

CEVA Holdings LLC

Results for the Second Quarter ended 30 June 2015

- **Q2 adjusted EBITDA up 25.0% year-over-year, up 31.7% in constant currency**
- **Continued volume growth and margin improvement**
- **Strong new business pipeline – Freight Management up 7%, Contract Logistics up 16%**
- **Q2 performance shows acceleration of benefits from execution of business line strategy**

Hoofddorp, the Netherlands, 7 August, 2015 – CEVA Holdings LLC (“CEVA” or the “Company”), one of the world’s leading non-asset based supply chain management companies, today reported results for the three months ended 30 June 2015.

K e y Financials (\$ millions)	Quarter			
	Q2 2015	Q2 2014	% Change	% Change Constant FX
Revenue	1,776	1,978	-10.2%	0.3%
Adjusted EBITDA¹	75	60	25.0%	31.7%

¹Includes the proportional contribution of the Anji-CEVA joint-venture. Excludes the impact of specific items which are significant non-recurring items such as restructuring and certain legal expenses.

CEVA’s significant increase in profitability in the Second Quarter illustrates benefits being derived from execution of the Company’s business line strategy implemented January 1, 2015. The Company turned in a solid Second Quarter performance in the face of several industry headwinds and significant exchange rate fluctuations.

Second Quarter revenue of \$1,776 million was up 0.3% year-over-year in constant currency driven by volume growth, partially offset by freight rates and fuel prices. Adjusted EBITDA was up 25.0% year-over-year, and up 31.7% in constant currency.

Freight Management delivered significant EBITDA improvement in the Second Quarter. The Company's continued focus on productivity increases, process improvements and effective transportation procurement drove 250 basis points of improvement in Freight Management margin in the Second Quarter. Volumes held steady in the face of uneven global demand. Q2 Air Freight volumes were up 0.7% year-over-year due to a weakening Asia Pacific export market. Ocean Freight volumes were up 4.0% year-over-year reflecting solid growth in Europe.

Contract Logistics maintained industry-leading adjusted EBITDA margins of 5.5% in the Second Quarter, up from 4.9% in the First Quarter driven by ongoing focus on underperforming contracts and effective warehouse space utilization. Contract Logistics revenue was up 0.9% year-over-year in constant currency. CEVA generated \$38 million of cash driven by improving earnings performance and continuing working capital management.

“The benefits resulting from CEVA's new operating model are accelerating,” said Xavier Urbain, CEO of CEVA. “As the Second Quarter illustrates, execution of our strategy is producing visible progress and increased profitability. We foresee significant upside potential by continuing this focus on operational excellence and efficiency for both our customers and ourselves. We continue to invest heavily in Business Development both on Key Accounts and Small and Medium-sized Enterprises to drive topline growth.”

Business Development: Strong Q2 New Business Pipeline

CEVA's new business pipeline showed continued strength in the Second Quarter, above prior year levels. The Freight Management new business pipeline was seven percent above prior year; the Contract Logistics new business pipeline advanced 16% year-over-year. The Freight Management hit rate in the quarter was a stable 28%, while the Contract Logistics hit rate increased sequentially to 24% from 21%.

Technology and Healthcare sectors showed particular strength in the quarter. New business from small and medium-sized enterprises (SMEs) increased 21% sequentially.

CEVA launches new Project Logistics Division

In addition, CEVA today announced the launch of a new global Project Logistics Division, reporting to Helmut Kaspers, Chief Operating Officer, Global Air and Ocean Freight. This new division enables CEVA to enhance and provide knowledge transfer of its highly successful Energy (Oil, Gas, Renewal) sector services to other sectors, with a particular focus on Industrials, Aerospace and Mining.

The Project Logistics Division centralizes sector and transportation procurement expertise – including CEVA’s highly respected Air Charter services, Ocean Chartering as well as full Turnkey Projects – to enhance quality and drive revenue growth in industries in which CEVA can provide unique value. The company’s current Project Logistics Global Competence Centers are located in Houston and Rotterdam, and will be expanding to Singapore, Shanghai and Dubai by year-end.

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