Name	THIEL Logistics+Services
Industry	LOGISTICS
Date	March 31, 2006

QUARTERLY REPORT

Key Figures January 1, - March 31, 2006

according to the International Financial Reporting Standards (IFRS)

in thousand €	2006	2005	*Change in %*
Group Net Sales			
Industry Solutions	**108,094**	104,671	*3.3*
Thiel FashionLifestyle	63,688	60,411	*5.4*
Thiel Media	29,937	28,803	*3.9*
Thiel Furniture	11,589	12,848	*-9.8*
Other	2,880	2,609	*10.4*
Air & Ocean	**90,557**	75,509	*19.9*
Regional Logistics Services	**278,337**	250,770	*11.0*
Quehenberger	122,235	98,491	*24.1*
Delacher	68,539	61,159	*12.1*
Microlog-Südkraft	87,563	91,120	*-3.9*
Holdings	**356**	58	*513.8*
Total Net Sales	**477,344**	431,008	*10.8*
Segment results			
Industry Solutions	4,193	4,666	*-10.1*
Air & Ocean	2,601	1,762	*47.6*
Regional Logistics Services	5,798	2,082	*178.5*
Holdings	-1,922	-1,888	*1.8*
Consolidation	-43	-734	*-94.1*
Other financial income (expenses), net	-247	13	*N/A*
Earnings before interest and taxes (EBIT)	**10,380**	5,901	*75.9*
Net result	**3,380**	-1,336	*N/A*
Attributable to equity holders of Thiel Logistik AG	**3,186**	-1,967	*N/A*
Attributable to minority interest	**194**	631	*-69.3*
Earnings per Share	**0.03**	-0.02	*N/A*
Operating Cash flow	**3,266**	-5,493	*N/A*
Capital expenditure	**-4,041**	-6,418	*-37.0*
Free Cash flow	**-775**	-11,911	*-93.5*
Depreciation and amortization	**8,428**	9,259	*-9.0*
EBITDA	**18,808**	15,160	*24.1*
Net financial debt	**162,295**	156,472*	*3.7*
Shareholders' equity (incl. minority interest)	**324,620**	322,043*	*0.8*
Number of employees	**8,150**	8,807*	*-7.5*

*as of December 31, 2005

Content

Overview: Development

Economic conditions and the logistics market According to the Kiel Institute for the World Economy, the world economy remained robust at the start of 2006, with dynamic economic development in Asia continuing to provide momentum. The institute estimates that production in the industrialized nations will grow faster in 2006 than in the previous year, at a rate of three percent.

The economic upturn in the core market Germany has continued during the first quarter of 2006. According to the ifo Business Climate Index, the business sentiment was also positive, with companies looking optimistically into the coming six months. Retailers in particular reported noticeable improvements in trading. According to the Centre for European Economic Research (ZEW), industrial companies continued to view their future prospects as positive, with particular reference to the excellent prospects for the export of industrial goods. A weakening of the global economy and high oil prices are both seen as risk factors.

According to SCI data, the business climate in the logistics sector was significantly more positive in February 2006 than in the previous year. Sales increased in the field of transportation services, particularly in the air and ocean freight forwarding segment as a result of the dynamic international trade, and in the growing field of specialist value-added services. In the overland transportation segment, smaller companies are coming increasingly under pressure due to competition from Eastern Europe and the rising fuel prices. At the same time, the consolidation process in the sector continues.

Increased sales and EBIT – positive net result Thiel Logistik returned to profitability with a net result of 3.4 million euros in the first quarter. At 10.4 million euros, EBIT increased significantly compared to the previous year's first quarter (5.9 million euros). Net sales increased from 431.0 million euros to 477.3 million euros and were driven by the growth regions of Eastern Europe and Asia. The continued strong demand in the Asia-Pacific region boosted the air and ocean freight forwarding business.

New management and organizational structure implemented Following the introduction of the new management and organizational structure last year, the focus was on its execution in the first quarter of 2006. The merged Thiel Automotive and Südkraft business units were allocated to the Regional Logistics Services business segment as the new Microlog-Südkraft business unit starting from January 1, 2006. A Shared Service Center was set up in Aschaffenburg with the Thiel Service GmbH in order to improve the use of synergies in administrative functions. It has been handling finance and accounting functions, payroll administration and IT services for Microlog-Südkraft, Thiel Fashion Lifestyle and Birkart Globistics air + ocean since January of this year.

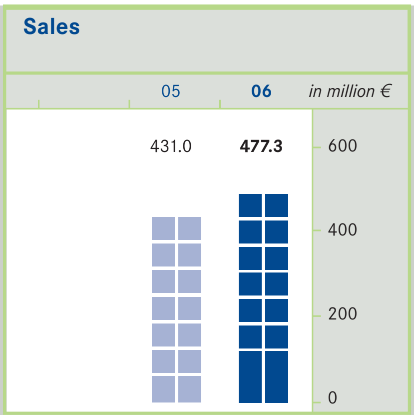
Centers of Competence show first signs of success The newly established Centers of Competence have begun to identify and utilize existing expertise in the Group and to make this available throughout the Group. The "Logistics Networks" Center of Competence has engaged on streamlining the existing network structures based on thorough analyses of goods flows and transportation volumes. As a result, joint partners for the Group were chosen for transportation to Scandinavia and key line hauls from and to Germany were bundled group wide.

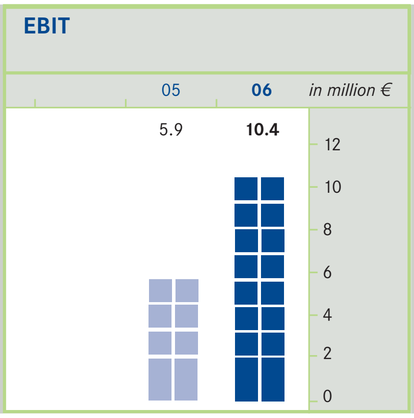
The Center of Competence “Supply Chain Solutions” has identified various “best practice” solutions helping to further standardize the service offering and to use available resources more effectively, and is working towards their implementation throughout the Group. Examples of this include the use of the Thiel Media network for automotive transport services or the “last mile distribution” capacity of Thiel FashionLifestyle for furniture transports originated by Thiel Furniture.

The “Automotive” and “Chemicals” Centers of Competence have also been successful in the pursuit of several customer projects.

Changes to the Group portfolio Following INA Schaeffler Group’s termination of the service contract with PD Logistics last year, a share of 70 percent of Microlog in the joint venture was sold back to the INA Schaeffler Group with effect from March 31, 2006. As part of the agreement, Thiel will continue to provide logistics services to INA Schaeffler Group.

In view of the efforts to base the logistics service offering for the food service industry on a sustainable business model, a re-organization of the legal setup under a joint management was agreed with the minority shareholder of Thiel Freshnet.





Report on the Stock and Corporate Bond

Stock markets remain buoyant in the first quarter of 2006 The positive development of the stock markets continued in the first quarter of 2006. The relevant comparative index SDAX once again recorded a considerable increase, as did the industry index Prime Transportation & Logistics.

Positive share price development The Thiel Logistik share price developed positively during the reporting period and rose from 2.97 euros at the close of 2005 to a high of 3.90 euros around the middle of the reporting period. The closing price of 3.54 euros at the end of the first quarter 2006 corresponds to an increase of 19.2 percent, thus reflecting the development of the SDAX, which was up by 20.4 percent in the same period.

10.6 million Thiel Logistik shares were traded on the German stock exchanges during the first quarter of 2006. This corresponds to a sales volume of 35.5 million euros. The average volume per trading day was 163,256 shares with average daily sales volumes of 0.5 million euros.

Shareholders' structure DELTON AG remains the major shareholder of Thiel Logistik AG with a share of 50.26 percent as of March 31, 2005. The free float amounts to 49.74 percent.

Stefan Delacher, Executive Member of the Board of Directors, continues to hold 8,000 Thiel Logistik stock options. The other members of the Board of Directors neither hold Thiel Logistik shares nor options to purchase shares in the company.

Corporate bond shows considerably higher quotes The price of the corporate bond rose significantly in the positive market conditions during the reporting period and was above the issue price at the end of the reporting period, with a spread of 432 basis points on the relevant Asset Swap basis.

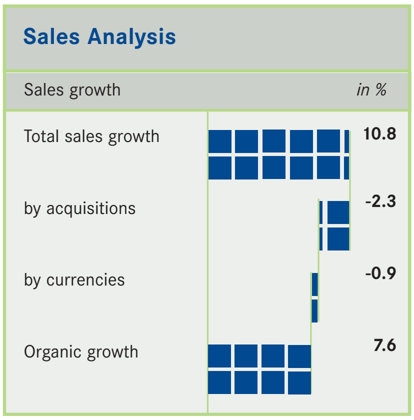
Share of Thiel Logistik AG vs. benchmark indices

Financial Position and Performance

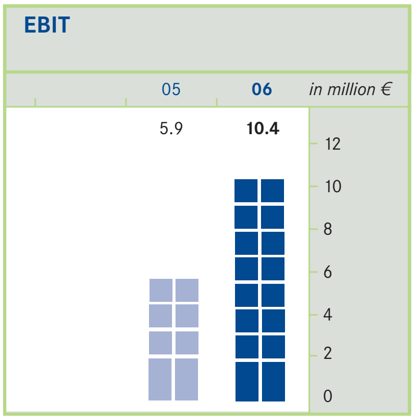
Key figures of the Consolidated Statement of Income

in thousand € January 1, - March 31,	2006	2005	*Change*
Net Sales	**477,344**	431,008	10.8 %
Cost of sales	-437,754	-396,547	10.4 %
Gross profit	**39,590**	34,461	14.9 %
Operating expenses	-28,963	-28,573	1.4 %
Other income (expenses)	-247	13	N/A
Earnings before interest and taxes (EBIT)	**10,380**	5,901	75.9 %
Net interest	-3,979	-4,435	-10.3 %
Income taxes	-2,985	-1,958	52.5 %
Income from continuing operations	**3,416**	-492	N/A
Income from discontinued operations	-36	-844	-95.7 %
Net result	**3,380**	-1,336	N/A
Attributable to:			
Equity holders of Thiel Logistik AG	3,186	-1,967	N/A
Minority interest	194	631	-69.3%
Depreciation and amortization	-8,428	-9,259	-9.0 %
EBITDA	18,808	15,160	24.1 %
Operating lease expenses	-16,494	-16,807	-1.9 %
EBITDAR [1]	35,302	31,967	10.4 %
Gross Margin	8.3 %	8.0 %	3.7 %
EBIT-Margin	2.2 %	1.4 %	58.8 %
EBITDA-Margin	3.9 %	3.5 %	12.0 %
EBITDAR-Margin	7.4 %	7.4 %	-0.3 %
EBITDA/Net interest	4.73	3.42	38.3 %

[1] EBITDA before operating lease expenses



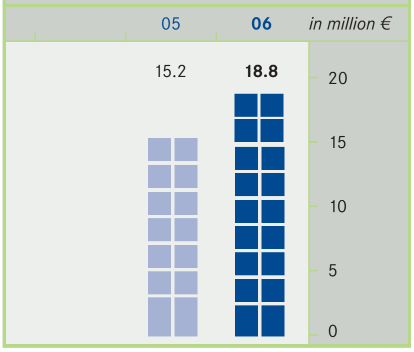
Net sales The Thiel Group generated net sales of 477.3 million euros in the first quarter of 2006, which corresponds to a year-on-year increase of 10.8 percent from 431.0 million euros. After adjustments for currency effects and the effects of acquisitions and divestments, an organic sales growth of 7.6 percent was achieved. The effects of acquisitions and divestments primarily comprise the first-time consolidation of the Slovakian company Proxar on June 1, 2005 and the disposal of some smaller subsidiaries (both effects impacted the Quehenberger business unit during the first quarter of 2006).



Earnings Gross profit of 39.6 million euros was generated in the 2006 reporting period, which corresponds to an increase of 14.9 percent from 34.5 million euros year-on-year. The gross margin amounted to 8.3 percent in the first three months (2005: 8.0 percent).

Operating expenses were 29.0 million euros in the first quarter of 2006, compared to 28.6 million euros in the previous year. Costs of sales and operating expenses in 2006 include depreciation and amortization of 8.4 million euros (2005: 9.3 million euros). Other financial expenses (income) comprise earnings from investments, securities and other financial instruments.

EBITDA



At 10.4 million euros, earnings before interest and taxes (EBIT) were 75.9 percent higher than in the previous year (2005: 5.9 million euros), primarily due to earnings development in the Air & Ocean business segment and the Microlog-Südkraft business unit. The disposal of the shares in PD Logistics GmbH, which is reported in the Microlog-Südkraft business unit, had a positive impact of 3.1 million euros. At the same time, the sale of the Thiel LPR companies (0.2 million euros) in the Quehenberger business unit, one-off expenses relating to the re-organization of the Thiel Freshnet business (0.4 million euros) and provisions for insolvency risks from divestments in previous years in the Holdings segment (0.9 million euros) had a negative impact on earnings. EBIT margin was 2.2 percent during the first quarter of 2006 (2005: 1.4 percent). Net income before interest, taxes, depreciation and amortization (EBITDA) was up by 24.1 percent from 15.2 million euros in the previous year to 18.8 million euros.

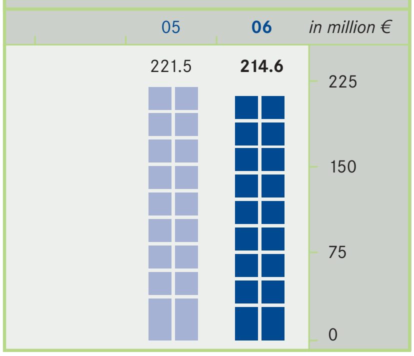
At –4.0 million euros, the Group's net interest was below the previous year's level (2005: -4.4 million euros). The ratio of EBITDA to net interest was 4.73 in the first quarter of 2006 (2005: 3.42).

The income tax expense amounted to 3.0 million euros in the current reporting period (2005: 2.0 million euros).

In the reporting period, from the net result of 3.4 million euros (2005: -1.3 million euros), 3.2 million euros (2005: -2.0 million euros) was attributable to the shareholders of Thiel Logistik AG and 0.2 million euros was attributable to minority shareholders (2005: 0.6 million euros).

Asset and capital structure Total assets increased by 0.7 percent to 907.2 million euros compared to the balance sheet reporting date of December 31, 2005 (2005: 901.0 million euros). Cash and cash equivalents were down from 65.1 million euros as at December 31, 2005 to 57.9 million euros as at March 31, 2006. The increase in trade accounts receivable from 233.2 million euros to 253.0 million euros reflects the increased sales volume in March compared to December 2005.

Assets
Property, plant and equipment



Prepaid expenses and other current assets were from 42.9 million euros to 44.2 million euros. Although the disposal of the shares in PD Logistics GmbH on March 31, 2006 resulted in a decrease of inventories, receivables from the compensation and an increase in prepaid expenses due to advance payments for leases and insurance policies have yielded an increase in current assets.

Property, plant and equipment decreased by 3.1 percent to 214.6 million euros (2005: 221.5 million euros). Additions amounted to 3.8 million euros in the Thiel Group in the first quarter of 2006, disposals amounted to 0.7 million euros and depreciation amounted to 6.3 million euros.

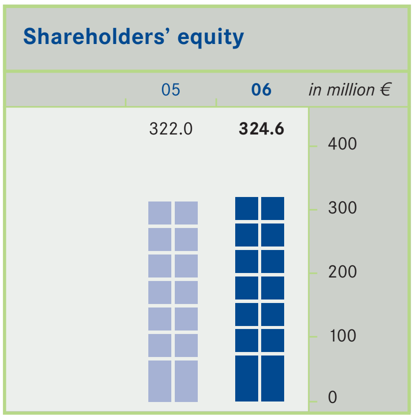
in thousand €	Mar. 31, 2006	Dec. 31, 2005	Change
Assets			
Cash and Cash equivalents	57,902	65,087	-11.0 %
Trade accounts receivable	253,011	233,206	8.5 %
Prepaid expenses and other current assets	44,164	42,873	3.0 %
Assets of discontinued operations	4,910	4,737	3.7 %
Property, plant and equipment	214,612	221,517	-3.1 %
Intangible assets	21,512	22,422	-4.1 %
Goodwill	277,382	277,324	0.0 %
Other long-term assets	33,729	33,881	-0.4 %
Total Assets	**907,222**	**901,047**	**0.7 %**
Liabilities and Shareholders' Equity			
Short-term bank borrowings	11,643	10,646	9.4 %
Trade accounts payable	205,699	197,317	4.2 %
Other short-term liabilities	71,403	64,870	10.1 %
Other short-term provisions	27,877	28,384	-1.8 %
Liabilities of discontinued operations	3,208	6,095	-47.4 %
Long-term bank borrowings	33,781	35,055	-3.6 %
Bonds payable	125,689	125,626	0.1 %
Other long-term liabilities	67,436	65,660	2.7 %
Other long-term provisions	35,866	45,351	-20.9 %
Shareholders' equity (including minority interest)	324,620	322,043	0.8 %
Total Liabilities and Shareholders' Equity	**907,222**	**901,047**	**0.7 %**
Key figures to the Balance Sheet			
Equity ratio	35.8 %	35.7 %	0.1 %
Gross financial debt	220,197	221,559	-0.6 %
Net financial debt	162,295	156,472	3.7 %

Intangible assets decreased by 0.9 million euros from 22.4 million euros to 21.5 million euros in the reporting period. Additions amounted to 1.2 million euros and amortization to 2.1 million euros in the reporting period. At 277.4 million euros, goodwill remained at the previous year's level.

Other non-current assets were down by 0.4 percent from 33.9 million euros as at December 31, 2005 to 33.7 million euros.

Short-term bank borrowings rose by 1.0 million euros from 10.6 million euros to 11.6 million euros. This includes accrued interest for interest on the corporate bond, which is due on a semi-annual basis. Trade accounts payable increased by 8.4 million euros to 205.7 million euros (2005: 197.3 million euros) due to the increased business volumes in the reporting period.

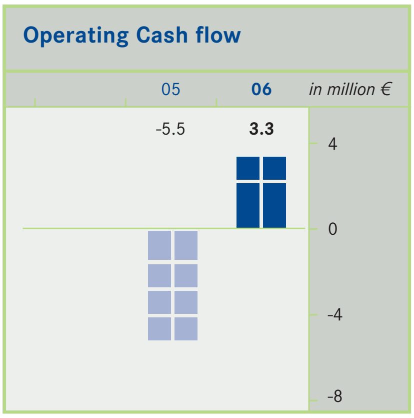
Other current liabilities increased by 6.5 million euros to 71.4 million euros in the first quarter (2005: 64.9 million euros). Other short-term provisions at 27.9 million euros were 0.5 million euros lower than in the previous year (2005: 28.4 million euros) as at March 31, 2006. Liabilities from discontinued operations decreased from 6.1 million euros by 2.9 million euros to 3.2 million euros.



Long-term bank borrowings decreased from 35.1 million euros to 33.8 million euros. Liabilities from the issuance of the bond are posted alongside the bond volume of 130.0 million euros with the prepaid costs for the issuance over the term of the bond. Changes to the liability are due to the amortization of these issue costs.

Other non-current liabilities increased from 65.7 million euros to 67.4 million euros. Other long-term provisions were down from 45.4 million euros as at December 31, 2005 to 35.9 million euros. This decrease is due to the disposal of the shares in PD Logistics GmbH effective March 31, 2006 as well as other small subsidiaries of the Quehenberger business unit, resulting in a transfer of pension obligations to the purchaser.

In accordance with IFRS, shareholders' equity also includes the share of minority shareholders and, at 324.6 million euros, was up 0.8 percent compared to December 31, 2005 (322.0 million euros). The equity ratio of the Thiel Group was 35.8 percent as at March 31, 2006 (2005: 35.7 percent).

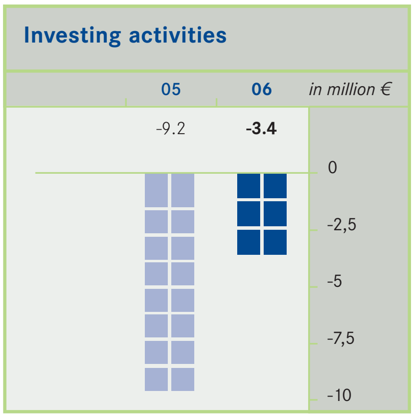


Net financial debt rose by 5.8 million euros to 162.3 million euros in the reporting period (2005: 156.5 million euros). Gross financial debt improved by 0.6 percent from 221.6 million euros to 220.2 million euros.

Cash flow An operating cash flow of 3.3 million euros (2005: -5.5 million euros) was generated during the reporting period. The seasonal increase in sales volume in March 2006 compared to December 2005 resulted in an increase in working capital during the reporting period. Payments from restructuring provisions made in the previous year had an impact of 1.4 million euros on the operating cash flow in the first quarter of 2006.

Disposals of long-lived assets resulted in cash inflow of 1.0 million euros (2005: 2.4 million euros) from divestments in the first quarter of 2006.

The purchase of additional shares in a company previously included using the equity method resulted in a reporting date-related cash outflow of 1.3 million euros, which will be compensated for through the full consolidation of this company from the second quarter of 2006.



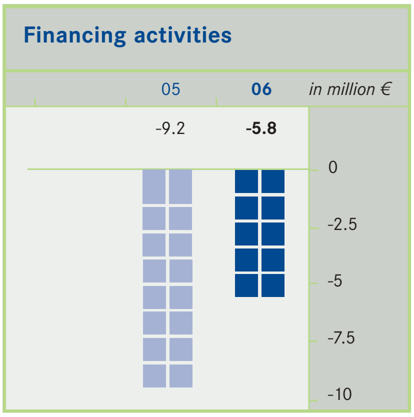
Other net cash provided by investing activities amounting to 0.9 million euros (2005: -11 TEUR) include changes in other loans and securities.

Bank borrowings of 3.8 million euros were paid back during the first quarter of 2006. Other net cash used in financing activities amounted to –2.0 million euros (2005: -2.4 million euros) and include changes in finance lease liabilities and other liabilities from financing activities.

Net cash used in discontinued operations in the amount of -1.1 million euros comprises mainly of payouts from provisions made during the year 2005.

in thousand € January 1, - March 31,	2006	2005	*Change*
Earnings before interest and taxes (EBIT)	10,380	5,901	75.9%
Depreciation and amortization	8,428	9,259	-9.0 %
Earnings before interest, taxes, depreciation and amortization (EBITDA)	18,808	15,160	24.1 %
Income tax payments	-2,301	-2,177	5.7 %
Interest payments	-537	-1,043	-48.5 %
Changes in working capital	-10,597	-8,772	20.8 %
Other reconciliations	-2,107	-8,661	-75.7 %
Operating Cash flow	**3,266**	-5.493	N/A
Capital expenditure	-4,041	-6,418	-37.0 %
Divestments	1,019	2,448	-58.4 %
Acquisitions of subsidiaries	-1,300	-5,226	-75.1 %
Other changes in Cash flow from investing activities	920	-11	N/A
Cash flow from investing activities	**-3,402**	-9,207	-63.0 %
Changes in bank borrowings	-3,822	-5,952	-35.8 %
Issuance of corporate bond	-	-799	N/A
Other changes in Cash flow from financing activities	-2,001	-2,424	-17.5 %
Cash flow from financing activities	**-5,823**	-9,175	-36.5 %
Net cash used in or provided by discontinued operations	-1,066	124	N/A
Effects of exchange rate changes on cash	-150	257	N/A
Changes in Cash and cash equivalents	**-7,175**	-23,494	-69.5 %
Cash and cash equivalents at end of period	57,902	63,875	-9.4 %
Free Cash flow [1]	**-775**	-11,911	-93.5 %

[1] Free Cash flow = Operating Cash flow - Capital expenditure



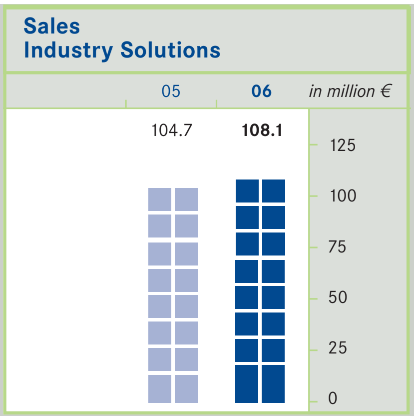
Exchange rate effects in the Thiel Group primarily relate to transactions in the currencies Swiss franc, Polish zloty, Hong Kong dollar and Hungarian forint. This resulted in an effect of -0.2 million euros on the cash position in the first quarter of 2006 (2005: 0.3 million euros).

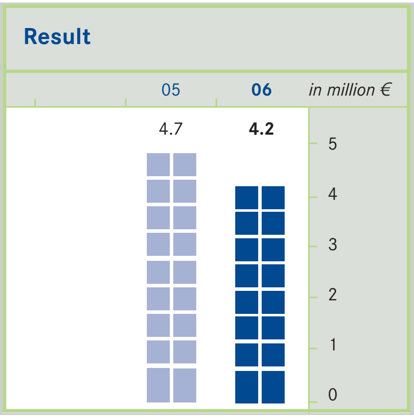
As of March 31, 2006, the Thiel Group held cash and cash equivalents of 57.9 million euros (2005: 63.9 million euros).

Industry Solutions

The Industry Solutions Thiel FashionLifestyle, Thiel Furniture and Thiel Media were developed in the context of customer projects and provide tailor-made supply chain management for the fashion and lifestyle, new furniture and press and media industries. The previous Industry Solution Thiel Automotive was allocated to the Regional Logistics Services business segment following the merger with the Südkraft business unit at the start of the year. The comparative figures for the first quarter of 2005 were adapted accordingly.

The Thiel Group posted sales of 108.1 million euros in the Industry Solutions business segment for the first quarter. Industry Solutions were thus higher than the previous year's 104.7 million euros. At 4.2 million euros, earnings for the quarter ending March 31, 2006 were below the previous year's comparative figure of 4.7 million euros.





Thiel FashionLifestyle Despite the stagnant consumption in the textile industry at the start of the year, the Thiel FashionLifestyle business unit posted net sales of 63.7 million euros, compared to 60.4 million euros in the previous year's quarter. Sales increases were generated primarily in the core markets of Germany and Spain.

Preparations for the expansion of the range of services in Russia were completed in the first quarter. Thiel FashionLifestyle will start to transport hanging garments to Moscow and will initiate the supply of packaged goods to the Russian market during the second quarter.

Thiel Furniture The Thiel Furniture business unit continued to suffer as a result of the sustained weak economy in the sector, which is characterized by sharp declines in sales and increasing cost pressures. At 11.6 million euros, net sales in the first quarter of 2006 were down compared to 12.8 million euros in the previous year. Declining sales from the major customer and currency-related margin losses in Poland impacted both sales and earnings in the business unit.

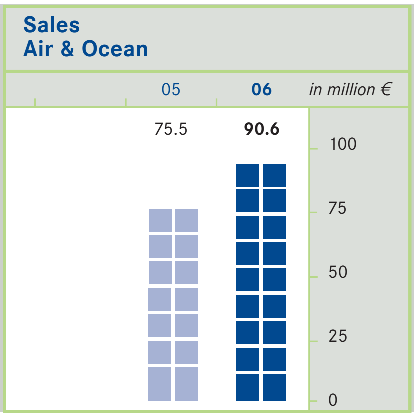
The efforts to improve the sales and earnings situation that began in 2005 continued in the first quarter and additional measures were initiated to improve competitiveness. Negotiations are currently being held with the trade union and the works council at Lippe Logistik with regard to a salary level in line with market levels. However, no successful outcome has been reached thus far. As no economic recovery is yet anticipated in the furniture segment in Germany, Thiel Furniture is focusing on the further expansion of business, mainly in Eastern Europe. Business was expanded in the areas of warehousing management and the distribution of imported goods from South-East Asia during the reporting period. An experienced CEO took over responsibility for the Thiel Furniture business unit at the start of March 2006.

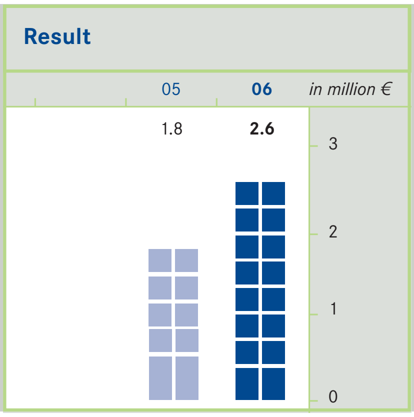
Thiel Media The Thiel Media business unit generated net sales of 29.9 million euros in the first three months of 2006, compared to 28.8 million euros in the previous year's quarter. The increase in sales was due to the extension of the service offering, new business wins and an expansion of existing business. A web shop for promotional material was implemented for Axel Springer Verlag during the reporting period. Thiel Media draws on the existing expertise in the Thiel Group for this and develops the logistics processes using the existing infrastructures of the Microlog-Südkraft business unit.

Air & Ocean

The Air & Ocean business segment comprises the Group's international air and sea freight forwarding activities under the management of Birkart Globistics air + ocean. The Thiel Group generated sales of 90.6 million euros in this business segment in the first quarter of 2006. Compared to sales of 75.5 million euros in the same period of the previous year, this corresponds to an increase of 19.9 percent. Earnings increased by 47.6 percent from 1.8 million euros in the previous quarter to 2.6 million euros.

Further growth in the Air & Ocean business segment resulted mainly from imports from Asia to Europe, particularly from China and Korea. Business in South Africa also had a positive impact, in particular as a result of new customer acquisitions in the automotive industry. The new businesses established in Italy, Dubai and Poland in 2005 and the additional joint venture in South Africa also contributed to the positive business development. The intercontinental network is to be expanded further in 2006, particularly in South America and South-East Asia.

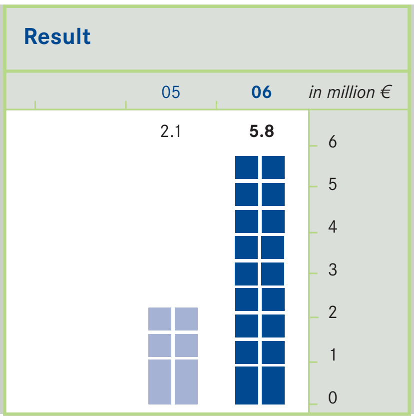




Regional Logistics Services

The Regional Logistics Service Providers Quehenberger, Delacher and Microlog-Südkraft (since January 1, 2006) provide logistics services to customers from their respective home markets, and also support them in their international activities.

Sales in this business segment amounted to 278.3 million euros in the first quarter of 2006 compared to 250.8 million euros in the previous quarter. Earnings totaled 5.8 million euros, more than double that of the previous year's first quarter of 2.1 million euros. The comparative figures for the first quarter of 2005 were adjusted following the allocation of the former Thiel Automotive business unit to the Regional Logistics Services business segment.



Quehenberger The Quehenberger business unit continued to grow and generated net sales of 122.2 million euros following 98.5 million euros in the previous year, which corresponds to an increase of 24.1 percent. The Slovakian logistics provider Proxar, which was acquired in mid 2005, generated almost 10 percentage points of this sales growth.

Quehenberger continued to focus on expanding the network in Central and Eastern Europe during the reporting period. An additional site was thus opened in Pulawy, Poland. Groupage transportation between Switzerland and Slovakia was combined with the Delacher business unit through the Center of Competence "Logistics Networks".

Processes were further optimized in the first quarter of 2006 to improve the efficiency of administrative and operating processes and the freight forwarding software "Lbase" continued to be rolled out in order to allow for greater transparency of the supply chain for customers.

Delacher At 68.5 million euros, sales in the Delacher business unit are considerably higher than the previous year's level of 61.2 million euros. Sales increases were primarily generated by business with existing customers in Austria and Switzerland.

In the course of expanding business with a major customer, a new hub for the transshipment of temperature-controlled goods was installed at the Basel site. Delacher has a contract to supply the Austrian market for the Tchibo retail group. The tender comprised the supply of the Austrian distribution center for the non-food division. This involves using custom-made container types and a shift of a significant part of the transportation from the road to the railway, by which Delacher provides the customer with an ecological and economical alternative.

The consolidation of business operations in the French subsidiaries is currently progressing at a satisfactory rate. Based on its closer integration into the Delacher business unit, the TK Group successfully acquired an additional major customer order, which led to a further stabilization of the Group. To reduce costs and increase transport security, the freight forwarding software "Lbase" was further rolled out and a new customs software was introduced. The planning phase for the new logistics terminal in Feldkirch-Tosters was completed during the reporting period. Construction work on the modern terminal, which will have over 20,000 square meters of storage space, has begun in April 2006. It will go into service in 2007.

Microlog-Südkraft The Microlog-Südkraft business unit generated net sales of 87.6 million euros in the first quarter of 2006 compared to 91.1 million euros in the previous year. Sales losses compared to the same quarter in the previous year are the result of projects with major customers that have expired. In addition, non-profitable projects were intentionally abandoned.

The coordinated market approach has enabled the new business unit to both expand business with existing customers and to generate new customers. For example, the contract logistics contract with DaimlerChrysler was expanded and extended. Additional just-in-sequence projects were arranged with the customer MAN. New customer agreements were also reported in bulk and silo logistics. The business unit aims to create additional synergies by optimizing organizational structures, to expand existing customer relations and to conclude new contract logistics agreements. In the context of a settlement of the terminated contract, the INA Schaeffler Group took over Microlog's 70 percent share in the joint venture PD Logistics GmbH with effect from March 31, 2006.

Number of employees down despite sales increase In comparison to December 31, 2005, the number of employees in the Thiel Group decreased from a total of 8,807 employees to 8,150, which corresponds to a reduction of 657 employees. The decrease is primarily due to the disposal of Group companies. Furthermore, despite increased sales, primarily in the Thiel FashionLifestyle, Thiel Media and Quehenberger business units, and the Air & Ocean business segment, the total number of employees decreased.

In personnel management, the first few months of 2006 were characterized by the further harmonization of personnel processes and management capacity analyses in the Group. Work was also carried out to improve management quality and to identify opportunities for further employee trainings.

The intensive negotiations with the trade union and the works council in the Thiel Furniture business unit aiming at a reduction of salary costs to market level, were another focus.

	March 31, 2006	December 31, 2005
Germany	3,697	4,335
Austria	1,541	1,574
Switzerland	359	349
Eastern Europe	893	894
Asia, Pacific region, Africa	789	770
Other	871	885
Total	**8,150**	**8,807**

Board of Directors expanded– authorized capital of 50 million euros approved Shareholders of Thiel Logistik AG resolved to expand the Board of Directors at the Ordinary Annual General Meeting in April 2006. Stefan Delacher, who was approved as a member of the Board of Directors, and Klaus Hrazdira, a member of the Executive Committee since September 2005, were appointed to the Board of Directors of Thiel Logistik AG. In addition, Dr. Michael Kemmer, who was until recently a member of the Management Board (Chief Risk Officer) of HypoVereinsbank, was appointed a non-executive member of the Board of Directors.

The Executive Committee, which is responsible for the management of day-to-day business, is now formed of four executive members of the Board of Directors: Berndt-Michael Winter (Chairman), Dr. Antonius Wagner (Finance), Stefan Delacher (Industry Solutions and Air & Ocean) and Klaus Hrazdira (Regional Logistics Services).

All fundamental control functions are – following the appointment of Dr. Michael Kemmer alongside Prof. Dr. Dr. h.c. Werner Delfmann and Dr. Yves Prussen – now carried out by three independent, non-executive members, who also form the Audit and the Appointments and Remuneration Committee. At a subsequent Extraordinary Annual General Meeting, it was resolved to create an Authorized Capital amounting to 50 million euros, as the previous authorized capital has expired. In addition an editorial revised version of the Articles of Association was approved.

Outlook: medium-term target is an EBIT margin of 3 percent The measures to achieve synergies and to strengthen the earnings power of the Thiel Group are being rigorously implemented based on the structural and organizational changes made last year. Financial stability in terms of the earnings and financial position will continue to take top priority.

In light of the sales development during the first quarter, the target is to now increase sales by around 5 percent. EBIT is expected to improve significantly compared to the previous year. The medium-term target remains an EBIT margin of 3 percent.

Name THIEL Logistics+Services

Industry LOGISTICS

Date March 31, 2006

CONSOLIDATED FINANCIAL STATEMENTS

Content

Consolidated Statement of Income

in EUR thousands except per share amounts

January 1, - March 31,	2006	2005
Net sales	477,344	431,008
Cost of sales	(437,754)	(396,547)
Gross profit	**39,590**	34,461
Selling costs	(8,974)	(8,970)
General and administrative costs	(22,227)	(22,566)
Other income (expenses), net	1,991	2,976
Earnings before interest and taxes (EBIT)	**10,380**	5,901
Interest expenses, net	(3,979)	(4,435)
Income (Loss) from continuing operations before income taxes	**6,401**	1,466
Income taxes	(2,985)	(1,958)
Income (Loss) from continuing operations	**3,416**	(492)
Income (Loss) from discontinued operations, net of tax	(36)	(844)
Net profit	**3,380**	(1,336)
Attributable to:		
Equity holders of Thiel Logistik AG	**3,186**	(1,967)
Minority interest	194	631

January 1, - March 31,	2006	2005
Earnings per share (in EUR) - basic and fully diluted:		
for income (loss) from continuing operations	0.03	(0.00)
for income (loss) from discontinued operations, net of tax	(0.00)	(0.01)
for net result attributable to the equity holders of Thiel Logistik AG	0.03	(0.02)

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

Consolidated Statement of Cash Flows

in EUR thousands

January 1, - March 31,	2006	2005
Cash flows from operating activities		
Net result	3,380	(1,336)
Adjustments to reconcile net result to net cash used in operating activities		
Income (Loss) from discontinued operations	36	844
Depreciation and amortization	8,428	9,259
Non-cash items in connection with disposal of non-current assets	(3,086)	(496)
Deferred income taxes	1,801	(63)
Other, net	3,275	3,260
Change in retirement and other employee-related obligations	29	(8,189)
Changes in working capital		
Decrease (Increase) in trade accounts receivable and other assets	(31,895)	(20,096)
Decrease (Increase) in inventory	(2,392)	(2,574)
Increase (Decrease) in trade accounts payable and other liabilities	23,690	13,898
Net cash provided by (used in) operating activities	**3,266**	(5,493)
Cashf lows from investing activities		
Capital expenditure	(4,041)	(6,418)
Proceeds from disposal of non-current assets	1,019	2,448
Purchase of available-for-sale securities	(6)	253
Proceeds from sale of available-for-sale securities	508	-
Change in other loans granted	418	(264)
Payments for acquisitions of subsidiaries, net of cash acquired	(1,300)	(5,226)
Net cash used in investing activities	**(3,402)**	(9,207)
Cash flows from financing activities		
Repayment of short-term borrowings	(2,548)	(5,555)
Repayment of long-term borrowings	(1,274)	(397)
Repayment in finance lease obligations	(1,933)	(1,810)
Other financing activities	(68)	(614)
Proceeds from issuance of corporate bond, net	-	(799)
Other payments	(10)	-
Net cash used in financing activities	**(5,833)**	(9,175)
Net cash provided by (used in) discontinued operations	**(1,066)**	124
Effects of exchange rate changes on cash	(150)	257
Increase (Decrease) in cash and cash equivalents	**(7,185)**	(23,494)
Cash and cash equivalents at beginning of year	65,087	87,369
Increase (Decrease)	(7,185)	(23,494)
Cash and cash equivalents at end of period	**57,902**	63,875

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

Consolidated Balance Sheet

in EUR thousands

ASSETS	Mar. 31, 2006	Dec. 31, 2005
Current Assets		
Cash and cash equivalents	57,902	65,087
Trade accounts receivable	253,011	233,206
Inventories	7,716	8,916
Prepaid expenses and other current assets	36,448	33,250
Assets held for sale	-	707
Assets of discontinued operations	4,910	4,737
Total current assets	**359,987**	345,903
Non-current assets		
Property, plant and equipment	214,612	221,517
Intangible assets	21,512	22,422
Goodwill	277,382	277,324
Investments in associated companies	267	267
Investments in affiliated, not consolidated companies and other investments	3,964	2,985
Securities, available-for-sale	3,073	3,645
Securities, held-to-maturity	370	370
Deferred income taxes	20,090	19,761
Other non-current assets	5,965	6,853
Total non-current assets	**547,235**	555,144
Total assets	**907,222**	901,047

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

LIABILITIES AND SHAREHOLDERS' EQUITY	Mar. 31, 2006	Dec. 31, 2005
Current liabilities		
Short-term bank borrowings and current portion of long-term debt	11,643	10,646
Trade accounts payable	205,699	197,317
Lease obligations, short-term	6,624	7,538
Tax provisions	9,389	10,278
Other short-term liabilities	64,779	57,332
Other short-term provisions	18,488	18,106
Liabilities of discontinued operations	3,208	6,095
Total current liabilities	**319,830**	307,312
Non-current liabilities		
Long-term bank borrowings	33,781	35,055
Bonds payable	125,689	125,626
Lease obligations, long-term	42,460	42,694
Retirement and other employee-related obligations	35,641	45,121
Deferred income taxes	21,027	18,892
Other long-term liabilities	3,949	4,074
Other long-term provisions	225	230
Total non-current liabilities	**262,772**	271,692
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	204,899	204,899
Retained earnings and other reserves	(19,887)	(23,073)
Translation reserve	522	1,015
Fair value reserve	376	440
Actuarial gains and losses from pensions	(3,977)	(3,977)
Total Group equity	321,277	318,648
Minority interest	3,343	3,395
Shareholders' equity	**324,620**	322,043
Total liabilities and shareholders' equity	**907,222**	901,047

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	Actuarial gains and losses from pensions	**Total group equity**	Minority interest	**Total Share-holders' equity**
January 1, 2005	139,344	323,184	(87,944)	(1,024)	238	(607)	**373,191**	4,252	**377,443**
Net profit			(1,967)				(1,967)	631	(1,336)
Neutral effects from Minority interests								(127)	(127)
Result directly recognized in equity									
Translation reserve				520			520		520
Fair value reserve					40		40		40
Total							(1,407)	504	(903)
March 31, 2005	139,344	323,184	(89,911)	(504)	278	(607)	**371,784**	4,756	**376,540**
Settlement additional paid-in capital with balance sheet loss		(118,285)	118,285				-		-
Net profit			(51,447)				(51,447)	(195)	(51,642)
Neutral effects from Minority interests								(1,166)	(1,166)
Result directly recognized in equity									
Translation reserve				1,519			1,519		1,519
Fair value reserve					162		162		162
Actuarial gains and losses from pensions						(3,370)	(3,370)		(3,370)
Total							(53,136)	(1,361)	(54,497)
December 31, 2005	139,344	204,899	(23,073)	1,015	440	(3,977)	**318,648**	3,395	**322,043**
Net profit			3,186				3,186	194	3,380
Neutral effects from Minority interests								(246)	(246)
Result directly recognized in equity									
Translation reserve				(493)			(493)		(493)
Fair value reserve					(64)		(64)		(64)
Total							2,629	(52)	2,577
March 31, 2006	**139,344**	204,899	(19,887)	522	376	(3,977)	321,277	3,343	**324,620**

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

Notes to Consolidated Financial Statements as of March 31, 2006

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 have been prepared on a historical cost basis, except for derivative financial instruments and available-for-sale securities, which have been measured at fair value.

The Consolidated Financial Statements of Thiel Logistik AG and its subsidiaries have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union.

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 percent to 50 percent of the voting rights and the ability to exercise significant influence over operating and financial policies ("associated companies") are accounted for using the equity method according to IAS 28, "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 four domestic and 132 foreign companies as of March 31, 2006 (as of December 31, 2005: four domestic and 137 foreign companies).

The consolidated entities including Thiel Logistik AG have developed as follows:

	Dec. 31, 2005	Additions	Disposals	Mar. 31, 2006
Luxembourg	5	-	-	5
Abroad	137	3	(8)	132
Total	142	3	(8)	**137**

Two minor companies were first factored into the scope of consolidation. Due to a legal demerger in the Air & Ocean and Industry Solutions segments one further company was first consolidated as of January 1, 2006. Eight companies are no longer included in the Group reporting. Thereof one company has been merged, seven companies were disposed of. Under the equity method seven companies were accounted for (as of December 31, 2005: eight). Thirty-eight subsidiaries (as of December 31, 2005: 38) 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. Key assumptions concerning future and other key sources of estimation uncertainty exist in the range of estimation of future taxable profits, which form the basis of impairment evaluation of deferred tax assets. In addition estimates are required to determine expected future cash flows and a suitable discount rate for impairment evaluation of goodwill according to the discounted-cash-flow method. Further assumptions result in the creation of provisions and the determination of the useful life of long-lived assets.

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:

Currencies		Average rate during January 1, – March 31, 2006	January 1, – March 31, 2005	Exchange rate as at March 31, 2006	December 31, 2005
1 EUR =					
Swiss Franc	CHF	1.5588	1.5488	1.5801	1.5551
Polish Zloty	PLN	3.8326	4.0261	3.9425	3.8600
Hong Kong Dollar	HKD	9.3254	10.2246	9.3923	9.1781
Hungarian Forint	HUF	254.3750	244.9928	265.7400	252.8700
Britisch Pound	GBP	0.6861	0.6936	0.6964	0.6853
US Dollar	USD	1.2020	1.3111	1.2104	1.1797

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.

Deferred 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

Cash and cash equivalents comprise cash on hand and deposits held at call with banks with an original maturity of three months or less.

Trade and other receivables

Trade receivables are recognized and carried at original invoice amout less an allowance for any uncollectible amounts.

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.

Non-current assets held for sale and discontinued operations

The Thiel Group applies IFRS 5, “Non-current assets held for sale and discontinued operations”, which states that 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 “discontinued operations” are defined 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.

In the Consolidated Balance Sheets as of March 31, 2006 and December 31, 2005, 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, 2006 and 2005, 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". Cash flows from discontinued operations has been separately disclosed in the Consolidated Statements of Cash flows for the periods ended March 31, 2006 and 2005. Reference is made to Note 4, "Income (Loss) from Discontinued Operations" and to Note 6, "Assets and Liabilities of Discontinued Operations".

Property, Plant and Equipment and Intangible Assets

Property, plant and equipment and acquired intangible assets are 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 and amortization are provided using the straight-line method over estimated useful lives ranging from ten to 50 years for plant and buildings and five to 20 years for machinery, fixtures and equipment. Acquired intangible assets with definite useful life are recognized and amortized over their estimated useful lives ranging from three to ten years.

Business Combinations

IFRS 3, "Business Combinations", has been applied for business combinations occurring after September 30, 2002. Upon acquisition, the Group initially measures the identifiable assets, liabilities and contingent liabilities acquired at their fair values as at the acquisition date; hence causing any minority interest in the acquiree to be stated at the minority proportion of the net fair values of those items.

Impairment Evaluation of long-lived assets

The Thiel Group adopts IAS 36, "Impairment of Assets". Long-lived 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. 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.

According to IFRS 3, "Business Combinations", goodwill shall be 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.

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: Recognition and Measurement”. 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 and are recognized in earnings. Derivatives that are entered into for risk management purposes, but which do not meet the conditions 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.

Interest-bearing loans and bonds

Loans and bonds respectively are initially recognized at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, bonds are subsequently measured at amortized cost using the effective interest method, interest-bearing loans are reported at redemption amount. Gains and losses are recognized in net profit or loss when the liabilities are derecognized as well as through the amortization process.

Provisions

The Group adopts IAS 37, “Provisions, contingent liabilities and contingent assets”. Provisions are recognized when the Group has a present (legal or constructive) 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 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. Gains and losses from changes in actuarial valuation are recognized as a separate component of shareholders’ equity. This so-called “third option” was initially adopted as of December 31, 2005.

Earnings per Share (EPS)

According to IAS 33, “Earning per share”, basic and diluted earnings per share (EPS) are based on the weighted average number of registered shares outstanding.

2 Segment Reporting

Primary reporting format – Segments by business segments

According to the merger of Südkraft and Thiel Automotive in terms of corporate law, effective from January 1, 2006, the internal reporting system was adapted. The newly founded Microlog-Südkraft business unit was allocated to the Regional Logistics Services segment. In the course of this reorganization the GST-Group (former Thiel Automotive) was assigned to the Delacher business unit. According to the requirements of IAS 14, “Segment reporting”, prior year’s comparable figures were restated.

Industry Solutions

In this business segment the Thiel Group provides logistics services for the fashion, media and furniture industries.

Air & Ocean
In this business segment, the Thiel Group operates in the area of intercontinental air and sea transportation services. At the same time, the Industry Solutions and Regional Logistics Services business segments are assisted by this segment.

Regional Logistics Services
The companies bundled in this business segment provide logistics services at a regional level. These services range from simple transportation to contract logistics, including supply chain management focusing on Central and Eastern Europe.

Transactions between the segments are measured at "arm's length", similar to transactions with third parties. The information on the business segments is reported after consolidation of the intersegment transactions. Transactions between the segments have been eliminated in the column "Consolidation".

Segment result: The result of each segment is measured by management based on the earnings before other financial income (expenses), interest expenses and income taxes. Wherever applicable, general corporate expenses of the holding companies have been allocated to the business segments in line with the principle of causality.

The remaining positions not included in segment result are reported separately in the reconciliation of segment results to the consolidated result.

Segment assets: Segment assets include long-lived assets (excluding financial assets) and current assets (excluding income tax assets, cash and cash equivalents, securities and assets of discontinued operations). Goodwill has been allocated to the segments.

Segment liabilities: Segment liabilities comprise short-term and long-term, non-interest-bearing provisions and liabilities, excluding 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 capitalization of finance lease contracts.

Depreciation and amortization relate to long-lived and intangible assets, directly attributable to business segments (including amortization of capitalized customer contracts).

The tables below set forth segment information of the business segments for the periods ended March 31, 2006 and 2005:

January 1, - March 31, 2006	Industry Solutions	Air & Ocean	Regional Logistics Services	Holdings	Consoli-dation	Group
Net sales						
External sales	108,094	90,557	278,337	356	-	477,344
Intersegment sales	1,822	4,207	1,242	-	(7,271)	-
Total net sales	**109,916**	**94,764**	**279,579**	**356**	**(7,271)**	**477,344**
Result						
Segment result	**4,193**	**2,601**	**5,798**	**(1,922)**	**(43)**	**10,627**
Other financial income (expenses)						(247)
Earnings before interest and taxes (EBIT)						**10,380**
Interest expenses, net						(3,979)
Income (Loss) from continuing operations before income taxes						**6,401**
Income taxes						(2,985)
Income (Loss) from discontinued operations, net of tax						(36)
Net result						**3,380**
Included in segment result are:						
Depreciation and amortization	(2,148)	(396)	(5,196)	(715)	-	(8,428)
thereof amortization of customer contracts	*(486)*	-	*(274)*	-	-	*(760)*
Balance Sheet						
Segment assets	169,326	100,132	529,503	24,473	(10,072)	813,362
Unallocated assets						93,860
Total consolidated assets						**907,222**
Segment liabilities	69,896	64,322	192,872	11,564	(10,072)	328,582
Unallocated liabilities						254,020
Total consolidated liabilities						**582,602**
Included in segment assets are:						
Capital additions	1,081	359	2,862	730	-	5,032

January 1, - March 31, 2005	Industry Solutions	Air & Ocean	Regional Logistics Services	Holdings	Consoli-dation	Group
Net sales						
External sales	104,671	75,509	250,770	58	-	431,008
Intersegment sales	4,019	1,029	1,307	-	(6,355)	-
Total net sales	**108,690**	**76,538**	**252,077**	**58**	**(6,355)**	**431,008**
Result						
Segment result	**4,666**	**1,762**	**2,082**	**(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	(2,307)	(376)	(5,990)	(586)	-	(9,259)
thereof amortization of customer contracts	*(486)*	*-*	*(389)*	*-*	*-*	*(875)*
Balance Sheet						
Segment assets	180,133	94,314	546,112	23,272	(8,767)	835,064
Unallocated assets						114,214
Total consolidated assets						**949,278**
Segment liabilities	38,337	54,799	203,936	9,061	(8,767)	297,366
Unallocated liabilities						274,973
Total consolidated liabilities						**572,339**
Included in segment assets are:						
Capital additions	609	660	3,980	1,124	-	6,373

Secondary reporting format – Segments by regions

The Thiel Group is subdivided into six geographical regions according to their materiality. Asia is headed by China with just under 50 percent of the segment's net sales, followed by Singapore and Korea. The segment "Other" is dominated by European countries with about 75 percent, the remaining share comprises Australia and countries in South America and Africa.

Net sales from external customers have been allocated according to the geographical location of the assets.

Segment assets as well as any additional geographical information are reported by location of the respective assets. Segment assets are defined as long-lived assets excluding financial assets and goodwill as well as current assets excluding income taxes, cash, securities and assets of discontinued operations. Long-lived assets and capital additions comprise property, plant and equipment and intangible assets excluding goodwill, both including the acquisition and capitalization of finance lease contracts.

The tables below present geographic information on net sales from external customers, segment assets, capital additions and long-lived assets for the periods ended March 31, 2006 and 2005:

January 1, - March 31,		2006		2005
Germany	209,708	43.9 %	210,971	49.0 %
Austria	136,030	28.5 %	122,074	28.3 %
Asia	26,768	5.6 %	22,736	5.3 %
Eastern Europe	35,267	7.4 %	17,269	4.0 %
Switzerland	21,804	4.6 %	19,484	4.5 %
Other	47,767	10.0 %	38,474	8.9 %
Total net sales	**477,344**	100.0 %	431,008	100.0 %

March 31,		2006		2005
Germany	211,757	39.5 %	255,739	46.5 %
Austria	139,373	26.0 %	128,098	23.3 %
Asia	22,393	4.2 %	18,968	3.4 %
Eastern Europe	46,993	8.8 %	38,446	7.0 %
Switzerland	45,622	8.5 %	44,905	8.1 %
Other	69,835	13.0 %	64,180	11.7 %
Total segment assets	**535,973**	100.0 %	550,336	100.0 %
Goodwill	277,382		284,728	
Other unallocated assets	93,867		114,214	
Total consolidated assets	**907,222**		949,278	

January 1, - March 31,	2006		2005	
Germany	2,198	41.2 %	1,509	23.7 %
Austria	707	13.3 %	1,769	27.7 %
Asia	204	3.8 %	266	4.2 %
Eastern Europe	207	3.9 %	152	2.4 %
Switzerland	882	16.5 %	104	1.6 %
Other	834	21.3 %	2,573	40.4 %
Total capital additions	**5,032**	100.0 %	6,373	100.0 %

March 31,	2006		2005	
Germany	97,971	41.5 %	142,323	50.0 %
Austria	65,928	27.9 %	65,224	22.9 %
Asia	1,920	0.8 %	2,213	0.8 %
Eastern Europe	22,415	9.5 %	23,655	8.3 %
Switzerland	26,738	11.3 %	27,938	9.8 %
Other	21,152	9.0 %	23,286	8.2 %
Total fixed assets	**236,124**	100.0 %	284,639	100.0 %

Other information

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

3 Other Income (Expenses), net

January 1, - March 31,	2006	2005
Gain from disposal of long-lived assets	322	637
Foreign exchange gain	1,792	1,515
Insurance revenue	7	257
Income from reversal of provisions	151	1,875
Miscellaneous operating income	3,551	417
Other operating income	**5,823**	4,701

January 1, - March 31,	2006	2005
Foreign exchange loss	(1,925)	(1,233)
Miscellaneous operating expenses	(1,660)	(505)
Other operating expenses	**(3,585)**	(1,738)

January 1, - March 31,	2006	2005
Other operating income (expenses), net	2,238	2,963
Other financial income (expenses), net	(247)	13
Total other income (expenses), net	**1,991**	2,976

In 2006 miscellaneous operating income mainly comprises the gain from disposal of two companies in the Microlog-Südkraft business unit in the amount of TEUR 3,112.

4 Income (Loss) from Discontinued Operations

Businesses classified as discontinued operations as of March 31, 2006, mainly comprise small logistics service providers in the Luxembourg area.

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, 2006 and 2005:

January 1, - March 31,	2006	2005
Net Sales	2,344	4,332
Income (Loss) from discontinued operations, before tax	**(36)**	(845)
Income taxes	-	1
Income (Loss) from discontinued operations, net of tax	**(36)**	(844)

5 Property, Plant and Equipment and Intangible Assets

	Acquisition cost	Accumulated amortization/ depreciation	Net book value March 31, 2006	Net book value December 31, 2005
Land and buildings	240,371	84,821	155,550	158,513
Machinery and equipment	57,578	41,436	16,142	16,554
Tools, fixtures, furniture, office equipment	74,315	54,586	19,729	21,878
Fleet of cars	70,993	49,106	21,887	23,598
Construction in progress	1,304	-	1,304	974
Property, plant and equipment	444,076	229,464	**214,612**	221,517
Concessions, licences, copyrights	4,433	2,288	2,145	2,323
Customer contracts	20,457	12,859	7,598	8,343
Software	34,837	27,250	7,587	8,047
Construction in progress	4,361	179	4,182	3,709
Intangible Assets	64,088	42,576	**21,512**	22,422

6 Assets and Liabilities of Discontinued Operations

Assets and liabilities of discontinued operations as of March 31, 2006 and December 31, 2005, are as follows:

	March 31, 2006	Dec. 31, 2005
Trade accounts receivable	1,463	1,193
Prepaid expenses and other current assets	3,242	3,318
Property, plant and equipment	202	223
Other non-current assets	3	3
Total assets of discontinued operations	**4,910**	4,737

	March 31, 2006	Dec. 31, 2005
Short-term bank borrowings and current portion of long-term debt	113	116
Trade accounts payable	2,635	3,231
Tax provisions	88	225
Other short-term liabilities	-	726
Other short-term provisions	-	211
Accrued expenses, other liabilities and deferred income	296	-
Retirement and other employee-related obligations	-	1,478
Other long-term liabilities	76	108
Total liabilities of discontinued operations	**3,208**	6,095

7 Shareholders' Equity

Ordinary shares

As of March 31, 2006, 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.

Settlement of the Additional paid-in capital with Balance Sheet loss

The Annual General Meeting of Thiel Logistik AG on April 12, 2006 approved the settlement of the loss in the local balance sheet of Thiel Logistik AG, prepared in accordance with Luxembourg law, in the amount of TEUR 30,898 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, 2006.

8 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,	2006	2005
Interest payments	537	1,043
Income tax payments	2,301	2,177

In the first quarter of 2006 TEUR 1,409 of the restructuring provision, made in 2005, were paid out.

9 Subsequent Events

In the course of the Ordinary Annual General Meeting, dated April 12, 2006, Stefan Delacher, whose election to the Board of Directors was confirmed, and Klaus Hrazdira were appointed as new executive members of the Board of Directors. Furthermore Dr. Michael Kemmer was appointed as non-executive member of the Board of Directors. In a following Extraordinary Annual General Meeting the shareholders of Thiel Logistik AG have authorized the new articles of association of Thiel Logistik AG, which allow the Board of Directors to increase issued capital by a total amount of TEUR 50,000, representing 40,000,000 shares until March 31, 2011.

Dates 2006|2007

August 9, 2006
Publication of Half-Year Report 2006

November 8, 2006
Publication of Nine-Month Report 2006

April 11, 2007
Annual General Meeting

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This report is available in both German and English and can be downloaded from our website at www.thiel-logistik.com. An interactive online version is also available at this address.

Further copies of the report and additional information can be obtained from us free of charge.

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