

## Press release

### Dachser pursues sustainable growth

**Logistics provider reports 5.5 percent growth; European export business remains primary growth driver; new records in shipment, tonnage, and workforce**

Dachser posted substantial growth once again in 2018. The logistics provider increased its consolidated net revenue by 5.5 percent to EUR 5.57 billion. As they did last year, shipment numbers increased, rising by 2.5 percent to 83.7 million; tonnage rose 3.0 percent to 41.3 million metric tons. With 30,609 employees in total, up 1,511 from the preceding year, Dachser's workforce reached a record high.

In the Benelux, the logistics service provider increased the unconsolidated gross revenue by 9.9 percent to 305.8 million Euros. Shipment numbers increased by 5.0 percent to 3.0 million; tonnage increased to 1.3 million tons. The 838 logistics professionals in the Benelux power the network.

The global logistics provider's growth was again boosted by economic conditions. However, certain challenges became increasingly apparent: the shortage of professional drivers and logistics operatives; potential capacity bottlenecks resulting from pronounced seasonal peaks and a shortage of load capacity; and growing uncertainty about diesel driving bans, Brexit, and the future of international trade relationships. "By 2018, it was clear that logistics had to focus on the discipline of scarce resources management," explains Bernhard Simon, CEO Dachser SE. "Against this backdrop, it is important to handle growth with purpose and manage it such that we maintain a healthy balance between quality, processes, and costs. Only sustainable growth will benefit our employees and customers."

#### **Business development in detail**

Dachser's **Road Logistics** business field—which comprises the transport and storage of industrial goods (European Logistics) and food (Food Logistics)—posted dynamic growth again in 2018 to increase its consolidated net revenue by 6.6 percent to EUR 4.47 billion.

The **European Logistics (EL)** business line posted the strongest growth with net revenue up 7.0 percent to EUR 3.55 billion. Shipments and tonnage each increased by 3.1 percent. “All four regional business units helped substantially strengthen the network. The network effects in the export business ensure that the EL business units continue to grow and mutually drive each other’s growth,” says Simon.

Dachser’s **Food Logistics** business line also posted robust revenue figures for 2018. Consolidated net revenue increased by 5.3 percent to EUR 917 million. The virtually unchanged number of shipments compared to the previous year was offset by tonnage growth of 2.0 percent. “We continue to pursue our quality strategy, and it is paying off. Dachser Food Logistics has seen positive development for many years now and is generating growth with national transports and contract logistics. We have also seen encouraging growth rates in cross-border transports,” reports Simon. “On the downside, the shortage of freight space and drivers plus seasonal fluctuations in volume are hitting this segment hard.”

The **Air & Sea Logistics** business field again proved to be volatile. As a result of exchange-rate effects, decreasing freight rates, and a downturn in volume on the China-Europe route, consolidated net revenue stagnated at around EUR 1.19 billion. A 2.9 percent decrease in the number of shipments was offset by tonnage growth—most notably in sea freight—of 6.6 percent. “By 2020, we aim to replace all isolated solutions with our Othello transport management system, which we developed in-house. In 2018, we completed the rollout of the system in China to mark a major milestone in this project,” Simon explains. “The key to sustainable growth in air and sea freight lies in mastering and managing complex interfaces and the deep integration of our logistics systems. As we have seen with European overland transport, our investments in integration and standardization will pay off here, too.”

## **Investment in network and personnel**

In times of scarce resources, investment in personnel, capacities, and innovations is critical to Dachser’s continued growth. In 2018, the company invested EUR 126 million in logistics facilities, IT systems, and technical equipment. For 2019, the company has earmarked EUR 234 million for this purpose. Dachser also places a strong focus on training, an approach that has proved very successful, particularly for professional drivers. “At present, we have 207 people training to become professional drivers through Dachser Service & Ausbildungs GmbH, which makes us one of the largest driver training centers in Germany. Our next step is to broaden our focus to include logistics operatives in transit terminals and warehouses,” Simon says.

## Developments in Luxembourg

In Luxembourg too, the sustained growth trend observed in recent years has continued. The revenue increased by 11,3 percent to 15 million, tonnage increased by 6,4 percent to 80,000 and shipments by 6,1 percent to 0,2 million. This is partly due to the favorable economic conditions, but also the ever-growing European network plays a role. In 2018 Dachser's workforce in Luxembourg consisted of 42 employees. Compared to 2017, a growth of 8 percent was achieved.

"Our long-term investment is now showing their results. We have invested in our information technology, our technical equipment, in staff and buildings as well as in our European road logistics network. We work continuously on our processes and the culture of innovation is promoted at all levels of the company. All these developments and investments have contributed to the good results", says Aat van der Meer, Managing Director DACHSER Benelux.

The Benelux region plays an important role in Europe; geographically, economically and logistically. "Luxembourg is also seamlessly connected to the European DACHSER network", explains Aat van der Meer. "The networking of our business fields Road Logistics and Air & Sea Logistics will continue at all levels, from IT to sales. We want to offer medium-sized companies worldwide supply chains from a single source; with the best we have to offer in European land transport and in global air and sea freight. All under one roof!

"The past few years we have invested a lot in staff and training", says Aat van der Meer. "We will continue to invest in close co-operation with educational institutions and try to make young people and jobseekers even more active."

## Overview of net revenue:

Net revenue (in EUR millions)	2018	2017	Change
<b>Road Logistics</b>	<b>4,465</b>	<b>4,187</b>	<b>+6.6%</b>
European Logistics	3,548	3,316	+7.0%
Food Logistics	917	871	+5.3%
<b>Air &amp; Sea Logistics</b>	<b>1,185</b>	<b>1,190</b>	<b>-0.4%</b>
<b>Consolidation</b> (deducting revenue from company interests of 50% and lower)	-80	-98	
<b>Group</b>	<b>5,570</b>	<b>5,280</b>	<b>+5.5%</b>

## Overview of gross revenue, incl. duties and import tax:

Gross revenue (in EUR millions)	2018	2017	Change
<b>Road Logistics</b>	<b>4,741</b>	<b>4,441</b>	<b>+6.8%</b>
European Logistics	3,824	3,570	+7.1%
Food Logistics	917	871	+5.3%
<b>Air &amp; Sea Logistics</b>	<b>1,835</b>	<b>1,785</b>	<b>+2.8%</b>
<b>Consolidation</b> (deducting revenue from company interests of 50% and lower)	-83	-107	
<b>Group</b>	<b>6,493</b>	<b>6,118</b>	<b>+6.1%</b>

## About Dachser:

Thanks to some 30,600 employees at 399 locations all over the globe, Dachser generated consolidated net revenue of approximately EUR 5.6 billion in 2018. That same year, the logistics provider handled a total of 83.7 million shipments weighing 41.3 million metric tons. Country organizations represent Dachser in 44 countries. For more information about Dachser, please visit [www.dachser.com](http://www.dachser.com)