

Schenker's participation in the China IC Conference 2006

On November 23rd and 24th, the China IC Annual Conference 2006 took place in Shanghai's Longdong Business Hotel. The conference, held by the China Semiconductor Association, attracted more than 600 people and hosted industry-related round table discussions and a forum. Many enterprises, especially Chinese IC manufacturers and suppliers, participated in the two days meeting.



As Schenker is strongly focusing on the semiconductor industry, Schenker Shanghai's semiconductor specialists were present at the conference and answered numerous questions about transport times and handling procedures. China's semiconductor industry has seen a significant growth in the past years. Sales income has increased by 49.2% year-on-year to RMB 73.5 billion from January to September 2006. It is expected that total sales were RMB 100 billion by the end of 2006.

Customer satisfaction survey 2006!

Schenker China Ltd. sent out its annual Customer Satisfaction Survey at the end of November. Many thanks to all customers who invested their time and effort in order to fill out the survey! All surveys will be carefully analyzed, consolidated and evaluated. The results will be used internally to further improve our services due to your requirements.

Schenker China Limited at the Beijing 2008 Olympic Games

On December 13th, 2006, the Beijing Organizing Committee for the Games of the XXIX Olympiad (BOCOG) and Schenker China Limited announced Schenker as the Official Freight Forwarding and Customs Clearance Exclusive Supplier of the Beijing 2008 Olympic Games.

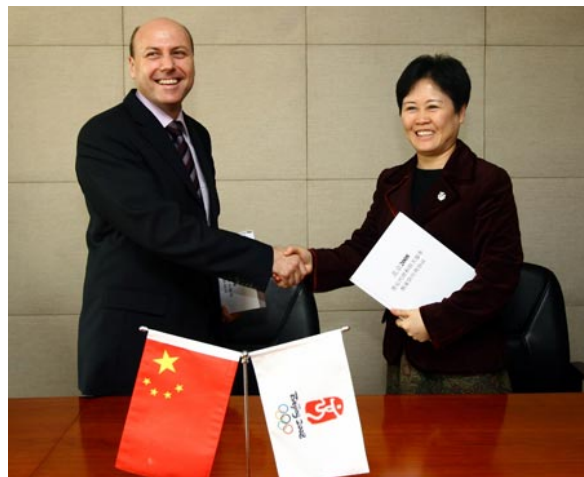
"We are pleased to welcome Schenker to join the elite sponsor group of the Beijing Olympic Games. We recognize the rich experience that Schenker has developed over previous Olympics Games events, and we look forward to that knowledge and experience contributing to the success of the Beijing Olympic Games," said Mrs. Yuan Bin, Director of Marketing Department of BOCOG.

"With the 2008 Olympic Games fast approaching, we are ready to take on the challenges of what will be the world's greatest sporting event and a great success for Schenker in China", commented Matthew Clarke, Project Director for the Schenker Beijing 2008 Olympic team. "We have the

infrastructure and the experienced personnel to step up to the challenge."

"For the Olympic Games and other major global sporting events, Schenker has an outstanding track record for providing freight forwarding and customs clearance for many of the world's leading sporting organizations, broadcasters, press agents, sponsors and suppliers", said Dr. Thomas Lieb, Member of the Management Board of Schenker AG.

The appointment of Schenker China Ltd as the Official Freight Forwarding and Customs Clearance Supplier by BOCOG mirrors the company's participation in the Athens 2004 Olympic Games and Torino 2006 Winter Olympic Games. Since 2003 Schenker has been the Official Supplier to the International Olympic Committee (IOC) for freight forwarding and customs clearance for the Olympic Games.



Mrs. Yuan Bin, Director of Marketing Department of BOCOG (right), and Mr. Karl-Heinz Emberger, Managing Director of Schenker China Ltd. (left)

Agreement to expand Euro-Asian rail transport

China, Russian Railway and Deutsche Bahn signed Letter of Intent in Beijing

Deutsche Bahn, the Russian Railway RZD and the Chinese Railway Ministry have signed a Letter of Intent in late November 2006. The three parties plan to expand rail freight traffic between China and Europe. The aim is "(...) to shift the growing volumes of freight traffic between China and Europe onto rail", said Hartmut Mehdorn, DB Chairman and CEO of Deutsche Bahn. One main advantage of the rail transport is the shorter transport time. Goods can be carried from China to Europe in about twelve days – much faster

than the average transport time of 27-30 days by ship. Deutsche Bahn also intends to participate in an international consortium aimed to promote the combined transport sector in China. Transport volume is expected to increase at least five-fold, up to around ten million 20-foot containers, by the year 2011.

To cope with that growth, EUR 1.2 billion will be invested in the construction of 18 combined transport terminals over the next five years. DB will hold eight per cent of the shares in the new company.

Did you know?

- China plans to increase the nation's rail network to over 90,000 km by 2010.
- The Ministry of Railway expects the rail containerized cargo volume to increase to 10 million TEUs in 2010.
- China's rail network will be expanded by 35% to 100,000 km by 2020 and this will cost at least RMB 2 trillion or RMB 100 billion annually.

Source: China Economic Review

