Logwin: high costs of transportation impact first quarter result

- **Sales: 329.9 million euros / Operating income: 6.1 million euros**
- **Solutions: reduction in structural costs to increase efficiency**
- **Air + Ocean: stable income with declining sales due to freight rates**
- **Net result: 2.9 million euros**

Grevenmacher (Luxembourg) - The Logwin Group generated sales of 329.9 million euros in the first quarter of 2012. This represents an increase of 1.9 % over the previous year's figure (2011: 336.3 million euros). Operating income (EBIT) in the reporting period amounted to 6.1 million euros and was thus 2.3 million euros below the figure for the previous year (2011: 8.4 million euros). There was a corresponding decline in the EBIT margin to 1.8 %. Net financial result once more improved to -1.7 million euros (2011: -2.6 million euros). Overall, the Logwin Group concluded the first quarter of 2012 with a net result of 2.9 million euros (2011: 3.4 million euros).

Berndt-Michael Winter, Chairman of the Executive Committee (CEO) of Logwin AG comments, "We cannot be satisfied with the result in the first quarter. Performance at Solutions was disappointing due to the extremely high costs of transport and it did not come up to our expectations. We will therefore get the business segment on track through targeted measures aimed at reducing administrative costs and increasing operational efficiency. One example of these is the long-term framework agreement with DTL aimed at improving the utilisation of our retail network. Air + Ocean again showed solid business performance, which we also expect to see through the rest of the year."

The business segment **Solutions** generated sales of 181.5 million euros in the first three months, which represented a slight increase (2011: 180.7 million euros). The functional unit Logistics and Warehousing experienced positive growth and higher volumes than last year, particularly in activities in the region Central and Eastern Europe. The General Cargo unit also achieved moderately positive growth. Retail Network, part of the functional unit Transport and Retail Networks, similarly reported a slight growth in sales, while the Media unit was faced with falling volumes. Operating income (EBIT) for the reporting period totalled 1.3 million euros (2011: 4.2 million euros). Increased fuel and transportation costs had a significant impact on this. Expenses incurred for measures aimed at reducing structural costs and increasing efficiency and productivity at the business segment also affected operating income.

At the business segment **Air + Ocean** sales declined compared with the previous year to 148.6 million euros due to continuing lower freight rates (2011: 155.7 million euros). Despite lower sales, the previous year's performance level could be maintained. The business segment achieved operating income (EBIT) of 6.0 million euros in the first three months of 2012, also assisted by special effects (2011: 5.9 million euros). Asian business units in particular showed pleasing development in the first quarter.

Outlook

The Logwin Group assumes that there will be continued recovery in the German and global economies in the current year. This should have a positive effect on business volumes and consequently on sales. The Logwin Group expects stable earnings for 2012 compared with last year and has already initiated measures aimed at reducing costs and improving profitability, particularly in the business segment Solutions. Their implementation will shape performance at the business segment Solutions in the current year. The business segment Air + Ocean anticipates continuing robust business development with increasing freight rates over the course of the year. Moreover, reduced interest expenses will also have a positive effect.

The quarterly financial report 2012 of the Logwin Group is available on the Internet at:
www.logwin-logistics.com

About Logwin AG
Logwin AG, Grevenmacher (Luxembourg), develops comprehensive logistics and service solutions as an external partner for industry and trade. In 2011, the group generated sales of 1.3 billion euros and currently employs approximately 5,800 staff. Logwin operates in all main markets worldwide and has over 250 locations across all continents. With its two business segments Solutions (customer-focused contract logistics solutions) and Air + Ocean (global air and sea freight activities), Logwin AG is one of the leaders in the market.

Logwin AG is listed in the Prime Standard of the Deutsche Börse. The majority shareholder is DELTON AG, Bad Homburg (Germany).

Contact: **www.logwin-logistics.com**

Dominique Simone Klopp
Public Relations
Phone: +352 719690-1354
Fax: +352 719690-1359
pr-info@logwin-logistics.com

Dr. Karl-Heinz Kramer
Investor Relations
Phone: +352 719690-1112
Fax: +352 719690-1359
ir-info@logwin-logistics.com

Key Figures January 1 – March 31, 2012

Group *in thousand €*	**2012**	2011
Net Sales	329,863	336,280
Change to 2011	*–1.9 %*	
Operating Income (EBIT)	6,102	8,396
Margin	*1.8 %*	*2.5 %*
Net Result	2,874	3,412
Operating Cash Flows	–3,200	–10,509
Net Cash Flow	–4,721	–10,025

Business Segments *in thousand €*	**2012**	2011
Solutions		
Net Sales	181,468	180,677
Change to 2011	*0.4 %*	
Operating Income (EBIT)	1,308	4,194
Margin	*0.7 %*	*2.3 %*
Air + Ocean		
Net Sales	148,551	155,666
Change to 2011	*–4.6 %*	
Operating Income (EBIT)	5,986	5,878
Margin	*4.0 %*	*3.8 %*

	March 31, 2012	Dec. 31, 2011
Equity Ratio	38.2 %	37.2 %
Net Financial Debt *(in thousand €)*	16,984	11,694
Number of Employees	5,758	5,925

The Quarterly Financial Report 2012 is published both in English and German. The English version is a translation from the German original, which is authorative.