



press release

DHL to invest Euro 10 million (USD 13 million) to grow its supply chain business in Vietnam

- **Plans to invest in new facilities, IT systems support, transport fleet and workforce in Vietnam to further grow core sectors**
- **Announces building of second built-to-suit facility in the Bac Ninh province**

Ho Chi Minh City, 16 May 2013: DHL Supply Chain, the global market leader for contract logistics solutions, today announced it will invest Euro 10 million (USD 13 million) by 2015 in Vietnam. The company unveiled its extensive plans to invest in new facilities and IT solutions including a Warehousing Management System and Transportation Management System to increase efficiency and visibility, grow its transport fleet and strengthen its workforce to further expand its business in core sectors. The company also announced the building of its second 10,000 sq meter built-to-suit distribution centre in Bac Ninh in North Vietnam due for completion in the third quarter of 2013.

Growing DHL Supply Chain's footprint in Vietnam

With the EUR 10mil investment (USD 13 million), DHL Supply Chain Vietnam expects to increase its staff strength by over 170%, creating some 1400 new job opportunities. By 2015, DHL Supply Chain will have over 2200 people in its operations locally.

“Growing talent and training is key for DHL. In the last three years, we have doubled our headcount in Vietnam to the current 800 staff,” said Oscar De Bok, CEO South and South East Asia, DHL Supply Chain. “To meet the demands of our future business and expand our workforce to some 2200 people by 2015, we have rigorous training and development programs in place to grow the local talent pool and deploy industry leading practices in the country”.

The investments in Vietnam will also see a substantial increase of DHL Supply Chain's warehouse space in Vietnam - by over 50% - from 91,000 sq meters (at present) to over



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141,000 sq meters by 2015. At the same time, the company plans to grow the transportation fleet by over 160%, to deploy over 100 vehicles in the next two years. DHL Supply Chain is also investing in more advanced IT systems support that offer a range of scalable supply chain execution systems that include a Warehouse Management System, Transport Management System, Spare Parts Logistics System and other value-added systems to enhance and improve supply chain visibility.

Expansion in the North: New Distribution Centre in Bac Ninh

DHL Supply Chain has plans for additional expansion in North Vietnam. Spanning 10,000 sq meters, construction is underway for a new built-to-suit distribution centre in Bac Ninh designed to suit the bespoke needs of the Consumer, Retail, and Technology industries. Scheduled for completion in the third quarter of 2013, the latest facility complements DHL Supply Chain's existing 20,000 sq meter built-to-suit facility in Bac Ninh which incorporates a Parts Distribution Centre for the automotive industry. Ranking among the top three industrial production areas in the country¹, the Bac Ninh province has witnessed increased economic growth and investor interest and registered 12 per cent economic growth in 2012².

DHL Supply Chain is also expanding its office in Hanoi. From its current function which mainly supports operations, the Hanoi office will expand to have full fledged staff functions to take responsibility for the whole Northern region of Vietnam.

Growth in core industries: Retail, Consumer, Technology and Automotive

With these investments DHL Supply Chain is looking to capitalize on its strengths in the retail, consumer, technology and automotive sectors. DHL Supply Chain has an established presence in the retail industry, operating three large centralized warehouses totaling 14,000 sq meters for customers such as hypermarkets, supermarkets, convenience stalls and the HOREACA (hotels, restaurants and catering) sector. The country's rising consumption for consumer goods has also been a boon. DHL Supply Chain operates distribution centers for milk powder, food and non-food raw materials and finished goods. Each month, the company distributes over 6 million cases of finished goods to over 300 distributors and trade

¹ <http://vietnamnews.vn/economy/236717/bac-ninh-attracts-german-investors.html>

² <http://vietnamnews.vn/economy/236717/bac-ninh-attracts-german-investors.html>



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channels nationwide, offering customers a broad range of value added services in addition to warehousing and transportation.

The technology and automotive sectors have also been key for DHL Supply Chain. Vietnam's mobile market was an estimated 130 million subscribers in 2012; representing a 144% penetration rate³. For the high growth telecommunications industry and technology sector DHL Supply Chain provides market-leading end-to-end supply chain solutions for major customers. DHL Supply Chain also operates a Parts Distribution Center for the automotive sector, focusing on receipt, repacking, order processing, customer service, dispatches and returns management of aftermarket spare parts.

"We're investing in the future of Vietnam, to successfully replicate best practices from our international operations and - combined with our extensive local experience - showcase industry-leading solutions. Our investments over the next few years will allow us to further grow in tandem with the country's progress, and offer first-rate services for both global and local customers alike," said Jan Willem Winkelhuijzen, DHL Supply Chain's Country Manager for Vietnam.

DHL Supply Chain first began operations in Vietnam in 2001. Today it has a market leading position in the retail, technology and consumer sectors, operating out of 25 locations across the country.

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³ <http://www.budde.com.au/Research/Vietnam-Telecoms-Mobile-Broadband-and-Forecasts.html>



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DHL – The Logistics company for the world

DHL is the global market leader in the logistics industry and “The Logistics Company for the world”. DHL commits its expertise in international express, air and ocean freight, road and rail transportation, contract logistics and international mail services to its customers. A global network composed of more than 220 countries and territories and about 285,000 employees worldwide offers customers superior service quality and local knowledge to satisfy their supply chain requirements. DHL accepts its social responsibility by supporting environmental protection, disaster management and education.

DHL is part of Deutsche Post DHL. The Group generated revenue of more than 55 billion Euros in 2012.