

Quarterly Financial Report 2008

Logwin AG



 **LOGWIN**
Your Logistics.

Key Figures January 1 – March 31, 2008

	<i>in thousand €</i>		3 Months	
Group	2008	2007	Δ in %	
Sales	523,180	507,462	3.1	
Gross profit <i>Margin</i>	40,909 7.8 %	42,277 8.3 %	-3.2	
Earnings before Interest and Taxes (EBIT) before Restructuring Costs <i>Margin</i>	10,824 2.1 %	13,013 2.6 %	-16.8	
Earnings before Interest and Taxes (EBIT) <i>Margin</i>	10,824 2.1 %	11,958 2.4 %	-9.5	
Net Result <i>Attributable to Shareholders of Logwin AG</i>	3,745 3,437	4,729 4,195		
Earnings per Share (in €)	0.03	0.04		
Operating Cash Flow	-11,354	-4,631		
Net Cash Flow	-13,821	-14,613		

	<i>in thousand €</i>		3 Months	
Business Segments	2008	2007	Δ in %	
Solutions				
Sales	188,114	199,332	-5.6	
Segment Result <i>Margin</i>	7,448 4.0 %	11,002 5.5 %	-32.3	
Air + Ocean				
Sales	136,801	116,728	17.2	
Segment Result <i>Margin</i>	5,081 3.7 %	3,582 3.1 %	41.8	
Road + Rail				
Sales	211,304	203,040	4.1	
Segment Result <i>Margin</i>	-496 -0.2 %	-880 -0.4 %	-	

	<i>in thousand €</i>	
	Mar. 31, 2008	Dec. 31, 2007
Equity Ratio	34.7 %	34.8 %
Net Financial Debt	160,076	142,787
Number of Employees	8,614	8,483

Overview

New Brand

The new brand for the group, Logwin, was published on March 11, 2008. Following the parent company's change of name to Logwin AG in April, subsidiaries in the core markets will be renamed effective July 1, and the new brand established simultaneously.

Sales

Logwin AG generated sales of 523.2 million euros in the first three months of 2008. Compared with sales of 507.5 million euros in the same quarter of the previous year, this represents an increase of 3.1 %.

Earnings

In the first quarter of 2008, earnings before interest and taxes (EBIT) were at 10.8 million euros, after 12.0 million euros in the first quarter of the previous year. Taking special effects into consideration EBIT was on the previous year's level and fully in line with expectations.

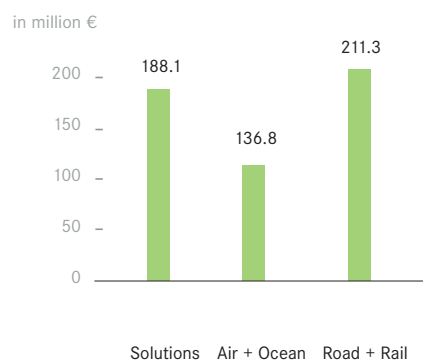
Business Segments

On the back of a pleasing sales development, the business segment Air + Ocean increased its earnings by more than 40 %. The business segment Solutions experienced a decline in sales and earnings compared with the same quarter of the previous year. This reflects the loss of sales and earnings contributions from large customers in the business unit Consumer Goods. Sales and earnings in the business segment Road + Rail were slightly up on the previous year and in line with expectations.

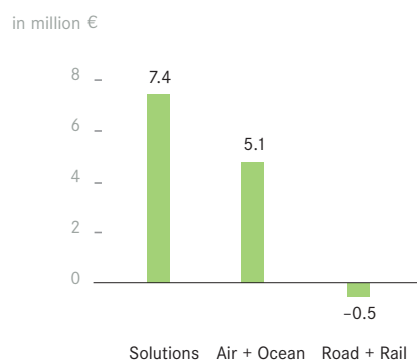
Outlook

The Logwin Group still expects a slight increase in sales for 2008. Despite limited costs resulting from the rebranding of the group to Logwin, a noticeable increase in EBIT and net earnings is expected.

Sales by business segments



Result by business segments





LOGWIN

Your Logistics.



The Executive Committee of Logwin AG unveiled the new common brand for the first time at the annual press conference on March 11, 2008. From left to right: Helmut Kaspers, Dr. Antonius Wagner (Deputy Chairman), Berndt-Michael Winter (Chairman), Klaus Hrazdira and Detlef Kükenshöner

Thiel Logistik is now Logwin

Logwin – this is the new common brand under which all companies in the former Thiel Group will operate in the near future. The new brand combines three essential elements: it expresses our positioning as logistics partner, it is a value proposition to our customers and it signals our new launch as an integrated logistics service provider.

The shareholders of Thiel Logistik AG approved the rebranding of the parent company into Logwin AG almost unanimously on April 9. This decision, which has become effective immediately under Luxembourg law, marked the start of the global rebranding of all group companies. The businesses in Germany, Austria, Switzerland, Belgium, Luxembourg, Liechtenstein and the Netherlands as well as all Air + Ocean companies will be rebranded as of July 1. On the basis of its successfully established new corporate structure and the common brand, the company operates fully in line with its customers' needs and their requirements. To their business, Logwin will make a lasting contribution. **Your logistics.**

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Economic Conditions and Report on the Stock and Corporate Bond

Global economic conditions Turbulences in the international financial markets triggered by the US housing crisis led to a high degree of uncertainty about the further economic development. It is generally accepted that a recession in the US economy can no longer be ruled out. According to the Kiel Institute for the World Economy, global economic growth rates will be lower this year and next year than in recent years. However, the Institute does not believe that any further decline in economic development beyond this is likely as the internal driving forces in most industrialized countries are still intact and the pace of growth in the emerging economies continues unabated. The International Monetary Fund forecasts a growth rate of 3.7 % for the global economy for 2008. The OECD expects growth in gross domestic product (GDP) in the euro zone to reach 1.9 % for the year.

Business activity in Germany remained robust against the background of international uncertainty over economic development. For the first quarter of the current year the economic barometer of the German Institute for Economic Research expects growth in overall economic performance of 0.5 % compared with the previous quarter. Stimulus for growth came primarily from manufacturing and business services.

Developments in the logistics industry The essential developments in relevant logistics markets continued in the first quarter. Cost increases in the transport industry have eased slightly, but only around one third of companies were able to establish higher prices with their customers. Thus, there has still been no relief to the industry's cost situation. The development of overland transportation costs in Europe remains a key challenge for the Logwin Group.

Developments in the German and European stock markets Following a weak start to the year, the stock markets experienced volatile stock performance and recorded heavy losses. The reason for this were continuing fears about the threat of a slowdown in the US economy and further pressures as a result of the mortgage crisis in the US housing market. Despite predominantly positive corporate announcements regarding the fiscal year 2007, the DAX failed to pass the 7,000 point mark and finished the reporting period at 6,535 points. This corresponds to a decline of 19.0 % compared with the end of the previous year. The SDAX surpassed the development of the DAX, but still finished the first quarter of 2008 13.5 % down compared to the end of 2007.

Logwin share In a volatile capital market, the Logwin AG share price experienced a downward trend in the first three months of 2008. Despite positive reporting on new customer business, the opening of new locations and a highly positive reaction to the new corporate brand, Logwin AG was not able to maintain last year's closing price of 2.70 euros during the reporting period. Following some in part significant price declines, Logwin shares finished the quarter at a closing price of 1.75 euros, which represents a fall of 35.2 % compared to the end of last year.

A total of 4.8 million shares in Logwin AG were traded on all German stock exchanges. This represents a turnover of 9.4 million euros, with the average volume per trading day amounting to 78,170 shares.

As of March 31, 2008, DELTON AG, Bad Homburg (Germany), held the majority of shares in Logwin AG. The members of the Board of Directors and the Executive Committee do not hold any shares or options to purchase shares in Logwin AG.

The rebranding of Logwin AG means that the shares and the corporate bond have been traded under the new name of Logwin AG since the middle of April. The securities identification numbers remain unchanged.

Key figures for the Logwin share

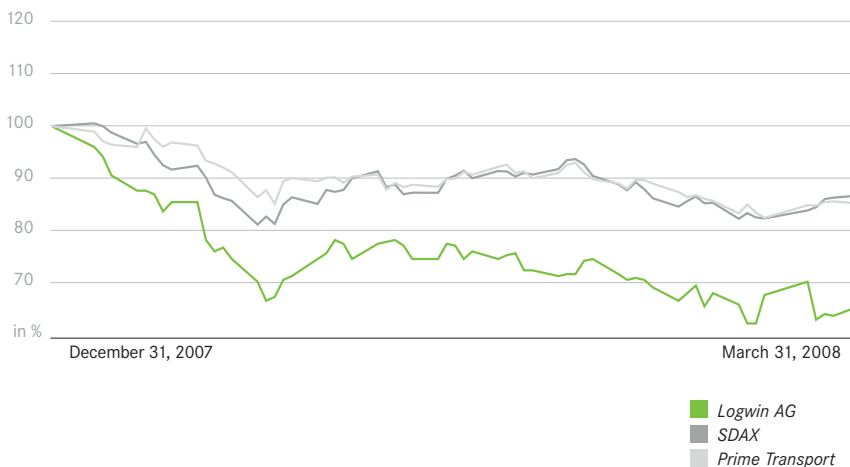
		March 31, 2008	March 31, 2007
Closing price (Xetra)	in euros	1.75	2.87
Hight / Low 52 weeks	in euros	3.04 / 1.66	3.60 / 2.76
Total number of shares	in units	111,474,987	111,474,987
Market capitalization	in million euros	195.1	319.9
Earnings per share	in euros	0.03	0.04
Operating cash flow per share	in euros	-0.10	-0.04

Development of European high yield bonds The European bond markets were characterized by considerable volatility. Spreads on corporate bonds widened and the value of most corporate bonds experienced a negative development. International bond markets were characterized by both the consequences of the US mortgage crisis and also the economic situation in the USA.

Corporate bond The price of Logwin AG's corporate bond declined in the first three months of the year. The risk premium to a secure alternative (credit spread) rose significantly in line with the general market trend from an initial value at the start of the year of 552 base points to 957 base points by the middle of March. At the end of the reporting period the credit spread amounted to 851 base points.

Corporate rating The Logwin Group's rating by the rating agency Moody's remained unchanged at "B2" and by rating agency Standard & Poor's at "B". Standard & Poor's raised its rating for the corporate bond from "CCC+" to "B-" at the middle of March. This means that the subordinate bond is rated one notch lower than the group as a whole. Moody's rating for the corporate bond is still two notches lower than the group as a whole. Both rating agencies judged the prospects for the corporate rating unchanged at "stable".

Share of Logwin AG vs. benchmark indices (rebased)



Sales and Earnings Development

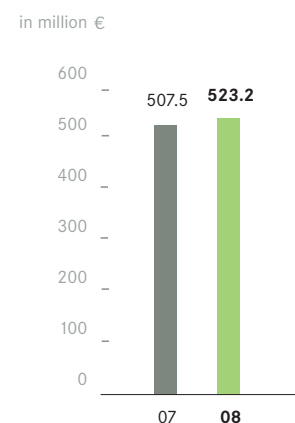
Key Figures of the Consolidated Statement of Income

January 1–March 31,	<i>in thousand €</i>	2008	2007	Change
Net Sales		523,180	507,462	3.1 %
Cost of sales		-482,271	-465,185	3.7 %
Gross profit		40,909	42,277	-3.2 %
Operating expenses		-30,337	-29,344	3.4 %
Other financial income (expenses)		252	81	212.9 %
EBIT before restructuring costs		10,824	13,013	-16.8%
Restructuring costs		-	-1,055	-100.0 %
Earnings before interest and taxes (EBIT)		10,824	11,958	-9.5 %
Net interest		-4,302	-4,285	0.4 %
Income taxes		-2,777	-2,944	-5.7 %
Net result		3,745	4,729	-20.8 %
Attributable to:				
Shareholders of Logwin AG		3,437	4,195	-18.1 %
Minority shareholders		308	535	-42.4 %
Depreciation and amortization		-6,369	-7,485	-14.9 %
EBITDA		17,193	20,498	-16.1 %
Operating lease expenses		-18,404	-15,988	15.1 %
EBITDAR		35,597	36,486	-2.4 %
Gross Margin ¹		7.8 %	8.3 %	-0.5 %
EBIT-Margin ^{1,2}		2.1 %	2.6 %	-0.5 %
EBITDA-Margin ^{1,2}		3.3 %	4.0 %	-0.7 %
EBITDAR-Margin ¹		6.8 %	7.2 %	-0.4 %
EBITDA / Net interest		3.99	4.78	-16.5 %

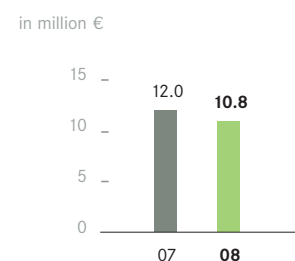
¹ Change in percentage points

² EBIT before restructuring

Sales



EBIT



Logwin Group The Logwin Group achieved sales of 523.2 million euros in the first quarter of 2008. This corresponds to an increase of 3.1 % compared with the previous year at 507.5 million euros. After adjustments for the effects of exchange rate changes as well as for acquisitions and divestments, sales showed an organic growth of 6.2 % compared to the previous year.

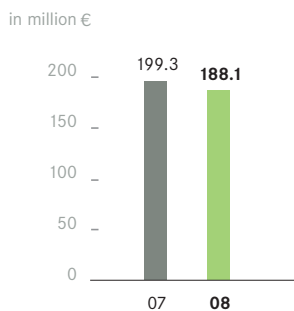
Gross profit declined to 40.9 million euros (2007: 42.3 million euros). This is mainly due to a decrease in quantities and lower transport volumes in some contract logistics transactions. While costs of purchased services remained stable in line with sales development, operating staff expenses as well as other expenditures rose driven by customer demand.

At -30.3 million euros, operating expenses were on a similar level with the previous year (2007: -29.3 million euros). The operating expenses for the previous year included profits in the amount of 1.0 million euros from the sale of intermodal activities at a Salzburg location. After making adjustments for this effect, expenses were stable following the bundling of administrative activities as well as the conclusion of other restructuring measures. Depreciation included in cost of sales and operating expenses amounted to -6.4 million euros (2007: -7.5 million euros).

After taking special effects into consideration, earnings before interest and taxes (EBIT) were, as expected, at the same level as the previous year and amounted to 10.8 million euros after the first three months of the current year (2007: 12.0 million euros). Besides seasonal effects, EBIT was mainly impacted by the decline in the result of the business unit Consumer Goods in Germany and Poland compared with the same period last year, and for the first time by expenses incurred by the introduction of the new corporate brand of around -0.5 million euros.

At -4.3 million euros, interest expense remained stable at the same level as last year. Income tax decreased in comparison with last year by 0.1 million euros to -2.8 million euros.

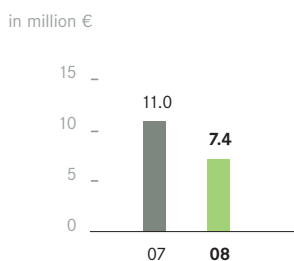
Sales Solutions



Solutions The business segment Solutions provides full-service contract logistics solutions. The portfolio of services ranges from industry-specific supply chain management and warehousing to value-added logistics services and complete outsourcing projects. With its four business units Industrial Goods, Consumer Goods, Fashion and Media, Solutions implements innovative and comprehensive solutions for customers and entire industries.

In the first three months of 2008, the business segment Solutions achieved sales of 188.1 million euros, which came in below the previous year's figure of 199.3 million euros. The fall of 5.6 % reflects the loss of sales from terminated customer projects. Moreover, the business unit Fashion experienced a slight seasonal decline in sales. The business unit Media reported a market driven slight decline in sales with existing customers. In contrast to the overall development in the business segment during the first quarter, there was sales growth in the business unit Industrial Goods.

Result Solutions



The result for the business segment Solutions amounted to 7.4 million euros, following 11.0 million euros for the previous year. The missing contributions from terminated customer projects were primarily responsible for this. The decline in performance was also the result of increased operating expenses for new projects in the business unit Industrial Goods as well as lower sales in transportation services in selected customer projects of the business unit Consumer Goods in Germany and Poland. The operating margin of the business segment Solutions was 4.0 % (2007: 5.6 %). Last year the business segment realized earnings by merging its rail-loading activities at a Salzburg location into a strategic partnership.

During the first three months of 2008, the business segment intensified the integration of its business units' activities in selected locations. Through the shared use of capacities, it was able to give up existing locations, optimize its cost structure and to achieve efficiency gains. The integration of different customer solutions and the shared use of so-called multi-user centers together with the cross-unit utilization of available expertise form the core elements of the future alignment of contract logistics activities.

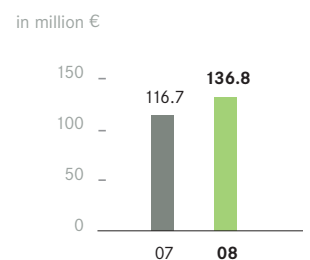
The business segment Solutions continued to expand its business with established customers. For example, in the business unit Industrial Goods the provision of services for existing customers was extended systematically. Moreover, growth was experienced in business with new customers. In the business unit Fashion a cooperation agreement with a garment manufacturer was initiated. The cooperation covers not just traditional transportation services but also additional essential logistics activities for finished goods – beginning with the consolidation of incoming items and quality controls through to storage as well as order picking and goods distribution. In the business unit Consumer Goods, sales activities, especially in Germany and Poland, focused on further improving capacity utilization.

Air + Ocean The business segment Air + Ocean combines intercontinental air and sea freight forwarding into efficient, comprehensive logistics solutions. Additional inbound and outbound activities include value-added services such as warehousing, distribution and order picking. The business segment coordinates the entire delivery chain from the selection of the right transportation mode through to a reliable transportation service. The business segment Air + Ocean develops its individual logistics solutions based on a large international network of locations in its business units Europe Middle East, South East Asia, Far East, Americas and Africa.

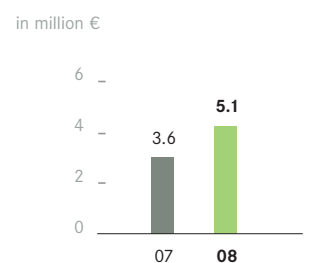
The business segment Air + Ocean increased its first quarter sales of 2008 from 116.7 million euros in the same period last year to 136.8 million euros. The pleasing growth of 17.2 % effects a significantly larger share in group sales as against the previous year. Growth was primarily due to the very strong increase in import shipments from Asia to Europe in the business unit Europe Middle East. The business units South East Asia and Americas also made considerable contributions to the increased sales volume. Existing companies in China, Hong Kong and Singapore as well as the new country organization in Mexico provided important growth stimulus. Overall, the volume increases in the business segment surpassed the sales growth, mainly as a result of slightly declining sea and airfreight rates.

Segment earnings increased by more than 40 %, from 3.6 million euros in the same period last year to 5.1 million euros. The operating margin grew accordingly from 3.1 % to 3.7 % and confirms the strategy of extending the air and sea freight business within the group. Major profit contributions also came from the increase in Asian imports to Europe. Activities in Southeast Asia as well as the transport and warehousing business in South Africa contributed to the growth in earnings as well. Slightly negative effects on earnings resulted from start-up costs for customer projects in Mexico and the systematic expansion of sales activities in China.

Sales Air + Ocean



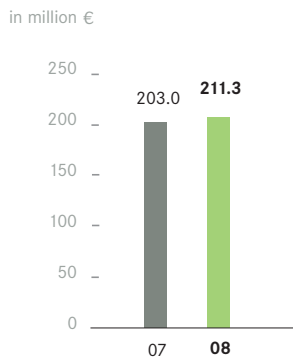
Result Air + Ocean



The business segment continued in extending its global network during the first quarter. In Mexico, the new country organization started operations, and in Peru an important step was taken towards full integration into the global IT system. The final steps were taken towards a further expansion of the logistics solutions for a successful large customer project in Poland with the further development of an automated picking system.

New customers were acquired, principally in the business units Far East and South East Asia. Many new customers were acquired in China, Thailand, Hong Kong, Vietnam and Australia, above all in the areas of consumer and industrial goods. Business with existing customers also experienced significant growth. In this area important impulses came from Europe Middle East and South East Asia.

Sales Road + Rail

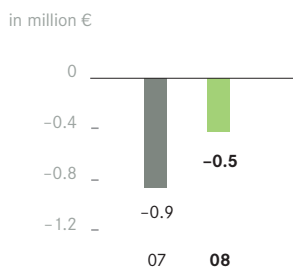


Road + Rail The business segment Road + Rail, with its European land transportation organization, stands for the group's high level of expertise in developing and providing land transportation services. The main competences of Road + Rail, operating in the business units Western Europe, Central Europe and Eastern Europe, include foremost the establishment of optimized interlinks among the economic centers of Eastern and Western Europe.

In the business segment Road + Rail sales increased by 4.1 % from 203.0 million euros to 211.3 million euros. While the sales in Central Europe remained stable, the main areas of growth were the business units Eastern Europe and Western Europe. Growth drivers were above all the fast-growing transport and logistics activities in Poland, selected customer relationships in Austria, Germany and Romania as well as overall increasing transportation services to Eastern Europe.

The result of the business segment Road + Rail was -0.5 million euros in the first three months of the current year, after -0.9 million euros in the previous year. In the business unit Central Europe important impetus came from activities in Switzerland, Austria and Hungary. In the business unit Western Europe, increased business with established customers, the termination of non-core activities and targeted efficiency improvements at various locations have led to first positive results. Agreed price and volume increases will lead to earnings improvements in coming months. The focus continued to be on measures aimed at increasing the profitability of locations operating below capacity. The result of the business in Eastern Europe continued to be positive, but experienced a decline compared with the previous year due to modified allocation of group charges.

Result Road + Rail



Following the focused investments in 2007, no new locations were opened in the business segment Road + Rail in the first quarter of 2008. Business with existing customers was expanded at existing locations. A number of well-known new customers were acquired in Central and Eastern Europe.

Financial Position

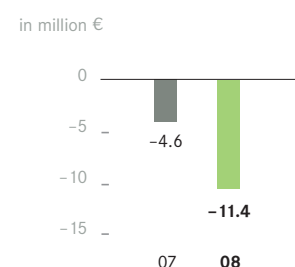
Cash Flow Statement

January 1–March 31,	<i>in thousand €</i>	2008	2007
Earnings before interest and taxes (EBIT)		10,824	11,958
Depreciation and amortization		6,369	7,485
Restructuring costs		-	1,055
Earnings before interest, taxes, depreciation and amortization (EBITDA)		17,193	20,498
Interest payments		-892	-901
Income tax payments		-4,735	-1,698
Changes in working capital		-22,197	-20,291
Other reconciliations		-723	-2,239
Operating cash flow		-11,354	-4,631
Capital expenditure		-3,090	-7,314
Desinvestments		3,337	425
Acquisitions of subsidiaries		-3,288	-3,127
Other changes in cash flow from financing activities		574	34
Cash flow from investing activities		-2,467	-9,982
Net cash flow		-13,821	-14,613
Changes in financial liabilities		-1,370	1,145
Other changes in cash flow from financing activities		-1,495	-1,676
Other, net		-174	-
Cash flow from financing activities		-3,039	-531
Effects of exchange rate changes on cash		-674	-290
Changes in cash and cash equivalents		-17,534	-15,434
Cash and cash equivalents at the end of period		48,092	48,341
Free cash flow		-14,444	-11,945

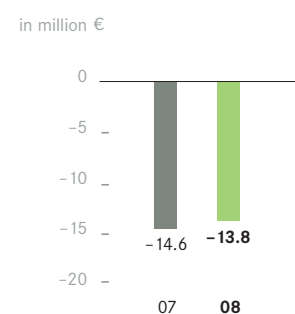
Net cash flow = Operating cash flow - Cash flow from investing activities

Free cash flow = Operating cash flow - capital expenditure (payments)

Operating cash flow



Net cash flow



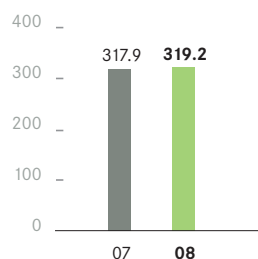
Cash flow At -11.4 million euros, the operating cash flow of the Logwin Group was down on the previous year's level of -4.6 million euros. Contributing factors to this development were the predominantly seasonal increase in working capital, higher tax payments of -2.3 million euros by the holding for a previous business year as well as reduced earnings before depreciation and amortization.

There was a change in cash flow from investing activities from -10.0 million euros to -2.5 million euros. In addition to payments made in the previous year for investments at the Feldkirch-Tosters location, the decline in investments reflects a subdued investment activity. Funds from divestments came from proceeds from the sale of idle properties. As in the previous year, the cash outflow for the acquisition of subsidiaries concerned bolt-on acquisitions. At -13.8 million euros, the net cash flow was slightly up on the previous year (2007: -14.6 million euros).

At -3.0 million euros, the cash flow from financing activities was below the previous year's value (2007: -0.5 million euros) due to scheduled repayments of long-term liabilities. In the previous year, a cash inflow of 0.9 million euros had occurred in the context of the financing of the Feldkirch-Tosters investment. As of March 31, 2008, the cash position of Logwin Group amounted to 48.1 million euros. After the first three months of 2008, changes in the exchange rate affected the cash reserves by -0.6 million euros (2007: -0.3 million euros).

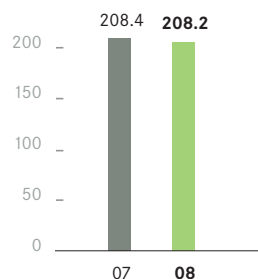
Shareholders' equity (incl. minority interests)

in million €



Gross financial debt

in million €



Asset and Capital Structure

	<i>in thousand €</i>	Mar. 31, 2008	Dec. 31, 2007	Change
Assets				
Cash and cash equivalents		48,092	65,626	-26.7 %
Trade accounts receivable		304,394	285,572	6.6 %
Prepaid expenses and other current assets		51,351	46,658	10.1 %
Property, plant and equipment		193,355	195,764	-1.2 %
Intangible assets		15,564	15,735	-1.1 %
Goodwill		279,616	277,133	0.9 %
Other long-term assets		26,733	25,816	3.6 %
Total assets		919,105	912,304	0.7 %
Liabilities and shareholders' equity				
Short-term financial liabilities				
Short-term financial liabilities		9,991	8,537	17.0 %
Trade accounts payable		252,633	253,043	-0.2 %
Other short-term provisions and liabilities		87,616	83,094	5.4 %
Long-term financial liabilities				
Long-term financial liabilities		34,085	33,693	1.2 %
Bonds payable		126,749	126,642	0.1 %
Other long-term provisions and liabilities		88,860	89,376	-0.6 %
Shareholders' equity (including minority interests)		319,171	317,919	0.4 %
Total Liabilities and shareholders' equity		919,105	912,304	0.7 %
Key figures to the Balance Sheet				
Equity ratio ¹		34.7 %	34.8 %	-0.1 %
Gross financial debt		208,169	208,412	-0.1 %
Net financial debt		160,077	142,786	12.1 %
Net Working Capital		17,129	-3,554	-

¹ Changes in percentage points

Balance sheet Total assets increased by 0.7 % to 919.1 million euros compared with 912.3 million euros in the previous year. As a result of the strong sales growth towards the end of the quarter, the trade accounts receivable rose by 18.8 million euros. The rise in goodwill by 2.5 million euros was due to the acquisition of activities as part of a long-term contract logistics project by the business segment Solutions in Germany and the purchase of a local company in Mexico by the business segment Air + Ocean.

Trade accounts payable remained almost unchanged at 252.6 million euros (2007: 253.0 million euros). Liabilities from issuing the bond amounted to 126.7 million euros (2007: 126.6 million euros). This change is due to the amortization of the issue costs over the term of the bond.

At 319.2 million euros (2007: 317.9 million euros), shareholders equity was at the same level as in the previous year. As a result of the slightly increased total assets the equity ratio was 34.7 % (2007: 34,8 %).

Current financial liabilities increased from the beginning of the year by 1.5 million euros to 10.0 million euros while long-term financial liabilities rose to 34.1 million euros (2007: 33.7 million euros).

While net financial debt rose by 17.3 million euros to 160.1 million euros compared with December 31, 2007 (2007: 142.8 million euros), gross financial debt at 208.2 million euros remained at roughly the same level as December 31, 2007 with 208.4 million euros. The rise in net financial debt is mainly the result of the reduction in liquidity to 48.1 million euros (2007: 65.6 million euros). Compared with March 31 of the previous year, net financial debt was reduced by 10.3 million euros.

Employees

As of March 31, 2008, the Logwin Group employed 8,614 employees. This represents an increase in the number of staff of 131 compared with December 31, 2007. This is primarily due to the first-time consolidation and to growth-related staff developments in the first three months of 2008.

	March 31, 2008	Dec. 31, 2007
Germany	3,693	3,600
Austria	1,428	1,450
Eastern Europe	1,219	1,151
Asia, Pacific region, Africa	965	933
Switzerland	347	402
Other	962	947
Total	8,614	8,483

Other reporting

Annual General Meeting and Extraordinary General Meeting The General Meetings of Logwin AG were held in Luxembourg on April 9, 2008. 57.79 % of the equity capital was represented. Participating shareholders approved of all proposals of the Board of Directors by a large majority.

The Annual General Meeting approved a share buy-back plan. Up to September 30, 2009 Logwin AG may acquire up to 11,147,000 of its own company shares at a price that may not exceed 20 % of the average price quoted on the XETRA trading system on the Frankfurt/Main stock exchange over the previous 10 trading days prior to acquisition and that must be at least equivalent to the nominal value of the share. This corresponds to approximately 10 % of the equity capital.

This resolution has the character of a prenotification. There are currently no plans, either in the Executive Committee or within the Board of Directors, to perform a share buy-back. Logwin AG holds the view that it is in the interest of the shareholders if the company has the option of taking this action if the share price falls below its own estimated value over the long term. This is an expression of Logwin AG's intention to contribute to maintaining the economic value of the share by taking appropriate measures.

Outlook

Based on the development of the operating business in line with expectations during the first quarter, the outlook for the full 2008 business year remains unchanged. Increased sales with established customers and additional sales successes will contribute to a slight increase in sales. On the other hand, the aim of terminating non-core activities and overall declining freight rates in air and sea transportation will have a moderating effect on nominal growth.

Operating earnings (EBIT) will increase compared to the previous year. Net earnings will climb noticeably despite certain expenditures in connection with the rebranding of the Logwin Group.

The systematic management of working capital and the systematic control of investment activity will lead to a positive net cash flow over the year as a whole.

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Consolidated Statement of Income

January 1-March 31,	<i>in thousand €</i>	2008	2007
Net sales		523,180	507,462
Cost of sales		-482,271	-465,185
Gross profit		40,909	42,277
Selling costs		-9,122	-9,385
General and administrative costs		-21,646	-21,683
Other Income		8,730	5,462
Other expenses		-8,047	-3,658
Earnings before restructuring costs, interest and taxes		10,824	13,013
Restructuring costs		-	-1,055
Earnings before interest and taxes (EBIT)		10,824	11,958
Interest income		236	217
Interest expenses		-4,538	-4,502
Income (Loss) before income taxes		6,522	7,673
Income taxes		-2,777	-2,944
Net result		3,745	4,729
Attributable to:			
Equity holders of Logwin AG		3,437	4,195
Minority interest		308	534

January 1- March 31,	<i>in € / number of shares</i>	2008	2007
Earnings per share (in €) – basic and fully diluted:			
for income (loss) attributable to the equity holders of Logwin AG		0.03	0.04
Weighted average number of shares outstanding		111,474,987	111,474,987

Consolidated Statement of Cash Flows

January 1-March 31,	<i>in thousand €</i>	2008	2007
Net result		3,745	4,729
Adjustments to reconcile net result to net cash provided by operating activities			
Depreciation and amortization		6,369	7,485
Non-cash items in connection with disposal of non-current assets		-1,041	-72
Deferred income taxes		289	901
Other, net		1,625	2,777
Change in retirement and other employee-related obligations		-144	-160
Changes in working capital			
Change in trade accounts receivable and other assets		-28,821	-48,062
Change in inventory		-630	4,041
Change in trade accounts payable and other liabilities		7,254	23,730
Operating cash flow		-11,354	-4,631
Capital expenditures		-3,090	-7,314
Proceeds from disposal of non-current assets		3,337	425
Change in other loans granted		574	30
Proceeds from sale of consolidated companies and other business units		-	4
Payments for acquisitions of subsidiaries, net of cash acquired		-3,288	-3,127
Net cash used in investing activities		-2,467	-9,982
Net cash flow		-13,821	-14,613
Changes in short-term financial liabilities		-960	1,190
Proceeds from financial liabilities		-	895
Repayment in long-term financial liabilities		-410	-940
Repayment in finance lease obligations		-1,495	-1,676
Other, net		-174	-
Net cash used in financing activities		-3,039	-531
Effects of exchange rate changes and changes in consolidation scope on cash		-674	-290
Changes in cash and cash equivalents		-17,534	-15,434
Cash and cash equivalents at beginning of year		65,626	63,775
Change		-17,534	-15,434
Cash and cash equivalents at end of period		48,092	48,341

Consolidated Balance Sheet

<i>in thousand €</i>	March 31, 2008	Dec. 31, 2007
Assets		
Cash and cash equivalents	48,092	65,626
Trade accounts receivable	304,394	285,572
Inventories	7,888	7,304
Income tax receivables	10,693	10,620
Prepaid expenses and other current assets	32,767	26,901
Assets, held-for-sale	3	1,833
Total current assets	403,837	397,856
Property, plant and equipment	193,355	195,764
Intangible assets	15,564	15,735
Goodwill	279,616	277,133
Investments in associated companies	159	159
Investments in affiliated, not consolidated companies and other investments	1,726	1,773
Securities, available-for-sale	1,439	1,501
Securities, held-to-maturity	463	464
Deferred income taxes	21,965	20,922
Other non-current assets	981	997
Total non-current assets	515,268	514,448
Total Assets	919,105	912,304

Consolidated Balance Sheet

<i>in thousand €</i>	March 31, 2008	Dec. 31, 2007
Liabilities and shareholders' equity		
Short-term financial liabilities	9,991	8,537
Trade accounts payable	252,633	253,043
Lease obligations, short-term	5,131	5,472
Tax liabilities	6,105	8,039
Other short-term liabilities	67,512	59,398
Other short-term provisions	8,869	10,185
Total current liabilities	350,241	344,674
Bonds payable	126,749	126,642
Long-term financial liabilities	34,085	33,693
Lease obligations, long-term	32,212	34,069
Retirement and other employee-related obligations	33,292	33,457
Deferred income taxes	18,880	17,567
Other long-term liabilities	4,446	4,254
Other long-term provisions	29	29
Total non-current liabilities	249,693	249,711
Ordinary shares - voting, no-par value	139,344	139,344
Additional paid-in capital	174,002	174,002
Retained earnings and other reserves	8,509	5,072
Result directly recognized in equity	-6,926	-4,657
Total group equity	314,929	313,761
Minority interest	4,242	4,158
Shareholders' equity	319,171	317,919
Total liabilities and shareholders' equity	919,105	912,304

Consolidated Statement of Changes in Shareholders' Equity

	Capital and reserves attributable to the equity holders of Logwin AG					Minority Interest	Total Shareholders' equity
	Ordinary shares - voting, no-par value	Additional paid-in capital	Retained earnings and other reserves	Result directly recognized in equity	Total group equity		
<i>in thousand €</i>							
January 1, 2007	139,344	174,002	8,057	-4,170	317,233	3,819	321,052
Net result			4,195		4,195	534	4,729
Neutral effects from minority interests						526	526
Result directly recognized in equity, net of tax							
Translation reserve				-310	-310		-310
Fair value reserve				60	60		60
Actuarial gains and losses from pensions							
March 31, 2007	139,344	174,002	12,252	-4,420	321,178	4,879	326,057
Net result			-2,533		-2,533	1,138	-1,395
Acquisition of outstanding minority interests			-4,647		-4,647		-4,647
Neutral effects from minority interests						-1,859	-1,859
Result directly recognized in equity, net of tax							
Translation reserve				-1,445	-1,445		-1,445
Fair value reserve				-213	-213		-213
Actuarial gains and losses from pensions				1,421	1,421		1,421
December 31, 2007	139,344	174,002	5,072	-4,657	313,761	4,158	317,919
Net result			3,437		3,437	308	3,745
Neutral effects from minority interests						-224	-224
Result directly recognized in equity, net of tax							
Translation reserve				-2,209	-2,209		-2,209
Fair value reserve				-60	-60		-60
Actuarial gains and losses from pensions							
March 31, 2008	139,344	174,002	8,509	-6,926	314,929	4,242	319,171

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Notes to Consolidated Interim Financial Statements as of March 31, 2008

1 Basis of accounting

As a listed company Logwin AG is required to prepare an interim reporting. These consolidated interim consolidated financial statements are prepared according to the International Financial Reporting Standards (IFRS) as adopted by the European Union and are in accordance with these standards. In particular, the regulations of IAS 34 on interim financial reporting were applied.

The accounting policies as well as disclosures are based on the Consolidated Financial Statement of Logwin AG as of December 31, 2007.

2 Consolidation scope

In addition to Logwin AG as the parent company, the scope of fully consolidated companies includes four domestic and 106 foreign companies as of March 31, 2008 (as of December 31, 2007: four domestic and 105 foreign companies).

The consolidated entities including Logwin AG have developed as follows:

	Dec. 31, 2007	Additions	Disposals	March 31, 2008
Luxembourg	5	-	-	5
Abroad	105	1	-	106
Total	110	1	-	111

Under the equity method five companies were accounted for (as of December 31, 2007: five). Not included are 36 subsidiaries (as of December 31, 2007: 36) either dormant or generating a negligible volume of business. Their influence on the group's assets, liabilities, financial position and earnings is immaterial.

3 Business combinations

In the course of Logwin Groups bolt-on acquisitions of companies, the business segment Air + Ocean acquired the shares of a partner company in Mexico. The name of the new company is Birkart Globistics Mexico S.A. de C.V., Cuautlancingo, Mexico.

4 Segment reporting

Primary reporting format – Segments by business segments

The actual segment structure corresponds to the management structure of the Logwin Group, effective since July 2007. Objective of the new structure is bundling similar processes in the same Segment. The previous years figures have been adjusted to the new structure.

Solutions

Business segment Solutions provides industry and customer specific contract logistics solutions in its business units Industrial Goods, Consumer Goods, Fashion and Media optimizes its customers' entire logistics chain.

Air + Ocean

Within business segment Air + Ocean the group's international air and sea freight activities are bundled in the business units Europe Middle East, South East Asia, Far East, Americas and Africa.

Road + Rail

Business segment Road + Rail offers comprehensive forwarding services as well as individual transport solutions for freight and special transportation in its business units Western Europe, Central Europe and Eastern Europe.

Transactions between the segments are measured at "arm's length", similar to transactions with third parties. The information about the business segments is reported after consolidation of the intersegment transactions. Transactions between the segments have been eliminated in the column "Consolidation".

The result of each segment is measured by management based on the earnings before other financial income (expenses), interest expenses and income taxes. General corporate expenses of the holding companies have been allocated to the business segments in line with the principle of causality.

The remaining positions not included in segment result are reported separately in the reconciliation of segment results to the consolidated result.

Segment assets include long-lived assets (excluding financial assets) and current assets (excluding income tax assets, cash and cash equivalents and securities). Goodwill has been allocated to the business units.

Segment liabilities comprise short-term and long-term, non-interest-bearing provisions and liabilities, excluding income tax liabilities.

Capital additions comprise additions to property, plant and equipment and intangible assets (excluding goodwill) and additions from capitalization of finance lease contracts.

Depreciation and amortization relate to long-lived and intangible assets, directly attributable to business segments (including amortization of capitalized customer contracts).

The tables below set forth segment information of the business segments for the periods ended March 31, 2008 and 2007:

January 1–March 31, 2008	<i>in thousand €</i>	Solutions	Air + Ocean	Road + Rail	Holdings	Consolidation	Group
Net Sales							
External sales		185,896	132,827	203,885	572	-	523,180
Intersegment sales		2,218	3,974	7,419	-	-13,611	-
Total net sales		188,114	136,801	211,304	572	-13,611	523,180
Earnings							
Segment result before restructuring costs		7,448	5,081	-496	-1,461	-	10,572
Restructuring costs		-	-	-	-	-	-
Segment result		7,448	5,081	-496	-1,461	-	10,572
Other financial income (expenses), net							252
Earnings before interest and taxes (EBIT)							10,824
Interest expenses, net							-4,302
Income (Loss) before income taxes							6,522
Income taxes							-2,777
Net result							3,745
The Segment result includes:							
Depreciation and amortization		-2,428	-408	-2,227	-1,306	-	-6,369
<i>Thereof amortization of customer contracts</i>		<i>-130</i>	<i>-</i>	<i>-173</i>	<i>-</i>	<i>-</i>	<i>-303</i>

January 1–March 31, 2008	<i>in thousand €</i>	Solutions	Air + Ocean	Road + Rail	Holdings	Consolidation	Group
Balance sheet							
Segment assets		341,524	138,072	296,603	57,145	-	833,344
Unallocated assets							85,761
Total consolidated assets							919,105
Segment liabilities		116,957	69,418	164,153	16,249	-	366,777
Unallocated liabilities							233,157
Total consolidated liabilities							599,934
The Segment assets include:							
Capital additions		1,402	304	1,377	733	-	3,816

January 1–March 31, 2007	<i>in thousand €</i>	Solutions	Air + Ocean	Road + Rail	Holdings	Consolidation	Group
Net Sales							
External sales		196,264	112,676	197,760	762	-	507,462
Intersegment sales		3,068	4,052	5,280	-	-12,400	-
Total net sales		199,332	116,728	203,040	762	-12,400	507,462
Earnings							
Segment result before restructuring costs		11,002	3,582	-880	-772	-	12,932
Restructuring costs		-	-	-	-1,055	-	-1,055
Segment result		11,002	3,582	-880	-1,827	-	11,877
Other financial income (expenses), net							81
Earnings before interest and taxes (EBIT)							11,958
Interest expenses, net							-4,285
Income (Loss) before income taxes							7,673
Income taxes							-2,944
Net result							4,729
The Segment result includes:							
Depreciation and amortization		-3,423	-422	-2,795	-845	-	-7,485
<i>Thereof amortization of customer contracts</i>		<i>-617</i>	<i>-</i>	<i>-156</i>	<i>-</i>	<i>-</i>	<i>-773</i>

January 1–March 31, 2007	<i>in thousand €</i>	Solutions	Air + Ocean	Road + Rail	Holdings	Consolidation	Group
Balance sheet							
Segment assets		372,596	139,470	295,419	60,020	-	867,505
Unallocated assets							85,207
Total consolidated assets							952,712
Segment liabilities		125,115	72,264	149,626	29,127	-	376,132
Unallocated liabilities							250,372
Total consolidated liabilities							626,504
The Segment assets include:							
Capital additions		806	307	2,539	1,132	-	4,784

Secondary reporting format – Segments by regions

The Logwin Group is subdivided into six geographical regions according to their materiality. Asia is headed by China with over 50 % of the segment's net sales, followed by Singapore and Korea. The segment "Other" is dominated by European countries with about 80 %, the remaining share comprises Australia and countries in South America and Africa.

Net sales from external customers have been allocated according to the geographical location of the assets.

Segment assets as well as any additional geographical information are allocated to the respective assets. Segment assets are defined as long-lived assets excluding financial assets and goodwill as well as current assets excluding income tax assets, cash and cash equivalents and securities. Long-lived assets and capital additions comprise property, plant and equipment and intangible assets excluding goodwill, both including the acquisition and capitalization of finance lease contracts.

The tables below present geographic information on net sales from external customers, segment assets, capital additions and long-lived assets for the periods ended March 31, 2008 and 2007:

January 1–March 31, <i>in thousand €</i>	2008		2007	
Germany	221,991	42.4 %	211,289	41.6 %
Austria	140,823	26.9 %	146,839	28.9 %
Eastern Europe	50,952	9.7 %	47,602	9.4 %
Asia	30,526	5.8 %	27,851	5.5 %
Switzerland	24,595	4.7 %	21,715	4.3 %
Other	54,293	10.5 %	52,166	10.3 %
Total net sales	523,180	100.0 %	507,462	100.0 %

<i>in thousand €</i>	March 31, 2008		March 31, 2007	
Germany	210,402	38.0 %	227,247	39.0 %
Austria	149,605	27.0 %	156,714	26.9 %
Eastern Europe	59,531	10.8 %	59,980	10.3 %
Asia	26,956	4.9 %	28,502	4.9 %
Switzerland	39,379	7.1 %	38,623	6.6 %
Other	67,855	12.2 %	71,496	12.3 %
Total segment assets	553,728	100.0 %	582,562	100.0 %
Goodwill	279,616		284,943	
Other unallocated assets	85,761		85,207	
Total consolidated assets	919,105		952,712	

January 1–March 31, <i>in thousand €</i>	2008		2007	
Germany	1,294	33.9 %	843	17.6 %
Austria	504	13.2 %	2,392	50.0 %
Eastern Europe	406	10.6 %	151	3.2 %
Asia	116	3.0 %	188	3.9 %
Switzerland	800	21.0 %	240	5.0 %
Other	696	18.3 %	970	20.3 %
Total capital additions	3,816	100.0 %	4,784	100.0 %

<i>in thousand €</i>	March 31, 2008		March 31, 2007	
Germany	82,529	39.5 %	90,048	40.2 %
Austria	67,252	32.2 %	70,401	31.4 %
Eastern Europe	18,970	9.1 %	21,392	9.6 %
Asia	1,571	0.8 %	1,558	0.7 %
Switzerland	21,477	10.3 %	20,660	9.2 %
Other	17,120	8.1 %	19,809	8.9 %
Total long-lived assets	208,919	100.0 %	223,868	100.0 %

5 Other income and expenses

January 1–March 31,	<i>in thousand €</i>	2008	2007
Foreign exchange gain		6,943	3,167
Gain from disposal of long-lived assets		615	173
Other operating income		672	1,828
Other financial income		20	294
Other income		8,250	5,462

January 1–March 31,	<i>in thousand €</i>	2008	2007
Foreign exchange loss		-7,631	-3,411
Loss from disposal of long-lived assets		-74	-13
Other operating expenses		-8	-145
Other financial expenses		-	-89
Other expenses		-7,713	-3,658

Net income from foreign exchange gains and losses are as follows:

January 1–March 31,	<i>in thousand €</i>	2008	2007
Foreign exchange gain		6,943	3,167
Foreign exchange loss		-7,631	-3,411
Foreign exchange effects, net		-688	-244

In 2007 other operating income mainly comprises the gain from disposal of intermodal activities at a Salzburg location amounting to TEUR 970.

6 Restructuring costs

Expenses which are linked to the reorganization of the Logwin Group decided by the Board of Directors are accounted for as restructuring costs. In the first quarter no restructuring costs are incurred (2007: 1,055 TEUR).

<i>in thousand €</i>	Aquisition cost	Accumulated amortization/ depreciation	Carrying amount March 31, 2008	Carrying amount Dec. 31, 2007
Land and buildings	246,699	96,362	150,337	150,929
Machinery and equipment	57,237	44,563	12,674	13,439
Tools, fixtures, furniture, office equipment	70,575	55,282	15,293	15,803
Fleet of cars	56,638	43,258	13,380	14,120
Construction in progress	1,671	-	1,671	1,473
Property, plant and equipment	432,820	239,465	193,355	195,764
Concessions, licenses, copyrights	4,742	3,296	1,446	1,526
Customer contracts acquired	20,861	18,723	2,138	2,405
Software	42,649	32,867	9,782	10,147
Construction in progress	2,198	-	2,198	1,657
Intangible Assets	70,450	54,886	15,564	15,735

7 Property, plant and equipment and intangible assets

Ordinary Shares

As of March 31, 2008, the Company had 111,474,987 ordinary shares, voting without nominal value, issued and outstanding, representing common stock amounting to TEUR 139,344. Each share represents a calculated par value of EUR 1,25.

Appropriation of Net income

The Annual General Meeting of Logwin AG on April 9, 2008 approved the settlement of the profit in the balance sheet of Logwin AG, prepared in accordance with Luxembourg law, of TEUR 1,647, in the amount of TEUR 82 with the legal reserve and in the amount of TEUR 1,565 with the free reserve. According to the accruals concept this settlement will be disclosed in the Consolidated Balance Sheet of Logwin AG as of June 30, 2008.

8 Shareholders' equity

9 Supplemental disclosures of Cash Flow Information

The consolidated statement of cash flows is classified into cash flows from operating, investing and financing activities.

The cash outflow from operating activities includes the following items:

January 1–March 31,	<i>in thousand €</i>	2008	2007
Interest payments		892	901
Income tax payments		4,735	1,698

The income tax payments contains 2,329 TEUR tax payments of the group holding from a prior year.

In the first three months of 2008 TEUR 439 of the restructuring provision made in prior years were paid out.

10 Contingencies

In the first three months of 2008 there were no material changes in contingencies in respect of bank and other guarantees, letters of comfort, assessments and other matters arising in the ordinary course of business.

11 External Review

The consolidated interim financial statements were neither audited according to articles 256 and 340 of the Luxembourg law dated August 10, 1915 nor limited reviewed by an auditor.

12 Subsequent Events

At the Annual General Meeting on April, 9, 2008 the shareholders of the Thiel Logistik AG agreed to the change of name to Logwin AG.

Dates 2008/2009

August 6, 2008

Publication of Half-Year Financial Report 2008

November 12, 2008

Publication of Nine-Months Financial Report 2008

April 8, 2009

Annual General Meeting

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