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Buchanan Capital Partners acquires stake in time:matters

Strong finance partner to spur Lufthansa Cargo subsidiary to new heights / Investment in internationalisation and expansion of special services / time:matters to become European market leader in courier, sameday and emergency logistics by 2010

Buchanan Capital Partners has taken out a majority stake in the Neu-Isenburg-based specialist logistics company, time:matters, a wholly-owned subsidiary of Lufthansa Cargo AG. The new ownership structure is designed to expedite the expansion of the logistics expert, which specialises in express and sophisticated logistics services.

Neither company has disclosed details of the transaction.

Since its spin-off from Lufthansa Cargo in 2002, time:matters GmbH has grown profitably, posting two-digit increases in yearly revenues. To finance further growth, Lufthansa sought a solid and financially strong equity partner willing to invest in the company in the framework of a buyout. After scrutinising diverse options, it decided on the medium-size company finance house and growth investor Buchanan Capital Partners, headquartered in Starnberg.

“Buchanan Capital Partners is for us the idea partner to lastingly underpin the successful organic growth of time:matters GmbH and fuel the company’s continued expansion. With this transaction, Lufthansa is entering such a close partnership with a private equity firm for the first time,” said Dr. Roland Busch, Lufthansa Cargo Executive Board Member Finance and Human Resources. Lufthansa Cargo has re-invested in a 49 per-cent stake in the logistics specialist. “We are convinced of the attractiveness of the business,” said Dr. Busch who is retaining his seat on the advisory board of time:matters. He continued: “With the buyout, we are taking time:matters nearer its goal of becoming European market leader in courier, same-day and emergency logistics by 2010.”

“The new ownership structure will generate a tailwind to help us spur the company further forward and realise additional potential. We are looking forward to a good future with strong partners, who are injecting not only capital but outstanding industry contacts and additional expertise. Our customers will profit from our company’s ongoing internationalisation,” observed Franz-Joseph Miller, Managing Director of time:matters, commenting on the transaction. “Since acquiring autonomy five years ago, time:matters has returned yearly revenue growth of more than 30 per cent and evolved into an established specialist for express and emergency logistics.”

For Buchanan Capital Partners, time:matters is a good example of how equity capital can be sensibly employed to fund lasting growth and, simultaneously, create added-value. The Starnberg finance house pursues a private equity model exclusively geared to funding the growth of medium-size companies and based on longer term partnership and cooperation.

“time:matters is an exceptionally well-positioned company with outstanding management. We are proud of concluding such a prestigious transaction within less than twelve months of setting up the Buchanan Funds,” said a Buchanan Capital Partners spokesman, commenting on the successful buyout. Buchanan Capital Partners attaches major importance to partnership and close cooperation with Lufthansa Cargo.

All the workforce of about 45 staff will remain employed.

Buchanan Capital Partners GmbH

Buchanan Capital Partners manages funds, which are invested in profitable and strong-growth companies in the German-speaking region. To underpin further growth by those companies, Buchanan Capital Partners takes out minority stakes in medium-size firms or acquires a majority holding within the framework of a buyout. The management of Buchanan Capital Partners commands a wealth of expertise in private equity transactions, corporate finance and business consulting. It has more than 30 years' experience with prestigious international private equity companies.

Buchanan Capital Partners GmbH is a member of the Buchanan Capital Group. The bank-independent finance house, headquartered in Starnberg, offers premium mid-size companies flexible, individual financing solutions uniquely combined with professional capital market advice. Its portfolio encompasses equity capital, mezzanine and debit-financing solutions as well as corporate finance services.

Lufthansa Cargo AG

Lufthansa Cargo ranks among the world's leading cargo carriers. In 2005, it transported more than 1.74 million tonnes of cargo and mail, logging 7.8 billion revenue freight-kilometres. It serves more than 500 destinations in a global route network with its own fleet of 19 MD-11 freighters, with chartered capacities on other airlines, with freight capacities in the bellies of Lufthansa passenger aircraft or on road feeder services (RFS). The bulk of the freight transported by Lufthansa Cargo is transhipped through Frankfurt Airport, Europe's biggest air cargo hub.

time:matters GmbH

time:matters GmbH specialises in courier, sameday and emergency logistics, offering customised logistics solutions for “impossible” and complex logistics solutions. Its customer-specific services tailored to individual needs and 24-hour call service are meeting with growing demand. Its Germany-wide and international Special Speed Solutions are based on fast and reliable delivery of highly urgent and important shipments by air, rail or road. time:matters makes maximum use of the entire network of scheduled flights operated by Lufthansa as well as numerous other flight connections laid on by partner airlines: Those services add up to more than 900 continental and 100 intercontinental connections to around 400 destinations in 90 countries. Additionally, time-matters currently operates services through about 140 ICE and EC/IC rail depots in Germany.

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