restructuring costs mainly comprise one-time termination benefits paid or to be paid to employees amounting to 255 Euro, consulting fees regarding the elaboration and implementation of the new corporate strategy amounting to 926 Euro, losses incurred from disposals of long-lived assets related to divestiture programs amounting to 2 Euro as well as other expenses incurred in the course of the restructuring of the operations of Thiel Group amounting to 587 Euro.

The restructuring process of Thiel Group was completed in the fiscal year 2003, therefore no restructuring costs are recorded in the three-month period ended March, 2004.

## 6. DISCONTINUED OPERATIONS

In the course of restructuring the operations of Thiel Group, the new management has decided to dispose of a number of businesses not deemed relevant in the pursuit of the new corporate strategy. Businesses classified as discontinued operations as of March 31, 2004, concern IT-business of Microlog Group and other small and medium sized service providers in the logistics sector.

The healthcare business, the shareholdings in diagnosis-software specialist Dorner and Thiel Technical Logistics and Services GmbH have been sold in fiscal year ended December 31, 2003. Effective January 1, 2004, the Group's subsidiary BTL Logistics AG, Muri, Switzerland has been sold to Swiss Post. All other discontinued businesses are expected to be disposed of or closed within the next twelve months.

Due to the ongoing restructuring process it is likely that further businesses not deemed relevant in the pursuit of the new corporate strategy will be sold or classified as held for sale in future periods.

In the Consolidated Balance Sheets as of March 31, 2004, and as of all prior periods presented assets and liabilities of businesses to be discontinued have been reclassified as assets and liabilities of discontinued businesses held for sale. In the Consolidated Statements of Income for the three-month period ended March 31, 2004, as well as for all prior periods presented profits and losses attributable to businesses to be discontinued have been segregated from continuing operations and reflected as discontinued operations. The effect of net cash provided by discontinued operations has been separately disclosed in the Consolidated Statements of Cash Flows for the three-month period ended March 31, 2004, as well as for all prior periods presented.

Assets and liabilities from discontinued businesses held for sale as of March 31, 2004 and as of December 31, 2003, are as follows:

	March 31, 2004	Dec. 31, 2003
<b>Assets of discontinued businesses held for sale</b>		
Trade accounts receivable, net of allowances	1,760	9,673
Inventories	9	298
Prepaid expenses and other current assets	6,679	7,576
Property, plant and equipment, net	2,465	8,435
Deferred tax assets, long-term	9	-
Intangible assets	45	211
Other assets	5	59
<b>Total assets of discontinued businesses held for sale</b>	<b>10,972</b>	<b>26,252</b>
<b>Liabilities of discontinued businesses held for sale</b>		
Short-term borrowings and current portion of long-term debt	1,797	3,233
Trade accounts payable	1,574	7,965
Lease obligations, short-term portion	51	472
Accrued income taxes	1,281	1,011
Deferred income taxes	2	2
Accrued expenses, other liabilities and deferred income	2,814	7,869
Long-term debt	2,027	4,257
Lease obligations	188	1,088
Retirement and other employee-related obligations	-	90
Deferred income taxes, long-term	5	776
Other non-current liabilities	14	26
<b>Total liabilities of discontinued businesses held for sale</b>	<b>9,754</b>	<b>26,789</b>

The following amounts related to businesses to be discontinued have been segregated from continuing operations and reflected as discontinued operations for the three-month period ended March 31, 2004 and 2003:

January 1 - March 31,	2004	2003
Net sales	1,770	24,205
Income (loss) from discontinued operations before income taxes	(394)	(8,099)
Income taxes	9	77
<b>Income (loss) from discontinued operations, net of tax</b>	<b>(385)</b>	<b>(8,022)</b>

(€ in thousands except per share amounts)

## 7. SHAREHOLDERS' EQUITY

As of March 31, 2004 and 2003 the Company had 85,749,990 ordinary shares, voting without nominal value, issued and outstanding, representing common stock amounting to 107,187 Euro. Each share represents a calculated par value of 1.25 Euro.

According to the articles of association of Thiel Logistik AG as of March 31, 2004, the Board of Directors is authorized through March 14, 2006, to increase capital stock up to a total amount of 74,250,010 shares, representing common stock of 92,813 Euro. Issuance is limited to specific purposes. Reference is made to note 9.

## 8. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

In determining net cash provided by operating activities net income (loss) of the period is adjusted by deducting income (loss) from discontinued operations. Net cash used in discontinued operations is disclosed as a single line item in the Consolidated Statements of Cash Flows.

During the three-month period ended March 31, 2004, change in short-term borrowings including the short-term portion of long-term debt resulted in a net increase amounting to 5,763 Euro. Repayments in the first quarter of 2004 reduced the long-term loans by 1,473 Euro.

In the period ended March 31, 2004, the Group paid interest amounting to 3,295 Euro and income taxes amounting to 1,542 Euro.

## 9. SUBSEQUENT EVENTS

### Capital Increase

The Executive Board of Thiel Logistik AG decided on April 20, 2004 to carry out the capital increase from authorized capital with subscription rights. The rights issue, managed by Deutsche Bank, results in an increase in the share capital from 107,187 Euro to 139,344 Euro. The number of shares increased by 25,724,997 to 111,474,987.

The following table shows a pro forma presentation of the Share Capital of Thiel Group as of March 31, 2004, taking into consideration the effects from the capital increase. Costs of the capital increase and related deferred taxes are based on estimations. Due to the capital increase the pro forma equity ratio rises up to 38 percent.

March 31, 2004	Actual	Pro forma
Ordinary shares	107,187	139,344
Additional paid in capital	258,806	323,477
Retained earnings and other reserves	(88,542)	(88,542)
Accumulated other comprehensive income	(768)	(768)
<b>Shareholders' equity</b>	<b>276,683</b>	<b>373,511</b>

### Sale of Public Transport Business

After the sale of the Ingolstadt Public Transport Business in the first quarter 2004 the Public Transport Business in Munich was sold in April 2004. Due to suspensive contractual conditions the sale of the Public Transport Business will effect the results in the second quarter 2004.

## **Grevenmacher/Luxembourg, May 2004**

### **The Board of Directors**

Berndt-Michael Winter, Chairman | Dr. Antonius Wagner, Deputy Chairman | Prof. Werner Delfmann |  
Dr. Klaus Eierhoff, executive member | Dr. Yves Prussen

### **The Executive Board**

Dr. Klaus Eierhoff, CEO | Martin Löffler, CFO | Stefan Delacher, CMO

<b>FINANCIAL CALENDAR</b>	<b>August 12, 2004</b>	Publication of Half Year Report 2004
	<b>November 11, 2004</b>	Publication of Nine Months Report 2004
	<b>April 13, 2005</b>	Annual General Meeting

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### **Disclaimer**

This quarterly report contains forward-looking statements which are associated with risks and uncertainties. The actual development, the results and the time frame pertaining to the business of Thiel Logistik AG may differ significantly from the development, the results and the time frame as presented in this quarterly report. This quarterly report does not constitute an offer or an invitation to purchase or sell securities and shall not be relied upon as a basis of information in this connection.

**GLOSSARY OF FINANCIAL TERMS**

<b>CASH FLOW</b>	Cash flow is the difference between cash inflows and outflows. Cash flow can also be established from operating profit by adding non-cash items such as impairment charges and cash items not recorded in operating profit such as changes in working capital
<b>CROSS SELLING POTENTIAL</b>	Creating additional sales by offering add-on services to a given product or service
<b>DEFERRED TAXES</b>	Assets and liabilities in the balance sheet arising from the different treatment of transactions for financial and tax reporting purposes
<b>EBIT</b>	Earnings before interest and taxes. Income from ordinary activities
<b>EBITDA</b>	Earnings before interest, taxes, depreciation and amortization. Operating result before restructuring costs and special write-downs
<b>GOODWILL</b>	Goodwill is established as the difference between the acquisition price paid for an investment and the fair value of its share capital
<b>KONTRAG</b>	Law on control and transparency in business
<b>MARKET CAPITALIZATION</b>	Number of shares issued multiplied with the share price
<b>MDAX</b>	Acronym for Midcap DAX, the index for the leading German mid-cap stocks. Includes the 50 largest stocks after the DAX in terms of market capitalization and trading volume, weighted by formulas. The DAX indexes the 30 largest German stocks
<b>OECD</b>	Organization for Economic Cooperation and Development
<b>REPORTING UNITS</b>	Reporting units in financial accounting and controlling
<b>ROADSHOW</b>	Presentation of a company to investors and potential investors at main financial centers
<b>SUBSCRIBED CAPITAL</b>	The share capital of a company is computed by multiplying the nominal value of the shares by the number of shares
<b>US GAAP</b>	United States Generally Accepted Accounting Principles

## GLOSSARY OF TECHNICAL TERMS

<b>CONTRACT LOGISTICS</b>	Professional logistics services for business clients based on individual orders
<b>EMERGING MARKET</b>	Emerging economic regions especially in the Third World
<b>HANGING GARMENTS</b>	Goods, particularly garments, that are transported by vertical hanging as opposed to being stored horizontally
<b>JUST IN SEQUENCE</b>	This denotes delivery of goods in the exact time slot and order they are needed in the production process
<b>JUST IN TIME</b>	Same as above, but without any specific order of delivery
<b>LOGISTICS</b>	All activities associated with delivering goods as they are needed. In particular, securing a perfect flow of materials as a solution to problems in warehousing, transporting, and traffic. The term is of military origin
<b>MERCHANDISING LOGISTICS</b>	Production, sales and marketing of peripheral products associated with one common main product
<b>OUTSOURCING</b>	Receiving certain goods or services from external sources rather than producing or performing them in-house due to cost considerations. Usually refers to goods or services that are outside the core competencies of a company
<b>SUPPLY CHAIN MANAGEMENT</b>	Complete logistics solutions according to client requirements that take into consideration the complete added value chain (procurement, production and distribution)
<b>TGH</b>	Ticker symbol of Thiel Logistik AG at the German Stock Exchange
<b>TOP 3/IATA</b>	The leading three IATA (International Air Transport Association) companies
<b>TRACKING AND TRACING</b>	Tracking and tracing of shipments
<b>VALUE ADDED CHAIN</b>	All processes involved in creating economic value. In the case of a manufacturing company, the value added chain includes all research and development activities, procurement of raw materials, and production – from pre-production to WIP and end items through distribution to end users incl. everything in between: transport, warehousing and administrative activities
<b>VALUE ADDED SERVICES</b>	Individual integration of supplemental services into the concept of Full-Service-Logistics (e.g., financial services)
<b>WAREHOUSING</b>	Storage of data and goods

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