

New Approaches, Practical Solutions

At the 21st German Logistics Congress, some 2,500 participants from around the world discuss innovative technologies and the growth markets Asia and Eastern Europe. The Thiel Logistik Group is already one of the leading suppliers of end-to-end logistics services in these areas and is presenting its global network in Berlin.

Grevenmacher (Luxembourg) “Think Innovatively – Act Successfully” is the motto of the 21st German Logistics Congress from October 20 to 22 in Berlin.

At the congress, the most important meeting place for the exchange of knowledge and experiences for entrepreneurs in the logistics industry, Thiel Logistik is in demand when it comes to the discussion of new approaches and solutions that can be implemented in practice. After all, the entire supply chain and company processes rely on cost-effective logistics.

This year, the focus of the congress is on the innovative RFID system. RFID stands for radio frequency identification. Whether it is used for access control at sports stadiums, baggage handling at airports, or price recognition in supermarkets and department stores, the new RFID technology has become an indispensable part of everyday life.

Experts predict that the use of this technology will soon become widespread. RFID, which can be used to improve transport management, automate inventory recording or simply to trace goods, plays a part in significantly improving the logistics network. Customers are able to follow the progress of their goods throughout the entire logistics chain, from order to delivery. Users can also gain other advantages in goods-in/goods-out processes as well as handling of even the smallest units.

At the international congress in Berlin, the pioneers of this innovative technology are joining forces to stage a special exhibition entitled “RFID and Logistics”.

Thiel Logistik is offering its guests in Berlin an opportunity to experience RFID up close. Along with the tickets for the Thiel Night gala event on October 20, the company has sent each invited guest an RFID card. When a guest enters the event hall, a reader scans all of the information stored in the card. A video screen in the entrance area welcomes each guest when they arrive while a label printer automatically prints the guest's name and company on a textile label. "This gives our customers a little taste of the kind of things RFID can do," says CEO of Thiel Logistik AG, Dr. Klaus Eierhoff.

Germany as a Production Location – Globally Networked?

Another focus of the congress is the increasing internationalization of logistics services. On the opening day, Dr. Klaus Eierhoff will join experts in a podium discussion entitled "Germany as a Production Location – Globally Networked?".

In the age of globalized production and the international division of labor, logistics chains are becoming increasingly complex. At the same time, customer expectations of the logistics companies are also growing. Therefore, there is an increased demand for service providers with integrated logistics concepts who can offer additional services such as quality control or commissioning. The situation in Eastern Europe and the continuing economic boom in Asia, especially in China, mean that new opportunities are becoming available to international logistics providers.

A company with a global network can benefit on a global level. The Thiel Logistik Group's international network is key to its success.

Congress Dedicated to Chinese Market – Thiel Logistik Is Already There

The focus of the 21st German Logistics Congress is on the Chinese logistics market. For the first time, there will be a discussion forum with participants from Beijing and Shanghai. Exports from China are currently growing by about 30 percent a year. By the time the Olympic Games in Beijing in 2008 and the World Expo in Shanghai in 2010 have taken place, domestic demand and consumer buying power in China should have risen significantly as well.

Birkart Globistics is responsible for Thiel Logistik's business segment Air & Ocean. As an A-Class freight forwarding company, it will supply customers throughout China with supply chain management solutions as of the end of 2004. In the past Birkart Globistics' commerce and logistics services in China were restricted to Shanghai's free trade zone, where the company was the first foreign logistics provider.

Birkart Globistics already has 16 years of experience in the Chinese market. This year alone it has opened six new subsidiaries, including one in Beijing, in the course of its economic expansion in Asia. "Our decades of experience in doing business with China form the strategic cornerstone for our operational growth abroad today," says CEO Dr. Klaus Eierhoff.

Growth Opportunities Identified in the EU Accession Countries

The German Logistics Congress is the most important platform for the exchange and dissemination of logistics knowledge in Germany. Poland is the first guest country to be represented at the congress. Lectures and expert panels explore the opportunities and solutions for logistics services in the ten Central European and Eastern European countries that have been members of the European Union since May 1, 2004.

Through its subsidiary Quehenberger, Thiel Logistik AG recognized the growth opportunities in the Eastern European market early on and established one of the largest logistics networks in this region with over 50 branch offices. The range of

products and services has been expanded in response to the elimination of customs duties in the accession countries.

Full Range of Services at Eastern European Branch Offices

Quehenberger has made considerable investments in its Czech, Polish, and Hungarian locations to ensure that these facilities can offer the full range of logistics services. The strategic expansion of capacities means that the company can already handle all the warehousing needs of its customers in these new countries. As in Western Europe, Quehenberger will provide any industry- or customer-specific logistics service that its Eastern European customers require. A broad range of value-added services is also available – from commissioning to handling returns and setting up displays and equipment. “Our independent network of branch offices offers our customers who are becoming more active in the EU accession countries a range of services that is on a par with those available in Western Europe,” says Quehenberger’s Executive Board spokesman Klaus Hrazdira.

In Hungary, Quehenberger offers its customers an additional advantage: The Győr facility won a contract with the Hungarian Ministry of Economics and Transport and is now the only customs facility to remain in existence after Hungary’s EU accession. For customers engaging in transactions with non-EU countries in the Győr region, Quehenberger handles all services from logistics to processing customs duties from a single source.

Thiel Logistik: Greatest Ranking Improvement of 2004

This year’s Logistics Congress is not only an opportunity for exchanging experiences and knowledge. Several awards will also be conferred. This year, the trade journal and business magazine *LOGISTIK inside* will be announcing the winners of its latest image ranking at a special evening event. On behalf of *LOGISTIK inside*, Emnid, the market research institute has conducted its third annual survey of the image of German logistics providers. The result is pleasing for Thiel Logistik. The survey reveals that the

Group has once again made substantial year-on-year progress. In the Logistics Services category, Thiel Logistik now comes 20th out of a total of 42 providers surveyed and, at the German Logistics Congress, will therefore receive an award from *LOGISTIK inside* for having achieved the greatest ranking improvement of 2004 in the Logistics Service Providers category.

“The survey’s ranking emphasizes the increased level of trust in our ability that logistics managers – as potential clients – place in us,” comments CEO Dr. Klaus Eierhoff.

About Thiel Logistik AG

Thiel Logistik AG of Grevenmacher, Luxembourg, develops complete logistics and service solutions as an external partner for industry and commerce. In 2003, Thiel Group achieved sales of €1.7 billion and currently employs more than 9,300 people in 44 countries. With more than 350 locations on all continents, Thiel Logistik is present in the major European markets and in every important procurement and sales market worldwide. The Group’s three business segments are Industry Solutions, Air & Ocean and Regional Logistics Services. Industry Solutions include Thiel Automotive, Thiel FashionLifestyle, Thiel Media and Thiel Furniture. The Air & Ocean segment focuses on air and sea freight. Regional Logistics Services extend from Germany and Benelux via Austria and Switzerland to the countries of East and Central Europe. In these business segments, Thiel Logistik AG ranks among the market leaders. Thiel Logistik AG is listed on the MDAX segment of the German Stock Exchange. The majority shareholder is DELTON AG of Bad Homburg, Germany, with 50.26 percent of the share capital.

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