



DHL to invest Euro 140 million to enhance its supply chain business in Southeast Asia

- **Will open seven new facilities in South East Asia by end 2013**
- **Plans to double its size through investments in transportation, IT solutions, warehouse footprint and staff strength**
- **Target growth in key consumer, retail, technology and automotive sectors and emerging industries**

Singapore, 28 May 2013: DHL Supply Chain, the global market leader for contract logistics solutions, shared its planned investment for its business in South East Asia to a tune of Euro 140 million by 2015. The bulk of the investments will go towards investing in new facilities, advanced IT solutions, expansion in transportation and bolstering staff strength and training. These investments will further enhance DHL Supply Chain's market-leading position across the key consumer, retail, automotive, technology industries and grow its business in emerging sectors.

"We plan to double our size in the next two to three years. We're already off to a strong start – by the end of 2013, we will have opened seven best-in-class multi-user facilities across strategic locations in South East Asia," said Oscar de Bok, DHL Supply Chain CEO for South and Southeast Asia. "These investments in quality, facilities, transport capabilities, IT and people are necessary to meet the needs of our customers in the region."

The seven new facilities to be completed in 2013 include bespoke solutions to target growth in specific industries. Earlier this year, DHL launched a 17,000 square meter built-to-suit warehouse in Cimanggis, Indonesia, which boasts special features tailored for customers in the fast-moving consumer goods (FMCG) industry. The company will also launch a new facility at Bangna, Thailand this year, to support its continuous growth in the retail, fashion and consumer sectors, and a new built-to-suit facility in Bac Ninh, Vietnam to cater to the retail, consumer and technology sectors. Developments are also underway for new facilities in Singapore and parts of Malaysia.



By 2015, DHL Supply Chain will substantially increase its transport fleet, both owned and managed. The company also plans to grow its staff strength by some 65% to approximately 25,000 people¹ and add over 50% more warehouse capacity to operate around 1,400,000 sq meters across the region. DHL Supply Chain is also continuing to invest in advanced IT solutions covering best-in-class transport, warehouse management and valued added solutions² which will offer customers access to scalable, state-of-the-art solutions for greater visibility and management.

Southeast Asia, with a combined gross domestic product (GDP) of \$1.9 trillion³ has seen a rising expansion of the middle class. By 2015, it is estimated that some 145 million people in South East Asia will be considered middle class, up from 95 million in 2010⁴. The region's consistent economic growth has seen many businesses look to the region not only as a source of manufacturing and production, but increasingly a key market for domestic consumption.

For DHL Supply Chain, these trends have resulted in an increased need for broader solutions such as integrated warehousing, distribution, and transportation. In addition to recent investments announced by DHL Supply Chain in Thailand, Indonesia and Vietnam⁵, the EUR 140 million investment will also go towards other markets in South East Asia, building on existing capabilities to grow the company's footprint.

“As businesses grow and enlarge their distribution footprint, their supply chain operations become more complex. This is where DHL can lend its global expertise and local experience - by fully managing our customers' logistics, we enable them to focus on their core business,” said Oscar de Bok. “We have an established track record across key

¹ Full time employees and contract staff

² Transport management systems provide advanced information in ensuring optimal routings, execution of transportation plans, tracking and measurement. Warehouse management solutions help monitor and control critical warehouse processes, providing complete visibility of inventory and interface with customers' backend resource planning and business information services.

³ Southeast Asia: Region on the Rise by Inbound Logistics, January 2013:
<http://www.inboundlogistics.com/cms/article/southeast-asia-region-on-the-rise/>

⁴ Brokerage CLSA Asia-Pacific Markets as cited in WSJ
<http://online.wsj.com/article/SB10001424127887324020804578151761632189982.html>

⁵ DHL previously announced investments of EUR 50 million in Thailand, EUR 40 million in Indonesia and EUR 10 million in Vietnam.



industries – consumer, technology, retail and automotive sectors. With an established business in the life sciences and healthcare industry in Singapore and around the world, we're also looking to grow this sector in tandem with the growth in the region.”

DHL Supply Chain is a market leader in the supply chain industry in Southeast Asia. Today, through its network of warehouses, DHL Supply Chain offers customers a comprehensive suite of services, including inbound and outbound logistics, warehouse and distribution services, co-packing and customization, and supply chain consultancy services.

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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.