Name

THIEL
Logistics+Services

Industry LOGISTICS

Date March 31, 2005

QUARTERLY REPORT

X

Key Figures January 01, - March 31, 2005

according to the International Financial Reporting Standards (IFRS)

in thousand €	2005	2004	*Change in %*
Group Net Sales			
Industry Solutions	**153,469**	158,863	*-3.4*
Thiel Automotive	48,798	52,738	*-7.5*
Thiel FashionLifestyle	60,411	60,924	*-0.8*
Thiel Media	28,803	29,486	*-2.3*
Thiel Furniture	12,848	13,436	*-4.4*
Other	2,609	2,279	*14.5*
Air & Ocean	**75,509**	69,228	*9.1*
Regional Logistics Services	**201,972**	197,380	*2.3*
Quehenberger	98,492	90,024	*9.4*
Südkraft	49,671	55,293	*-10.2*
Delacher	53,809	52,063	*3.4*
Holdings	**58**	380	*-84.7*
Total Net Sales	**431,008**	425,851	*1.2*
Segment results			
Industry Solutions	2,819	5,723	*-50.7*
Air & Ocean	1,762	579	*204.3*
Regional Logistics Services	3,929	4,710	*-16.6*
Holdings	-1,888	-4,530	*-58.3*
Consolidation	-734	-8	*9,075.0*
Other financial income (expenses), net	13	-33	*N/A*
Earnings before interest and taxes (EBIT)	**5,901**	6,441	*-8.4*
Net result	**-1,336**	-110	*1,114.5*
Attributable to Equity holders of the company [1]	**-1,967**	-980	*100.7*
Attributable to Minority shareholders	**631**	870	*-27.5*
Earnings per Share in Euro	**-0.02**	-0.01	*100.0*
Operating Cashflow	**-5,493**	18,791	*N/A*
Capital expenditure	**-6,418**	-5,693	*12.7*
Free Cash flow	**-10,868**	16,393	*N/A*
Depreciation and amortization	**-9,259**	-10,271	*-9.9*
EBITDA	**15,160**	16,712	*-9.3*
Net financial debt	**165,009**	145,227*	*13.6*
Shareholders' equity (incl. minority interest)	**376,939**	377,842*	*-0.2*
Number of Employees	**8,986**	8,912*	*0.8*

[1] comparable with the former term "Net income (loss)"
*as of December 31, 2004

Content

Letter to the Shareholders 02
Report on the Stock 04

Management Report 06

Economic Developments 06
The Company at a Glance 07
Industry Solutions 08
Thiel Automotive 08
Thiel FashionLifestyle 09
Thiel Media 10
Thiel Furniture 10
Air & Ocean 11
Regional Logistics Services 12
Quehenberger 13
Südkraft 14
Delacher 14
Employees 15
Outlook 15
Financial Position 16

Consolidated Financial Statements 22

Consolidated Statement of Income 22
Consolidated Statement of Cash Flows 23
Consolidated Balance Sheet 24
Consolidated Statement of Changes in Shareholders' Equity 26
Notes to the Consolidated Financial Statements 27
1. Summary of Significant Accounting Policies 27
2. First-Time Adoption of International Financial Reporting Standards (IFRS) 32
3. Segment Reporting 34
4. Other Income (Expenses), net 39
5. Income (Loss) from Discontinued Operations 39
6. Property, Plant and Equipment and Intangible Assets 40
7. Assets and Liabilities of Discontinued Operations 40
8. Shareholders' Equity 41
9. Supplemental Disclosures of Cash Flow Information 41
10. Litigations 42
11. Subsequent Events 42

Glossary 43
Financial Calendar .... Cover
Imprint .... Cover

Dear Shareholders,

Business performance in the first quarter was characterized by different tendencies: We were able to continue to expand our activities into the growth markets of Eastern Europe and Asia – especially in the Air & Ocean, Quehenberger and Delacher units. However, in our core markets we also operate in sectors that are strongly consumer-dependent, which is an advantage when the economy is booming but a disadvantage during the current economic situation. This applies to the Thiel Automotive and Thiel Furniture Industry Solutions in particular. Nevertheless, the fact that we are gaining new customers and successful outsourcing projects shows that we are on the right road toward developing into a focused, and in some market segments leading, logistics Group. Our many years of experience, expertise and individual logistics solutions are key factors here.

Restrained start to fiscal year 2005

The business performance of some of our business units in the first three months did not match our expectations. This applies to the Thiel Furniture, Thiel Automotive and Südkraft units. Nor could the other successful business units fully compensate for the unsatisfactory results in these units, and as a consequence we revised our forecast for the year. After we restructured the liabilities side of our balance sheet last year, Thiel Logistik now has a strengthened financing structure that will be used to solidify the operations of all the business segments and to align the company to the growth markets in Eastern Europe and Asia.

Alignment to Eastern Europe and growth in Asia continued

During the first quarter our focus continued on the growth markets of Asia and Eastern Europe, and on developing the strategic alliance with DHL Solutions in the Thiel FashionLifestyle business unit. With our acquisition through Quehenberger of the majority in the Slovakian logistics company Proxar, we are putting increased emphasis on the function of Austria as a bridgehead and transit country for the new EU member states. The broadening of the A-class license in China in the Air & Ocean business segment is enabling us to tap into one of the largest growth markets in the world, and we will continue to expand our intercontinental network here.

Outsourcing and contract logistics market grows

The trend towards innovative outsourcing projects for industry and trade is continuing. Internationally networked groups need logistics services providers who can not only offer classic transportation and warehousing operations along the supply chain but who can also link their IT into the internal processes. This is clearly demonstrated by the outsourcing contract that got underway in the quarter between the automotive supply company Pierburg and the Thiel Automotive business unit. As part of a pilot project Thiel Automotive is handling production supply and warehousing at the Pierburg factory in Thionville, France. Once the project is shown to be successful, plans are to extend the outsourcing of in-house logistics to other Pierburg factories.

Strategic alliance between Thiel FashionLifestyle and DHL Solutions
Thiel FashionLifestyle and DHL Solutions intend to step up their long-standing international cooperation in textile distribution, and to combine operations into a strategic alliance. The objective is to establish a textile distribution network covering the whole of Europe, with uniform standards of operation and harmonized information logistics structures, in order to satisfy the industry's increased demands throughout Europe. To accomplish this, both companies will invest in developing standardized processes and IT systems during the current fiscal year.

2005 with further growth in sales and profit
For 2005 we are continuing to expect sales to increase by three percent. As business performance in the first quarter is below expectations, in April 2005 the Executive Board revised its estimation of net income for the year. Consequently after an EBIT (according to IFRS) of 34 million euros in 2004 for fiscal year 2005, we now estimate an EBIT (according to IFRS) of 36 million euros.

As we have already informed you, I will be leaving the company as of June 30 this year. On behalf of the Executive Board I would like to reiterate that after two years of restructuring Thiel Logistik is once again on the road to becoming a leading European logistics group, thanks especially to the commitment of our employees and the loyalty of our customers, partners and shareholders. I hope that you will continue to accompany the Group along this road, giving your support as you have also done in the past.

Grevenmacher/Luxembourg, May 2005

Dr. Klaus Eierhoff
CEO and member of the Board of Directors

Report on the Stock

Compared to the DAX and MDAX the stock impressed, putting in a significant out-performance at times. At the end of the quarter its performance was running in line with the market.

While the market as a whole tended to move sideways in the first quarter in the wake of a continuing rise in oil prices and a euro that fluctuated strongly against the US dollar, the Thiel Logistik AG stock pulled 20 percent and more ahead of the MDAX at times, particularly at the end of January/beginning of February 2005.

At the beginning of the year takeover speculations directed the investors' attention to the entire logistics sector. The Thiel Logistik AG stock also benefited initially from the successful implemented restructuring, and performed better than other logistics stocks. This positive trend was interrupted with the announcement of the financials for 2004 on March 10, 2005. The stock price fell, and the stock was now performing worse than other stocks in the industry but parallel, however, with the DAX and MDAX.

In the reporting period, 17.2 million shares in Thiel Logistik AG were traded on all the German stock markets. This corresponded to sales of 83.3 million euros. The average volume per trading day came to 268,884 shares, meaning average sales were 1.30 million euros.

Annual General Meeting

At the company's Annual General Meeting in Luxembourg on April 13, 2005, all items on the agenda were approved as proposed. The auditing firm Ernst & Young was selected as auditor for 2005.

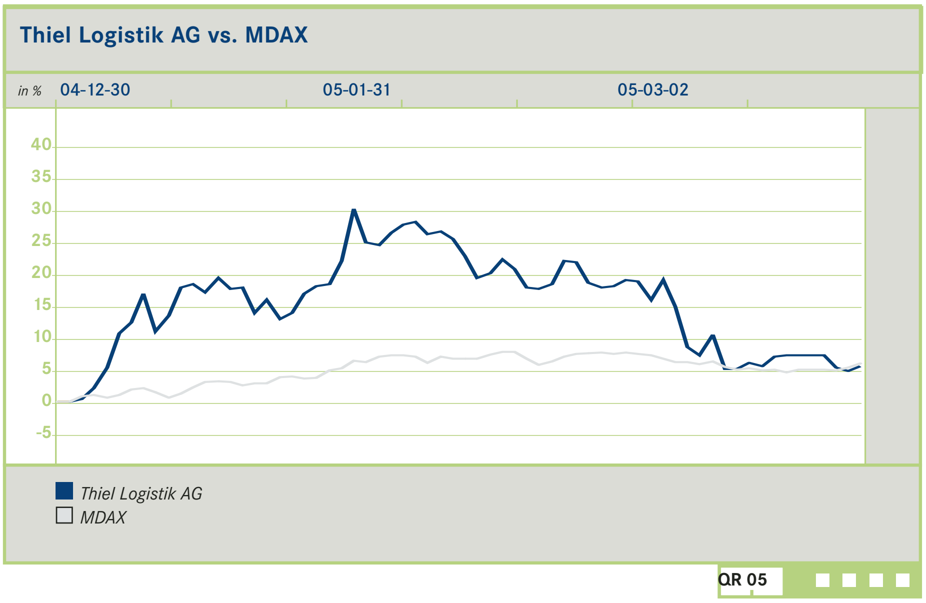
Shareholder's structure and directors' holdings

As of March 31, 2005, DELTON AG, the principal shareholder, holds a 50.26 percent stake in the capital of Thiel Logistik AG, making the free float unchanged at 49.74 percent.

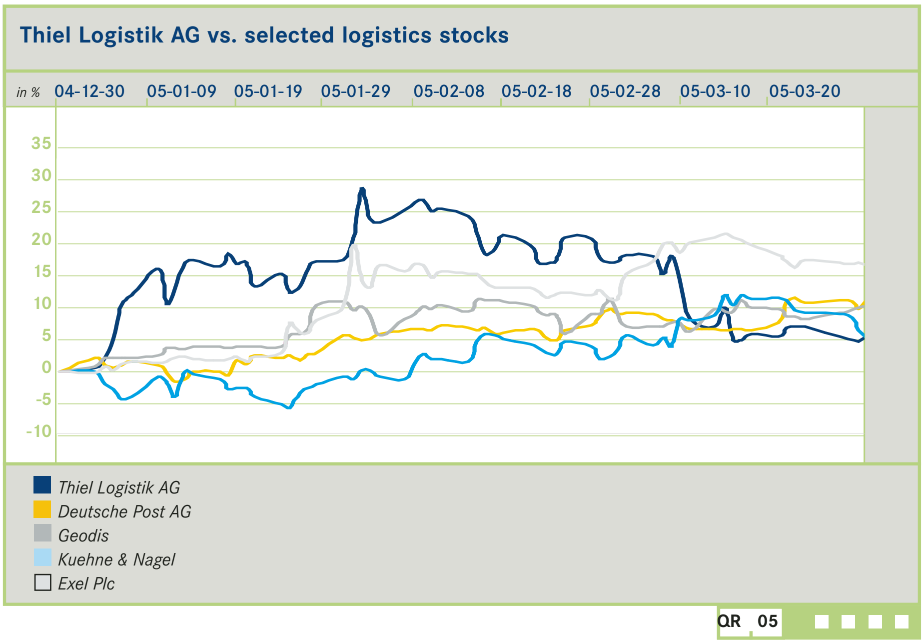
Dr. Klaus Eierhoff, Member of the Board of Directors and Chairman of the Executive Board, held a total of 15,000 shares in Thiel Logistik as of March 31, 2005, which were sold as of April 20, 2005. As a result, Dr. Klaus Eierhoff holds no Thiel Logistik stock after April 20, 2005.

Stefan Delacher, Member of the Executive Board, continues to hold 8,000 Thiel Logistik stock options. The remaining members of the Board of Directors and the Executive Board do not have any Thiel Logistik stock or options.

Stock Price Performance



Comparative Performance



Economic Developments

In the reporting period the German economy was characterized by a weakening momentum in the world economy, further stagnating domestic demand and strong seasonal effects as a result of the long winter. The ifo institute's business climate index, an important early indicator of the mood of the German economy, fell in March 2005 for the third time in succession. The index pointed to the underlying economic tendency continuing to be restrained in the first half of the year. Experts expect that the weak phase will be gradually overcome only during the second half of the year. In their spring assessments, the six leading German economic institutes forecast growth of just 0.7 percent for 2005.

In the euro zone as well, the economy has become noticeably overcast in the first quarter of 2005 compared to the fourth quarter of 2004. Economic experts are expecting the situation to gradually improve only in the second half of 2005, and an increase in gross domestic product of 1.4 percent for 2005.

The expansion of the global economy also slackened off slightly during the course of the past year. The reasons for this were the strong increase in raw materials prices, the depreciation of the US dollar against the yen and the euro and a tendency towards a less expansive economic policy in China and the USA. Economic experts expect the price of oil and raw materials to remain high, monetary policy in the USA to continue to be cautiously tightened and capital market interest rates to gradually rise. Nevertheless, looking at the year as a whole global economic expansion should continue at the same pace as in the second half of 2004.

In the transport and logistics sector, the weak economy at the beginning of the year has made itself particularly noticeable after a very good performance during the Christmas period. In February 2005, for example, the industry estimated the business situation to be essentially worse than in the previous year. It wasn't until March that the SCI logistics barometer, an important business indicator for the industry, rose slightly again, and as a result logistics companies are expecting a modest increase in sales for the second quarter.

The Company at a Glance

Business performance in the first three months fell short of expectations.

Sales rose over the year before from 425.9 million euros to 431.0 million euros (+1.2 percent). For the first quarter of fiscal year 2005 the operating profit (EBIT) of 5.9 million euros is below the level of the previous year's quarter of 6.4 million euros (-8.4 percent). After a net result before minorities of -0.1 million euros in the comparable period of 2004, the Thiel Group reported a net result before minorities of -1.3 million euros for the first quarter of fiscal year 2005. After deduction of the minority shares of 0.7 million euros remains a negative result of -2.0 million euros (2004: -1.0 million euros).

The lack of economic momentum in particular resulted in sales and earnings declines. Apart from the weak consumer demand, start-up difficulties for a new furniture distribution center in Lemgo-Vossheide and salary levels that are above the market average had a negative impact on the business performance of the Thiel Furniture business unit.

Thiel Automotive and Südkraft also continued to feel the impact of the sustained weak economy, which made it more difficult to gain new customers and led to increasing price pressure with falling margins.

By contrast, the performance of the Air & Ocean business segment was very favorable, with sales growth of nine percent. Growth in the Asia business even hit the double digit mark in the reporting period. The businesses of the other business units – Quehenberger, Delacher, Thiel Media and Thiel FashionLifestyle – also performed favorably in line with expectations.

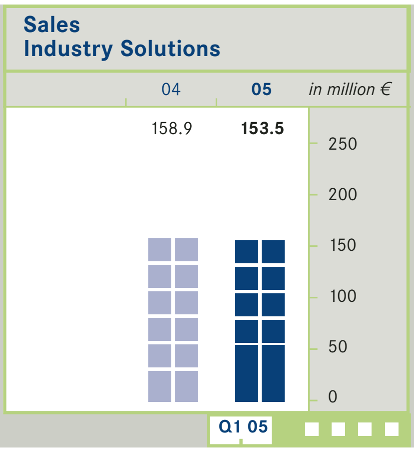
Further steps were taken during the first quarter to improve profitability. The introduction of standard SAP software currently underway will also contribute towards optimizing and standardizing IT processes in the Group. The strategies in the Thiel Automotive and Südkraft business units were redefined with the respectively new management in order to focus more heavily on the operating business. On top of this, work is being carried out on synchronizing data and good flows between the Group companies.

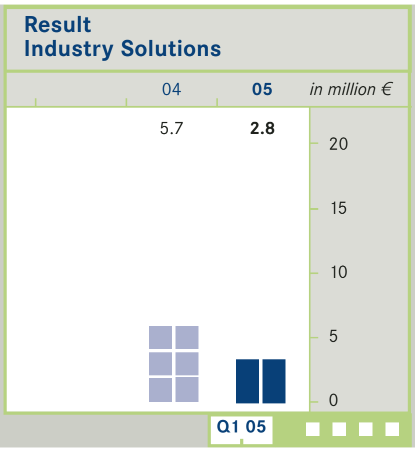
There was also a further alignment towards the target markets of Eastern Europe and Asia during the reporting period. The Quehenberger business unit, for example, acquired a majority interest in the Slovakian logistics company Proxar, subject to the approval of the antitrust authorities. The aim is to optimize synergy potential within the Thiel Group in future and to greatly reduce the number of deadheading transports from Western to Eastern Europe.

Thiel FashionLifestyle and DHL Solutions extend a strategic alliance in order to be able to offer a textile distribution network covering the whole of Europe with uniform standards of operation and logistics information structures.

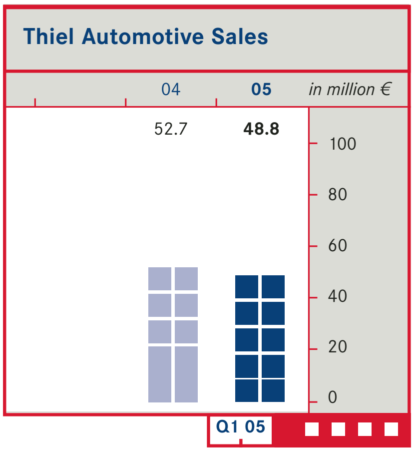
Industry Solutions

The four Industry Solutions of Thiel Automotive, Thiel FashionLifestyle, Thiel Media and Thiel Furniture provide a range of services that offer more than integrated logistics solutions alone – as specialists they actually redesign the supply chain of an industry. In the first three months of 2005 Thiel Logistik generated sales of 153.5 million euros in this business segment, and a result of 2.8 million euros following 158.9 million euros and 5.7 million euros respectively in the previous year's quarter. The difference in the result is attributable to the Thiel Furniture and Thiel Automotive business units in particular.





THIEL Automotive
Logistics+Services



The Thiel Automotive business unit with its lead company Microlog specializes in logistics for the automotive industry and its suppliers. In the period under review the Automotive business unit generated sales of 48.8 million euros compared to 52.7 million euros in the comparative quarter of 2004.

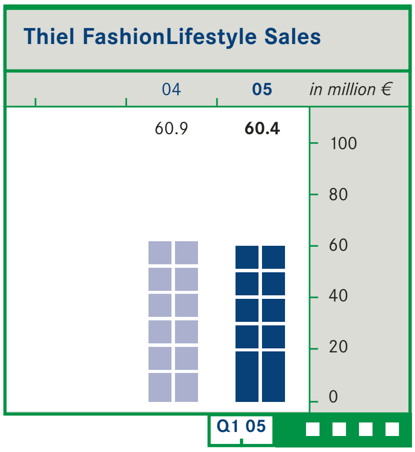
Thiel Automotive felt the impact of the continued weak automotive economy in the period, as manifested by declining volumes in business with existing customers, and making it difficult to gain new customers.

Moreover, the initial positive sales effects from managing the new BMW Dynamic Center Dingolfing and from an outsourcing project with the automotive supplier Pierburg also became evident in the reporting period. Here, Thiel Automotive has been handling the in-house logistics at the Thionville factory in France as part of a pilot project since March. Success will mean this service being extended to other Pierburg sites.

To ensure the viability of the Heppenheim site, the utilization of its capacities must be secured from mid-2005 through a follow-on contract after a customer contract expires. Intensive work is in process on acquiring further contracts for this site, with promising talks currently underway.

THIEL FashionLifestyle
Logistics+Services

Thiel FashionLifestyle is the market leader in Germany and Austria in shipping hanging garments, offering a comprehensive service for organizing complex supply and distribution networks for the textile industry and for fashion-enhancing products such as accessories and cosmetics.



Against the backdrop of a market environment where sales are declining, sales practically matched those of the previous year. The business unit generated sales of 60.4 million euros in the reporting period compared to 60.9 million euros in the first quarter of 2004, which means Thiel FashionLifestyle is on track.

Sales increases in Germany of more than 6 percent were countered by sales declines in the business in Spain. Here the airfreight business for a major customer was switched to sea freight, which is less profitable.

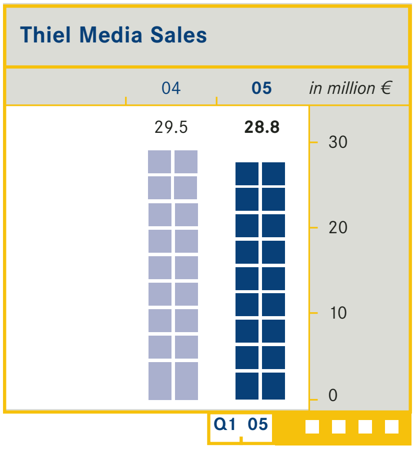
Despite the economic situation, Thiel FashionLifestyle succeeded in gaining larger new customers such as Disermoda, the biggest Spanish textile importer.

The business unit was named “Best European Fashion Logistics Provider 2005“ by the Global Institute of Logistics in New York in February of this year for its end-to-end logistics solutions for textile logistics.

Thiel FashionLifestyle and DHL Solutions extend a strategic alliance in order to create a Europe-wide comprehensive textile distribution network, and to step up the collaboration to date.

In 2005 the Central and Eastern European business will continue to be expanded and sales activities enhanced.

THIEL Media
Logistics+Services



Thiel Media is the market leader in press logistics in Germany, developing logistics solutions for the on-schedule delivery of press products to specific recipients, such as wholesalers and rail station bookstores, and for transporting paper rolls to print shops.

In the first quarter the Thiel Media business unit generated sales of 28.8 million euros with its lead company Overbruck, compared to 29.5 million euros the previous year.

The press logistics market is characterized by declining circulations and increased demands on press logistics owing to new types of offers and groups of recipients.

So, for example, Thiel Media set up a totally new delivery track in the reporting period via its subsidiary company ZZ Verlagsservice Eichberg, providing morning delivery of foreign titles that have arrived in Germany that very morning.

The business unit succeeded in continuing to establish itself in the new EU states in the reporting period. The Polish subsidiary Overbruck Polska, for instance, has been handling distribution of Poland's largest business magazine "Newsweek" since the start of the year.

A major topic in the first quarter was the implementation of the toll on Federal German highways. Thiel Media optimized freight in advance of the introduction of the toll, increasing vehicle capacity as a result. This means the impact of the toll for customers is kept to a minimum.

Sales and earnings performance in the reporting period was satisfactory.

THIEL Furniture
Logistics+Services

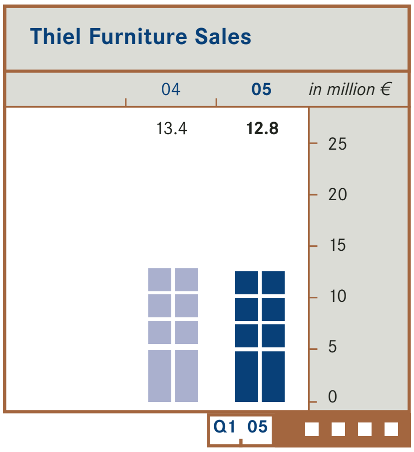
Thiel Furniture is an international logistics and service provider for the entire supply chain of furniture, with a turnaround of approximately 2,600 cubic meters of furniture per day and more than 120,000 square meters storage space. The market in furniture for the home is heavily fragmented, with high cost pressures featuring strongly. At the same time, reluctance on the part of purchasers resulting from the tight economic situation is slowing the furniture economy down.

In the first three months of this year the Thiel Furniture business unit with its six operating companies generated sales of 12.8 million euros, making it slightly under the comparable level for last year sales of 13.4 million euros. Rising sales from cross-border traffic, above all with Eastern European countries, was not enough to completely offset the losses in the German market. On top of that, the situation is made more difficult by the fact that freight prices for transport to Poland have fallen heavily as a result of the EU eastern enlargement.

During the reporting period the business in Eastern Europe and Asia was further expanded. For instance, around 11,000 square meters of warehousing space was added to the Polish site at Ilawa. Moreover, existing customer relationships were broadened in the first quarter and new customers were gained, such as HPI, D&S and Diamona.

Start-up difficulties at the new furniture distribution center in Lemgo-Vossheide are weighing on the result, as are non-competitive wages and salaries at the subsidiary Lippe Logistik. The logistics processes are being revised in order to achieve target productivity. Moreover, an agreement has already been reached with the unions and the works council on a savings program, set to begin in mid-2005.

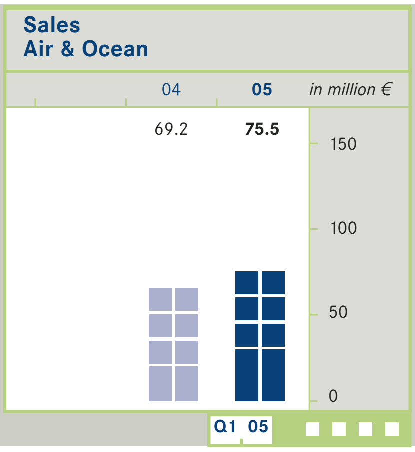
The furniture economy in Germany is not expected to improve during the course of this year, which could make it hard to expand business with existing customers. This is why the emphasis is on gaining new customers and expanding the business in Eastern Europe and Asia.

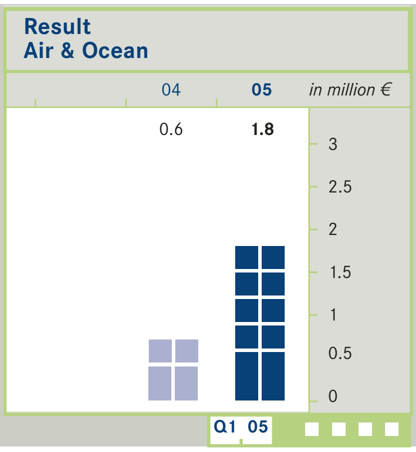


Air & Ocean

The Thiel Group's international air and sea freight activities are pooled into the Air & Ocean business segment under the lead company Birkart Globistics. With a global network of 73 of its own branch offices and additional strategic partnerships, Air & Ocean provides sophisticated logistics solutions around the world, and also supports the Industry Solutions in this area.

While an expert partner covers North America, Birkart Globistics has its own networks in Europe, Asia, South Africa and South America. In Asia alone, Birkart Globistics has eleven national subsidiaries and 33 branch offices, and is set to open eight further offices in China by the end of the year.





Cooperations have proved a groundbreaking model in intercontinental air and sea freight. Birkart Globistics is one of the founding members of the FUTURE airfreight cooperation, and the sea freight cooperations Group99 and Global Container Group.

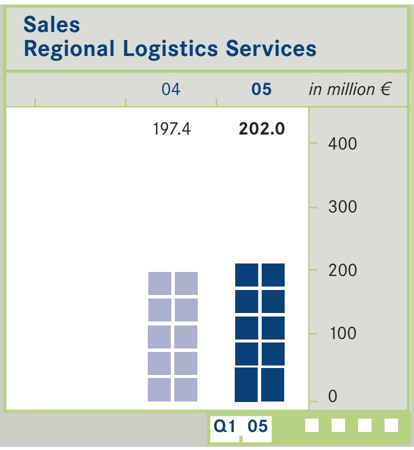
Throughout the entire transaction the high level of IT expertise guarantees a smooth flow of information – from the air freight online booking service, to tracking & tracing and through to e-billing.

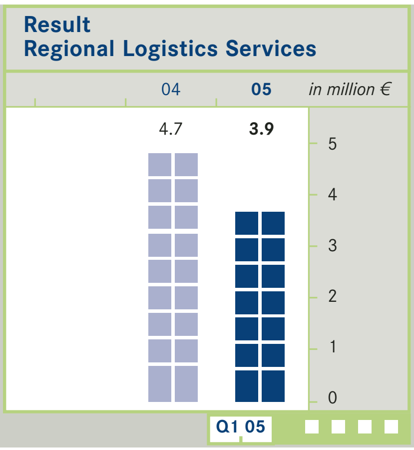
In the first quarter of 2005 the business segment achieved sales of 75.5 million euros compared to 69.2 million euros in the comparable period the previous year, an increase of around nine percent. Sales growth resulted in equal measure from the new customer business and from broadening business with existing customers.

The international alignment of the Air & Ocean business segment means that it is closely linked with global economic performance. During the reporting period the driving forces were the export activities from Asia to Europe, in particular from China and Korea. This development resulted primarily from obtaining new business in Europe. Despite a certain slowing down there is still a high growth dynamic here, with heavy demand for intercontinental air and sea freight services. So, for instance, the Asia business of Air & Ocean grew in the reporting period in the two-digit percentage range. The activities in the South America project business likewise performed very positively in the first quarter.

Regional Logistics Services

Thiel's Regional Logistics Services Providers – Quehenberger, Südkraft and Delacher – focus on providing logistics solutions for leading customers from regional core markets, supporting their international operations at the same time. Their offer ranges from transportation services to complex contract logistics, with the emphasis on Central and Eastern Europe. Thiel Logistik booked sales of 202.0 million euros in this business segment in the reporting period, and a result of 3.9 million euros.

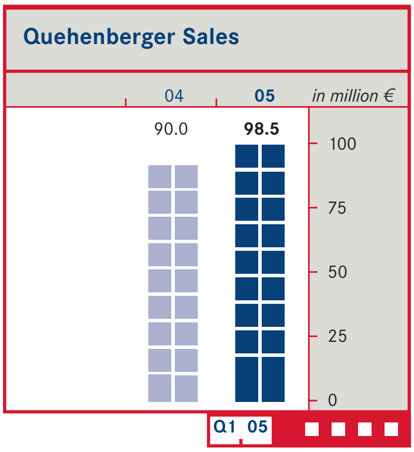




Quehenberger

Logistikgruppe

The Quehenberger Logistics Group is one of the leading providers of end-to-end logistics solutions in Austria, with a comprehensive network covering the whole of Central and Eastern Europe. The services it offers include transportation, warehousing and complete outsourcing logistics concepts for high-tech products, consumer articles, the chemical industry and other sectors.



Quehenberger achieved sales of 98.5 million euros in the first quarter of 2005 compared to 90.0 million euros in the previous year's period. Sales declines due to a subdued consumer environment and to seasonal effects were offset by sales gained from a large number of new customers.

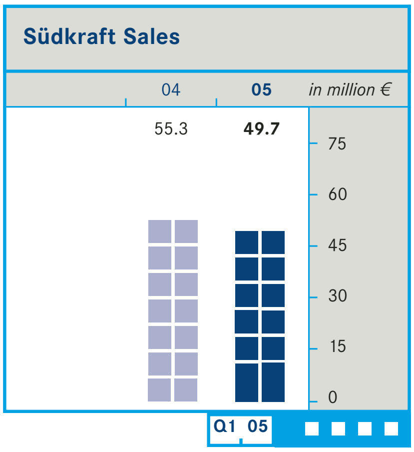
During the reporting period, Quehenberger broadened the range of services it offers, especially in Eastern Europe. For instance, a new branch was opened in Varna in Bulgaria in March 2005, enabling the subsidiary Welz to expand its presence to Sofia in the east of Bulgaria as well.

Along with Transflow LBase Quehenberger invested in a new IT network solution with "active messaging", so as to be in a position to offer its customers throughout Europe an even better service. As a result the company has achieved high transparency across the entire supply chain for all concerned, meaning that any deviations in the process can be responded to immediately.

Effective April 2005, Quehenberger has acquired 66 percent of the shares in Proxar, the Slovakian logistics company – subject to the approval of the EU antitrust authorities. With approximately 800,000 tonnes transported annually, the company is one of the largest freight companies operating in international road transport from east to west. Proxar's services also cover rail transport, handling customs formalities and spare-parts logistics. With the acquisition of Proxar Thiel Logistik aims to continue to expand its network in Central and Eastern Europe while reducing the number of deadhead journeys from Western Europe to Eastern Europe.

SÜDKRAFT

As a major logistics specialist in Germany and the Benelux countries, Südkraft designs and implements individual and end-to-end solutions. In the course of consolidation the new management introduced a strategic realignment in order to improve the earnings situation. Accordingly, the business unit concentrates on the competence fields of contract logistics, road freight and tank and silo transportation, complemented by innovative value-added services.



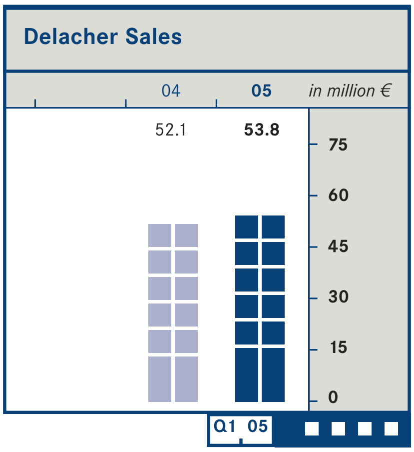
In the first three months of 2005 Südkraft generated sales of 49.7 million euros. Owing to changes and the realignment, these sales cannot be compared with the sales from the previous year's quarter. So, for example, the passenger transportation business in Munich and Ingolstadt was sold later in the course of 2004, as was the investment in the MDS inland waterways transportation company.

Südkraft's business performance during the period under review was impacted by the weak domestic demand in Germany. Smaller volumes in the tank and silo transportation segment – also seasonally influenced by the low demand in the construction industry in the winter months – negatively affected sales and earnings. On top of this came high one-time costs for projects starting up from fresh.

One example of a successful new project is a bespoke solution for Michelin from the subsidiary BTS at the Mannheim site. In the area of contract logistics, a contract was concluded with E.C.S. excellent catering service GmbH.

The consistent alignment to the three strategic successful areas of road freight, contract logistics and tank and silo transportation will be advanced further in 2005.

delacher+co LOGISTICS GROUP



The Delacher business unit with its lead company of the same name provides regional logistics services in Western Austria, Switzerland, France, Hungary, the Netherlands, Turkey, and Greece. Its service offer ranges from simple transport services through to special solutions for steel, paper, chemicals and a thermal supply chain for fruit and vegetables to Switzerland.

Despite a difficult economic environment in its home markets, Delacher managed to slightly exceed the previous year's comparative sales. Sales rose from 52.1 million euros in the first quarter of 2004 to 53.8 million euros. The growth is resulting primarily from the increase in traffic with the countries of Central and Eastern Europe, and from expanding business in refrigerated transport of fruit and vegetables to Switzerland.

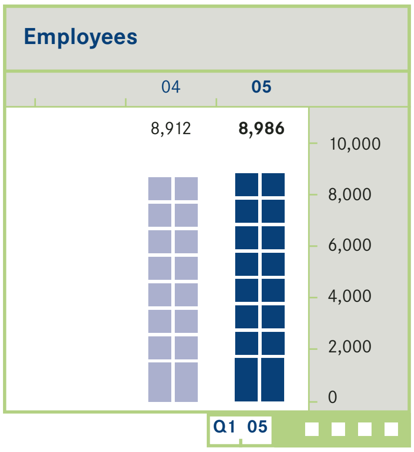
During the reporting period Delacher succeeded in further expanding its market position in Central and Eastern Europe. For example, a new logistics facility came on stream in the Czech Republic, offering 3,000 square meters of warehousing space. In Hungary, the business segment of warehousing logistics for chemical products was expanded.

The Danube traffic hub at the Krems site has been expanded with the acquisition by Quehenberger of 50 percent of the partnership interests in RMD Lagerterminal GmbH Krems. An additional 3,000 square meters of warehousing space has been available here since January 1, 2005.

In 2005 the transport solutions to Central and Eastern Europe and Austria will be supplemented by additional destinations, and the thermal supply chain business segment in Switzerland expanded.

Employees

The Thiel Group employed 8,986 staff as of March 31, 2005. The number of employees was 8,912 as of December 31, 2004, and so has therefore remained at just about the same level. There was hardly any change either on a full-time basis. While a total of 8,490 staff were employed on a full-time basis at the end of 2004, at the end of the first quarter of 2005 this figure was still 8,478.



In the first three months of 2005 the attention of personnel management was on areas such as continuing to reduce staff costs and making special payments and working hours more flexible. Here the focus was placed in particular on structuring wages and salaries in the Thiel Furniture business unit in line with market conditions.

An internal task force was formed to provide the business units with additional logistics and business management know-how at short notice.

Forming part of targeted employee development, the project for introducing the human capital management software "ETWeb from ExecuTRACK Solutions" got underway during the reporting period. The system for analyzing competencies continued to be developed.

Outlook

As business performance in the first quarter is below expectations, in April 2005 the Executive Board revised its estimation of expected net income for the year. Consequently, after an EBIT of 34 million euros in 2004 for fiscal year 2005, it now estimates an EBIT of 36 million euros.

Sales growth of three percent – through organic growth in particular – is still expected for the fiscal year. On top of this, the strategic alliance with DHL Solutions in the Thiel FashionLifestyle business unit will be expanded. Intensive work will be done on improving the business units that are not yet matching our expected returns.

Financial Position First Quarter 2005

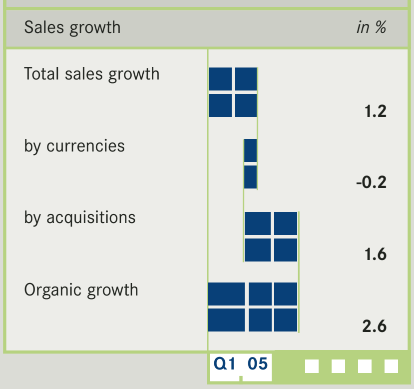
The present Consolidated Financial Statements were drawn up for the first time according to the accounting rules of the International Financial Reporting Standards (IFRS). A detailed overview of IFRS accounting in the Thiel Group is included in the Notes to the Consolidated Financial Statements under point 2 “First-Time adoption of International Financial Reporting Standards (IFRS)”.

Key figures of the Consolidated Statement of Income

in € thousand January 1, - March 31,	**2005**	**2004**	*Change*
Net Sales	**431,008**	425,851	1.2%
Cost of sales	– 396,547	– 392,027	1.2%
Gross profit	**34,461**	33,824	1.9%
Operating expenses	– 28,573	-27,350	4.5%
Other income (expenses)	13	-33	N/A
Earnings before interest and taxes (EBIT)	**5,901**	6,441	-8.4%
Net interest	– 4,435	– 4,491	-1.2%
Income taxes	– 1,958	– 873	124.3%
Income from continuing operations	**-492**	1,077	N/A
Income from discontinued operations	– 844	– 1,187	– 28.9%
Net result	**– 1,336**	-110	1,114.5%
Attributable to:			
Equity holders of the company	-1,967	– 980	100.7%
Minority interest	631	870	-27.5%
Depreciation and amortization	-9,259	-10,271	-9.9%
EBITDA	15,160	16,712	-9.3%
Operating lease expenses	-16,807	-17,055	-1.5%
EBITDAR [1]	31,967	33,767	– 5.3%
Gross Margin	8.0%	7.9%	0.7%
EBIT-Margin	1.4%	1.5%	-9.5%
EBITDA-Margin	3.5%	3.9%	-10.4%
EBITDAR-Margin	7.4%	7.9%	-6.5%
EBITDA/Net interest	3.4	3.7	-8.1%

[1] EBITDA before operating lease expenses

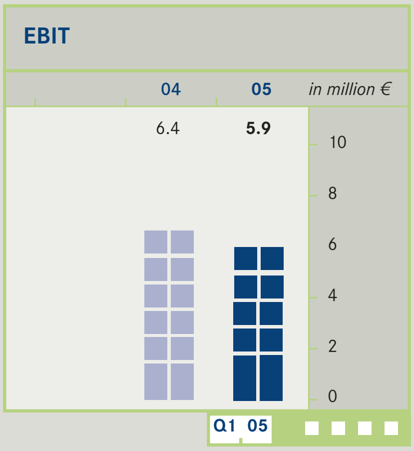
Sales Analysis



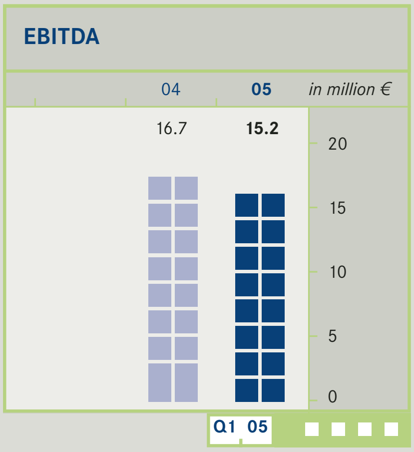
In the first quarter of 2005 the Thiel Group generated sales of 431.0 million euros, an increase of 1.2 % over the 425.9 million euros of the same period in 2004. There is an organic sales growth of 2.6 % after these sales are adjusted for the positive currency effects of 0.2 % and negative effects from divestments of 1.6 %. The negative effects of divestments include the sale of the public transport business of the Südkraft business unit in Ingolstadt and Munich in fiscal year 2004. Because approval by the European antitrust authorities is outstanding, sales from the acquisition of the Slovakian company Proxar (Quehenberger business unit) are not included in the figures from the first quarter of 2005.

Result

A gross profit of 34.5 million euros was generated in the reporting period of 2005, an increase of 1.9 % over the previous year's figure of 33.8 million euros. The gross margin in the first three months of the current fiscal year came to 8.0 % (2004: 7.9 %). The weak economic performance squeezed margins in the Automotive business unit (Industry Solutions segment) and in the Südkraft business unit (Regional Logistics Services segment). Start-up losses at a new furniture distribution center in Lemgo-Vossheide led to a decline in the margin at the Furniture business unit (Industry Solutions segment). Significant margin improvements were achieved in the business unit Thiel FashionLifestyle (Industry Solutions segment) and in the Air & Ocean segment.



Operating expenses of 28.6 million euros were incurred in the first quarter of 2005, while those of the same period of the prior year came to 27.4 million euros. The operating expenses include depreciation and amortization of 9.3 million euros (2004: 10.3 million euros).
Other financial income (expense) of TEUR 13 (2004: TEUR - 33 euros) includes results from investments, securities and other financial instruments.



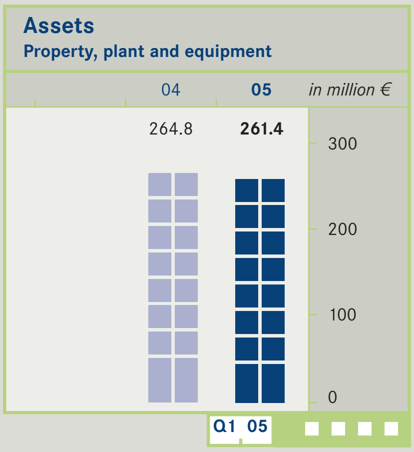
Owing to the earnings declines in the Automotive, Furniture and Südkraft business units, the 5.9 million euro result before interest and income taxes (EBIT) was 8,4% below the level of the previous year.
Consolidated earnings before interest, taxes, depreciation and amortization (EBITDA) decreased by 9.3 %, from 16.7 million euros in the previous year's period to 15.2 million euros, which gives an EBITDA margin of 3.5 %. When the consolidated result is adjusted for the operating lease expenses, an EBITDAR of 32.0 million euros was generated in the first three months of 2005 (2004: 33.8 million euros).

The Group's net interest result was –4.4 million euros, below the level of the previous year (2004: -4.5 million euros). The ratio of the EBITDA to net interest came to 3.4 in the first quarter (2004: 3.7).

In the current reporting period the income tax expense increased by 124.3 %, up from 0.9 million euros to 2.0 million euros.

The result from discontinued operations decreased in the first three months of 2005 to –0.8 million euros (2004: -1.2 million euros). The group of companies classified as discontinued operations consists of smaller freight companies in the Central Europe and Asia regions.

The new rules of the International Financial Reporting Standards (IFRS) have been applied when stating the net result for current periods. In line with this approach, the statement of income ends with the net result before minorities. This net result is stated separately and allocated to the equity holders of the company (comparable to the previous use of the term “Net Income”) and to the minority shareholders. In the current reporting period, – 2.0 million euros of the negative net result of -1.3 million euros (2004: – 0,1 million euros) was apportioned to the equity holders of the Thiel Group (2004: –1.0 million euros) and 0.6 million euros to the minority shareholders (2004: 0.9 million euros).



Assets and Equity Structure

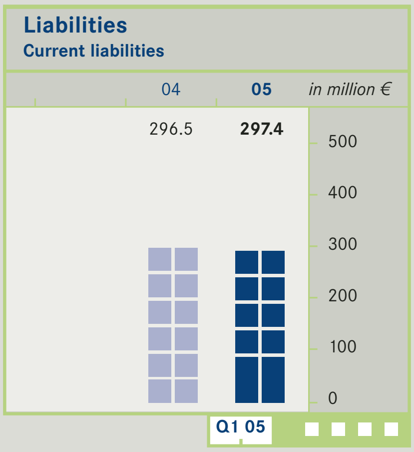
Total assets fell by 0.2 % to 949.3 million euros (2004: 951.2 million euros) compared to the reporting date of December 31, 2004. Cash and cash equivalents decreased from 87.4 million euros as of December 31, 2004, to 63.9 million euros as of March 31, 2005. The 19.3 million euro increase in trade accounts receivable, up from 205.3 million euros to 224.6 million euros, reflects increased sales volumes in March compared to December.

Prepaid expenses and other current assets increased by 4.8 million euros from 32.4 million euros to 37.2 million euros. Business expansion in the Air & Ocean business segment led to an increase in inventories, while the prepaid expenses increased in the first quarter as a result of accruing for rental and insurance contracts. Payments received from the sale of companies and the statement of a long-term receivable from the discontinued operations as a receivable from continuing operations resulted in a 39.3 % decrease in the assets of the discontinued operations from 11.7 million euros as at December 31, 2004, to 7.1 million euros as of the reporting date for the period under review.

Property, plant and equipment decreased by 1.3 % to 261.4 million euros (2004: 264.8 million euros). Asset additions in the Thiel Group in the first quarter of 2005 came to 5.3 million euros, while asset disposals came to 1.1 million euros and depreciation to 7.2 million euros.

Intangible assets fell by 0.3 million euros in the reporting period, from 23.6 million euros to 23.3 million euros. Asset additions came to 1.1 million euros, as against amortization of 2.1 million euros. There were no significant disposals of intangible assets in the reporting period. As there were no new acquisitions in the first quarter of 2005, goodwill remained virtually unchanged at 284.7 million euros (2004: 284.6 million euros).

Other long-term assets increased from 41.3 million euros as of December 31, 2004, to 47.1 million euros, a 13.9 % rise. This balance sheet item includes the acquisition of the Slovakian company Proxar. This will be included in the Thiel Group's scope of consolidation after approval by the European antitrust authorities.



Short-term bank borrowings fell by 2.8 million euros, from 19.8 million euros to 17.0 million euros. The repayment of short-term bank borrowings was 5.6 million euros in the first three months of 2005, while short-term interest liabilities relating to the bond came to 2.7 million euros. Trade accounts payable increased in the current reporting period by 9.1 million euros to 174.5 million euros (2004: 165.4 million euros).

Other short-term liabilities decreased in the past three months by 2.8 million euros to 72.0 million euros (2004: 74.8 million euros). Whereas pension obligations in the Birkart KG lead company were settled, liabilities from vacation and Christmas bonus money were built up. Other short-term provisions decreased from 28.8 million euros as of December 31, 2004, to 27.2 million euros as of March 31, 2005. The liabilities from discontinued operations decreased by 0.9 million euros, from 7.7 million euros to 6.8 million euros.

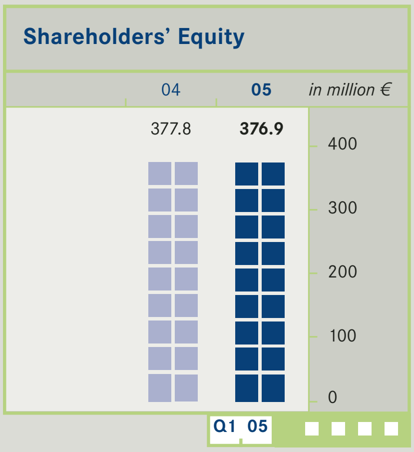
Long-term bank borrowings remained practically unchanged at 34.4 million euros (2004: 34.8 million euros). In addition to the bond volume of 130 million euros, the bond issue costs, which are to be deferred over the term of the bond, are also stated in the liabilities from bonds payable.

The other long-term liabilities decreased from 76.6 million euros to 74.1 million euros. The other long-term provisions increased by 2.1 %, from 40.4 million euros as of December 31, 2004, to 41.2 million euros.

In accordance with IFRS provisions, shareholders' equity also includes the share of the minority interests, and remained constant at 376.9 million euros (2004: 377.8 million euros). The equity ratio of the Thiel Group was 39.7 % as of March 31, 2005.

Assets and Equity Structure

in thousand €	Mar. 31, 2005	Dec. 31, 2004	*Change*
Assets			
Cash and Cash equivalents	63,875	87,369	-26.9%
Trade accounts receivable	224,641	205,348	9.4%
Prepaid expenses and other current assets	37,198	32,424	14.7%
Assets of discontinued operations	7,124	11,738	-39.3%
Property, plant and equipment	261,359	264,758	-1.3%
Intangible assets	23,280	23,632	-1.5%
Goodwill	284,728	284,629	0.0%
Other long-term assets	47,073	41,313	13.9%
Total Assets	**949,278**	**951,211**	**-0.2%**
Liabilities and Shareholders' Equity			
Short-term bank borrowings	16,972	19,834	-14.4%
Trade accounts payable	174,502	165,362	5.5%
Other short-term liabilities	72,009	74,816	-3.8%
Other short-term provisions	27,165	28,804	-5.7%
Liabilities of discontinued operations	6,767	7,699	-12.1%
Long-term bank borrowings	34,392	34,789	-1.1%
Bonds payable	125,241	125,043	0.2%
Other long-term liabilities	74,070	76,648	-3.4%
Other long-term provisions	41,221	40,374	2.1%
Shareholders' equity (including minority interest)	376,939	377,842	-0.2%
Total Liabilities and Shareholders' Equity	**949,278**	**951,211**	**-0.2%**
Key figures to Balance Sheet			
Equity ratio	39.7%	39.7%	0.0 %
Gross financial debt	228,884	232,596	-1.6%
Net financial debt	165,009	145,227	13.6%



The financing structure of the Thiel Group was placed on a solid foundation through the issue of a corporate bond and a capital increase in fiscal year 2004. Due to the reduction in cash and cash equivalents, net financial debt (bank borrowings, bonds payable and lease obligations minus cash and cash equivalents) increased by 19.8 million euros in the current reporting period, from 145.2 million euros to 165.0 million euros. Gross financial debt (without cash and cash equivalents included) improved by 1.6% from 232.6 million euros to 228.9 million euros.

Cashflow

in € thousand January 1, - March 31,	2005	2004	*Change*
Net result	-1,336	-110	1,114.5%
Income from discontinued operations	844	1,187	-28.9%
Depreciation and amortization	9,259	10,271	-9.9%
Changes in working capital	-8,772	6,808	N/A
Other reconciliations	-5,488	635	N/A
Operating Cashflow	**-5,493**	18,791	N/A
Capital expenditures	-6,418	-5,693	12.7%
Divestments	2,448	421	481.5%
Acquisitions of subsidiaries	– 5,226	– 30	17,320.0%
Other changes in Cashflow from investing activities	-11	-2,773	– 99.6%
Cash flow from investing activities	**–9,207**	– 8,075	14.0%
Changes in bank borrowings	– 5,952	4,164	N/A
Issuance of corporate bond	-799	–	N/A
Other changes in Cash flow from financing activities	-2,424	-2,326	4.2%
Cash flow from financing activities	**-9,175**	1,838	N/A
Net cash used in discontinued operations	124	-5,306	N/A
Effects of exchange rate changes on cash	257	142	81.0%
Changes in Cash and cash equivalents	**-23,494**	7,390	N/A
Cash and cash equivalents at end of period	63,875	58,402	9.4%
Free Cashflow [1]	**-10,868**	16,393	N/A

[1] Free Cashflow = Operating Cash flow - Capital expenditures + Interest payments

Based on a result for the period of -1.3 million euros (2004: -0.1 million euros), the reconciliation to the operating cash flow shows a result of 0.8 million euros for the discontinued operations (2004: 1.2 million euros) and amortization of 9.3 million euros (2004: 10.3 million euros). The other reconciliation items include the settlement of pension obligations at the Birkart KG lead company in the sum of -8.5 million euros.

Increased sales volumes in March compared to December in particular resulted in a negative cash effect from working capital of – 8.8 million euros in the current reporting period.

The Thiel Group generated a negative operating cash flow of 5.5 million euros in the first quarter 2005 due to negative effects from working capital management (2004: 18.8 million euros). Adjusted for capital expenditures of 6.4 million euros (2004: 5.7 million euros) and interest payments of 1.0 million euros (2004: 3.3 million euros), a negative free cash flow of -10.9 million euros was generated.

Disposals of long-lived assets resulted in a cash inflow from divestments of 2.4 million euros in the first quarter of 2005 (2004: 0.4 million euros). Investment purchases led to a cash outflow of 5.2 million euros. This includes the acquisition of the Slovakian company Proxar.

The other changes in cash flow from investing activities of TEUR –11 (2004: -2.8 million euros) include changes in other loans and securities granted.

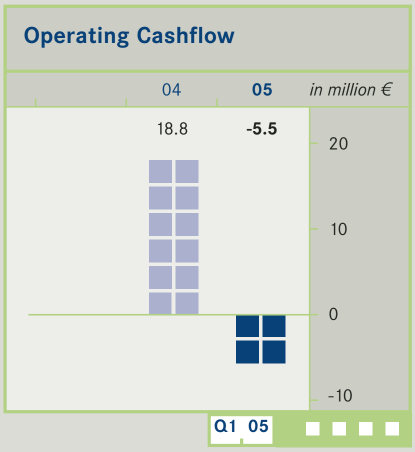
In the first quarter 2005 bank borrowings of 6.0 million euros were repaid. Paying costs from the issue of the corporate bond resulted in a cash outflow of 0.8 million euros.

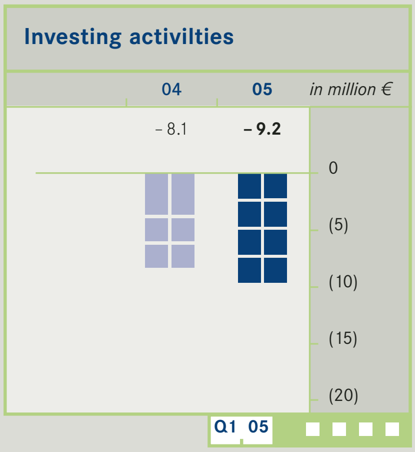
The other changes in cash flow from financing activities of –2.4 million euros (2004: -2.3 million euros) include changes to the finance lease obligations.

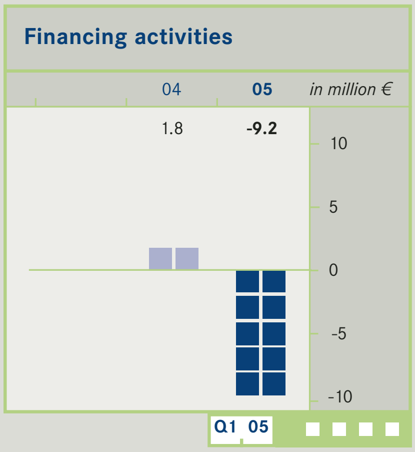
The item Net cash used in discontinued operations contains all those corporate divisions that were assessed as to be discontinued operations when applying the accounting criteria. The relevant proceeds from the sale of the corporate divisions are also included in this line of the cash flow statement. A cash inflow of 0.1 million euros was generated in the first quarter of 2005. Cash outflows from discontinued operations amounted to 5.3 million euros in the comparative period of the year before.

Effects of exchange rate changes on cash occur in the Thiel Group, especially in the Swiss franc, Polish zloty, Hong Kong dollar and Hungarian forint currencies. This produced an effect on the cash position of 0.3 million euros (2004: 0.1 million euros) in the first quarter of 2005.

As of March 31, 2005, the Thiel Group reported 63.9 million euros available in cash and cash equivalents (March 31, 2004: 58.4 million euros).







Consolidated Statement of Income

in EUR thousands except per share amounts

January 1, - March 31,	2005	2004
Net sales	431,008	425,851
Cost of sales	(396,547)	(392,027)
Gross profit	**34,461**	33,824
Selling costs	(8,970)	(7,741)
General and administrative costs	(22,566)	(21,749)
Other income (expenses), net	2,976	2,107
Earnings before impairment, interest and taxes	**5,901**	6,441
Impairment of long-lived assets	-	-
Earnings before interest and taxes (EBIT)	**5,901**	6,441
Interest expenses, net	(4,435)	(4,491)
Income (Loss) from continuing operations before income taxes	**1,466**	1,950
Income taxes	(1,958)	(873)
Income (Loss) from continuing operations	**(492)**	1,077
Income (Loss) from discontinued operations, net of tax	(844)	(1,187)
Net result	**(1,336)**	(110)
Attributable to:		
Equity holders of the Company	**(1,967)**	(980)
Minority interest	631	870

Earnings per share (in EUR) - basic and fully diluted	2005	2004
Income (Loss) from continuing operations	0.00	0.01
Income (Loss) from discontinued operations, net of tax	(0.01)	(0.01)
Net result attributable to the equity holders of the company	(0.02)	(0.01)
Weighted average number of shares outstanding	111,474,987	85,749,990

Please refer to the accompanying Notes to the unaudited Consolidated Financial Statements.

Consolidated Statement of Cash Flows

in EUR thousands

January 1, - March 31,	2005	2004
Cash flows from operating activities		
Net result	(1,336)	(110)
Adjustments to reconcile net profit to net cash used in operating activities		
Income (Loss) from discontinued operations	844	1,187
Depreciation and amortization	9,259	10,271
Impairment of long-lived assets	-	-
Non-cash items in connection with disposal of non-current assets	(496)	(427)
Deferred income taxes	(63)	(477)
Other, net	3,260	403
Change in retirement and other employee-related obligations	(8,189)	1,136
Changes in working capital		
Decrease (Increase) in trade accounts receivable and other assets	(20,096)	(932)
Decrease (Increase) in inventory	(2,574)	327
Increase (Decrease) in trade accounts payable and other liabilities	13,898	7,413
Net cash provided by (used in) operating activities	**(5,493)**	18,791
Cash flows from investing activities		
Capital expenditures	(6,418)	(5,693)
Proceeds from disposal of non-current assets	2,448	421
Proceeds from sale of available-for-sale securities	253	-
Change in other loans granted	(264)	(2,773)
Payments for acquisitions of subsidiaries, net of cash acquired	(5,226)	(30)
Net cash used in investing activities	**(9,207)**	(8,075)
Cash flows from financing activities		
Proceeds from short-term bank borrowings	-	10,673
Repayment of short-term bank borrowings	(5,555)	(5,036)
Proceeds from long-term bank borrowings	-	-
Repayment of long-term bank borrowings	(397)	(1,473)
Repayment in finance lease obligations	(1,810)	(1,556)
Other financing activities	(614)	(770)
Proceeds from issuance of corporate bond, net	(799)	-
Proceeds from issuance of common stock, net	-	-
Net cash provided by (used in) financing activities	**(9,175)**	1,838
Net cash provided by (used in) discontinued operations	**124**	(5,306)
Effects of exchange rate changes on cash	257	142
Increase (Decrease) in cash and cash equivalents	**(23,494)**	7,390
Cash and cash equivalents at beginning of year	87,369	51,012
Increase (Decrease)	(23,494)	7,390
Cash and cash equivalents at end of period	**63,875**	58,402

Please refer to the accompanying Notes to the unaudited Consolidated Financial Statements.

Consolidated Balance Sheet

in EUR thousands

ASSETS	Mar. 31, 2005	Dec. 31, 2004
Current assets		
Cash and cash equivalents	63,875	87,369
Trade accounts receivable	224,641	205,348
Inventories	9,794	7,220
Prepaid expenses and other current assets	26,474	24,271
Assets held for sale	930	933
Assets of discontinued operations	7,124	11,738
Total current assets	**332,838**	336,879
Non-current assets		
Property, plant and equipment	261,359	264,758
Intangible assets	23,280	23,632
Goodwill	284,728	284,629
Investments in associated companies	285	385
Investments in affiliated, not consolidated companies and other investments	8,854	3,188
Securities, available-for-sale	3,533	3,738
Securities, held-to-maturity	370	370
Deferred income taxes	24,566	25,634
Other non-current assets	9,465	7,998
Total non-current assets	**616,440**	614,332
Total assets	**949,278**	951,211

Please refer to the accompanying Notes to the unaudited Consolidated Financial Statements.

LIABILITIES AND SHAREHOLDERS' EQUITY	Mar. 31, 2005	Dec. 31, 2004
Current liabilities		
Short-term bank borrowings and current portion of long-term debt	16,972	19,834
Trade accounts payable	174,502	165,362
Lease obligations, short-term	6,897	6,747
Tax provisions	14,372	14,513
Other short-term liabilities	65,112	68,069
Other short-term provisions	12,793	14,291
Liabilities of discontinued operations	6,767	7,699
Total current liabilities	**297,415**	296,515
Non-current liabilities		
Long-term bank borrowings	34,392	34,789
Bonds payable	125,241	125,043
Lease obligations, long-term	45,382	46,183
Retirement and other employee-related obligations	39,310	38,919
Deferred income taxes	24,172	25,397
Other long-term liabilities	4,516	5,068
Other long-term provisions	1,911	1,455
Total non-current liabilities	**274,924**	276,854
Shareholders´ equity		
Capital and reserves attributable to the Company's equity holders		
Ordinary shares - voting, no-par value	139,344	139,344
Additional paid-in capital	323,184	323,184
Retained earnings and other reserves	(90,119)	(88,152)
Translation reserve	(504)	(1,024)
Fair value reserve	278	238
Total Group equity	372,183	373,590
Minority interest	4,756	4,252
Shareholders´ equity	**376,939**	377,842
Total liabilities and shareholders´ equity	**949,278**	951,211

Please refer to the accompanying Notes to the unaudited Consolidated Financial Statements.

Consolidated Statement of Changes in Shareholders' Equity

in EUR thousands

	Ordinary shares - voting, no-par value	Additional paid-in capital	Retained earnings and other reserves	Translation reserve	Fair value reserve	Total Group equity	Minority interest	**Total Share-holders' equity**
January 1, 2004	107,187	258,806	(89,035)	1,897	(465)	**278,390**	2,327	**280,717**
Net result			(980)			(980)	870	(110)
Neutral effects from minority interest							242	242
Results, not included in net result, net of tax								
Translation reserve				(1,960)		(1,960)		(1,960)
Fair value reserve					(173)	(173)		(173)
Total result						(3,113)	1,112	(2,001)
March 31, 2004	107,187	258,806	(90,015)	(63)	(638)	**275,277**	3,439	**278,716**
Capital increase	32,157	64,378				96,535		96,535
Net result			1,863			1,863	3,439	5,302
Neutral effects from minority interest							(2,626)	(2,626)
Results, not included in net result, net of tax								
Translation reserve				(961)		(961)		(961)
Fair value reserve					876	876		876
Total result						1,778	813	2,591
December 31, 2004	139,344	323,184	(88,152)	(1,024)	238	**373,590**	4,252	**377,842**
Net result			(1,967)			(1,967)	631	(1,336)
Neutral effects from minority interest							(127)	(127)
Results, not included in net result, net of tax								
Translation reserve				520		520		520
Fair value reserve					40	40		40
Total result						(1,407)	504	(903)
March 31, 2005	139,344	323,184	(90,119)	(504)	278	**372,183**	4,756	**376,939**

Please refer to the accompanying Notes to the unaudited Consolidated Financial Statements.

Notes to Consolidated Financial Statements as of March 31, 2005

1. Summary of Significant Accounting Policies

Basis of Presentation

The Consolidated Financial Statements include all accounts of Thiel Logistik AG 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 the International Financial Reporting Standards (IFRS). Reference is made to note 2, “First-Time Adoption of International Financial Reporting Standards (IFRS)”.

Consolidation Methods

The Consolidated Financial Statements include all material companies in which Thiel Logistik AG has legal or effective control. Significant investments in which the Company has 20 per cent to 50 per cent 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 according to IAS 28, “Accounting for Investments in Associates”. All other investments are recorded at acquisition cost.

Scope of consolidation

In addition to Thiel Logistik AG as the parent company, the scope of fully consolidated companies includes five domestic and 144 foreign companies as of March 31, 2005 (as of December 31, 2004: five domestic and 144 foreign companies).

The consolidated entities have developed as follows:

	Dec. 31, 2004	Additions	Disposals	Mar. 31, 2005
Luxembourg	5	-	-	5
Abroad	144	3	(3)	144
Total	149	3	(3)	**149**

Due to materiality reasons, three former not consolidated companies have been consolidated for the first time in 2005. Three companies are no longer included in the Group reporting. They have been merged with other companies included in the Consolidated Financial Statements. Nine companies were accounted for under the equity method (as of December 31, 2004: eleven). Thirty-six subsidiaries (previous year: 42) either dormant or generating a negligible volume of business are not included. Their influence on the Group’s assets, liabilities, financial position and earnings is immaterial.

Use of Estimates

The 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 the 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.

The following table shows the development of the exchange rates of the major currencies used in the Consolidated Financial Statements:

		Average rate during		Exchange rate as at	
Currencies		January 1, – March 31, 2005	January 1, – March 31, 2004	March 31, 2005	Dezember 31, 2004
1 EUR =					
Swiss Franc	CHF	1.5488	1.5687	1.5486	1.5440
Polish Zloty	PLN	4.0261	4.7780	4.0807	4.0740
Hong Kong Dollar	HKD	10.2246	9.7271	10.1110	10.5794
Hungarian Forint	HUF	244.9928	260.2665	247.2000	245.6300
Britisch Pound	GBP	0.6936	0.6801	0.6885	0.7088
US Dollar	USD	1.3111	1.2507	1.2964	1.3604

Revenue Recognition

Thiel Logistik Group generates sales from its core business areas Industry 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 realizable and earned according to IFRS. This is usually the case when there is clear evidence of an agreement, the risks and rewards of ownership of the goods have 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. Changes in tax rates which have been substantively enacted at balance sheet date, have been taken into consideration.

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. Risks resulting from slow-moving items and from the obsolescence or reduced utility of inventories, as well as uncompleted contracts that involve impending losses are allowed for by writing them down to their net realizable values.

Assets Held for Sale and Discontinued Operations

IFRS 5, "Non-current Assets Held for Sale and Discontinued Operations", states the classification, measurement and presentation requirements that apply to all non-current assets held for sale. A non-current asset is classified as "held for sale", if the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets and if its sale is highly probable. In addition, IFRS 5 adopts the concept of "discontinued operations", which defines a disposal group as a group of assets to be disposed of, by sale or otherwise, together as a group in a single transaction, and liabilities directly associated with those assets that will be transferred in the transaction. These "assets held for sale" and the assets and liabilities of a disposal group classified as held for sale shall be presented separately in the balance sheet.

As of March 31, 2005, individual assets have been classified as "held for sale" and disclosed in balance sheet line item "Assets held for sale".

In the Consolidated Balance Sheets as of March 31, 2005 and December 31, 2004, assets and liabilities of businesses to be discontinued have been reflected in the balance sheet line items "Assets of discontinued operations" and "Liabilities of discontinued operations". In the Consolidated Statements of Income for the periods ended March 31, 2005 and 2004, profits and losses attributable to businesses to be discontinued have been segregated from continuing operations and reflected in the line item "Income (Loss) from discontinued operations, net of tax". The effect of net cash provided by discontinued operations has been separately disclosed in the Consolidated Statements of Cash Flows for the periods ended March 31, 2005 and 2004. Reference is made to note 5, "Income (Loss) from Discontinued Operations", and to note 7, "Assets and Liabilities of Discontinued Operations".

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 20 years for machinery, fixtures and equipment. Acquired intangible assets are recognized and amortized over their estimated useful lives ranging from 3 to 10 years.

Impairment Evaluation of Property, Plant and Equipment and Intangible Assets

Thiel Logistik Group adopts IAS 36, ”Impairment of Assets”. Non-current assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and value in use. Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. If the reason for the previously recognized impairment loss no longer exists, the impairment is reversed up to the level of its rolled-forward depreciated or amortized cost.

Impairment Evaluation of Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group’s share of the net identifiable assets of the acquired subsidiary at the date of acquisition. IFRS 3, “Business Combinations”, prohibits the amortization of goodwill. Instead, goodwill is tested 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, in accordance with IAS 36, “Impairment of Assets”.

For the purpose of impairment testing, goodwill is allocated to cash-generating units defined by the company. The fair value of this cash-generating unit is compared to its carrying value. A cash-generating unit is the level at which goodwill impairment is measured. If the fair value of the cash-generating unit is less than its carrying value, goodwill allocated to this cash-generating unit is impaired. If the reason for the previously recognized impairment loss no longer exists, a reversal of the impairment is not allowed.

The regular impairment test is performed by Thiel Logistik Group as of September 30 of each fiscal year. The Group did not recognize any impairment loss as a result of performing the required annual impairment test based on the values as of September 30, 2004.

Securities

Debt and equity securities that have readily determinable fair values are classified and accounted for in one of three categories: trading, held-to-maturity or available-for-sale. Trading securities are recorded at fair value with movements in fair value included in the income statement. Investments in held-to-maturity securities are measured at amortized costs. Available-for-sale securities are recorded at fair value. Movements in fair value are excluded from earnings and recorded net of tax in a fair value reserve as a separate component of shareholders' equity. Management determines the appropriate classification of its investments in debt and equity securities at the time of purchase and re-evaluates such classifications at each balance sheet date.

Derivative Financial Instruments

Thiel Logistik Group adopts IAS 39, “Financial Instruments”. This standard requires that all derivative instruments are to be reported on the balance sheet at fair values and establishes criteria for designation and effectiveness of hedging relationships.

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 the variability of cash flows to be paid related to a recognized interest-bearing 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 in a fair value reserve as a separate component of shareholders' equity. They are recognized in earnings at the moment when the hedged transactions occur. Derivatives that are entered into for risk management purposes, but which do not meet the criteria of IAS 39, are recorded at their market values with changes in fair values recognized in current earnings.

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.

Provisions
The Group adopts IAS 37, “Provisions, Contingent Liabilities and Contingent Assets”. Provisions are recognized when the Group has an obligation to a third party, an outflow of resources is probable and a reliable estimate can be made of the amount of the obligation. Measurement is computed on the bases of fully attributable costs. Long-term provisions with a remaining period of more than one year are discounted to the present value of the expenditures expected to settle the obligation at the balance sheet date.

Retirement and Other Employee-Related Obligations
Provisions for retirement and other employee-related obligations are accounted for using the projected unit credit method in accordance with IAS 19, “Employee Benefits”.
Under this method, not only obligations relating to known vested benefits at the reporting date are recognized, but also the effect of future increases in pensions and salaries. This involves taking account of various input factors which are evaluated on a prudent basis. The provision is derived from an independent actuarial valuation which takes into account the relevant biometric factors. In accordance with IAS 19.93, actuarial gains and losses are recognized as income or expense if exceeding a corridor of 10 per cent of the pension liabilities.

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

2. First-Time Adoption of International Financial Reporting Standards (IFRS)

Since January 1, 2005, Thiel Logistik Group publishes its Consolidated Financial Statements in accordance with International Financial Reporting Standards (IFRS).

In order to present two years of full comparative information Thiel Logistik Group prepared its Opening IFRS Consolidated Balance Sheet as of January 1, 2004 (= date of transition to IFRS). The Company applied IFRS 1, “First-Time Adoption of International Financial Reporting Standards”, in order to prepare its Opening IFRS Consolidated Balance Sheet as of January 1, 2004 (based on its US GAAP Consolidated Financial Statements reported as of December 31, 2003).

Adjustments and / or reclassifications to the Opening IFRS Consolidated Balance Sheet in comparison to the US GAAP Consolidated Balance Sheet as of the transition date are published in the Annual Report 2004. Adjustments and / or reclassifications in the IFRS Consolidated Financial Statements processed during fiscal year 2004, in comparison to the US GAAP Consolidated Financial Statements as of December 31, 2004 were also published in the Annual Report 2004. Reference is made to note 39, “First-Time Adoption of International Financial Reporting Standards (IFRS)”, of the Annual Report 2004.

The IFRS Consolidated Statement of Income for the period January 1, to March 31, 2004 has been adjusted for the effects resulting from the deferral of gains on sale and leaseback transactions under US GAAP (IAS 17, “Leases”). Interest expenses for defined benefit obligations included in earnings before interest and taxes (EBIT) have been reclassified to income statement line item “Interest expenses, net”, in preparing the IFRS Consolidated Statement of Income (IAS 19, “Employee Benefits”).

Furthermore, short-term as well as long-term provisions and liabilities were separated in the IFRS Consolidated Balance Sheet. The position „accumulated other comprehensive income“ has been divided into a translation reserve and a fair value reserve within shareholders’ equity.

Reconciliation to the IFRS Consolidated Statement of Income for the period ended March 31, 2004

in EUR thousands

January 1, 2004 - March 31, 2004	Previously reported under US GAAP	Reclassification of discontinued operations	Reclassified under US GAAP	Sale & Leaseback	Interest expense of defined benefit obligation	Total effect of transition to IFRS	Restated under IFRS (old format)	Reclassification due to change in Income Statement format	Restated and Reclassified under IFRS (new format)
Net sales	431,891	(6,040)	425,851				425,851		425,851
Cost of sales	(399,349)	7,033	(392,316)	(71)	360	289	(392,027)		(392,027)
Gross profit	**32,542**	**993**	**33,535**	**(71)**	**360**	**289**	**33,824**		**33,824**
Operating expenses									
Selling Costs	(7,896)	124	(7,772)		31	31	(7,741)		(7,741)
General and administrative costs	(21,849)	(115)	(21,964)		215	215	(21,749)		(21,749)
Other operating income (expenses), net	2,302	(162)	2,140			-	2,140	(2,140)	-
Other income (expenses), net								2,107	2,107
Total operating expenses	**(27,443)**	**(153)**	**(27,596)**		**246**	**246**	**(27,350)**		
Operating income before restructuring and impairment	**5,099**	**840**	**5,939**	**(71)**	**606**	**535**	**6,474**	**(33)**	
Earnings before impairment, interest and taxes									**6,441**
Restructuring costs									
Impairment of long-lived assets									
Impairment of goodwill									
Operating Income	**5,099**	**840**	**5,939**	**(71)**	**606**	**535**	**6,474**	**(33)**	
Earnings before interest and taxes (EBIT)									**6,441**
Interest expenses, net	(3,880)	(5)	(3,885)		(606)	(606)	(4,491)		(4,491)
Other financial income (expenses), net	(35)	-	(35)				(35)	35	-
Equity in earnings of associated companies	2	-	2				2	(2)	-
Income (Loss) from continuing operations before income taxes	**1,186**	**835**	**2,021**	**(71)**	**-**	**(71)**	**1,950**	**-**	**1,950**
Income taxes	(868)	(33)	(901)	28		28	(873)		(873)
Income (Loss) from continuing operations	**318**	**802**	**1,120**	**(43)**	**-**	**(43)**	**1,077**		**1,077**
Income (Loss) from discontinued operations, net of tax	(385)	(802)	(1,187)			-	(1,187)		(1,187)
Income (Loss) before minority interest	**(67)**	**-**	**(67)**	**(43)**	**-**	**(43)**	**(110)**		
Net result									**(110)**
Minority interest	(870)	-	(870)			-	(870)		
Net income (Net loss)	**(937)**	**-**	**(937)**			**(43)**	**(980)**		
Attributable to:									
Equity holders of the Company									**(980)**
Minority interest									870

3. Segment Reporting

Primary reporting format – Segments by business segments

According to the internal organisation structure of Thiel Logistik AG, the primary segment reporting is geared to the business segments. The Thiel Group comprises the following business segments:

Industry Solutions

Thiel Logistik Group provides logistics services for specific industry sectors in which it has developed particular specialist knowledge and expertise. In this business segment, Thiel Logistik Group offers comprehensive logistics services in particular to the automotive, fashion, media and furniture industries. The lead 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 FashionLifestyle, Overbruck Spedition GmbH ("Overbruck") for Thiel Media and LOG Beteiligungs GmbH ("LOG") for Thiel Furniture.

Air & Ocean

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

Regional Logistics Services

Thiel Logistik Group's subsidiaries bundled in this business segment provide logistics services on a regional basis. Logistics services offered range from transport services to complex contract logistics, including supply chain management focusing on Central and Eastern Europe. Thiel Logistik Group's designated lead companies in this business segment are: Delacher Logistics AG & Co. KG for delacher, Quehenberger Logistik AG & Co. KG for Quehenberger and SÜDKRAFT Süddeutsche Kraftwagen-Speditions-GmbH for Südkraft. They have local roots and traditional client relationships in their respective regions making them particularly sensitive to their customers' needs.

The tables below set forth segment information of the business segments for the periods ended March 31, 2005 and 2004:

Period ended March 31, 2005	Industry Solutions	Air & Ocean	Regional Logistics Services	Holdings	Consoli-dation	Group
Net sales						
External sales	153,469	75,509	201,972	58	-	431,008
Intersegment sales	4,004	1,029	2,279	-	(7,312)	-
Total net sales	**157,473**	**76,538**	**204,251**	**58**	**(7,312)**	**431,008**
Result						
Segment result	**2,819**	**1,762**	**3,929**	**(1,888)**	**(734)**	**5,888**
Other financial income (expenses)						13
Earnings before interest and taxes (EBIT)						**5,901**
Interest expenses, net						(4,435)
Income (Loss) from continuing operations before income taxes						**1,466**
Income taxes						(1,958)
Income (Loss) from discontinued operations, net of tax						(844)
Net result						**(1,336)**
Included in segment result are:						
Depreciation and amortization	(4,363)	(376)	(3,934)	(586)	-	(9,259)
thereof amortization of customer contracts	*(875)*	-	-	-	-	*(875)*
Balance Sheet						
Segment assets	321,211	94,314	405,034	23,272	(8,767)	835,064
Unallocated assets						114,214
Total consolidated assets						**949,278**
Segment liabilities	111,805	54,799	130,468	9,061	(8,767)	297,366
Unallocated liabilities						274,973
Total consolidated liabilities						**572,339**
Included in segment assets are:						
Capital additions	2,289	660	2,300	1,124	-	6,373

Period ended March 31, 2004	Industry Solutions	Air & Ocean	Regional Logistics Services	Holdings	Consoli-dation	Group
Net sales						
External sales	158,863	69,228	197,380	380	-	425,851
Intersegment sales	3,517	1,340	2,181	-	(7,038)	-
Total net sales	**162,380**	**70,568**	**199,561**	**380**	**(7,038)**	**425,851**
Result						
Segment result	**5,723**	**579**	**4,710**	**(4,530)**	**(8)**	**6,474**
Other financial income (expenses)						(33)
Earnings before interest and taxes (EBIT)						**6,441**
Interest expenses, net						(4,491)
Income (Loss) from continuing operations before income taxes						**1,950**
Income taxes						(873)
Income (Loss) from discontinued operations, net of tax						(1,187)
Net result						**(110)**
Included in segment result are:						
Depreciation and amortization	(4,732)	(363)	(4,597)	(579)	-	(10,271)
thereof amortization of customer contracts	*(1,206)*	-	-	-	-	*(1,206)*
Balance Sheet						
Segment assets	334,140	87,425	431,086	19,015	(6,279)	865,387
Unallocated assets						121,150
Total consolidated assets						**986,537**
Segment liabilities	118,853	51,253	128,947	28,702	(6,279)	321,476
Unallocated liabilities						386,345
Total consolidated liabilities						**707,821**
Included in segment assets are:						
Capital additions	2,794	129	2,091	806	-	5,820

Disclosures on the segment amounts by business segment

The information by business segments are reported after consolidation of the intersegment transactions. The transactions between the business segments have been eliminated in the column "consolidation". Transaction between the segments are measured at arm's length.

Segment revenue and expenses: The result of each segment is measured by management based on the earnings before other financial income (expenses), interest expenses as well as income taxes.

Unallocated amounts: General corporate expenses of the holding companies not directly attributable to the individual segments, are reported in the column "Holdings". Other financial income and expenses not included in the determination of segment result, such as dividend income, gains and losses on sale of investments and securities, are reported as a separate item in the reconciliation of the segment result to the consolidated result.

Segment assets: Segment assets include non-current assets (without financial assets) and current assets (without income tax assets, cash, securities and assets of discontinued operations). Goodwill has been allocated to the segments and is included in the segment assets.

Segment liabilities: Segment liabilities comprise short-term and long-term, non-interest-bearing provisions and liabilities (without income tax liabilities and liabilities of discontinued operations).

Capital additions comprise additions to property, plant and equipment and intangible assets excluding goodwill, and additions from capitalisation of finance lease contracts.

Depreciation and amortization concern property, plant and equipment as well as intangible assets, which are directly attributable to the business segments (including amortization of capitalized customer contracts).

As of March 31, 2005, general corporate expenses in the amount of TEUR 1,779 have been allocated to the operational business units according to the input involved. Thereof, TEUR 631 have been allocated to the segment Industry Solutions, TEUR 307 TEUR to the segment Air & Ocean and TEUR 841 to the segment Regional Logistics Services. As of March 31, 2004, no general corporate expenses had been included in the segment results of the operational units.

Secondary reporting format – Segments by regions

The three business segments of Thiel Group are subdivided into six geographical main regions. The business segment Industry Solutions operates predominantly in the geographical segments Germany, Austria, Eastern Europe as well as in other regions. Air & Ocean operates in all regions. The business segment Regional Logistics Services operates primarily in Germany, Austria, Switzerland and Eastern Europe.

The table below summarizes the net sales from external customers by region for the three-month periods ended March 31, 2005 and 2004:

January 1, - March 31,	2005		2004	
Germany	210,971	49.0%	213,875	50.2%
Austria	122,074	28.3%	115,148	27.0%
Asia	22,736	5.3%	21,530	5.1%
Switzerland	19,484	4.5%	18,726	4.4%
Eastern Europe	17,269	4.0%	15,797	3.7%
Others	38,474	8.9%	40,775	9.6%
Total	**431,008**	100.0%	425,851	100.0%

The table below sets forth geographic information on segment assets as of March 31, 2005 and 2004:

March 31,	2005		2004	
Germany	255,739	46.5%	281,099	48.4%
Austria	128,098	23.3%	132,474	22.8%
Asia	18,968	3.4%	17,549	3.0%
Switzerland	44,905	8.1%	45,851	7.9%
Eastern Europe	38,446	7.0%	38,896	6.7%
Other	64,180	11.7%	64,889	11.2%
Total segment assets excluding goodwill	**550,336**	100.0%	580,758	100.0%
Goodwill	284,728		284,629	
Other unallocated assets	114,214		121,150	
Total consolidated assets	**949,278**		986,537	

In the three-month periods ended March 31, 2005 und 2004, capital additions were made in the following regions:

January 1, - March 31,	2005		2004	
Germany	1,509	23.7%	2,820	48.4%
Austria	1,769	27.7%	1,058	18.2%
Asia	266	4.2%	61	1.0%
Switzerland	104	1.6%	468	8.1%
Eastern Europe	152	2.4%	145	2.5%
Others	2,573	40.4%	1,268	21.8%
Total capital additions	**6,373**	100.0%	5,820	100.0%

The table below sets forth geographic information on fixed assets as of March 31, 2005 and 2004:

March 31,	2005		2004	
Germany	142,323	50.0%	150,107	51.2%
Austria	65,224	22.9%	67,465	23.0%
Asia	2,213	0.8%	2,332	0.8%
Switzerland	27,938	9.8%	29,734	10.1%
Eastern Europe	23,655	8.3%	19,487	6.7%
Others	23,286	8.2%	23,891	8.2%
Total fixed assets	**284,639**	100.0%	293,016	100.0%

Disclosures on the segment amounts by region

The allocation of net sales has been carried out according to the location of the assets. Only net sales from external customers have been reported.

The segment assets are reported by location of the assets. Segment assets include non-current assets (without financial assets and goodwill) and current assets (without income tax assets, cash, securities and assets of discontinued operations).

Fixed assets are also reported by location of the concerned assets and comprise property, plant and equipment and intangibles assets excluding goodwill. Capital additions comprise additions to property, plant and equipment and intangible assets excluding goodwill, and additions from capitalization of finance lease contracts.

Other information

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

4. Other Income (Expenses), net

January 1, - March 31,	2005	2004
Gain from disposal of long-lived assets	637	464
Foreign exchange gain	1,515	2,027
Insurance revenue	257	550
Income from reversal of provisions	1,875	541
Miscellaneous operating income	417	258
Other operating income	**4,701**	3,840

January 1, - March 31,	2005	2004
Foreign exchange loss	(1,233)	(1,139)
Miscellaneous operating expenses	(505)	(561)
Other operating expenses	**(1,738)**	(1,700)

January 1, - March 31,	2005	2004
Other operating income (expenses), net	2,963	2,140
Other financial income (expenses), net	13	(33)
Total other income (expenses), net	**2,976**	2,107

5.Income (Loss) from Discontinued Operations

In the course of the strategic orientation of Thiel Logistik Group, management of Thiel Logistik AG has decided to dispose of a number of businesses not deemed relevant in the pursuit of the corporate strategy. Businesses classified as discontinued operations as of March 31, 2005, concern small and medium sized service providers in the logistics sector within Central Europe and Asia.

The following amounts related to businesses to be discontinued have been segregated from continuing operations and reflected as discontinued operations for the three-month periods ended March 31, 2005 and 2004:

January 1, - March 31,	2005	2004
Net Sales	4,332	7,810
Income (Loss) from discontinued operations, before tax	**(845)**	(1,230)
Income taxes	1	43
Income (Loss) from discontinued operations, net of tax	**(844)**	(1,187)

6. Property, Plant and Equipment and Intangible Assets

	Acquisition cost	Accumulated amortization/ depreciation	Net book value Mar. 31, 2005	Net book value Dec. 31, 2004
Land and buildings	244,149	62,547	181,602	181,018
Machinery and equipment	55,886	28,902	26,984	27,283
Tools, fixtures, furniture, office equipment	82,616	59,748	22,868	24,144
Fleet of cars	81,638	54,258	27,380	29,098
Construction in progress	2,715	190	2,525	3,215
Property, plant and equipment	467,004	205,645	**261,359**	264,758
Concessions, licences, copyrights	3,575	1,577	1,998	2,018
Customer contracts	24,173	10,899	13,274	14,150
Software	32,578	24,570	8,008	7,464
Intangible Assets	60,326	37,046	**23,280**	23,632

7. Assets and Liabilities of Discontinued Operations

Assets and liabilities from discontinued operations as of March 31, 2005 and December 31, 2004, are as follows:

	March 31, 2005	December 31, 2004
Trade accounts receivable	2,615	2,851
Inventories	17	20
Prepaid expenses and other current assets	3,911	5,906
Property, plant and equipment	502	549
Intangible assets	49	313
Investments in affiliated companies, not consolidated	26	26
Other non-current assets	4	2,073
Total assets of discontinued operations	**7,124**	11,738

	March 31, 2005	December 31, 2004
Short-term bank borrowings and current portion of long-term debt	112	35
Trade accounts payable	1,775	2,065
Lease obligations, short-term	47	45
Tax provisions	357	539
Accrued expenses, other liabilities and deferred income	2,432	2,790
Lease obligations, long-term	85	89
Retirement and other employee-related obligations	1,562	1,718
Other long-term liabilities	397	418
Total liabilities of discontinued operations	**6,767**	7,699

8. Shareholders' Equity

Ordinary shares

As of March 31, 2005, the Company had 111,474,987 ordinary shares, voting without nominal value, issued and outstanding, representing common stock amounting to TEUR 139,344. Each share represents a calculated par value of EUR 1.25.

According to the articles of association of Thiel Logistik AG the Board of Directors is authorized through to March 14, 2006, to increase capital stock up to a total amount of 48,525,013 shares, representing authorized stock of TEUR 60,656. Issuance is partly limited to specific purposes.

Settlement of the additional paid-in capital with balance sheet loss

The Annual General Meeting of Thiel Logistik AG approved on April 13, 2005 the settlement of the loss in the local balance sheet of Thiel Logistik AG, prepared in accordance with accounting rules under Luxembourg GAAP, in the amount of TEUR 118,285 with the free additional paid-in capital. This settlement will be recorded according to the accruals concept in the Consolidated Balance Sheet of Thiel Logistik AG as of June 30, 2005.

9. Supplemental Disclosures of Cash Flow Information

The Consolidated Statement of Cash Flows is classified into cash flows from operating, investing and financing activities. Net cash used in discontinued operations is disclosed as a single item.

The cash inflow from operating activities includes the following items:

January 1, - March 31,	2005	2004
Interest payments	1,043	3,295
Income tax payments	2,177	1,527

The cash flow from operating activities reflects the cash outflow of 8.5 million euros for the compensation of pension obligations at Birkart.

10. Litigations

The legal dispute between Fablog GmbH and Sowa AG , mentioned in the Annual Report 2004, has come to a mutual agreement by a payment in the amount of TEUR 508 in March 2005.

Further litigations are listed in the Annual Report 2004, with no change of status since December 31, 2004.

11. Subsequent events

Business acquisitions
In March 2005 a purchase agreement was concluded between Quehenberger, a Thiel Logistik Group company, and Mondi Business Paper SCP a.s. in Slovakia for the acquisition of the majority share in the logistics company Proxar. Quehenberger will acquire 66 per cent of the shares in Proxar Slovakia Internationale Spedition a.s., Mondi Business Paper SCP a.s. will continue to hold the remaining 34 per cent of the shares. Due to the outstanding approval by the European Antitrust Division there is no control of Proxar by Thiel Logistik AG as of March 31, 2005. Therefore the Consolidated Financial Statements as of March 31, 2005, do not include results of the company Proxar.

Executive Board and Board of Directors
Dr. Klaus Eierhoff, CEO of Thiel Logistik AG, Grevenmacher (Luxembourg), has resigned from his post as Chief Executive Officer and from his position as member of the Board of Directors by mutual agreement with the Board of Directors, effective June 30, 2005.

Financial Terms

Cash flow

Cash flow is the difference between cash inflows and outflows. Cash flow can also be established from net result by adding non-cash items such as impairment charges and cash items not recorded in net result such as changes in working capital.

EBIT

Earnings before interest and taxes.

EBITDA

Earnings before interest, taxes, depreciation and amortization.

IFRS

International Financial Reporting Standards.

MDAX

MDAX is the selection index of Deutsche Börse for mid-sized companies (mid caps) from classic sectors; it starts directly below the DAX. It has 50 constituents which are admitted to the Prime Standard segment of the Official Market or Regulated Market.

US GAAP

United States Generally Accepted Accounting Principles.

Technical Terms

Contract logistics
Commercial operations which integrate multiple logistics functions and which are based on a close, individually tailored relationship between shipper and service provider. The relationship is secured contractually for a longer period and the sales volume is above average.

Logistics
All activities associated with delivering goods and information as and when needed – successfully organizing the optimum flow of materials so as to ensure the efficient solution of storage, transport and traffic problems.

Outsourcing
Putting a (logistics) service provider in charge of handling the individual services that are outside a company’s own core competencies.

Supply Chain
The supply chain for a product comprises all the value-generating activities of each of the manufacturing and selling stages, starting with raw materials through to finished products.

Supply Chain Management
Management of the logistics chain from supplier to manufacturer through to the end customer, often supported by appropriate software.

Tracking and Tracing
Electronic system for tracking the current status of a shipment. Tracing refers to the fact that all the individual stages of the shipment (what happened, where and when) can be reconstructed in detail.

Value Added Services
Individually integrating additional services into end-to-end, full-service logistics, for example financial services, quality control and labeling.

Grevenmacher/Luxemburg, May 2005

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

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

Financial Calendar 2005

August 11, 2005	Publication of Half-Year Report 2005
November 10, 2005	Publication of Nine-month Report 2005
April 12, 2006	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.

Thiel Logistik AG

ZIR Potaschberg
5, an de Längten
L-6776 Grevenmacher
Luxembourg

Phone +352/7196 90-13 51
Fax +352/7196 90-13 59
ir-info@thiel-logistik.com
www.thiel-logistik.com
WKN 931 705
ISIN Code LU 0106198319