



DSV

High Tech Solutions

DSV HIGH TECH KEY FIGURES

- 75+ high tech clients in 25 countries
- 9 high tech flagship sites at strategic locations in Europe
- 10+ years average contract length for our top high tech clients



Dear Supply Chain professional,

Five of the top 10 Gartner-rated supply chains are in the high tech sector. Whereas, 10 years ago, average product life cycles ranged from 2 to 3 years, the industry is currently moving towards cycles of 3 to 6 months. High tech products have become more potent and versatile with greater numbers of, and ever-more complex, components. Although logistics accounts for a mere 1-5% of the high tech product costs, the logistics service provider is increasingly representing a potential competitive edge for high tech companies that are diversifying their services to counteract product commoditisation.

DSV has been a major player in the global high tech industry for over 30 years. We cover the entire supply chain from multi tier fulfilment and merge-in-transit up to white glove deliveries and after sales services. Thanks to our experience, we understand the challenges facing high tech companies on their path to market. Our proven expertise enables us to better identify with our customers, thinking and working together with them to arrive at the optimum solution for all their high tech supply chain requirements.

In today's competitive environment, our customers demand an innovative and reliable partner to help them simplify challenges in a volatile market. DSV is recognised for this commitment: a true partner that is continuously adapting its solutions supported by excellent program management. DSV employs dedicated and focused teams with longstanding high tech expertise. Meanwhile, our sector-tuned IT systems provide you with e-services and near-real-time visibility based on your individual needs. These proven, state-of-the-art IT systems can be fully integrated with your systems.

This brochure highlights our capabilities in the various high tech segments. We are confident that you will recognise some of the day-to-day challenges mentioned. Thank you for your interest, and I'm looking forward to discussing your company's specific supply chain challenges in the near future.

We are ready for you. Welcome to DSV!

Best regards,

Meinderdjan Botman
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DO YOU RECOGNISE ANY OF THESE CHALLENGES?

- ✓ **Controlling your entire supply chain from multi-tier supplier base to end customer**
- ✓ **Reducing inventory carrying costs in the supply chain**
- ✓ **Counteracting product commoditisation through customer loyalty**
- ✓ **Optimising speed and ubiquity of information**

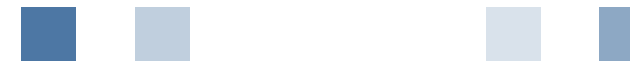


CLOUD COMPUTING DRIVES
CENTRALISATION OF DATA STORAGE
AND PROCESSING

Computing and Enterprise Data Centres

Original design manufacturers (ODMs) and original equipment manufacturers (OEMs) often operate geographically focused, fragmented supply chains. With truly high-end equipment often still being manufactured in the mature markets while production of low to mid-range products is being hedged in Asia, Eastern Europe and Latin America. The challenge of this splintered supply chain is stock reduction through merge-in-transit. As 90% of production is being sub-contracted nowadays, production management is being replaced as a core competency by effective management of the supply chain. OEMs are starting to follow a new strategy, namely to move beyond disconnected products and services evolving into original solution orchestrators (OSOs). This emerging OSO business model will dramatically increase the need for end-to-end process design, change management, analytics and project management skill sets within high tech supply chain organisations.

DSV offers the visibility and reliability needed to keep end-to-end control over the entire supply chain, from quality control at the contract manufacturer to on-site installation at the end customer. For one of our key customers, our European line haul and distribution network provides the flexibility needed to meet its clients' stringent service requirements. We provide innovative fulfilment and cross-dock solutions by combining our specialised high tech EDC/RDCs with our dense network of country hubs.



"DSV has shown exceptional performance that is vital to our ability to deliver and service products in a timely and cost-efficient manner. DSV has continuously allowed us to exceed customer expectations and driven us to raise our own expectations of what we can provide."

VICE PRESIDENT OF SUPPLY MANAGEMENT
NASDAQ-LISTED COMPUTING AND DATA STORAGE COMPANY



Telecommunication and Network Equipment

With the majority of the Earth's population currently having 3G access, the landscape of telecommunications equipment manufacturers (TEMs) and network equipment providers (NEPs) has seen fundamental changes in the way products are developed and built. With the number of petabytes of data transferred still growing at the rate of 30 to 40% per year, the industry has completely shifted to a demand-driven supply chain. Whereas equipment vendors still owned components divisions 10 years ago, they are now increasingly reliant on their suppliers' technologies. A large ecosystem of 'building block' providers has emerged who supply the telecommunications and network equipment industry with commercial, off-the-shelf components. Taking into account the high value and short life cycles of TEM and NEP products, the supply chain challenge is to combine or 'merge' these various building blocks into a finished product just before delivery to the end customer.

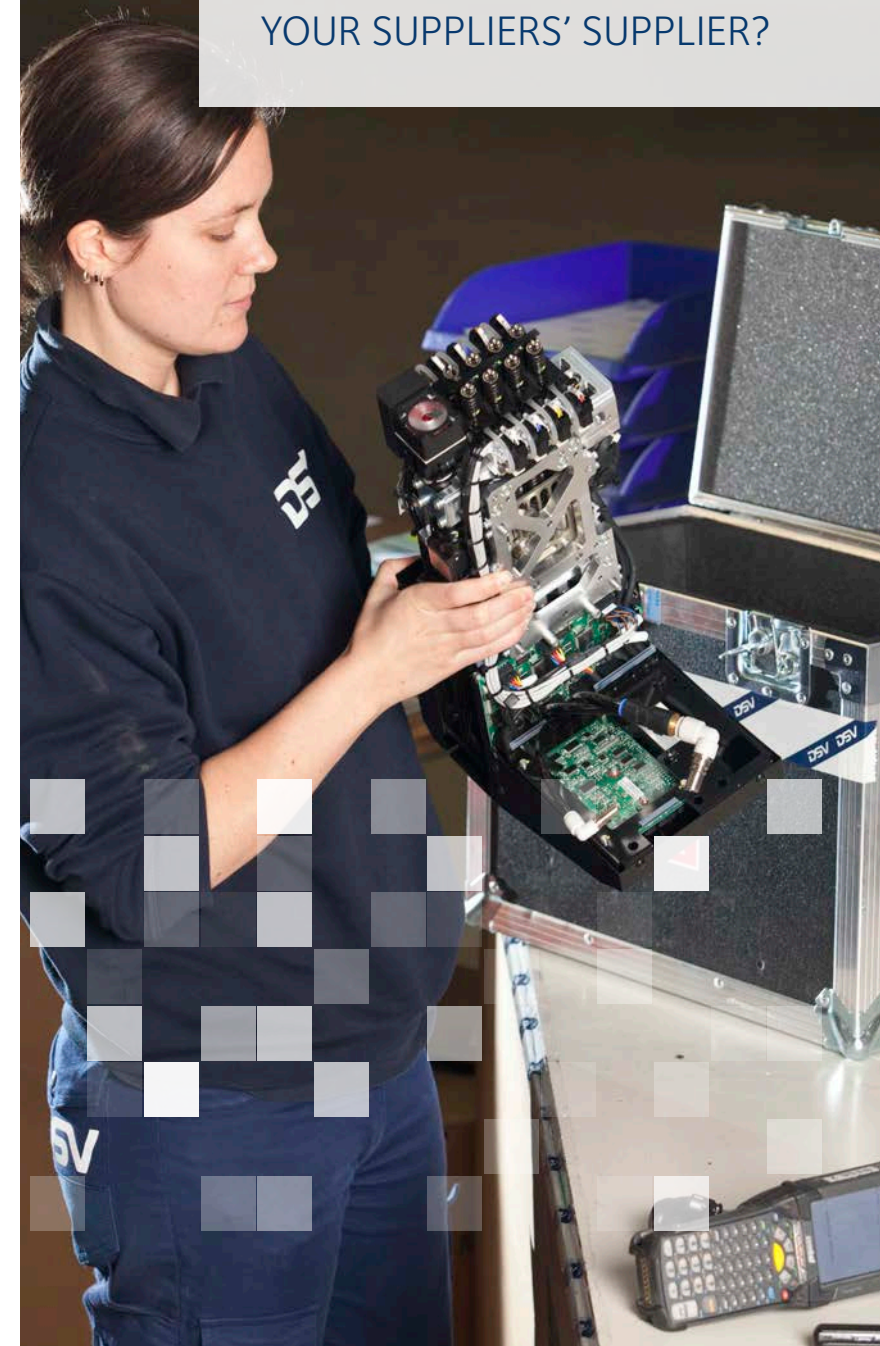
DSV provides manufacturers of voice and data infrastructure with agile logistics solutions for component and spare part warehousing and finished product distribution. We offer complete order fulfilment and postponement, and can operate your after sales service centres. In keeping with the industry's changing landscape, we have developed innovative cross-dock and merge-in-transit solutions that meet the stringent quality and safety standards of our TEM and NEP customers. Our one-stop-shop solution unites the dense DSV line haul network and TAPA-A regional distribution centres in combination with strategic partnerships with local heroes to offer niche services like in-night delivery services and white glove deliveries.



"DSV has handled the warehousing and distribution of NETGEAR products to the EMEA region for over 12 years. In addition to this, the company has provided ad-hoc, value-added services like re-configuration, customisation and re-packaging. DSV has remained a key logistics partner due to its flexibility and can-do attitude."

CHRIS GATRELL
SENIOR OPERATIONS AND LOGISTICS MANAGER EMEA
NETGEAR

HOW DEPENDENT ARE YOU ON
YOUR SUPPLIERS' SUPPLIER?



33% OF CONSUMER ELECTRONICS
PRODUCTS STILL WORK PERFECTLY
WHEN DISCARDED



Consumer Electronics

Of the thousands of new consumer electronics products launched onto the market each year, only 4-7% are successful. A product's life cycle is increasingly dictated by the introduction of the next model: from the moment a product is launched, the clock is ticking until the unique features have been copied and price erosion has wiped out the margin. For consumer electronics manufacturers, with an average Out of Stock (OOS) rate of 8.5% and the knowledge that, when faced with OOS products, 50-70% of consumers either buy a competitive product or leave the store empty-handed, supply chain efficiency is the key to profit maximisation.

DSV has considerable experience in facilitating new product launches as well as after sales for major consumer electronics manufacturers. Thanks to our extensive global network, we can guarantee inbound freight capacity at scheduled lines. Meanwhile, our specialised TAPA-A European Distribution Centres for industry-leading consumer electronics manufactures offer you agility and critical economies of scale. We minimise the logistics burden on your margin throughout the product life cycle. Furthermore DSV has the finely meshed distribution network required to assure timely distribution to your customers, whether to a large retail chain's DC or to a consumer's home. Additionally, as part of our commitment to the UN Global Compact initiative, we proactively advise our customers on carbon footprint reduction.



"Our business is subject to constant change and need for efficiency improvement. Over the last 10 years, DSV has proven to be the reliable logistics service partner to manage our logistics operation. A partnership and operation characterised by constant change, driven to success through flexibility and open communication."

ARJAN BLOK
MANAGER SUPPLY CHAIN
NEC DISPLAY SOLUTIONS



INNOVATIVE LOGISTICS CONCEPTS
PROVIDE FLEXIBILITY IN A VOLATILE
MARKET



Reprographic Equipment

Increased digitalisation has slashed demand for traditional black-and-white printing by 50% between 2007 and 2012. Only some of this demand has shifted to colour printing, resulting in declining sales of printers and copiers. Consequently, most printer and copier manufacturers have recognised their growth markets to be in software and services. Additionally, for the traditional consumer and office-related products, there is a focus on developing emerging markets that still represent significant growth potential. Meanwhile, the market for professional printing equipment remains strong. Supply chains in the reprographic industry are consolidating to RDCs and EDCs.

DSV has a long history serving the market for printing and copying equipment with a full service portfolio including warehousing and light manufacturing facilities. We offer our clients the flexibility to adapt their supply chains to volatile market conditions by offering a variable cost base that allows easy up and downscaling. In addition to manufacturing and configuration of finished products, we also offer installation services upon delivery, repair/return services and spare part distribution. At strategic locations throughout Europe, we have been an essential element in the supply chain of the industry's major players, serving our top high tech clients for over 20 years.

"Together with DSV, we developed a 'Vendor Managed Inventory' solution that enabled us to lower our overall owned stock positions of key parts and components due to decreasing throughput time to as little as 4 hours."

MARC ROTTINK
MANAGER EASTERN HEMISPHERE EQUIPMENT SUPPLY CHAIN
XEROX



High Tech Transport and Distribution

Safe, predictable and at the same time resilient transportation of high tech and consumer electronics can be a headache for many businesses. However, DSV has just the cure! An increasing need for customer loyalty accelerates last-mile, white glove service differentiation including installation, testing, instruction and de-installation of products at the end customer premises. Our local customer service centres can contact your customers in advance of a delivery to validate and if necessary adjust the delivery specifications. You can rest assured that products will be ready at the point of use, waiting for your lead technicians, minimising disruption and exceeding your customers' expectations.

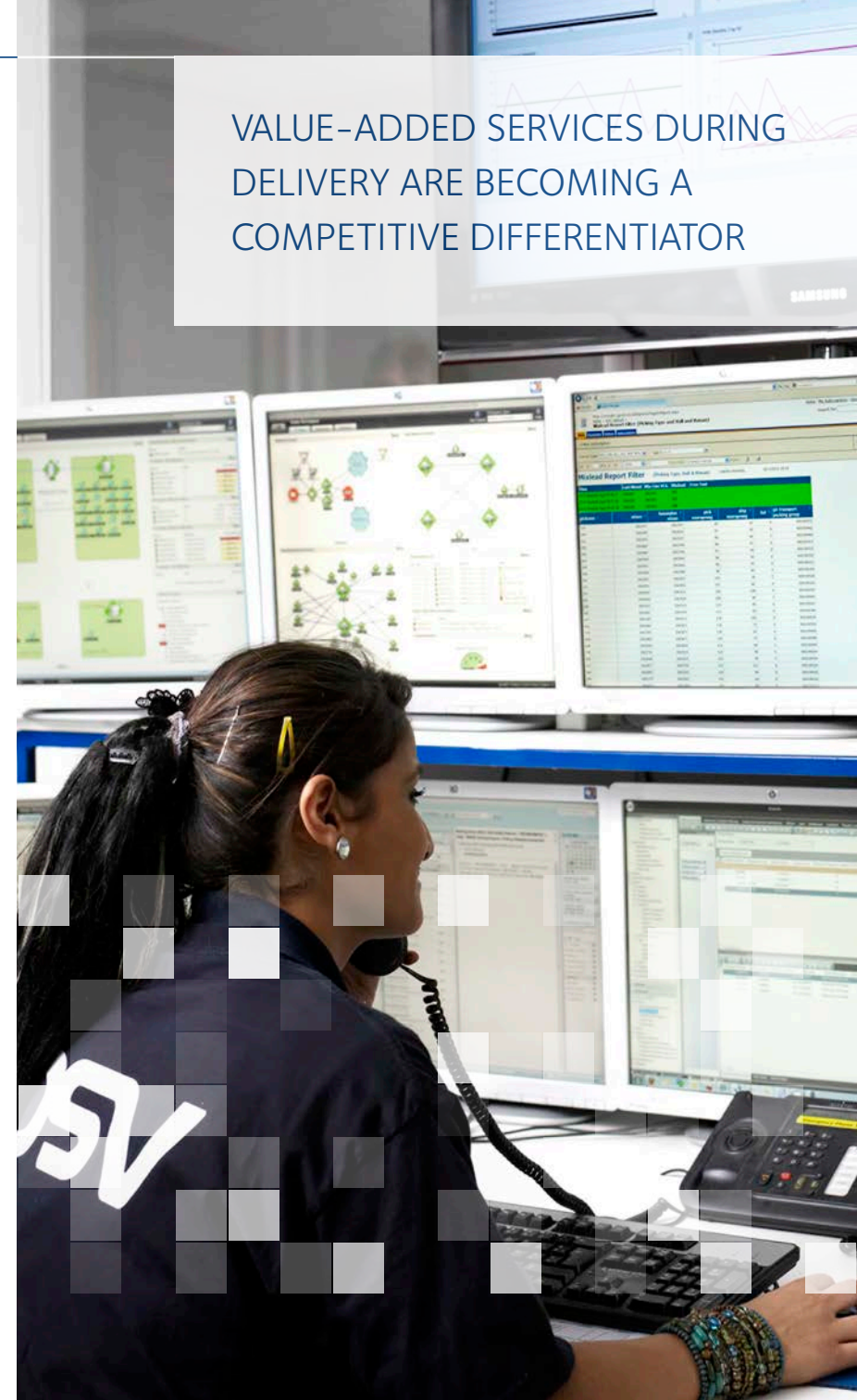
The DSV network of airfreight hubs, road-based line hauls and regional service centres is the perfect foundation for designing customised solutions for your high tech products. Our delivery network can provide a wide range of on-site services including consignment management, replenishment services, inventory management, issue resolution, swaps, returns and repairs. Our professionals are experienced and well qualified to deliver your products under customer-focused and secure conditions. Furthermore, DSV can provide you with realistic alternatives for transporting your products anywhere in the world. We can support your supply chain by acting as 3PL, 3½PL or 4PL as required each specific role offering different models for distribution and supply chain collaboration. As a global leader and innovator in air/sea freight, order fulfilment and distribution, DSV sets the standard in best practices for high tech distribution.



"The DSV Solutions White Glove Delivery network enables us to execute a premium in-house delivery service of our high-end products to our most valued customers. This allows us to differentiate from our competitors and further expand customer loyalty, through our resilient Supply Chain partner."

NASDAQ-LISTED GLOBAL PROVIDER
OF UNIFIED COMMUNICATION SOLUTIONS

VALUE-ADDED SERVICES DURING
DELIVERY ARE BECOMING A
COMPETITIVE DIFFERENTIATOR



M-COMMERCE AND S-COMMERCE ARE CHANGING THE LANDSCAPE



Service Differentiation and Excellence in E-Commerce

Having started off as a counterpart to brick-and-mortar retail, e-commerce has now become an independent channel for high tech products – and one that demonstrates double-digit growth! In just a few years, e-commerce has evolved into an integral sales channel for well-known brands, dealers and manufacturers alike. Recent studies show that 50% of all computers are currently sold online. Meanwhile, emerging opportunities as a result of m-commerce (mobiles/smartphones) and s-commerce (social media) are merely in their initial stages.

DSV Solutions fully integrates its IT systems with your e-commerce platform, offering visibility into inventory, order status and track and trace data. Today's clients are increasingly expecting greater channel mobility, more personalisation and more delivery models. Market analysis has proven that retention rates rise significantly when the logistics requirements are met – with flawless fulfilment execution in late order windows, online insight into stock availability and a choice between different delivery options. To provide your clients with an optimal delivery experience, we have integrated our IT systems with all major parcel distributors, thus enabling your website to host real-time stock and delivery data. Furthermore, we manage regional and central return flows with advanced routing including repair services and spare part distribution.



"DSV has been a valuable partner in Europe for Klipsch for over a decade. The services it provides continue to be an integral part of the logistics strategies regarding how Klipsch stores its products and distributes them throughout the European region. Klipsch is looking forward to a continued value-added partnership with DSV."

MATT CARROLL
LOGISTICS MANAGER
KLIPSCH

DSV: Global strength, local flexibility

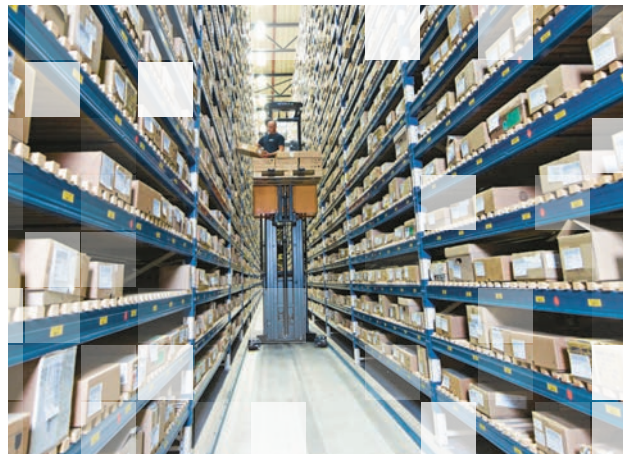
DSV Air & Sea

DSV Air & Sea is a global transport and logistics provider determined to be your preferred service partner for international trade. DSV Air & Sea offers alternative routings and flexible schedules to suit even the most demanding logistical requirements to and from all parts of the world. With approx. 6,000 employees in more than 60 countries, handling more than 750,000 TEUs of seafreight and 250,000 tons of airfreight a year, DSV Air & Sea has the market share and buying power to offer diverse freight forwarding solutions. Local management and autonomy combined with a set of shared cultural values and business tools enable DSV Air & Sea to act with the flexibility of a small business and the strength of a global player. DSV Air & Sea adapts to the ever-changing market conditions of international trade and transport – and creates transport and logistics solutions tailored to your business needs. DSV Air & Sea manages the entire logistics process from pick-up, consolidation and shipment up to distribution to the final destination.



DSV Solutions

DSV Solutions partners up with its customers to design and operate logistics solutions. We add value by increasing operational and cost efficiency. We deliver dedicated and multi-user solutions to suit your needs as well as those of your customers. DSV Solutions employs over 5,000 people and operates more than 130 warehouses comprising a total of 2,200,000 m². We offer a full range of supply chain services, such as inbound logistics, warehouse/inventory management, order fulfilment, value-added services, customs activities, fiscal representation and distribution management. The foundation of DSV Solutions is the know-how and expertise of our staff. You will find it easy and enjoyable to work with us. Regardless of the size of your company, we have an experienced and accessible customer service organisation in place to serve your business.



DSV Road

DSV Road is specialised in designing tailor-made solutions transporting goods to any part of Europe. Customers, whether they be small or have outsourced their whole logistics management to DSV Road benefit from our expertise in cargo transport. DSV Road is among the top three transport companies in Europe with approx. 10,000 employees operating from local offices in 34 countries. We have more than 17,000 trucks on the roads every day and a large network of subcontractors to whom our activities are outsourced. We move all kinds of freight all over Europe in a quick, efficient, flexible and environmentally friendly manner – providing good connections to the rest of the world. We specialise in designing solutions to fit the individual customer's needs – delivering to any part of Europe. We serve all kinds of customers from small enterprises needing occasional cargo transport to large international customers that have outsourced their logistics management to DSV Road.





61 countries

560 locations

22,000 employees

135 warehouses

17,000 trailers on the road

250,000 Tons Airfreight

750,000 TEU

DSV

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