BSH-Turkey: Demands on Rail Logistics

Market Place Seminar – Rail Transport Connecting Continents

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BSH-TR / Logistics
BSH Group – Shareholding Structure

BSH Bosch und Siemens Hausgeräte GmbH

Robert Bosch GmbH

Siemens AG

1967

2009

50 %

50 %
## BSH Group – Brand Portfolio

<table>
<thead>
<tr>
<th>Main Brands</th>
<th>Special Brands</th>
<th>Local Brands</th>
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<tbody>
<tr>
<td>BOSCH</td>
<td>GAGGENAU</td>
<td>Balay</td>
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<td>SIEMENS</td>
<td>NEFF</td>
<td>LYNX</td>
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<td>Thermador</td>
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<td>Constructa</td>
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<td>Continental</td>
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<td>ufesa</td>
<td>Coldex</td>
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From German Exporter to Global Number-3

- **1967**
  - 3 factories in Germany
  - Companies: 7
  - Employees: 14,000
  - Sales: 0.5 billion EUR

- **1990**
  - 13 factories in Germany, Greece, Spain
  - Companies: 41
  - Employees: 23,000
  - Sales: 3.3 billion EUR

- **2009**
  - 42 factories in Germany, Greece, Spain, Slovenia, France, China, Turkey, U.S.A., Peru, Poland, Russia, Slovakia, Thailand
  - Companies*: > 60
  - Employees*: ~ 39,000
  - Sales**: approx. 8.76 billion EUR

BSH Group’s Strong Position

Market Leader in Germany

Market Leader in Western Europe

Number Three Worldwide

Market share large home appliances in 2008 (source: GfK Handelspanel)

Market share large home appliances in 2008 (source: GfK Handelspanel)

Market Share large home appliances in 2008 (source internal estimation)
BSH Turkey: Factories in Çerkezköy

- Total area: 450,000 m²
- Largest production location in BSH worldwide

Çerkezköy 2008

- all product areas, 5 factories
- 2,600 employees (Ø)
- 3'1 mio production units, 54% export

Logistics 2008

- 50,200 sqm warehouse surface
- 100,000 cbm storage capacity
- railway accessed, own container yard
55% of Çerkezköy production is for Export all over Europe

- Production for Turkish market covers 80% of BSH-TR LDA Sales
- Imports from other factories are comparably low
Trucks are used only for specific countries (e.g. CH) or in case of urgency (express deliveries).

Wagon share does not show the wagon potential.

Sea and wagons are not competitive (prices and/or lead times).

Missing multi-modal terminal close to Çerkezköy.

Although wagon traffic is advantageous for our operations (good lead times at acceptable costs, environmentally friendly) its share is comparably underrepresented.
BSH rail-accessed Warehouses in Europe

- Germany
  - Giengen
  - Vohenstein
  - Nauen
  - Melle
  - Bretten
  - Traunreut

- France
  - Paris

- Spain
  - Zaragoza

- Poland
  - Lodz

- Turkey
  - Çerkezköy
Why does BSH not increase its railway-share?

BSH supports wagon traffic and would like to increase this transport mean’s share in its structure. However, recent developments lead even to a decreased share of wagon traffic:

- Wagon availability (type, quantity and quality) not always satisfying
- Reimbursement in case of thefts or wet goods nearly impossible
- Responsibility to stop thefts unaccepted by railway companies
- Missing conceptual works of suppliers or Why do we as shipper have to carry the unbalances and volume risk?
- Price development

All in all we see a huge potential to convert to wagon traffic, but the overall package must fit (prices, lead times, availability etc)