

M&M® NEWS

Nachrichten – News – Nouvelles – Новости

For our clients, partners and employees

June 2005

Welcome to M&M News

Dear Readers:

Europe's most important fair for our industry, the international "Munich transport logistic", lies behind us. Polls show that the fair can be deemed a huge success.

The fair offered a plethora of information on all aspects of transportation, IT, and logistics. Three conferences were held at the same time (Eurailfreight, Marilog, and Air Cargo Europe), as well as numerous meetings. M&M counted lots of visitors. More in this issue.

Also in this issue: A summary of the results of the international TransInvest meeting held in Hof, Germany.

You will also find a report on interesting flights in Hof and on some rather unusual loadings at M&M Hamburg.

Enjoy reading!

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**TransInvest Group -
International Management
Meeting in Hof**

*Werner Albert,
Chairman of the Board, TransInvest
Holding AG Switzerland*

The international management meeting of our TransInvest Group took place in Hof this year, coupled with the 125-year-jubilee of M&M. M&M counts 2600 staff and, with its international network, is among the biggest companies within the Group. The Administrative Board congratulated M&M on its long history.

Renewing personal contacts

The international management meeting was a work conference. We assessed the past and talked about the projects of the member companies. New business ideas were discussed, and personal contacts renewed. This is important in a Group with 290 companies. 175 of these companies make the consolidated balance of the group and are its core members. About 90% of the consolidated turnover comes from the transport and logistics

sector. Among the pillars of the Group are also real estate, commerce, and finances. At the meeting, participants discussed questions pertaining to all these sectors.

Customer satisfaction and solid profits

Although the P&L for 2004 has not been finalized yet, we were able to say that the result will be positive. This is our motivation to follow our strategy that focuses on customer satisfaction and solid profits. The Group supports the members' efforts with an average annual investment volume of 30 million euros. Here a summary of the most important results:

- The TransInvest Group will continue working under lean management, and guided by entrepreneurial courage, the flexibility of the whole Group, and a big portfolio of services in



(photo: Kulke-Fiedler)

**Werner Albert (left),
Chairman of the Board of
TransInvest Holding AG,
and Yousef Sherkati, CEO
TransInvest and Member of
the Board of the Holding.**



(photo: Kulke-Fiedler)

the transportation and logistics business.

- Our main focus will remain on the markets in Eastern and South Eastern Europe, the CIS, the Caucasian region, Central Asia, Iran, and China. We see good potential for growth in these markets in spite of changing conditions and growing competition. Yet we must succeed in making better use of the competence we have for these regions in our relations to our customers, and in strengthening and expanding our market share.

- For all the transportation and logistics companies within the Group, it is imperative that they focus more on the logistics sector. One of our aims is to use more efficiently the 1.3 million square meters of terminal and warehousing space owned by TransInvest companies in different countries.

- We have to secure and increase our positive results, and also venture into new business fields. In the near future, we count among these the profitable Courier Express and Parcel services especially in Russia, the CIS, and central Asia.

- We will put our traditionally strong rail sector on a broader basis. At the moment, we are restructuring the rail activities within the Group. TransInvest founded InterRail Holding AG in 2004. Under this umbrella,

regional, specialized businesses (WestRail, AsiaRail) as well as special product sectors (BoxRail) have begun operating. InterRail aims at offering a wide range of logistics services in connection with rail transports.

Strengthening marketing and regional cooperation

In special workshops, the participants of the meeting discussed how to strengthen marketing, sales, and regional cooperation. There were many valuable new ideas that the companies will evaluate and develop in more detail over the next months. The Board of TransInvest will also assess the structure of the Group and try to maximize its efficiency. Our main interest at the moment is to integrate the many good ideas we all heard at the meeting into the daily life of our companies, and to increase the Group's good revenue until our next meeting.

Transport logistic 2005 – a huge success for M&M

M&M's results of the transport logistics fair in Munich this June are definitely positive.

The tenth transport logistics fair counted 12 % more participants – more than 1300 companies were represented. The international participation was impressive: 540 companies from all over the world came to the fair.

M&M's stand was international, too: M&M companies from the Baltic States, Bulgaria, Germany, Poland, and Russia presented themselves in so-called country days.

So, apart from information about the wide range of service offers, there was a lot of information about the country in question, and there were delicatessen, too!

A poll among the M&M participants shows that all thought it was important to participate in the fair, and that it helped enhance the M&M image. They would all come again, and would even plan to have a bigger budget for the representation of their company at the next fair.

Moreover, they all confirm the importance of making new contacts – and four of the five M&M companies have already been able to do new business based on contacts made in Munich.



Comments on the fair:

Ekaterina Stoykova, M&M air cargo service BG, Sofia, Bulgaria:

"It always pays to take part in a fair such as the transport

logistic, because it offers you the opportunity to directly talk to your customers, to present yourself with your latest logistics solutions. Moreover, the Munich fair is one of the best instruments to gauge the logistics trends worldwide – it allows you to assess your own position within the competition. For us, the fair meant we were able to get together with our partners, to renew contacts with our customers and to initiate potential new partnerships.

Not only for Bulgaria, but also for the East European region generally, the fair's focus on the growing importance of Eastern Europe for international



logistics was important.

It was also important that, at a fair like this one, with more than 80% international exhibitors and visitors, M&M was being presented internationally – it can only strengthen our international image.”

Olga Polyanskaya, M&M sea air cargo OOO, Moscow, Russia:

“In my opinion, our participation in the fair was very successful. We had many visitors, and many companies enquired about transportation to Eastern Europe and especially to Russia. Some contacts have already turned into real enquiries, and I hope they will turn into business.

It was also important for us and our image to stress the fact that we belong to M&M IH. We had good talks with the airlines and handling agents we cooperate with in Moscow.

I am sure that taking part in the biggest international transportation and logistics fair has helped our image. Moreover, personal contacts between partners/agents and between colleagues are worth more than gold.”

The next “transport logistic” trade fair in Munich (Germany) will be held from 22 to 25 May 2007.

May we present: M&M Russia

Since February this year, Valery Borisov (32) has been managing director of OOO Militzer & Münch, Moscow /Russia. He comes from OOO Trasko, Moscow, another TransInvest company, where he was vice managing director. OOO M&M was founded in 1992 with the headquarters in Moscow. In 1994, M&M Russia became a member of the Russian FAR (Freight Forwarder's Association), the followed, in 1995 FIATA, and in 2001 IATA.

M&M Russia's offices in Moscow, Novorossiysk, and Omsk offer a wide range of services.

Owing to the positive development of air freight, M&M air sea cargo OOO Moscow was founded in 2003 with its office at Sheremetyevo

Airport. Ilja Masjutin is managing director.

The services portfolio of M&M Russia comprises international rail and road transports, air and ocean freight, multimodal and groupage transports, door-to-door shipments, warehousing, customs clearance, and many more. They also offer mass, out-of-gauge, and hazardous material transports.

In order to enhance the brand name “M&M” and to widen their service portfolio, M&M Russia plans on making even more use of the world wide M&M network in future.



Valery Borisov, managing director, OOO Militzer & Münch, Moscow / Russia

At the TransInvest meeting, as well as at the Munich transport logistic fair, M&M Russia made clear this is their aim.

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M&M Moscow - team

**Soaring high - 10th
 international pole-vault
 meeting in Hof**



M&M sponsored yet again the 10th international pole vault meeting in Hof, the most

popular sports event in town. Every year, it attracts thousands of spectators. The picture book summer weather and the roaring applause motivated the pole-vaulters to fly high.

There were 12 competitors from Germany, the Czech Republic, Ukraine, Hungary,



and The United States. Tim Lobinger, the German champion, and his US counterpart Jeff Hartwig were among the athletes. Martina Strutz won in the women's competition (4.32 meters), Lars Boergeling in the men's (5.71).

General

New TIR Regulations online

There will be new regulations from October 1, 2005. Please see the new TIR regulations pertaining to the consignee of a shipment at: http://europa.eu.int/eur-lex/lex/LexUriServ/site/de/oj/2005/l_148/l_14820050611de00050024.pdf

Toll reimbursement

Reimbursement of tolls paid on the Brenner autobahn between July 1995 and July 1999 and/or between July 2000 and January

2001 will be reimbursed at 38.5 % by ASFINAG. Details at: www.asfinag.at.

No trucks on weekends

In Germany, no trucks above 7.5 tons are allowed on the roads all through July and August on Saturdays from 7 a.m. to 8 p.m.

A satellite and an airport tractor

On a 40' flat rack, M&M Hamburg transports an out-of-gauge satellite to the port. It is on its way to Korea.



Another not so every-day shipment: M&M Hamburg cooperated with M&M Beijing for the transportation of an airport tractor.



News from our partners in the Transinvest Group

Interrailservices: New initiatives for the "East Wind"

Interailservices (IRS), a member of the TransInvest Group, and Intercontainer-Interfrigo (ICF), the two companies operating the "East Wind", a container rail transport from Berlin to the CIS, have introduced some measures to make their offer more attractive. To speed up the passage through customs in Belarus, they got the Byelorussian customs and railway to agree to a cooperation as far as the documentation and issue of the SMGS freight paper and other documents is concerned. With the Polish authorities they worked on a special technology to handle the train at Malaszewicze.

More transparency will cut the waiting times for the container transfer to the Byelorussian railroad. The operators of the train hope thus to eliminate the danger that containers are held temporarily or confiscated completely – the reason given used to be that they authorities needed to clarify the container's contents.

"Given the difficult conditions, the fact that the East Wind has survived these past 10 years is a huge success", say Volker Tommack and Ulrich Koch, managing directors with IRS. They hope that the latest talks about Byelorussia's membership in the WTO will help.

They expect new impulses for rail transports to the CIS and the elimination of obstacles also from a more intensive cooperation of the railroad companies of the countries involved. There is a joint venture of the German and Russian Railway for freight transports, and a joint project of the German, Polish, Bulgarian, and Russian Railways.

At the transport logistic fair in Munich, the East Wind people presented their new project. They want to combine their train, as well as the sister trains West Wind, Czardas, and the Rotterdam Container service RMCE, with the freight trains to the Far East and china. They are thinking of an extensive

system with different center points and consistent pricing.



At the transport logistic fair in Munich, IRS and ICF presented their new ideas, together with the Moscow based International Council on the Coordination of Trans-Siberian Transports. Exporters showed a marked interest in consistent offers for the rail transport especially to and from China.

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