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Singapore

TNT opens road hub in Wuhan, China

Plans to open 10 regional road hubs to tap on China's growing domestic market

18 June 2009 at 09:00 CET - Wuhan, China, TNT today inaugurated a road hub in Wuhan, Hubei Province, which will improve its road distribution network in central China. The regional hub will be managed by TNT's wholly owned subsidiary TNT Hoau. The facility marks another milestone in the development of TNT's Chinese domestic delivery arm, following the introduction of a day-definite ground service in February 2009. TNT plans to open 10 regional road hubs over the next five years to tap on China's growing domestic economy, which is still expected to grow by at least 6.5% in 2009.

The 46,620 square-meter hub is located at the Wuhan Dongxihu Bonded Logistics Centre, at the geographic and economic heart of central China. It will enable TNT to reduce delivery times of its key line-hauls in the provinces of Fujian, Jiangxi, Hunan, Sichuan and Chongqing city by up to 2 days, at 10 percent lower operational cost.

The Wuhan Dongxihu Bonded Logistics Centre supported the establishment of TNT Hoau's regional hub. The hub not only fulfils the operational requirements of TNT Hoau, but also has the advanced features of an international road distribution hub, making it an industry-leading logistics facility in China. The Wuhan Dongxihu Bonded Logistics Centre is the fourth bonded logistics centre in China, after Suzhou, Beijing, and Nanjing. It will allow Wuhan to enjoy the treatment of an international free trade port in central China.

"This is all about increasing the competitiveness of our services to bring even greater value to our customers in China," said Michael Drake, regional managing director of TNT North Asia. "Our continued investment in TNT Hoau, despite the current economic challenges, is a clear demonstration of our focus to be the market leader, and will be critical to TNT's continued success in China. The increasing Chinese domestic consumption will drive a greater need for faster, more comprehensive and consistent road services, and the Mega-hubs will place TNT Hoau in an even stronger position to tap on the future growth of this market."

TNT Hoau, a 100% subsidiary of TNT China, plays a crucial role in TNT's strategy to become No.1 in China. TNT Hoau operates China's most extensive private domestic road transportation network, which consists of 56 domestic hubs, serving 1,260 depots, and covering over 500 Chinese cities.



Michael Drake, Regional Managing Director of TNT North Asia