



LIFECONEX CHANGE IN OWNERSHIP: FAQ



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DHL Global Forwarding has taken over full ownership of LifeConEx, which was previously a 50/50 joint venture with Lufthansa Cargo. LifeConEx, an end-to-end life sciences cold chain logistics provider, is now a 100 percent DHL subsidiary.

After running the innovative specialized logistics service together for six years, DHL Global Forwarding and Lufthansa Cargo agreed that a change in ownership would best prepare LifeConEx for future growth. Being unique in the logistics industry at its start in 2005, the joint venture has since become the global leader in its niche market.

This document contains answers to commonly asked questions about the change in the ownership of LifeConEx.

1. Will there be any major leadership change or organizational change for LifeConEx?

No, David Bang, CEO of LifeConEx, continues to lead the company to oversee the transition and lay the foundation for continued successful development of LifeConEx. LifeConEx Board will continue to exist with 3 members solely from DP DHL management and David Bang as a delegate.

2. Will LifeConEx maintain that neutrality status in providing unique solutions to the life sciences customers?

LifeConEx will continue to have the ability to neutrally work with all DHL units and even other forwarders and logistics providers if customers choose to do so. Also, LifeConEx will broaden its airline partnership program and keep the neutral and confidential relationships with its partners.

3. Why would Lufthansa exit this successful JV at this point? Will Lufthansa continue to work with LifeConEx?

Both shareholders have reviewed their strategic position and agreed that it would be the best of their interests and LifeConEx's to change the ownership structure to a 100% DP DHL owned subsidiary to prepare LifeConEx for another exceptional growth in next years to come. With the sale of Lufthansa stake in the company, Lufthansa is now continuing to focus on the airport-to-airport business. Future business cooperation between Lufthansa Cargo and LifeConEx is intended, wherever mutual benefits arise.

4. What does this JV ownership change mean to life sciences companies who are currently using LifeConEx? Does this cause any changes in pricing and agreements?

No impact. It will be business as usual. However, there will be more integrated and broader service offerings available.

5. Where will LifeConEx fit under within DP DHL structure?

LifeConEx Board will continue to exist and David Bang/CEO will report to the Board. Of course, through the ownership change, the board will consist of personnel from DP DHL management. As LifeConEx has been a 50/50 JV between DGF and Lufthansa Cargo, DHL Global Forwarding



will be the home base for LifeConEx, although it will neutrally work with other DHL units and even other forwarders if customers choose to do so.

6. What would happen to current LifeConEx employees?

No impact. Rather, this will be an exciting time for LifeConEx employees who will continue to drive LifeConEx's quality, innovation, and leadership under the new ownership structure.

7. How would DHL utilize its 100% stake in this company to position their Life Sciences leadership even stronger without losing the unique brand and independent services LifeConEx offer?

As a 100% DHL owned subsidiary, while DHL's global presence and leverage will accelerate LifeConEx's development and cooperation with DHL's own cold chain services, LifeConEx will maintain its own entity and neutral brand for highly sensitive and regulated life sciences cold chain market. LifeConEx will continue to have the ability to neutrally work with other DHL units than just DHL Global Forwarding and carriers, forwarders, packaging providers, etc. so that it continues to bring the maximum values to the customers, which is in alignment with DP DHL 2015 strategy.

8. Will LifeConEx be able to maintain its unique culture while well collaborating and leveraging with its 100% owner DHL?

LifeConEx will run independently and entrepreneurially while closely collaborating with DHL.

9. Being well balanced (non-compromised) between quality and cost is critical in this quickly changing life sciences industry, what will be the benefits of this ownership change? Cost optimization and quality improvement? As a customer of DHL, what is in it for me in other words?

Through more integrated (between LifeConEx and DHL) and broader service offerings available, customers will be able to choose the best balanced (between quality and cost) service option based on the product stability, value, and market.

10. With this ownership change, what will be DHL's roles vs. LifeConEx roles in serving life sciences cold chain industry?

DHL's Life Sciences Competence Centers and cold chain products will be strategically supported and powered by LifeConEx's group of cold chain experts, processes, and IT platform. The newly aligned and enhanced services are scheduled to be launched by the end of 2011.

11. How does this ownership change fit in DP DHL's 2015 strategy?

Remaining as an undisputable leader and provider of choice in life sciences & healthcare industry is an essential part of DP DHL 2015 sector strategy. Now with 100% stake in LifeConEx, DP DHL will be able to position LifeConEx to further streamline the cold chain processes, quality measurements, and regulatory compliance, to simplify customers' lives.

12. What will LifeConEx's next few years look like in terms of innovation and solution for the industry?

Reliable cold chain services for emerging markets (i.e. BRIC countries, Middle East, etc.), robust +15 to +25°C solutions, integrated cold chain data portal, and regulatory compliant and auditable service offerings are some of them to mention. Now as a 100% DHL owned subsidiary, LifeConEx will have further leverage in geographical reach and scalability.

13. How will a country organization of DHL work with LifeConEx without losing the local minded solution approach?

LifeConEx has already been working well with DHL country organizations over the last 6 years. LifeConEx's expertise and solutions will continue to supplement DHL's country efforts.

14. Will there also be a shareholder change within Aerologic?

The change of the ownership structure at LifeConEx has no influence on the structure of other subsidiaries.

15. How much did you pay for the 50 %?

Financial terms will not be disclosed.

16. There are Master Lease Agreements with active cool container providers (i.e. Envirotainer, CSafe, etc.) as well as certain agreements with passive packaging providers and other cold chain related service providers (i.e. data loggers, etc.), will there be any change to management of these?

The aim is to consolidate such activities more centrally via LifeConEx.

17. What will happen to LifeConEx's LifeTrack, now with this ownership change?

LifeTrack will continue to be the main operating system for LifeConEx while its usage will be broadened to DGF world as a single cold chain platform with unified data elements, global change management, and harmonized KPIs. This central integrated data portal of processes, temperatures, storage conditions, logistics milestones, packaging validity, product stability, 3PLs, airports, etc. will create more practical business applications to reduce cost, improve overall quality, and ensure compliance.

18. Globally standardized and yet locally executed quality assurance and maintenance under an auditable, pharma relevant QMS (Quality Management System) is what the industry is looking for. What will this change bring to that aspect?

As a 100% owned subsidiary, LifeConEx will be the central cold chain standard & quality assurance and maintenance body for DHL Global Forwarding.

- 19. As a customer, I do not work with DHL because of our global transportation procurement process but needs LifeConEx service. Will this ownership change prevent me from getting such service?**

No, LifeConEx will continue to have the ability to neutrally work with other DHL units than just DHL Global Forwarding and carriers, forwarders, packaging providers, etc. so that it continues to bring the maximum values to the customers.

- 20. Although LifeConEx's origin was from DGF, it seems it works with other DP DHL units offering unique cold chain solutions for such cold chain segments. Would you give some examples?**

LifeConEx is also currently working with DHL Express for their cold chain specialty courier business and with DHL Freight for cold chain road transportation in Europe for a biotech company. LifeConEx is also in discussion with DHL Supply Chain Latin America to expand its partnership Brazil.

- 21. What is the difference between DGF's Life Sciences Competence Centers or Control Towers and LifeConEx?**

DHL's Life Sciences Competence Centers and cold chain products will be strategically supported and powered by LifeConEx's group of cold chain experts, processes, and IT platform known as LifeTrack. The newly aligned and enhanced services are scheduled to be launched by the end of 2011.

- 22. RFID, GPS, etc. technologies are quickly evolving and surely touching the area of visibility and condition of shipments. And DHL Solutions & Innovation group is very active in this area. What is LifeConEx doing about it?**

LifeConEx has been actively engaged in this area with DHL Solutions & Innovation as well as its recent spin-off, Agheera, to be able to offer RFID, GPS, etc. technologies integrated with cold chain transportation services.

- 23. What will happen to LifeConEx's industry leading roles in association with IATA (i.e. Chapter 17, Time & Temperature Task Forces, etc.), PDF PCCIG Task Forces, Rx360, etc.?**

This will continue without any change.

ABOUT LifeConEx

LifeConEx offers peace of mind as the only industry-specific, end-to-end cold chain management solutions provider for the life science industry worldwide. With oversight of the entire global landscape, LifeConEx designs and orchestrates the shipment process end-to-end proactively and reactively, assuring the integrity of your product's desired condition. You experience shorter cycle times, a reduction in temperature excursions, and far fewer damages than typically experienced by shippers. LifeConEx it & Live your Life.

LifeConEx is supply chain party neutral (airlines, forwarders, truckers, packaging, and technology).
