



DHL Express announces €131 million expansion for Incheon Gateway

- **DHL Express has signed a concession agreement with Incheon International Airport Corporation to expand its Gateway**
- **New expansion is the largest DHL Express investment in South Korea, catering to rising demand in regional e-commerce trade**
- **Investment set to increase gross floor area by almost 200% and total handling volume by over 160%**

Bonn/Seoul, October 15, 2019: DHL Express, the world's leading international express service provider, today signed a concession agreement with the Incheon International Airport Corporation to implement its largest investment in South Korea to-date - a €131 million expansion plan for its gateway in South Korea.

John Pearson, CEO, DHL Express said, "Our quality and speed are crucial for our customers and the main pillars of our growth around the world. Our new investment, the largest one for South Korea so far, helps to connect the world even more and to further improve transit time of global trade and on the trade lanes to Asia."

Ken Lee, CEO, DHL Express Asia Pacific said, "Our Incheon Gateway occupies a vital strategic position along key routes between South Korea and countries like Singapore, Taiwan, Hong Kong and China – all of which are amongst our top ten inbound and outbound markets by express delivery volume. With online retail sales in Asia Pacific expected to reach US\$2.5 trillion¹ by 2023, our latest investments in the Incheon Gateway will align our infrastructure to what Asia's e-commerce generation needs for now and tomorrow."

The expansion of Gateway, located next to Incheon International Airport – currently the world's fourth busiest cargo handler² - brings DHL Express' commitment for this strategic hub to approximately €161 million in total. Since the opening of its Gateway in 2008, DHL Express has seen a growth of over 45% in shipment volume, indicative of the growing role which the Gateway plays in global and intra-regional trade. The multi-year investment is expected to further support demand growth up to 2032. The expanded facility will have a gross floor area of 58,700 square meters from the current 20,000 square meters – an increase of almost 200%. It

¹ <https://go.forrester.com/press-newsroom/retail-sales-in-asia-pacific/>

² <https://aci.aero/data-centre/annual-traffic-data/cargo/2017-cargo-summary-annual-traffic-data/>



will also be equipped with the latest technology for faster, more secure and efficient delivery handling processes.

ByungKoo Han, Country Manager of DHL Express Korea said, “The expansion plan is an important milestone for us and testifies to our long-term commitment to South Korea. With one of the world’s highest rates of online shopping³, and its trajectory to become the world’s third-largest e-commerce market after China and the United States by 2023⁴, this Gateway expansion will create the foundation for e-commerce businesses to expand both locally and across the Asia Pacific region.”

This investment also covers technical upgrades including fully-automated X-ray inspection machines, a four-kilometer conveyor belt, automated sorters, magnetic speed controllers and full CCTV coverage. The new technology will increase the Incheon Gateway’s total handling volume of parcels and documents by over 150% – equipping it to service demand from some of the region’s fastest-growing economies. Aligned to Deutsche Post DHL Group’s mission of net zero logistics-related carbon emissions by 2050, the facility will also incorporate a range of ‘green’ features such as the use of solar power and energy-efficient lighting systems to achieve CO2 reduction of up to 1,500 tons per year.

When completed in Q2 2022, the Incheon Gateway will be DHL Express’s largest gateway in Asia Pacific. Alongside more than 160 customer touch points in the country, DHL Express is well-poised to meet customers’ needs in Korea.

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You can find the press release for download as well as further information on dpdhl.com/pressreleases

³ <https://www.austrade.gov.au/ArticleDocuments/1358/E-Commerce-Korea-Guide.pdf.aspx?Embed=Y>

⁴ <https://www.cnbc.com/2018/04/02/the-5-billion-south-korean-start-up-thats-an-amazon-killer.html>

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50 Years DHL

In 2019 DHL is celebrating 50 years since the company's founding by three entrepreneurs in San Francisco in 1969. DHL began as a disruptor to the traditional delivery industry, circumventing bureaucracy with an innovative new service to deliver documents by air overnight. Since then, DHL has grown into a globe-spanning family of DHL companies with about 380,000 employees in over 220 countries and territories that covers the entire spectrum of logistics and supply chain services. DHL's customer-centricity and can-do culture have fueled five decades of innovation – from the DHL 1000, one of the first word processing computers in the world, to using the purpose built StreetScooter, an environmentally friendly delivery vehicle powered by an electric drive and developed by Deutsche Post DHL Group. With the Mission 2050 commitment to reach zero group-wide emissions by 2050, DHL is continuing to be a trailblazer in the logistics industry.

DHL – The logistics company for the world

DHL is the leading global brand in the logistics industry. Our DHL family of divisions offer an unrivalled portfolio of logistics services ranging from national and international parcel delivery, e-commerce shipping and fulfillment solutions, international express, road, air and ocean transport to industrial supply chain management. With about 380,000 employees in more than 220 countries and territories worldwide, DHL connects people and businesses securely and reliably, enabling global trade flows. With specialized solutions for growth markets and industries including technology, life sciences and healthcare, energy, automotive and retail, a proven commitment to corporate responsibility and an unrivalled presence in developing markets, DHL is decisively positioned as “The logistics company for the world”.

DHL is part of Deutsche Post DHL Group. The Group generated revenues of more than 61 billion euros in 2018.