

# Media Release



## CEVA Holdings LLC reports 2014 first quarter results

- Adjusted EBITDA of \$43 million increased 7.5% driven by strong performance in Contract Logistics
- Contract Logistics adjusted EBITDA increased 37.8% year-on-year in Q1
- Strongest quarter for new business wins in nearly two years, particularly in Freight Management
- Xavier Urbain appointed Chief Executive Officer, effective January

Hoofddorp, the Netherlands, 6 May, 2014 – CEVA Holdings LLC (“CEVA”), one of the world’s leading non-asset based supply chain management companies, today reported results for the first quarter ended 31 March, 2014.

“CEVA continues to show strength in Contract Logistics driven by initiatives the company put in place to increase profitability,” said CEVA CEO Xavier Urbain, who took over as the company’s Chief Executive in January. “We have not, however, been immune to market conditions that have impacted Freight Management. Despite that, I am pleased to report we had our strongest quarter in nearly two years for new business wins, showing particular strength in Freight Management as we exited the quarter. While revenue from these wins won’t be reflected until subsequent quarters, it shows positive momentum in the business.

“During my first few months at CEVA, I have visited many of our operational bases and have been impressed by both the professionalism and commitment of our people. It is clear that we have tremendous potential that can be focused on building the top line while we also continue to keep tight control on costs.”

CEVA reported revenue of \$1,865 million for the three months ended 31 March 2014, down 8.9% year-on-year, as continuing weakness in Airfreight and Oceanfreight overall impacted Freight Management performance, where revenues decreased 11.5% compared to the same period last year.

Adjusted EBITDA<sup>1</sup> increased 7.5% to \$43 million, driven by a strong performance in Contract Logistics where profits increased 37.8% as part of CEVA’s decision to exit underperforming contracts last year, which also resulted in an expected and planned reduction in revenue in this segment. The strong performance in Contract Logistics was offset by weakness in Freight Management where lower volumes and margin pressure out of Asia adversely impacted performance.

The quarter showed momentum in new business performance led by excellent results in the Automotive sector led by two significant individual wins with blue-chip customers. These major new contracts are being implemented currently.



During the first quarter, CEVA announced a number of new contracts, expansions and enhancements, including a three year contract with MANN+HUMMEL, a customs brokerage deal with Volvo, an expanded presence in Panama City, as well as in four strategic Mexican markets, and the introduction of CEVA's Mobility Suite based on CEVA Matrix® Transportation Management Solution (TMS).

Separately, the company also announced the completion of a capital structure refinancing that extended all material maturities and increased liquidity by \$100 million.

-Ends-

**Contact:**

Mike Darcy

+31 622 482 604

[mike.darcy@cevalogistics.com](mailto:mike.darcy@cevalogistics.com)

<sup>1</sup>*Excludes the impact of specific items that are significant non-recurring items such as restructuring and certain legal expenses.*

**CEVA - Making business flow**

CEVA, one of the world's leading non-asset based supply chain management companies, designs and implements industry leading solutions for large and medium-size national and multinational companies. Approximately 44,000 employees in more than 170 countries are dedicated to delivering effective and robust supply chain solutions across a variety of sectors where CEVA applies its operational expertise to provide best-in-class services across its integrated network. For more information, please visit [www.cevalogistics.com](http://www.cevalogistics.com).

**SAFE HARBOR STATEMENT:**

*This news release may contain forward-looking statements. These statements include, but are not limited to, discussions regarding industry outlook, the Company's expectations regarding the performance of its business, its liquidity and capital resources, its guidance for 2014 and beyond, and the other non-historical statements. These statements can be identified by the use of words such as "believes" "anticipates," "expects," "intends," "plans," "continues," "estimates," "predicts," "projects," "forecasts," and similar expressions. All forward-looking statements are based on management's current expectations and beliefs only as of the date of this press release and, in addition to the assumptions specifically mentioned in the above paragraphs, there are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements, including the effect of local and national economic, credit and capital market conditions, a downturn in the industries in which we operate (including the automotive industry and the airfreight business), risks associated with the Company's global operations, fluctuations and increases in fuel prices, the Company's substantial indebtedness, restrictions contained in its debt agreements and risks that it will be unable to compete effectively. Further information concerning the Company and its business, including factors that potentially could materially affect the Company's financial results, is contained in the Company's annual and quarterly reports, available on the Company's website, which investors are strongly encouraged to review. Should one or more of these risks or uncertainties materialize or the consequences of such a development worsen, or should underlying assumptions prove incorrect, actual outcomes may vary materially from those forecasted or expected. CEVA disclaims any intention or obligation to update publicly or revise such statements, whether as a result of new information, future events or otherwise.*