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Company Profile	
PANALPINA on 6 continents 	
A PASSION FOR SOLUTIONS Air Freight Ocean Freight Supply Chain Management	

Company Profile



A PASSION FOR
SOLUTIONS

Air
Freight

Ocean
Freight

Supply Chain
Management

Introduction to Panalpina

500 own offices
in 80 countries,
agent partnerships in
additional 60 countries,
13 000 employees

Focus on integrated
intercontinental
Air Freight and Ocean
Freight services and
associated Supply
Chain Management
solutions

Worldwide
Air and Ocean Freight
network in
cooperation with
first-class carriers

CHF 6 962 million
net forwarding revenue
in 2005



Supply Chain
Management solutions
for major key industries:
Oil and Gas, Hi-Tech,
Automotive, Healthcare,
Retail and Fashion

Intercontinental project
transports and
specialized services
in plant construction,
engineering industries
and energy-sector

Specialized in
meeting the logistics
needs of multinational
companies
as well as of SMEs

One of the world's leading forwarding and logistics group

Logistics industry – general trends

- Industry consolidation and standardization
- Globalization and interrelation of Customers and suppliers
- Efficiency improvements in all areas
- Innovation as growth engine
- Flexibility and dynamism
- Network management
- Door-to-door solutions
- Distribution warehousing know-how
- Suitable IT solutions, track and trace and Web-based support systems are becoming pre-requisites
- We are in business of moving information as well as freight (data management / information flow / live updates).

Dynamically encircling the globe

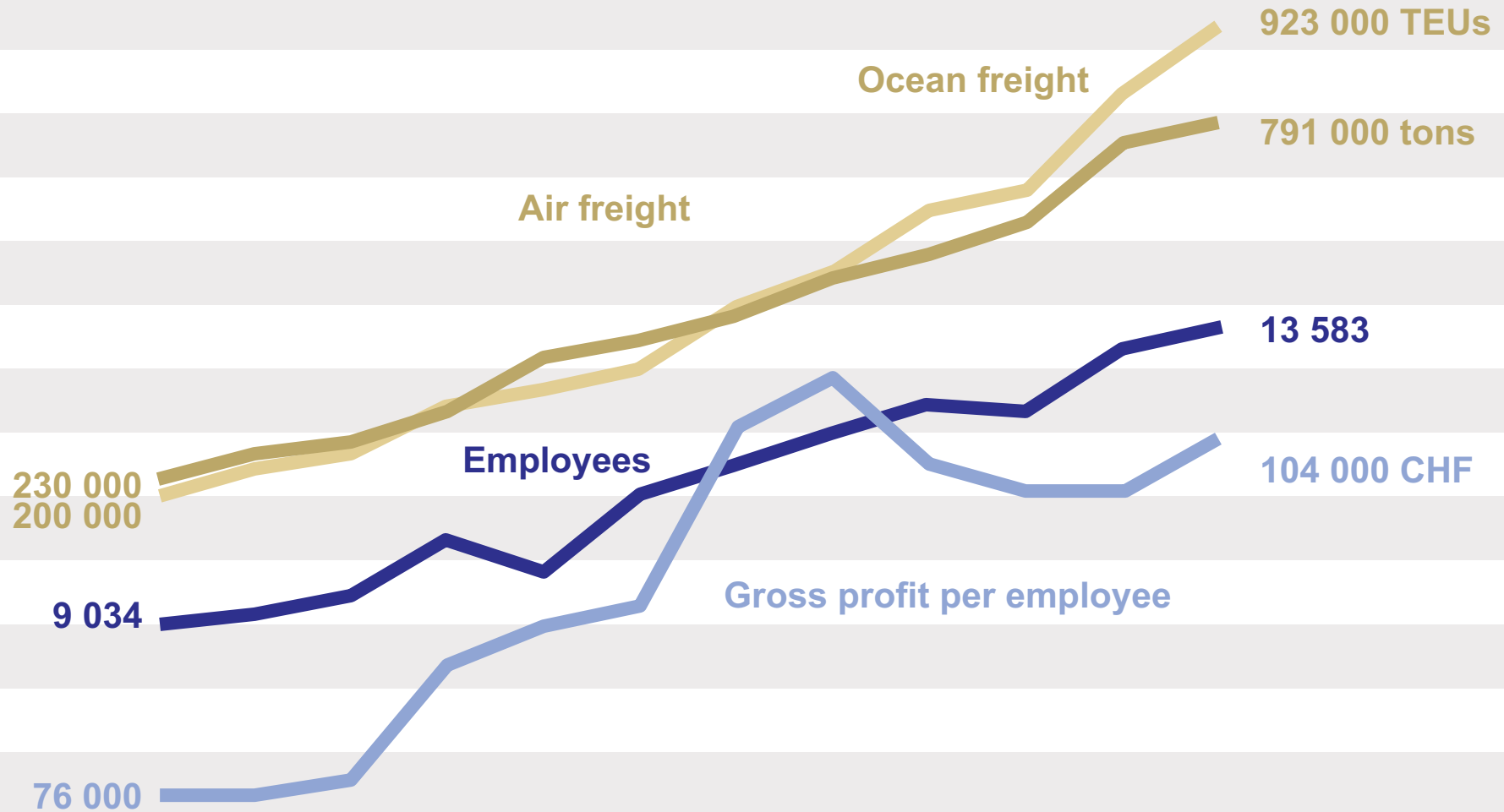
Panalpina's company logo depicts an active human figure using its energy to dynamically encircle the globe – in the air, on the seas and on land.



It was designed after a 15th century ink drawing attributed to the German master Peter Vischer.



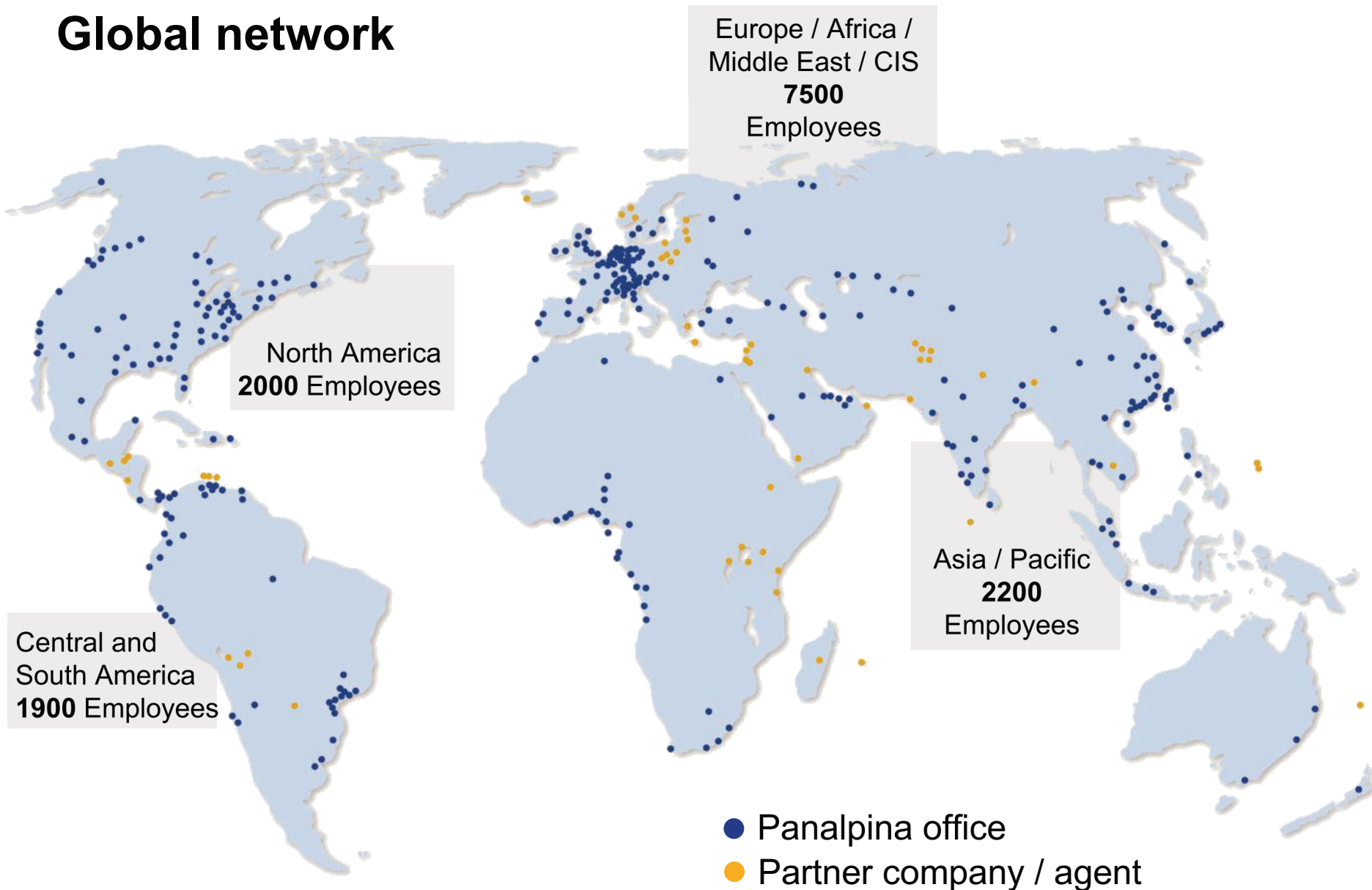
Growing at the pace of globalization



100 years of innovation – a success story

1895	Forwarding company Hans Im Obersteg & Cie. Ltd. in Basel, Switzerland, established, which was acquired in 1935 by the Group's former parent company Schweizerische Reederei Ltd. The Group was focused on Rhine river shipping.
1930–40	Expansion of activities into maritime shipping and international forwarding operations.
1950–60	Expansion of the global network, establishing numerous new branches in North America and later in Latin America, Africa, Asia and Australia.
1954	All freight forwarding activities of the former parent company grouped under a holding company named Alpina Internationale Transporte Ltd.
1960	Company changed its name to Panalpina World Transport.
1969	40% of the share capital of the company acquired by the Ernst Goehner Foundation.
1973	Established the Air Sea Broker unit as an air charter broker and ship's agency coordinator.
1980er	Acquisition of the Houston-based J.P. Harle Group. By 1983, Ernst Goehner Foundation holds 100% of the company shares.
1990–2001	Network extension in Far East and Europe, Africa, Oceania and India. Acquired ChartAir , Netherlands, as well as the Jaacky Maeder Group.
2002–05	Granted „A“ license in China – enabling it to develop its own operational organization. Consolidated market leadership in the oil and gas industry by taking over the Scottish firm Grampian International. Strengthened position in Asia by acquiring book of business of the South Korea-based IAF. Acquired Singapore-based Janco Oil Field Services and the Norwegian Overseas Shipping Group. Launched successful IPO at the SWX Swiss Exchange on 22 September 2005.

Global network



Panalpina at a glance

- Worldwide **No. 3 in Air Freight**
- Worldwide **No. 4 in Ocean Freight**
- 500 offices in 80 countries
- 13 000 employees
- CHF **6,962 million net forwarding revenue**
- CHF **214 million EBITDA**
- CHF **120 million net earning**
- Listed at the SWX Swiss Exchange since 22 September 2005

Our vision

- Panalpina continues to develop its **leadership position** in global Air and Ocean Freight services and strives to be a leading provider of integrated solutions. We are working closely with selected partners to ensure the **highest standards** of the industry.
- We strive for **operational excellence** through business process standardization, time defined products and Customer focused logistics and Supply Chain Management concepts.
- Our corporate culture embraces equal opportunities and empowerment for all employees. Based on our well-trained, highly **motivated staff**, supported by **suitable IT technology**, we create value for our Customers.
- We aim to generate **shareholder value** by exceeding the cost of capital employed through pursuing profitable growth potentials, constant cost control and critical review of our asset exposure.

Core activities

A PASSION FOR SOLUTIONS

Air Freight



- Central procurement and capacity management (CPC)
- Strategic partnership with leading airlines
- 24x7 hub and charter activities

Net forwarding revenue

3,415 m CHF (49.1%)

Ocean Freight



- Central procurement and capacity management (CPC)
- Strategic partnership with leading carriers
- NVOCC Pantainer Express Line
- Intermodal services

Net forwarding revenue

2,403 m CHF (34.5%)

Supply Chain Management



- Lead Logistics Provider (LLP)
- Competence in key industries
- Innovative IT applications
- Panprojects

Net forwarding revenue

1,144 m CHF (16.4%)

Key industries

Specialized in catering to the needs of a number of key industries, offering manufacturers and their suppliers customized forwarding services and substantial added benefits.

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Oil and Gas



- Oil & gas majors
- Seismic & drilling companies
- Oilfield service companies
- Supply & support vessel operators

Not: Oil transport!

Hi-Tech



- Manufacturers and suppliers of
- PCs
 - Electronic devices
 - Telecom
 - Semiconductors

Automotive



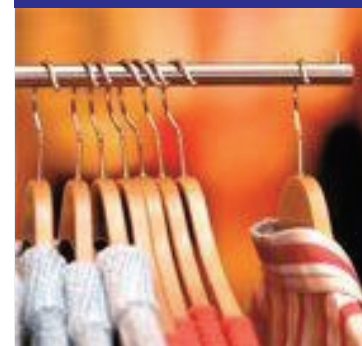
- Manufacturers and suppliers, incl. spare parts

Healthcare



- Manufacturers and suppliers of
- Pharmaceuticals
 - Medical devices

Retail & Fashion



- Manufacturers of
- Textiles
 - Haute-Couture
 - Clothing
 - Shoes
 - Accessories

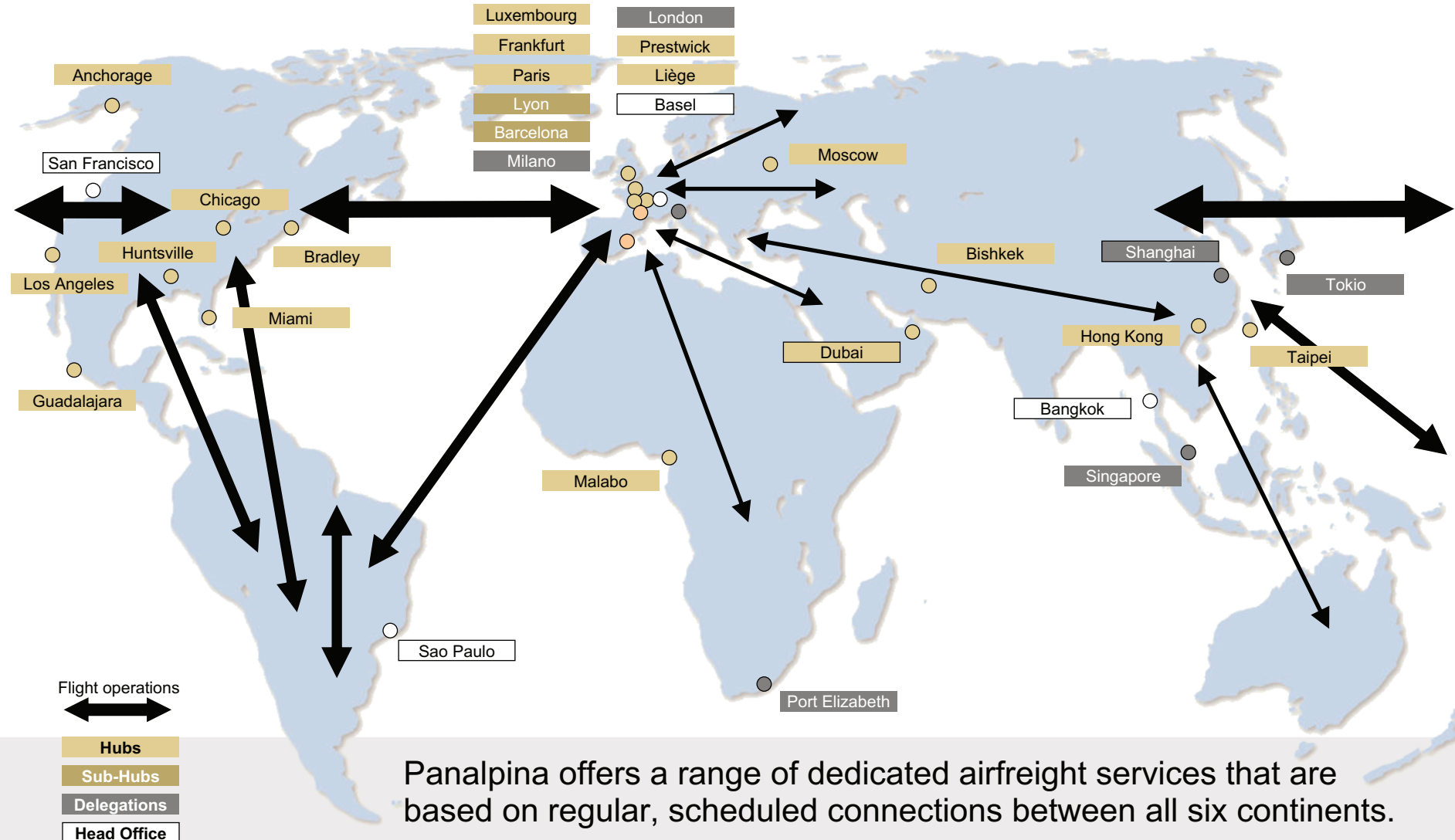
Air Freight

- Worldwide hub and sub-hub network with scheduled flights operated by Panalpina Air Freight
- Close cooperation with selected first-class airlines
- Ability to adapt to specific Customer needs
- Integrated door-to-door services
- Time-defined services without weight restrictions (Priority, Standard, Economy, Now)
- Central purchasing and management of freight capacity
- Global expertise in aircraft chartering and emergency services

This enables Panalpina to provide Customers with cost efficient logistics solutions.



Air Freight: global network



Air Freight: Carriers, suppliers, partners

The core business of Panalpina's Central Procurement & Capacity Management (CPC) includes:

- Global changes in trade call for a range of time-defined services (Priority, Standard, Economy, Now), thus setting new standards and leading into new and more centralized structures
- Traditional airfreight
- European road transport network
- Tailor-made solutions for Panalpina's global businesses (Global Accounts and Industry Competence Centers)



Ocean Freight

- Global network of dedicated freight hubs with frequent and reliable ocean freight services from anywhere to everywhere
- Full container loads (FCL) and consolidated services (LCL)
- Cooperation with leading shipping lines based on fixed, long-term agreements
- Concentration of freight capacity on corporate level
- Door-to-door intermodal services

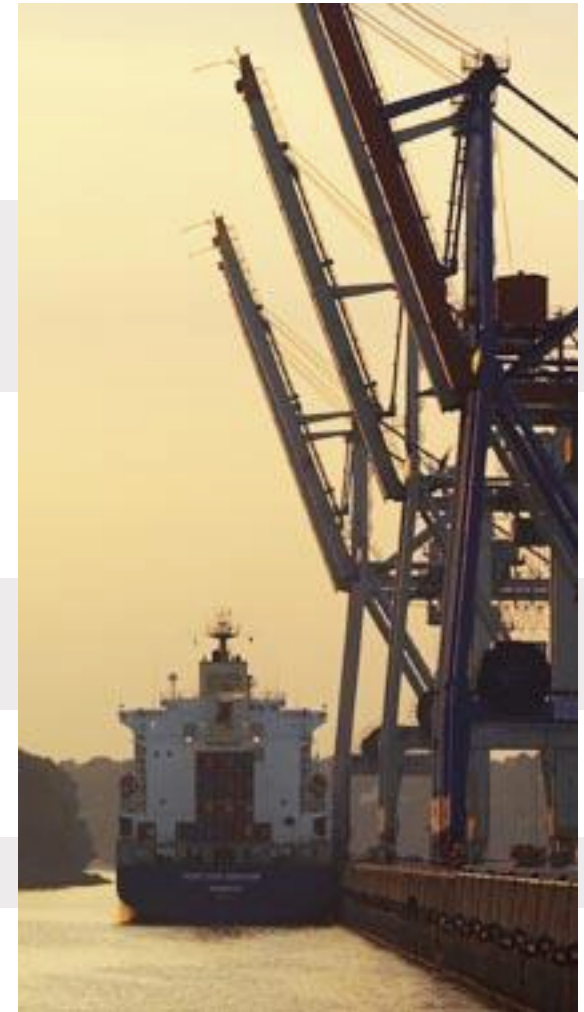
This enables Panalpina to provide Customers with cost efficient logistics solutions.



Ocean Freight: Carriers, suppliers, partners

The core business of Panalpina's Central Procurement & Capacity Management (CPC) includes:

- Responsibility of the Group's entire booking and control process regarding ocean carriers in major trade lanes
- Establishment of intermodal services in Europe, based on in-house door-to-door concept for full container load (FCL) traffic
- Further intermodal expansion into other key markets to be developed
- Capacity management systems for major east-west trade lanes
- Global coverage on consolidation services
- Truck, rail and barge services



Ocean Freight: Pantainer Express Line

- Non Vessel Operating Common Carrier (NVOCC) under the brand name Pantainer Express Line
- Fully controlled door-to-door by Panalpina
- Cooperation with reputable shipping lines
- Global hubs and sub-hubs network
- Offering regular container and general cargo services
- Full container loads (FCL)
- Less than container loads (LCL)

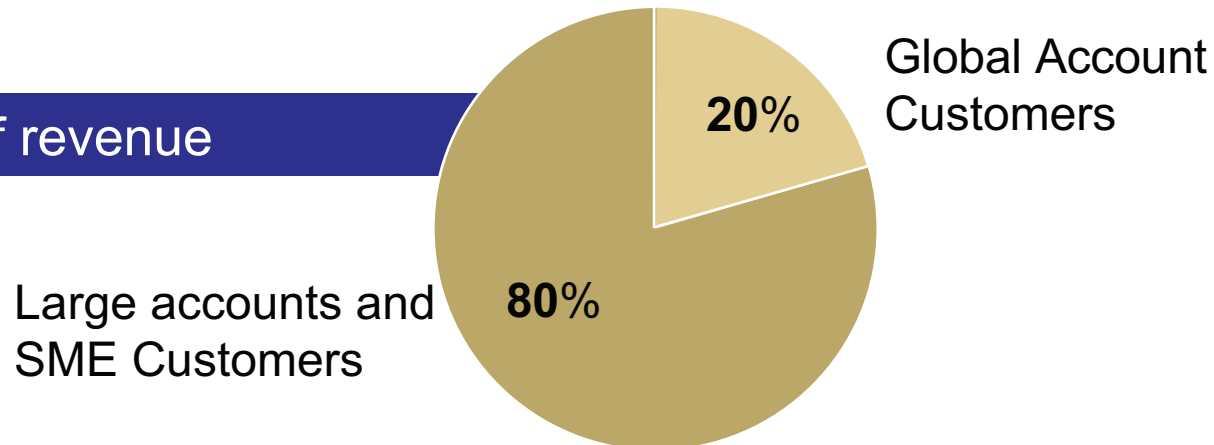


Customer structure

Panalpina has a large Customer base, which is segmented into

- Global accounts
- Large accounts / global target accounts
- Small and medium-sized enterprises (SMEs)
- Specialized industries

Distribution of revenue



A selection of Panalpina's Customers



DAIMLERCHRYSLER



PHILIPS



PORSCHE



Chevron

HYUNDAI



Agip KCO

TEXACO

IBM



Clariant

LOUIS VUITTON

BASF



ERICSSON



MOTOROLA

SIEMENS

Schlumberger



ExxonMobil

NOVARTIS



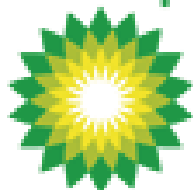
bp

GM General Motors

NOKIA
CONNECTING PEOPLE



BOSCH



H&M



OTTO



Global accounts

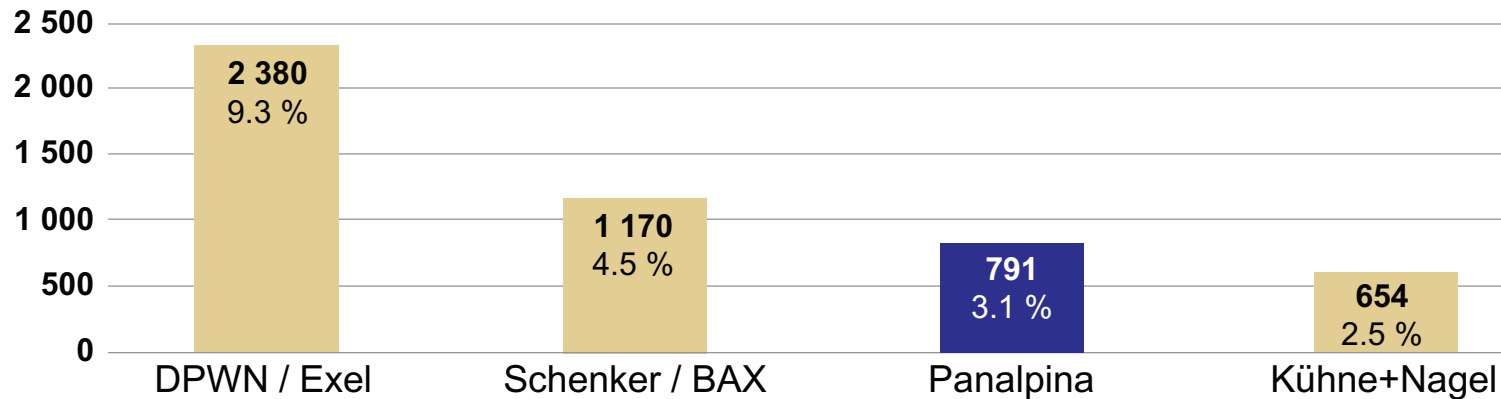
- Supply Chain Management and information management (in conjunction with Air and Ocean Freight)
- Coordination of Customer requirements and application of best-in-class logistics solutions
- Support through all the stages of a project, in close cooperation with Central Procurement and Capacity Management and Panalpina offices worldwide
- Key account management to create partnership and relationship of mutual trust with multinational Customers
- Close cooperation with corporate information management to determine information system requirements

Among the leaders in air and ocean freight

1000 tons trans-
ported in 2005
market share in %

No. 3 in Air Freight worldwide

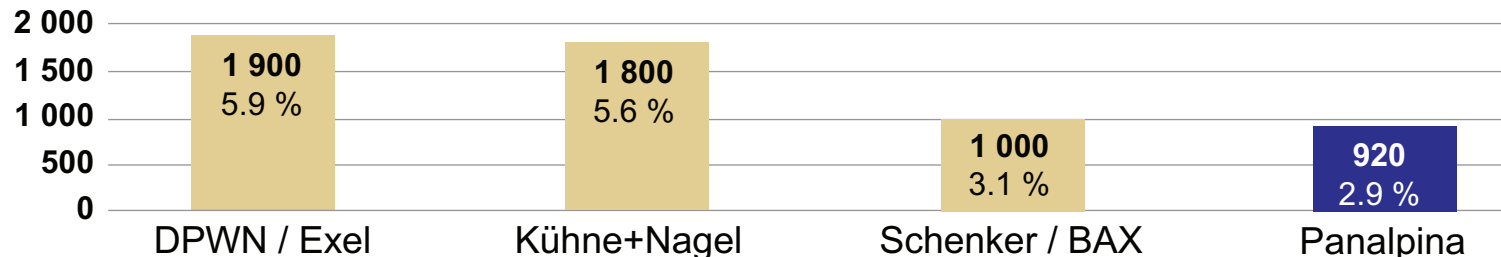
Sources: Annual reports, Panalpina estimates



1000 TEUs trans-
ported in 2005
market share in %

No. 4 in Ocean Freight worldwide

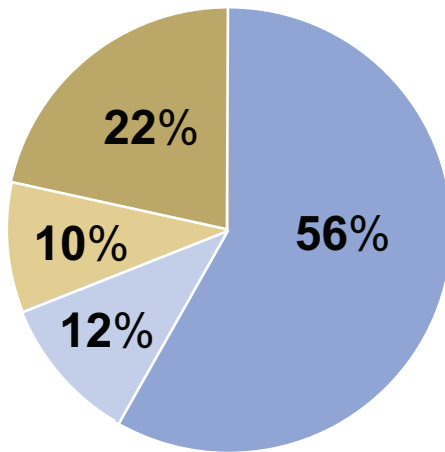
Sources: Annual reports, Panalpina estimates



Revenue in regions and business segments

Regions

Total net forwarding revenue
CHF 6,962 million



Europe / Africa / Middle East / CIS

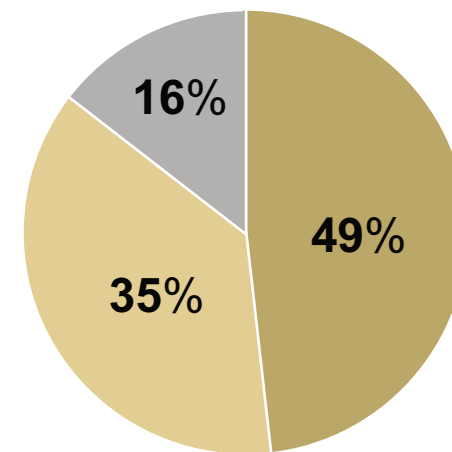
Asia / Pacific

Central and South America

North America

Business segments

Total net forwarding revenue
CHF 6,962 million



Air Freight

Ocean Freight

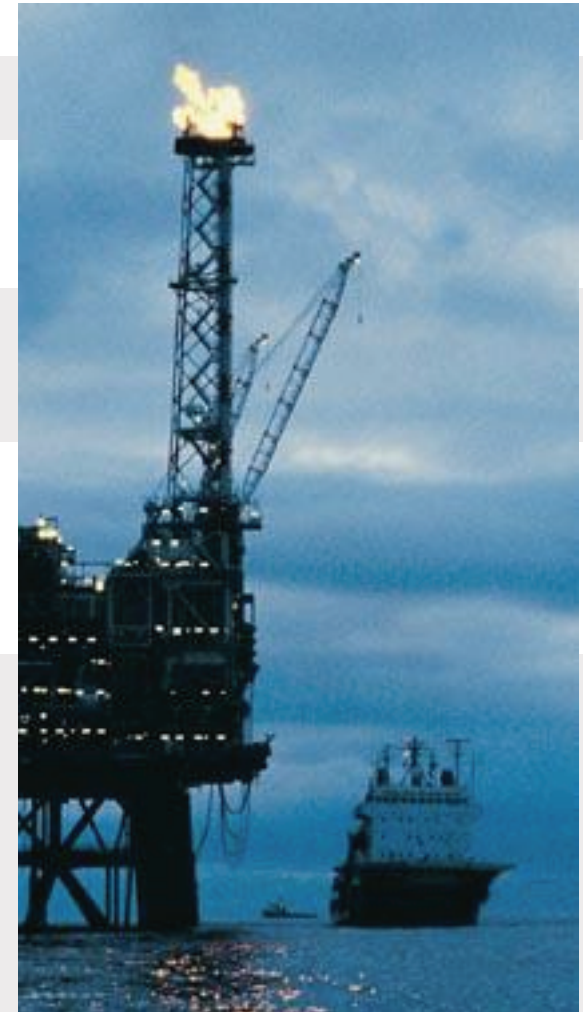
Supply Chain Management

Products and services – integrated solutions

- Integrated, customized transport solutions precisely geared to our Customers' individual needs
- Reliability and service guarantees of the integrators are combined with the forwarder's flexibility in responding to market needs
- Panalpina regulates the flow of goods right down the transport chain.
- Worldwide airfreight and ocean freight network
- Logistics and Supply Chain Management solutions for selected Customers within the defined key industry groups

Oil and Gas

- 40 years of experience
- Operating in most of the major oil and gas exploration and production areas of the world
- Professionals in offshore and onshore logistics and related services
- Industry-focused supply chain solutions:
 - Door-to-door freight movements
 - Agency and husbandry services
- Industry-focused management structure
 - Global and regional oil and gas committee including R&D
 - Key account management
 - Support centers for the eastern and western hemispheres



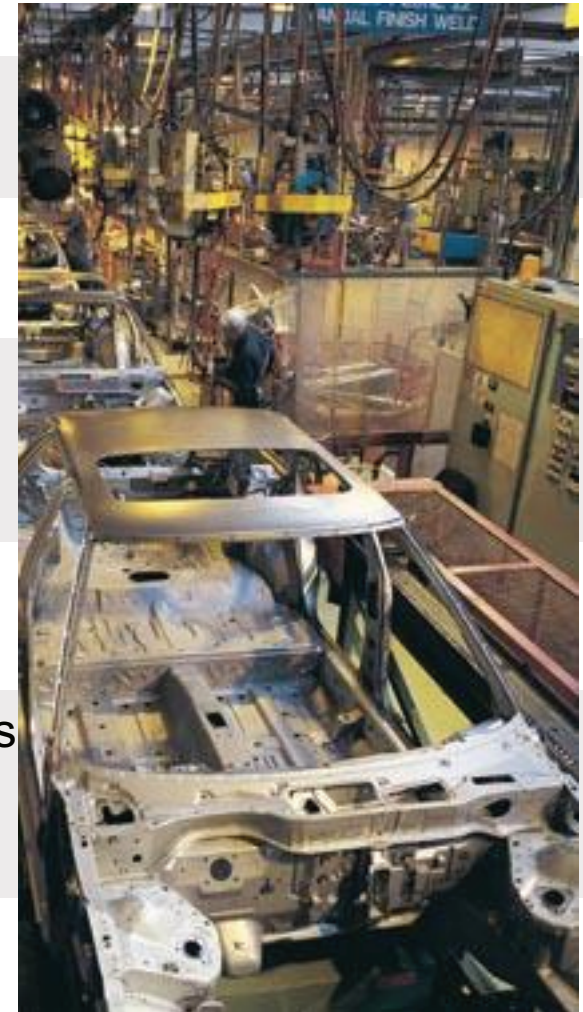
Hi-Tech

- Multinational corporations in the Hi-Tech industries are a core market segment for the Panalpina Group.
- Assume overall responsibility for door-to-door Supply Chain Management
- Provide comprehensive security standards and TAPA-certified infrastructure
- Crucial importance on airfreight services for time-critical consignments
- Development of custom-made international logistics systems
- Freight forwarding and logistics specialists
- Consultation with the clients
- Innovative combined transport programs for optimum mix of transport modes



Automotive

- Offering integrated transportation and logistics solutions to OEMs and their supply base
- Integrate end-to-end freight, network and information management solutions
- Experienced with inbound assembly plant logistics from inventory control, parts preparation and sequencing to line-side delivery
- Supply operational, tactical and strategic planning to drive customer focused solutions
- Skilled in controlling complex supply chain activities involving small and large supplier networks on multiple continents



Picture: DaimlerChrysler

Healthcare

- Strong position in the transportation of pharmaceuticals
- Industry Competence Center Healthcare as a strategic entity to define best practice for the handling of pharmaceuticals
- End-to-end logistics consultancy / solutions
- Efficient intercontinental forwarding systems for several leading pharmaceutical companies
- Reliable door-to-door solutions for temperature sensitive healthcare products to meet regulatory requirements
- FDA-registered security warehouses
- Special insulated container equipment for Air and Ocean Freight
- Door-to-room deliveries for medical equipment



Retail and Fashion

- Heavily deadline dependent clothing and retail industry
- Importance of reliable transport concepts for the Customer's success
- Several elements in Panalpina's service package:
 - > Hanging garment handling (GOH)
 - > Pick and pack services
 - > Consolidation and packaging of garments from collective shipments and delivery to the final destination
 - > Labeling / ticketing / tagging (e.g. price tagging)
 - > Direct delivery to retail store racks
 - > Secure infrastructure and systems (CCTV, GPS)



Panprojects – special transport

- Integrated global turnkey project forwarding services for general projects, oil and energy, mining, and cross trade
- Teams of professionals with many years' experience in turnkey-logistics for different industries
- Priority access to the transportation products of the Panalpina organization
- Marine chartering and heavy lift
- Complex transportation maneuvers associated with
 - Large-scale construction and engineering projects
 - Mining projects



Quality standards

- Consistent group-wide quality standards for all business processes
- Embodied in Integrated Management System (IMS)
- Steady optimization of the quality of services
- Operational auditing team continuously verifies the suitability of standards and ensures compliance on site
- Worldwide quality management organization supervises local quality improvement program
- Quality is vital part of staff trainings
- Certifications according the ISO 9001, ISO 14001 and OHSAS 18001 standards are based on IMS



Supply chain security

- Panalpina treats security as an integral part of our everyday business and takes its role in the supply chain very seriously.
- We understand our responsibility to protect customer property as well as our own personnel, office, information and warehouses.
- We provide and apply comprehensive security standards that stand for quality, performance and mutual growth.



Health, Safety & Environment

- Concern for HSE is a core value in Panalpina. We are committed to ensure the safety of our people and reduce the impacts to the environment.
- The Panalpina HSE Management System is part of and integrated into the IMS.
- The HSE Management System has been written to comply with the OHSAS 18001 and ISO 14001 Standards.
- HSE in Panalpina is divided into seven programs:

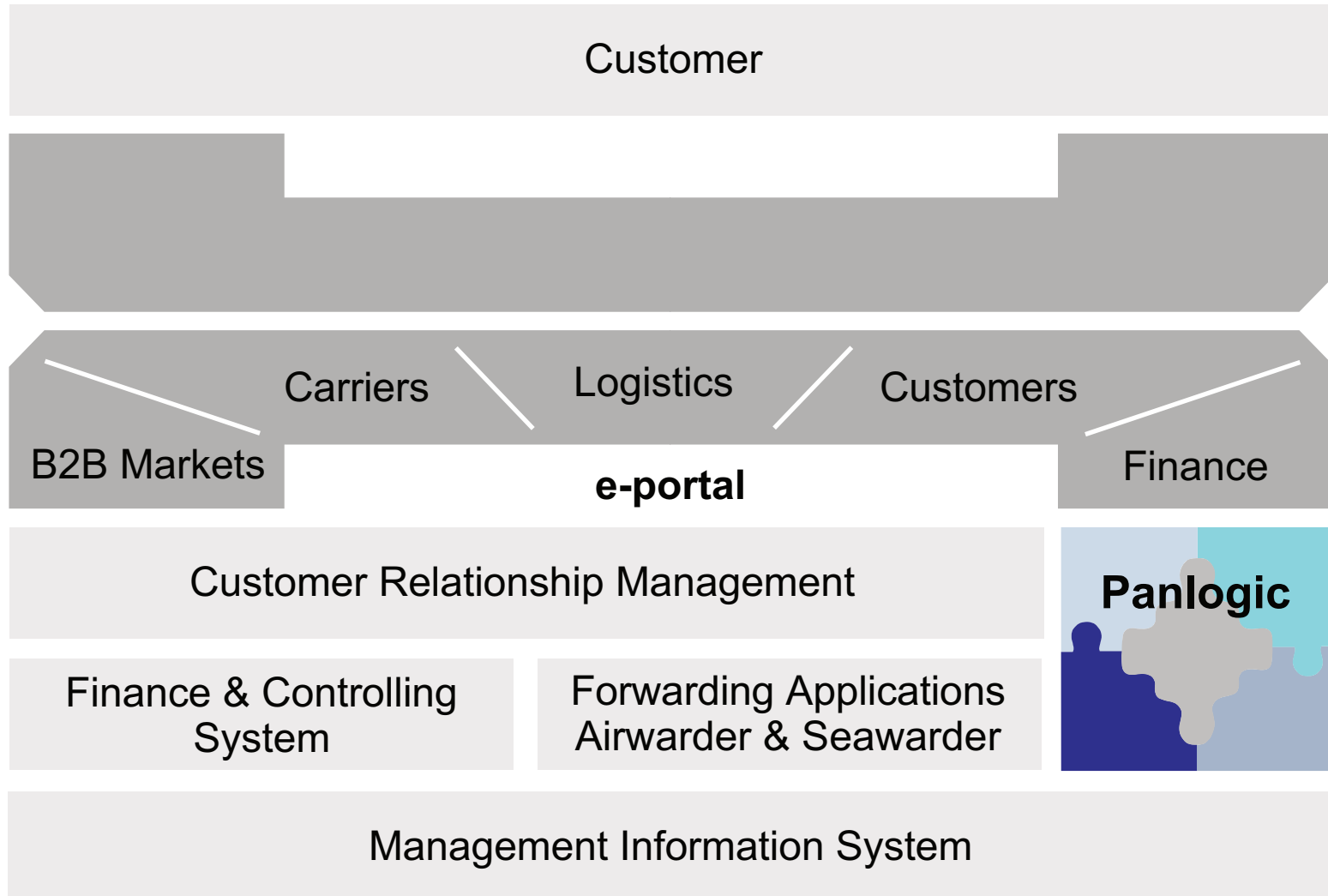
Health Control, Safe Transport, PPE, Permission to Work, Emergency Response Procedure, Eco-Transport & Eco-consumption.



Corporate Information Technology

- All-embracing EDI and Internet-based transport and logistics management systems
- Seamless integration of data and information management
- Valuable experience with direct connections to Customers' systems
- Tailor-made solutions for key account Customers with integration into own systems
- Programs for customs clearance and declarations
- Close cooperation with the two leading Internet-based freight exchanges GF-X and Intra
- e-portal based on IBM Websphere, seamlessly integrating internal and external applications via a standardized web interface.
- Process oriented gateway to carrier, industry, Customer and finance portals as well as electronic marketplaces

Panalpina's e-net and Customer systems integration



Panalpina's lead logistics concept

Logistics solutions

Physical cargo flow

Consulting and planning

Selection and management of
logistics service suppliers

Warehousing

Distribution

Value added services (VAS)

Implementation

Information solutions

Data and management information

Pantrace

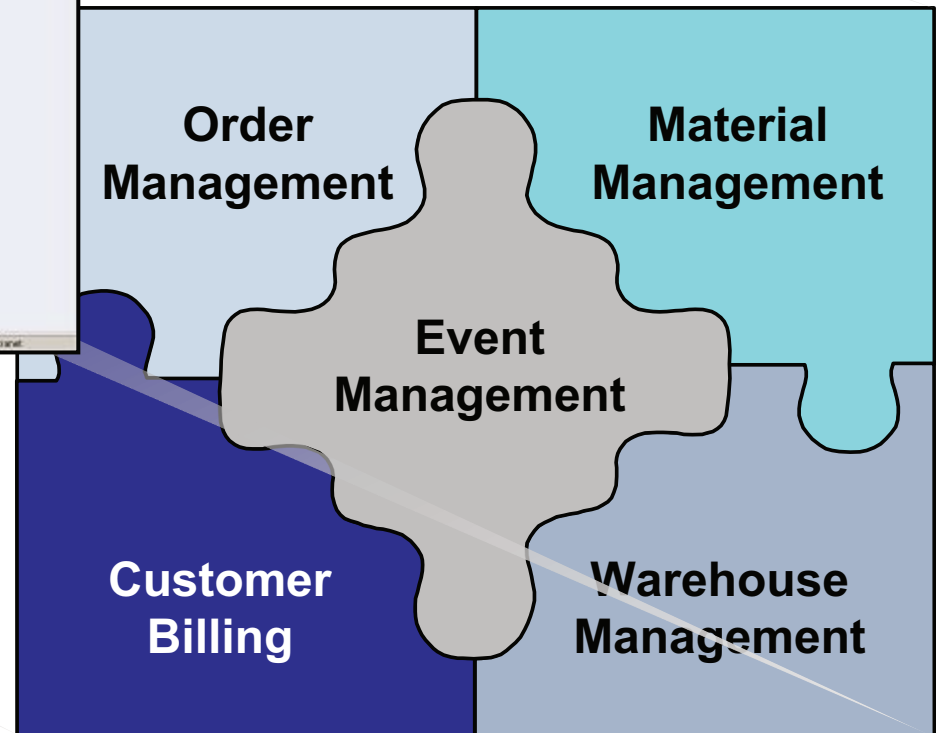
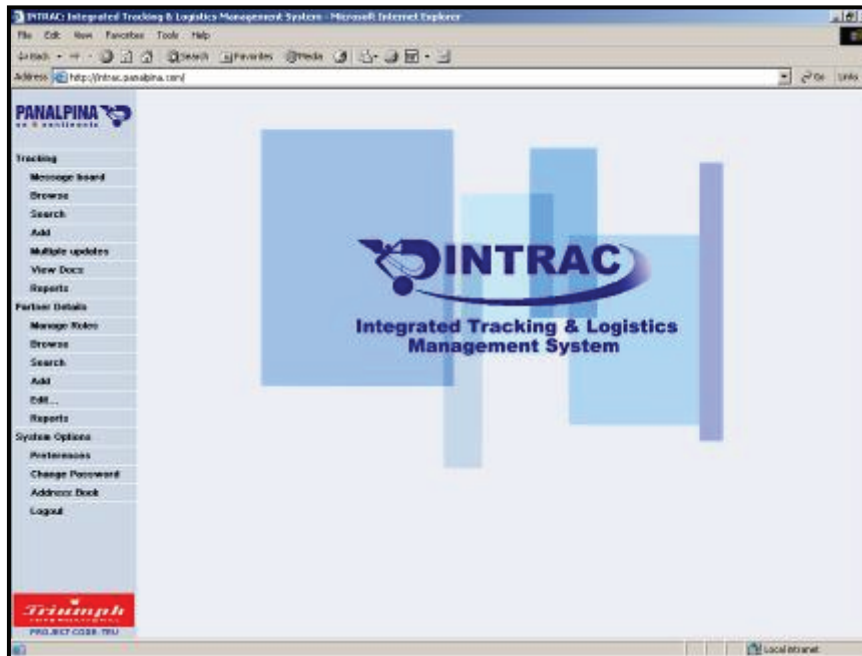
Online track & trace system

Panlogic Application Suite

Supply chain management
systems covering:

- Integrated track & trace (Intrac)
- Order management
- Material management
- Customer billing
- Warehouse management
- Event management

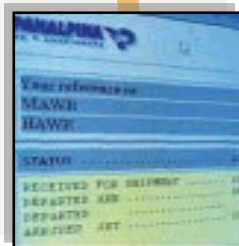
Panlogic Application Suite



Pantrace – Panalpina's track & trace system

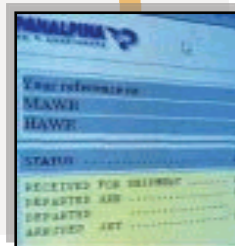
**Panalpina
export
systems**

Shipment
information



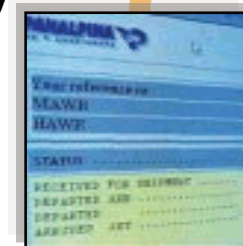
**Panalpina
Customer
systems**

Shipment
and status
information



**Third-party
systems**

Shipment
and status
information



Pantrace

Retrieve

**Pantrace
Internet
public
service**

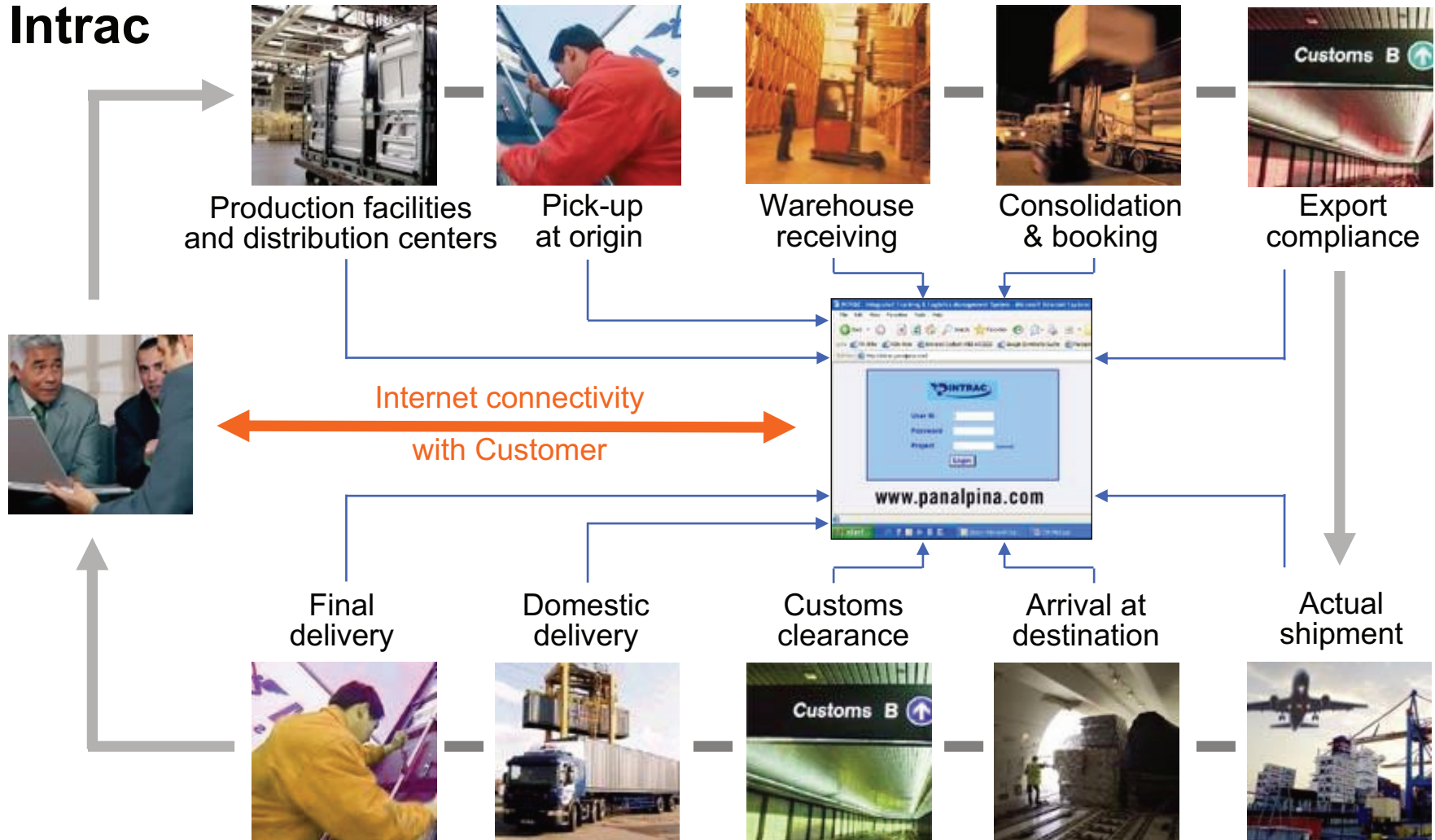
A screenshot of the Pantrace Internet public service interface. It features a form with a dropdown menu labeled 'SELECT A DOCUMENT REFERENCE' and a text input field labeled 'ENTER YOUR NUMBER'. Below the form are two buttons: 'Track' and 'Help'.

Retrieve
and status
updating

**Pantrace
Panalpina
service**

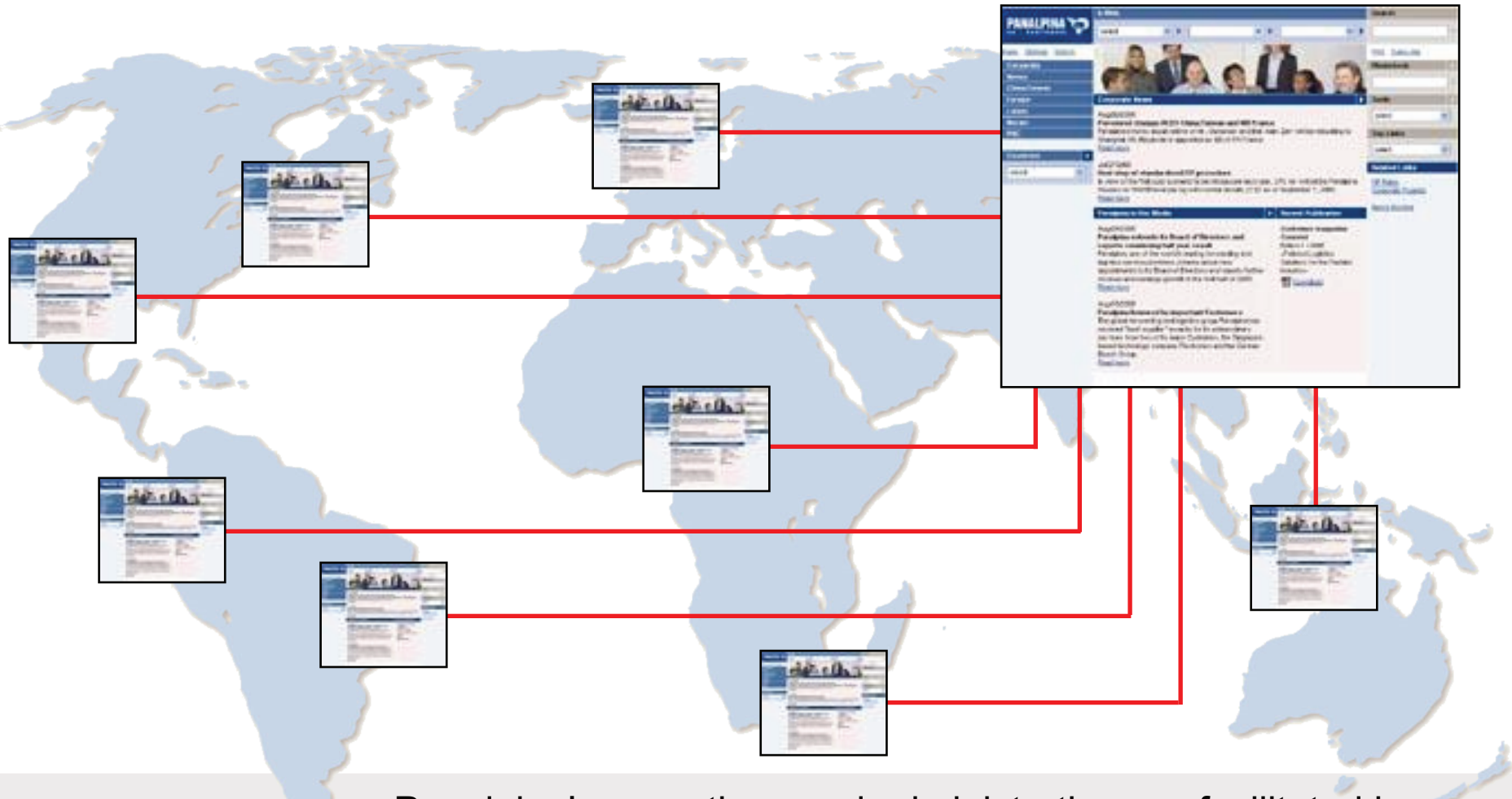
A screenshot of the Pantrace Panalpina service interface. It features a form with a dropdown menu labeled 'SELECT A DOCUMENT REFERENCE' and a text input field labeled 'ENTER YOUR NUMBER'. Below the form are two buttons: 'Track' and 'Help'.

Intrac



Tracking & reporting on item level along the entire supply chain

Panalpina's intranet (k-web)



Panalpina's operations and administration are facilitated by state-of-the-art IT tools such as our comprehensive intranet.

Panalpina's keys to success

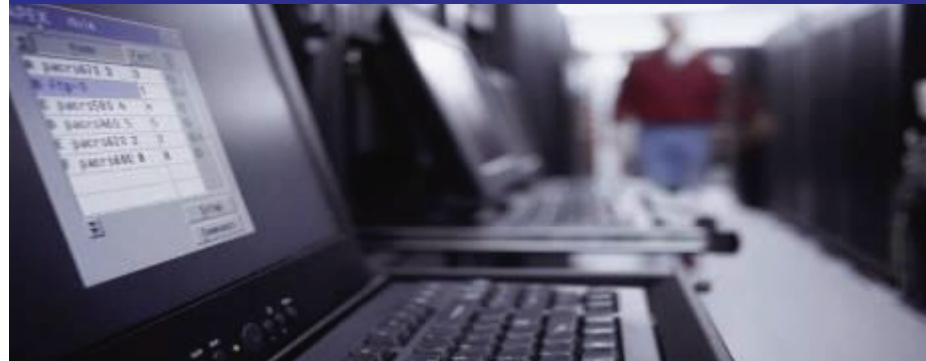
A PASSION FOR SOLUTIONS

Our brainware



- Strong corporate culture
- Employees living our motto:
A Passion for Solutions
- Continuity in top and middle management
- PanAcademy: worldwide training program and further education for employees
- Incentive salary structures

Our software



- Worldwide standardized software application
- 24x7 system support and security
- Innovative Customer applications
- Independent communications network
- “Best in class” vs. “State of the art”

www.panalpina.com

Further information and news about Panalpina can be found on our website...

The screenshot displays the Panalpina website interface. At the top, the header includes the Panalpina logo, the tagline 'A PASSION FOR SOLUTIONS', and a search bar. Below the header, a navigation menu lists 'Home', 'Sitemap', and 'Search'. The main content area is divided into three columns: 'Air Freight', 'Ocean Freight', and 'Supply Chain Management'. Each column contains a large image of shipping containers and a brief description of the service. To the right of the main content, there is a 'Get a Quote' section with a form to provide information about a shipment, and a 'Pantrace' section with a form to enter a document reference number. The footer area includes a 'New logistics service center in the USA' announcement and an 'Industry Competence' section listing various industries served.

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