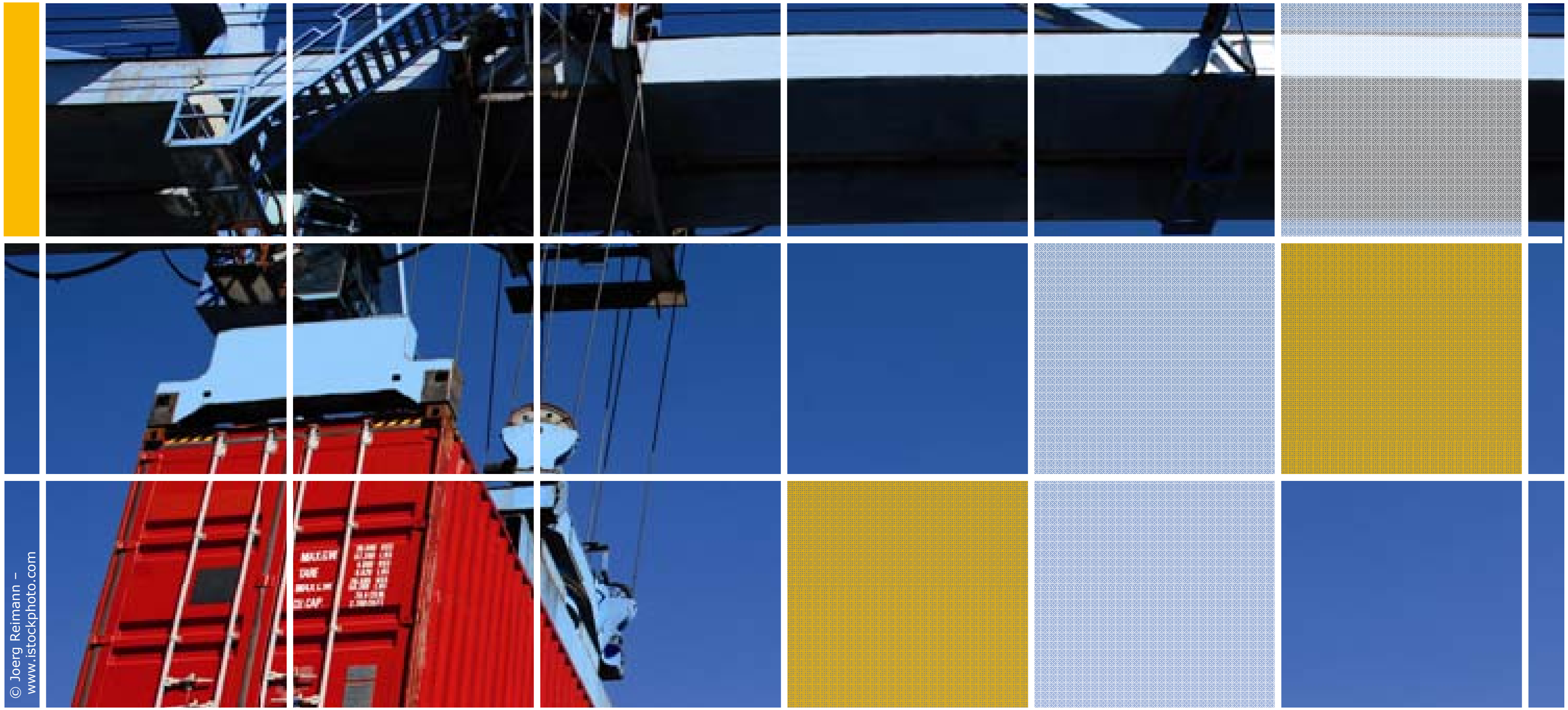


Germany – Europe’s Logistics Hub

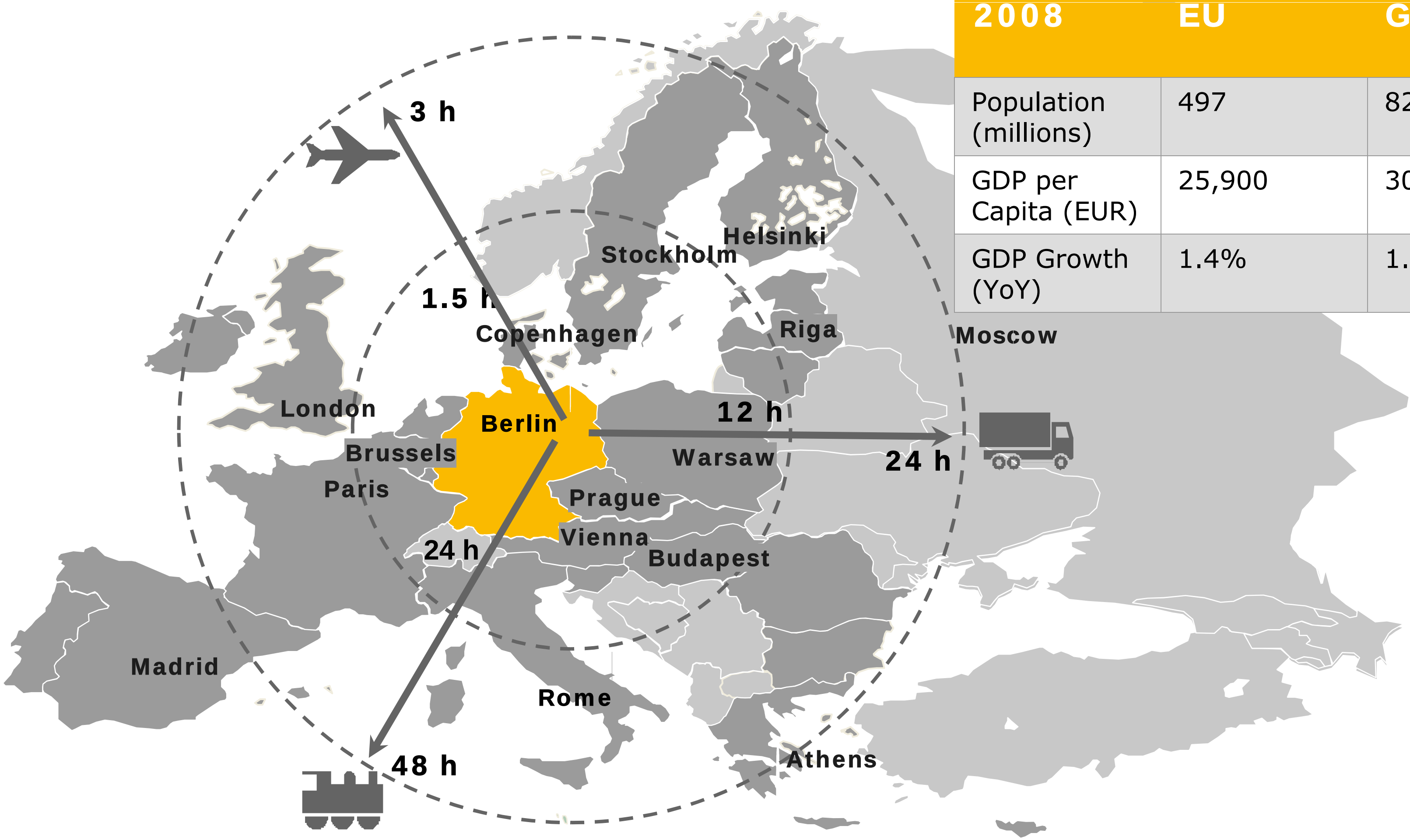
Bologna, May 17, 2010

May 2010

GERMANY
TRADE & INVEST

EU's New Geographic Center is in Germany

Providing rapid & easy access to all European markets*



2008	EU	Germany
Population (millions)	497	82
GDP per Capita (EUR)	25,900	30,300
GDP Growth (YoY)	1.4%	1.3%

Source: Eurostat 2009

* EU-27's center: 42 km east of Frankfurt/Main in Meerholz, Hessen

Europe’s Most Extensive Infrastructure

Europe’s longest autobahn, rail and waterway networks

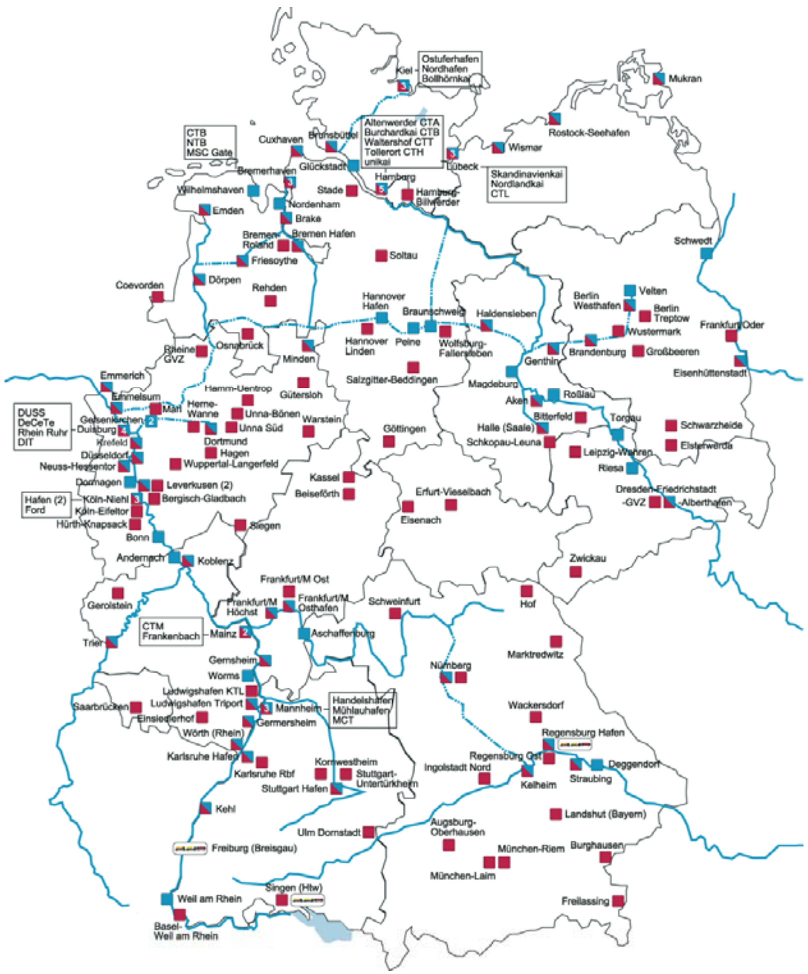
State capital	
State border	
Autobahn	**11,978 km**
Railways	**40,327 km**
Waterways	**7,450 km**
Seaports	**9**
Major Airports*	**13**

Source: Eurostat 2008, CIA Handbook

*Major airports with runways > 3,000 m.

GERMANY TRADE & INVEST

Easy transfer from one transportation mode to another

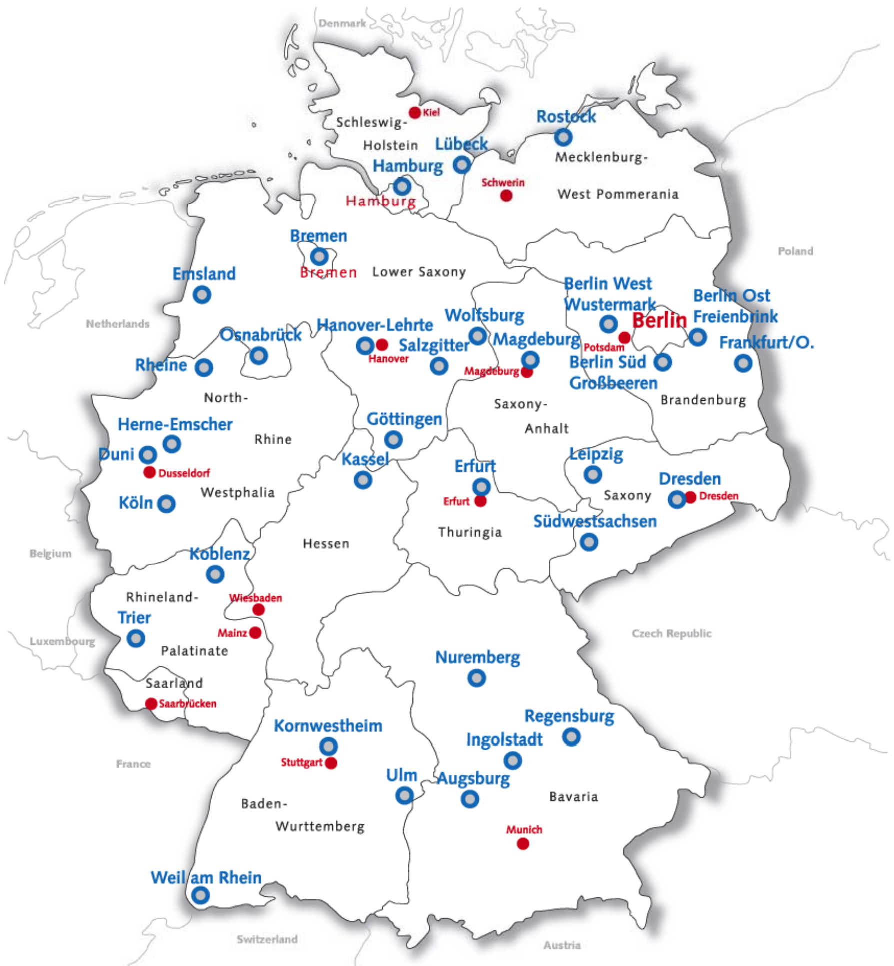


- Rail / road terminal
- Water / road terminal
- Water / rail / road terminal
- Piggyback terminal
- 2 Number of terminals in a location

Source: Studiengesellschaft für den kombinierten Verkehr e.V. 2005

GERMANY TRADE & INVEST

Germany has the most Freight Traffic Centers in Europe



Source: GVZ 2009

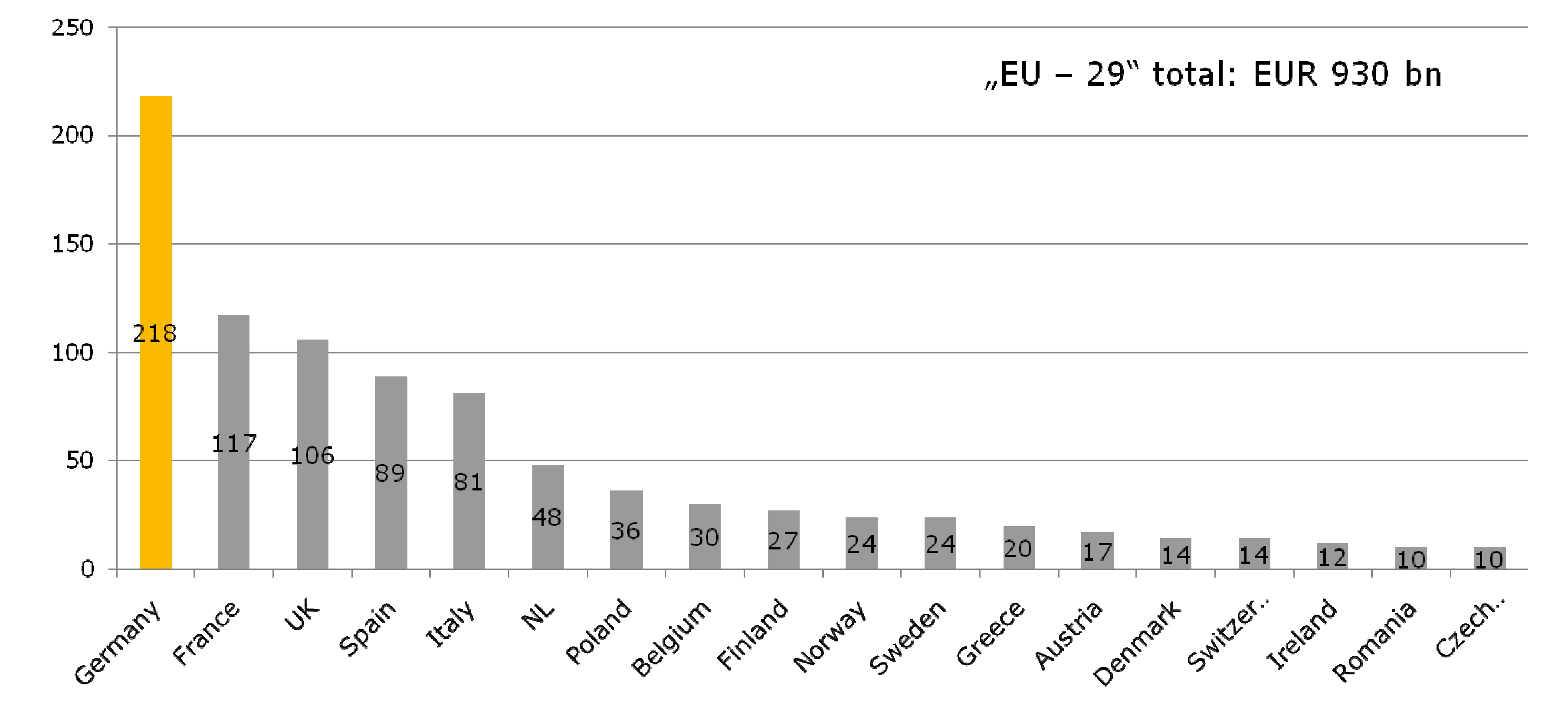
Freight Traffic Centers (GVZ):	33
Companies established:	1,600
Employees:	45,000

- State capital
- State border
- Freight Traffic Centers

Logistics Turnover in Europe: Leading Players

Germany's logistics market reaches new heights with € 218 bn revenue in 2008 and continues to lead Europe's transportation and logistics sector

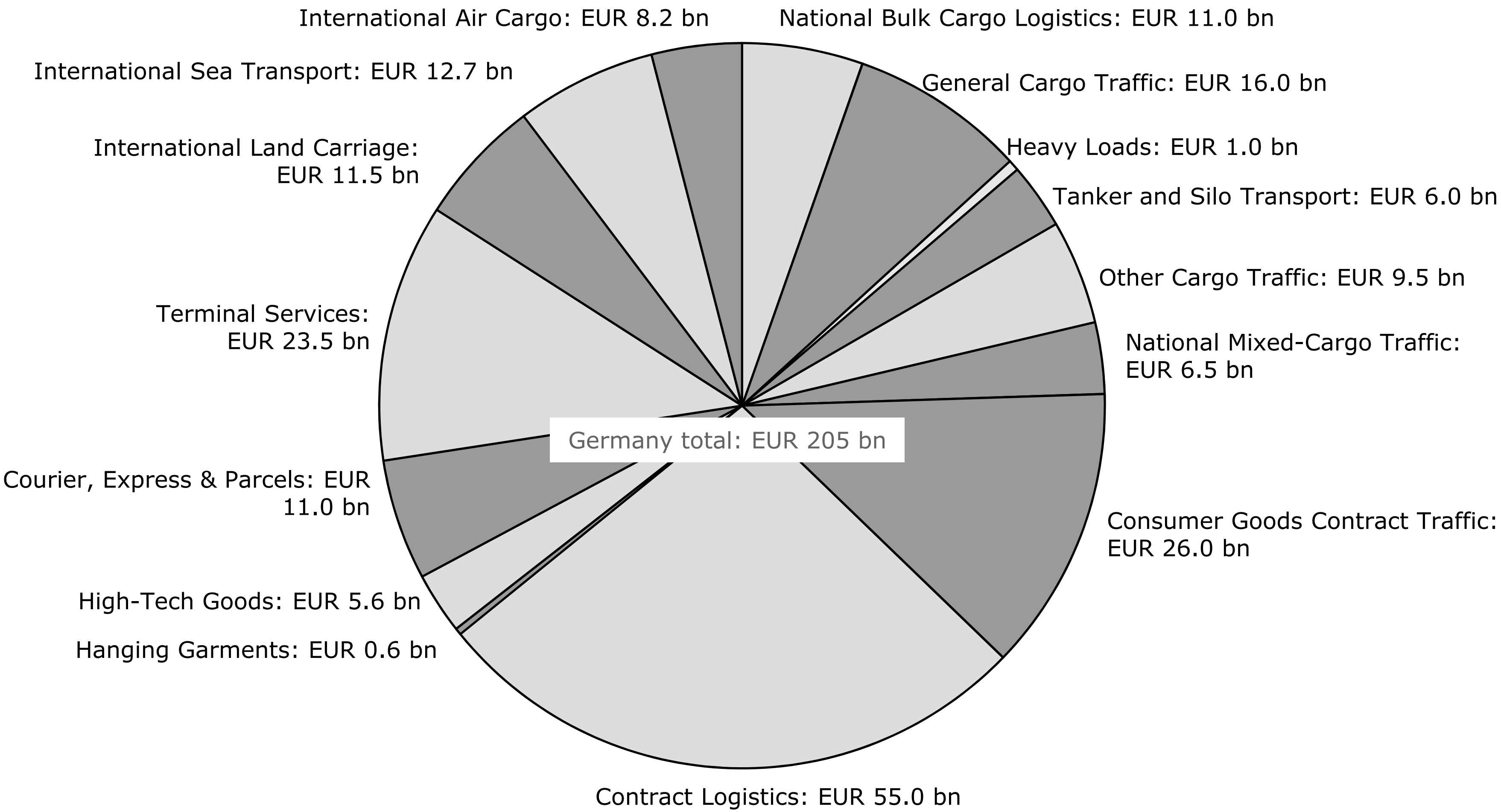
Logistics Revenue 2008 (in EUR)



Source: Prof. Klaus, "Die Top 100 der Logistik", 2009

Germany's Logistics Market Segments

Over 60,000 logistics services providers and a 6% annual revenue growth rate in 2008



Source: Prof. Klaus, "Die Top 100 der Logistik", 2008 & 2009

Logistics workforce in Germany

Over 2.8 million strong and growing in 2008

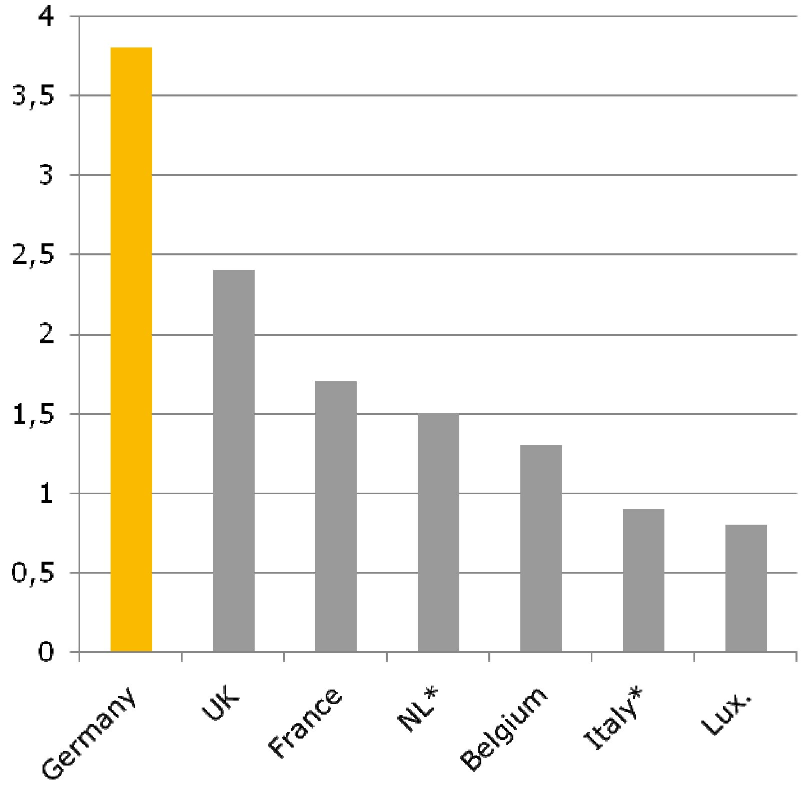
Classification of Occupations	Total Number of Jobs	% of jobs in logistics	Number of jobs in logistics*
Direct logistics jobs:			
Train drivers	34,617	20%	8,308
Rail controllers	55,291	20%	13,270
Other transport controllers, guards	16,056	20%	3,853
Drivers	781,444	80%	750,186
Maritime employees	6,963	20%	1,671
Technical officers	5,827	20%	1,398
Maritime deck workers	7,821	20%	1,877
Inland waterway staff	6,165	70%	5,179
Air traffic jobs	25,518	15%	4,593
Subtotal transport and traffic			**790,336**
Goods inspectors, sorting staff	130,853	20%	31,405
Packaging and dispatching staff	231,770	80%	222,499
Storekeepers, stock controllers	263,067	100%	315,680
Transport machinery drivers	61,461	80%	59,003
Stevedores, removal staff	11,489	100%	13,787
Warehouse and transport staff	506,802	100%	608,162
Subtotal warehouse and handling of goods			**1,250,536**
Wholesale and retail traders	493,609	10%	59,233
Forwarding agents	97,294	100%	116,753
Brokers, real estate agents	11,935	5%	716
Renters, agents, auctioneers	30,117	5%	1,807
Postal workers	110,213	10%	13,226
Subtotal administrative functions			**191,735**
Subtotal "direct" jobs			**2,232,607**
Indirect logistics activities:			
Entrepreneurs, auditors			33,489
Accountants			55,815
Office workers			375,078
Subtotal "indirect" logistics activities			**464,382**
Total jobs			**2,696,989**

Source: Prof. Klaus, "Die Top 100 der Logistik", 2008, 2009

Ranking of European Air Freight

Germany is Europe's Air Cargo Leader

Air Cargo 2008 (in m tons)



Top 10 Cargo Airports in Germany 2008 (in m tons)

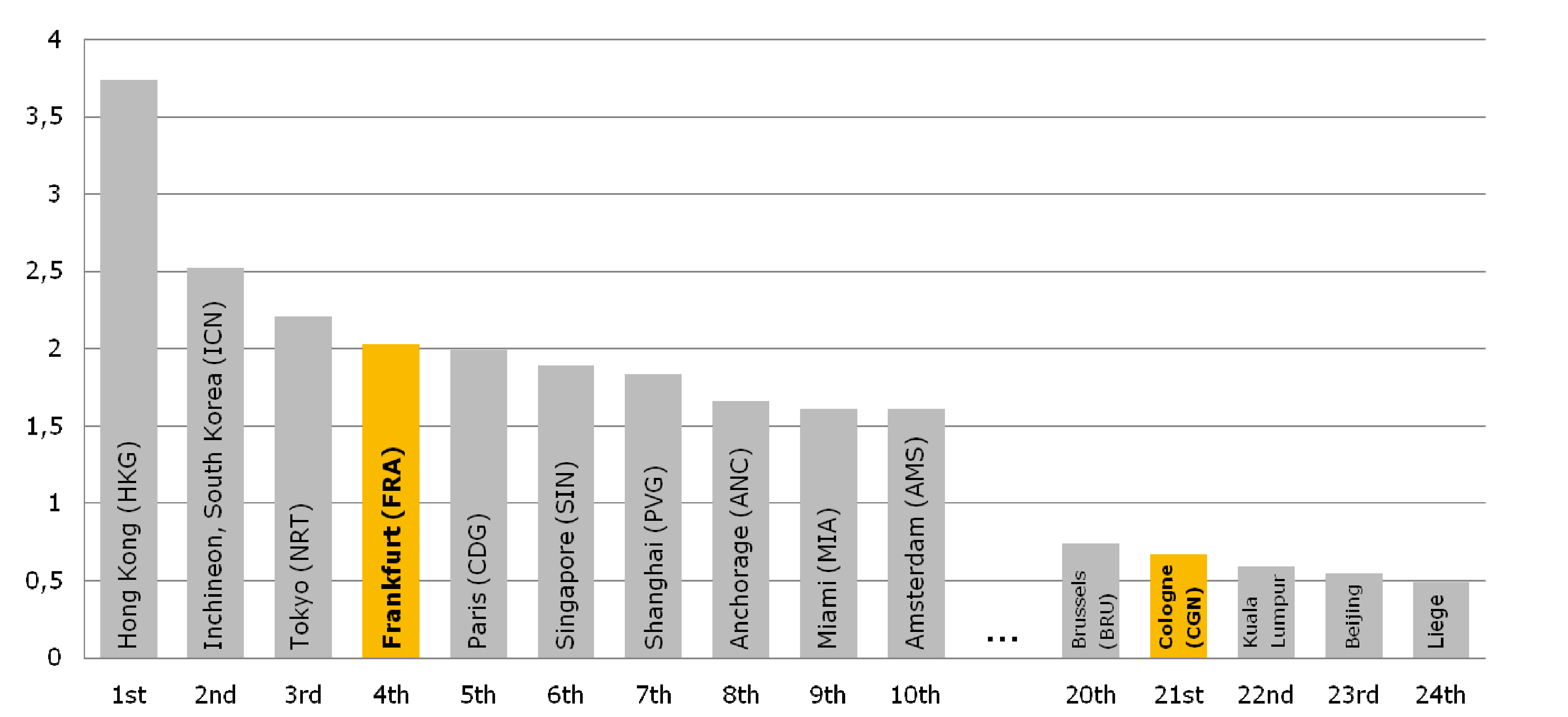
1) Frankfurt/Main	(FRA)	2.11
2) Cologne/Bonn	(CGN)	0.58
3) Leipzig/Halle	(LEJ)	0.43
4) Munich	(MUC)	0.26
5) Hahn	(HHN)	0.12
6) Düsseldorf	(DUS)	0.07
7) Hamburg	(HAM)	0.04
8) Stuttgart	(STR)	0.03
9) Berlin Tegel	(TXL)	0.02
10) Nuremberg	(NUE)	0.01

Source: Eurostat 2009, ADV 2009; * 2008 data

Ranking of International Air Freight Hubs

Frankfurt is Europe’s Leader and #4 worldwide (2007)

Air Cargo (in m tons)



Source: ACI 2009

Container Handling in Europe

GERMANY TRADE & INVEST

Only Germany is home to two of Europe's top 5 harbors

Ports	Container Volume 2008 (m TEU)	Container Volume 2007 (m TEU)
Rotterdam	10.8	10.8
Hamburg	9.7	9.9
Antwerp	8.7	8.2
Bremen Ports	5.5	3.9
Le Havre	2.5	2.6
EU Total	n.a.	68.7

Source: Port of Hamburg 2009, Eurostat 2009

GERMANY TRADE & INVEST

Germany’s leading logistics service providers in 2008

No.	Company	Logistics revenue worldwide (in EUR m)	Worldwide employees	German employees
1	Deutsche Bahn	33,452	240,000	182,000
	DB Schenker Rail	4,654	29,000	20,300
	DB Schenker Logistics	14,680	62,000	10,500
2	Deutsche Post DHL	54,474	456,716	167,816
	DHL Express	13,637	112,420	N/A
	DHL Global Forwarding, Freight	14,179	41,602	N/A
	DHL Supply Chain	13,718	141,060	N/A
3	Kühne + Nagel	21,599	53,823	4,580
4	Dachser	3,600	18,175	10,500
5	Hapag Lloyd	6,220	7,617	2,100
6	Rhenus	3,300	15,000	N/A
7	UPS	51,500*	345,000	15,000
8	Panalpina Welttransport	8,878**	14,804	N/A
9	Dynamic Parcel Distribution	3,292	22,000	7,500
10	Volkswagen Logistics	N/A	4000	4000
	Sum Top 10	**247,183**	**1,563,217**	**424,296**

Note: **National transportation** including bulk goods, general cargo, transport of heavy goods/crane services, tank container, and silo transport, other cargo using special equipment, LTL and transport of hanging garments, national; **Contract logistics** including distribution of consumer goods and contract logistics, industrial contract logistics/supply of production/spares replenishment, transport of new furniture , removals, and Hi-Tech equipment, warehousing and further additional logistical services; **International transportation** including transportation by road, air and sea, international. Source: Respective corporate internet sites; * in $, ** in CFH

GERMANY TRADE & INVEST

Europe’s leading courier, express and parcel services (CEP) and contract logistics service providers

No.	Company	CEP (in EUR m)
1	DHL Express (Deutsche Post) (D)	17,195
2	TNT (NL)	6,011
3	Geo Post (La Poste) (F)	2,932
4	UPS (B)	2,500
5	GLS (Royal Mail) (NL)	1,600
6	DPD (Geo Post) (D)	1,130
7	Hermes (D)	816
8	Swiss Post (CH)	760
9	Bartolini (I)	660
10	Seur (E)	619
	Sum Top 10	**35,607**

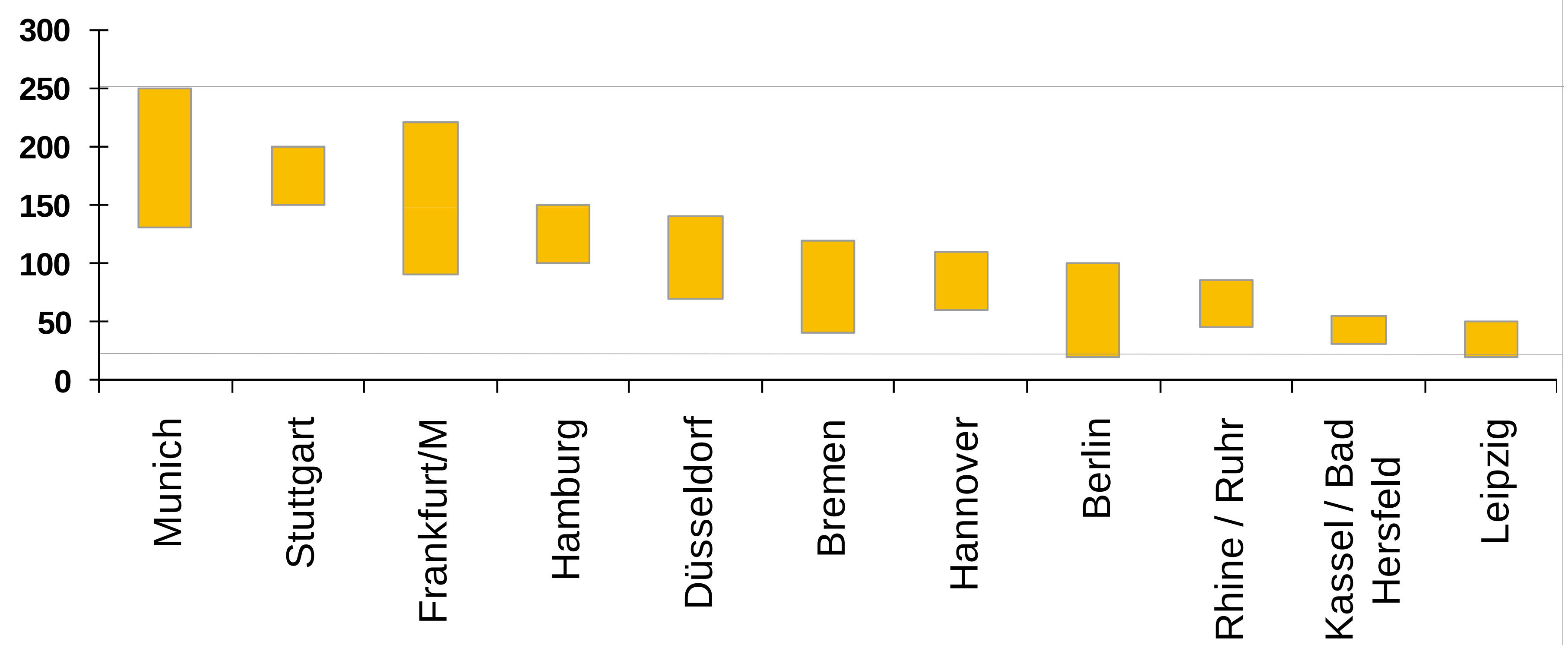
No.	Company	Contract Logistics (in EUR m)
1	DHL Logistics (D)	11,957
2	CEVA (NL)	3,947
3	Kühne + Nagel (CH)	2,486
4	Alpha Management (D)	2,300
5	Wincanton (UK)	2,212
6	Schenker (Deutsche Bahn)	2,123
7	Fiege	1,630
8	Geodis (SNCF) (F)	1,580
9	Stef-TFE (F)	1,549
10	Salvesen (UK)	1,335
	Sum Top 10	**31,119**

Note: worldwide revenues for European companies, European revenues only for UPS; (D): Germany; (NL): The Netherlands; (F): France; (B): Belgium; (UK): United Kingdom; (CH): Switzerland; (I): Italy; (E): Spain . Source: Top 100 in European Transport and Logistics Services, 2007

GERMANY TRADE & INVEST

Excellent value for price

Purchase Prices for Logistic Sites [EUR / m2]

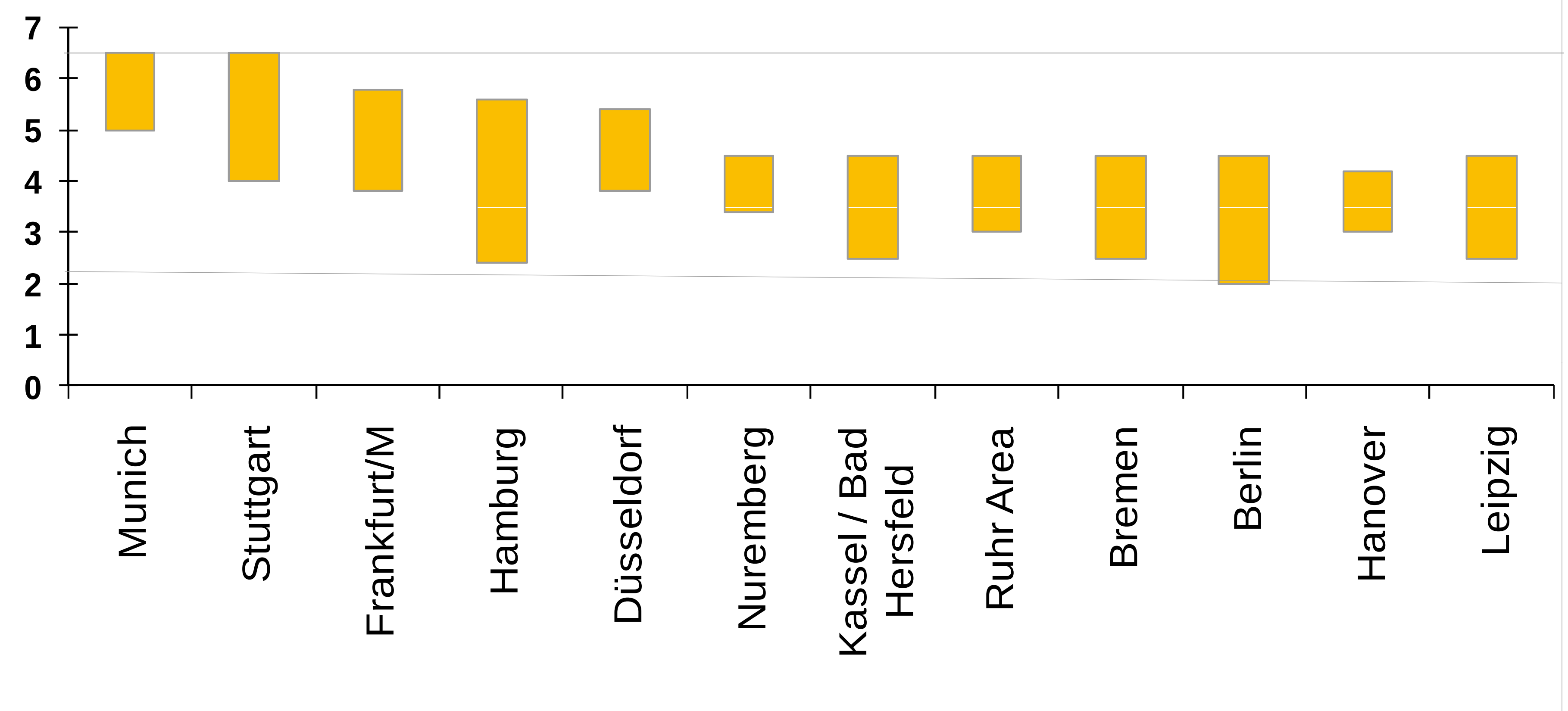


Source: Jones Lang & LaSalle, 2009

Germany's Competitive Warehouse Rental Market

Excellent value for price

Examples of storage space rentals [EUR / m2 / month*]



Source: Jones Lang & LaSalle 2009, *storage space ≥ 5,000 m²

Germany's Logistics Costs

Highly competitive costs

Logistics & Real Estate in Germany	Costs
Port & Trucks	
Terminal Handling Charge (THC)	EUR 152
Truck Costs (fully loaded truck)	EUR 1.20 – 2.20/km
Logistics labor costs average yearly gross salary[2]	
Management (middle)	EUR 25,000 – 42,000 p.a.
Logistics worker	EUR 16,000 – 27,000 p.a.
Real Estate: Germany	
Warehouse rentals	2.50 – 7.00 EUR/m²
Utilities[3]	2.00 – 3.00 EUR/m²
Total estimated cost	4.50 – 10.00 EUR/m²

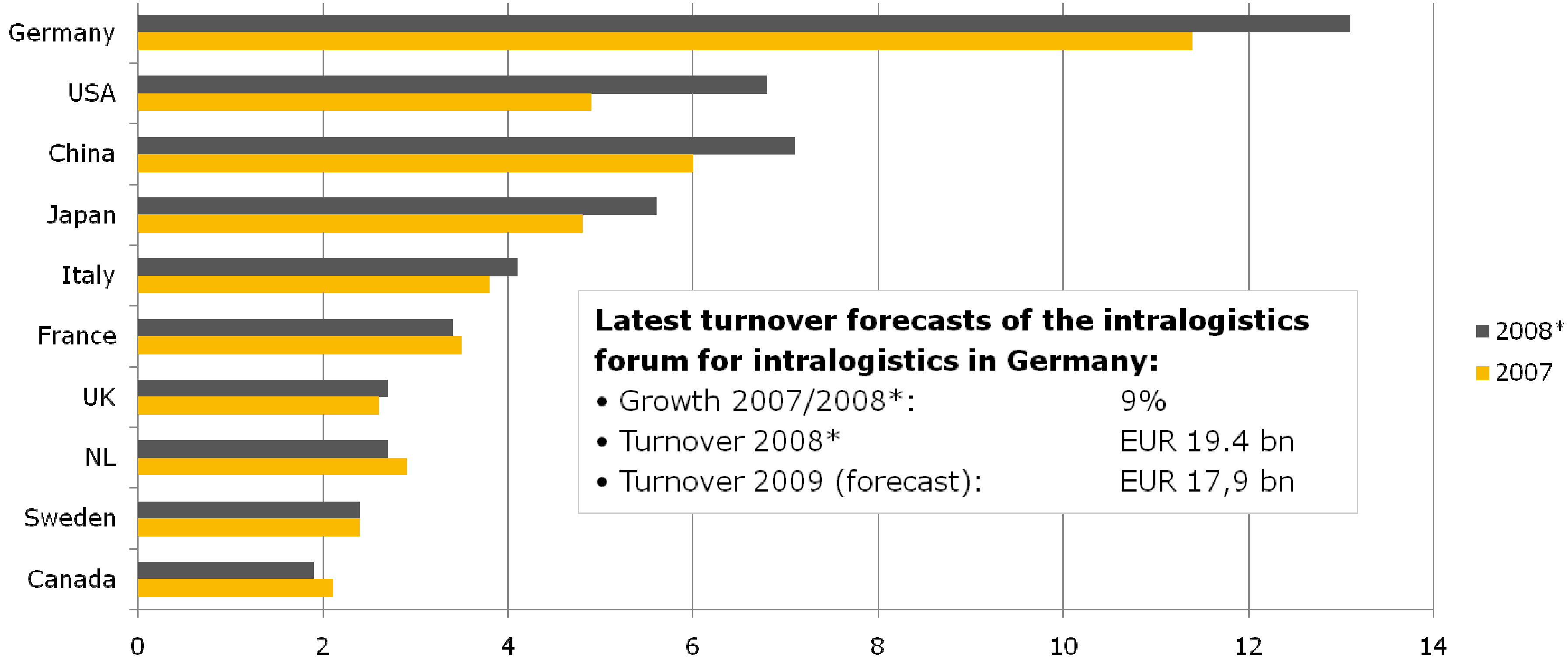
Real Estate: Central European Comparison	Costs
Czech Republic - total estimated cost	4.00 – 4.50 EUR/m²
Slovenia – total estimated cost	6.50 EUR/m²

[1] Industry expert interviews & economic development research [2] +approx. 21% social costs [3] Dependent upon actual consumption

Global Leader of Innovation and Technology Exports

Profit from world's leading Intralogistics expertise (EUR bn)

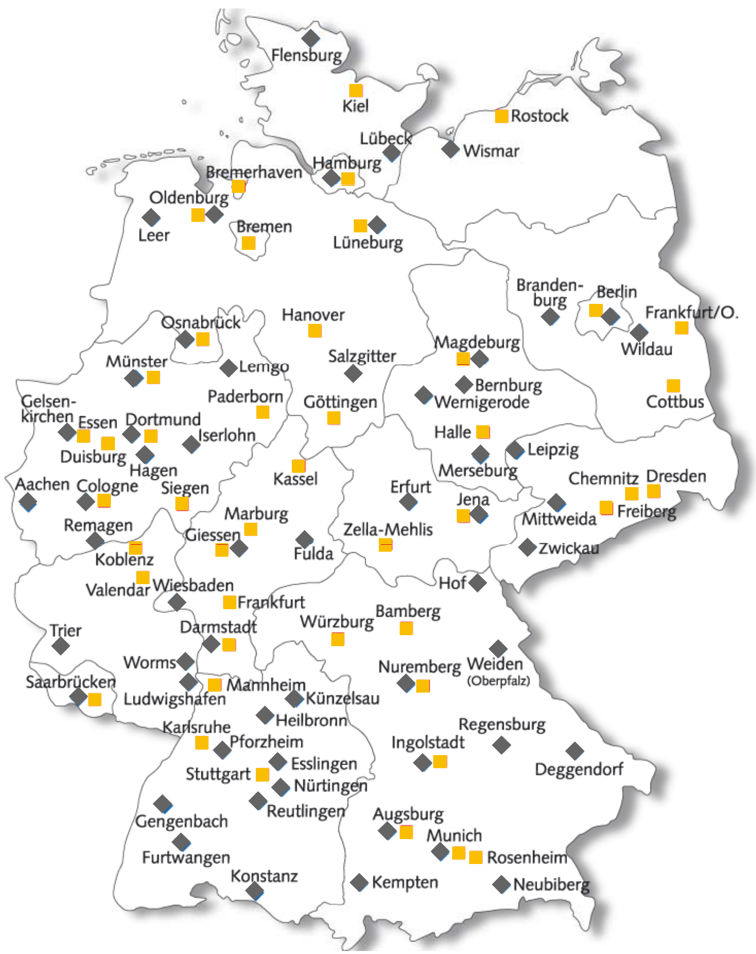
Intralogistics Exports (EUR bn)



Source: VDMA 2009; * estimated

GERMANY TRADE & INVEST

German universities and colleges offering logistics related courses



■	Universities:	51
◆	Colleges:	57

Source: University of Erlangen 2009

GERMANY TRADE & INVEST

Amazon: New Distribution Center in Bad Hersfeld

Amazon	
Investor	Amazon (2008)
Investment	EUR 50 million
Industry	95,000 m² distribution and logistics center for commercial goods built by Goodman (total areal – 240,000 m²)
New jobs	2,500
Deciding factors	1. Central location for existing markets 2. Quality & competitive cost of work force 3. Excellent potential for growth and emerging markets

Source: Germany Trade & Invest

GERMANY TRADE & INVEST

NCC: Expansion of Jade Weser Port

NCC	
Investor	National Container Company (NCC Russia, 2008)
Investment	EUR 350 million
Industry	Equipment of 4 ship berths with container bridges and facilities
New jobs	3,500
Deciding factors	1. Excellent Infrastructure 2. Ideal strategic location for access to Eastern Europe 3. Long term oriented cooperation with Eurogate 4. Qualified local workforce

Source: Fraunhofer ATL & Germany Trade & Invest

GERMANY TRADE & INVEST

FedEx: New Hub in Cologne/Bonn Airport

FedEx	
Investor	Federal Express Corporation (2008)
Investment	EUR 70 million
Industry	Hub with the first fully automated sorting machine in Europe starting 2010
New jobs	450
Deciding factors	1. Central location for existing & merging markets 2. Strategic location for corporate network and expansion in Europe 3. Multimodal infrastructure 3. Great air freight capacity 4. Qualified local workforce

Source: Fraunhofer ATL & Germany Trade and Invest

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