

Media release

Roland Berger Strategy Consultants confirms promising prospects of MES industry in Asia

DKSH, the leading Market Expansion Services provider with a focus on Asia, operates in a highly attractive market with a projected growth of 7.8% per year up to 2018, as confirmed by the most recent market study conducted by Roland Berger Strategy Consultants.

Zurich, Switzerland, March 4, 2014 – With its most recent market study, Roland Berger Strategy Consultants (RBSC) has analyzed the development and growth expectations of the Market Expansion Services (MES) industry in Asia for the third time. The study focuses on four key industries: fast moving consumer goods (FMCG), healthcare products, specialty chemicals and engineered products. Geographically, the report looks at Southeast Asia, Greater China which includes China, Hong Kong and Taiwan as well as Northeast Asia (including Japan). According to RBSC's independent research, the MES market volume in Asia for 2013 reached a total of USD 556 billion and is estimated to rise up to USD 809 billion by 2018, equivalent to an MES market growth rate of 7.8% per year for the forecast period.

This average growth rate of 7.8% is a slightly lower growth compared to the 8.3% growth forecast in last year's report and is a direct reflection of the recent short-term challenges in some Asian markets. Growth forecasts for the FMCG and healthcare sector remain largely stable while expectations for specialty chemicals and engineered products were slightly adjusted downward in comparison to last year's projections.

The long-term growth drivers include a healthy overall Asian economy, a fast-growing middle class with a high share of disposable income and an increase in inner-Asian trade. An even stronger focus of companies on their core competencies coupled with cost pressure from fiercer competition and an intensification of the local regulatory environment are pushing demand for market expansion services further. With increased uncertainty among market players and growing complexity in some Asian markets, outsourcing of parts of the value chain to market expansion service providers is becoming even more attractive. Reliable outsourcing partners, and MES providers in particular, are therefore essential to help Western and Asian companies enter and grow in these emerging markets. Compared to the findings of last year's study, MES providers further increased their market share in 2013 by 1% and now account for 20% of the total consumption market.

The study not only presents robust data on MES market size and growth in the aforementioned four industries across 14 Asian markets, but also provides insights into the market potential of these services for MES providers operating in Asia as well as their clients and customers.

Large pan-Asian, cross-industry MES providers are found to be best positioned to help manufacturers increase their revenues and realize efficiency gains. According to the report, DKSH remains the leading pan-Asian cross-industry MES provider in terms of transaction value and levels of service sophistication.

"We are excited about the positive findings and to be ranked as the leading pan-Asian cross-industry MES provider in Asia. We at DKSH, as the industry leader, believe to be optimally positioned to turn the short-term challenges into opportunities and further strengthening our market position," said Dr. Joerg Wolle, President & CEO of DKSH. The report is based on data from leading institutes and offers valuable insights for market expansion services providers operating in Asia as well as their clients and customers.

The full report is available for download [here](#).

About DKSH Group

DKSH is the leading Market Expansion Services provider with a focus on Asia. As the term "Market Expansion Services" suggests, DKSH helps other companies and brands to grow their business in new

Think Asia. Think DKSH.

or existing markets. Publicly listed on the SIX Swiss Exchange since March 2012, DKSH is a global company headquartered in Zurich. With 680 business locations in 35 countries – 660 of them in Asia – and 26,300 specialized staff, DKSH generated net sales of CHF 8.8 billion in 2012. The company offers a tailor-made, integrated portfolio of sourcing, marketing, sales, distribution, and after-sales services. It provides business partners with expertise as well as on-the-ground logistics based on a comprehensive network of unique size and depth. Business activities are organized into four specialized Business Units that mirror DKSH fields of expertise: Consumer Goods, Healthcare, Performance Materials, and Technology. With strong Swiss heritage, the company has nearly a 150-year-long tradition of doing business in and with Asia, and is deeply rooted in communities and businesses across Asia Pacific.

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