

**Publication of the Half-Year Financial Report 2008  
Speech by Berndt-Michael Winter, Chairman of the Board of Directors (CEO)****Conference Call, 6 August 2008**

*- The spoken word is final -*

Good morning ladies and gentlemen,

Welcome to the conference call on Logwin AG's half-year financial report.

Today, I would like to summarize the developments of the first six months as follows: we have good news but also less encouraging news for you. But I won't ask you, which you would like to hear first. I already decided on that and hope for your understanding that I will first report on the good news.

I will start my talk with a message that is especially close to my heart: Logwin is reality! Our brand has taken-off from paper and has become visible and tangible in the second quarter. 75 companies in 25 countries were rebranded on July 1, 2008. For the first time in the history of our group they all share a common part in their company names: Logwin.

Ladies and gentlemen, you all know how important this step is for our company, since some of you have followed this development for years! At the same time, the end of the intransparent diversity of brands and names marks our new start as a genuine group. My colleagues from the Executive Committee and I are very happy that after the announcement of the name in March we were able to accomplish the launch of the brand Logwin including all necessary measures so fast and so successfully.

The response of our customers confirms that the creation of the Logwin Group was the right step. We continue to receive positive echo! It is partly even so positive that we are surprised about the enthusiasm, which by far exceeds the expected courtesy.

**Worldwide roll-out of the Logwin brand**

Two of the main reasons for the successful launch of our brand are surely the commitment of the employees and the dynamic processes. It is phenomenal what has happened between the announcement and the actual launch of the brand: In parallel to entering the 75 new company names in the relevant company registers the brand was rolled-out. Company signs were changed, vehicles lettered – meanwhile more than 450 –, numerous business cards and letterheads printed, our customers and suppliers informed in detail, and our website changed over to Logwin. For the first time, all of our companies have a common base on the internet – [www.logwin-logistics.com](http://www.logwin-logistics.com). It contains information for our customers about Logwin and about our services. But even more important, they can enter into contact with us. Dialog and service are the most important characteristics of our new website. It is closely oriented to the requirements of our users, i.e. even our Internet presentation lives up to our standard of being close to the customers and as transparent as possible. It is remarkable that the number of customer requests reaching us via our website has soared in recent weeks.

We also improved the services on our website for you, ladies and gentlemen. Under Press / Investor Relations you find capital market related information concerning our shares and corporate bond as well as information about the current business development of Logwin AG.

### **Image campaign**

Since July 1, 2008 you may also have come across the Logwin image campaign in selected print media. This campaign – and you see the first object also in our half-year financial report – gets people talking about us, in the truest sense of the meaning. Here too, partnership and dialog with our customers are our focus – we have the answer to their questions. What you see, are people in discussion: customers and Logwin employees – close to each other and on eye level. This is how we see our company, how we are positioning ourselves with our customers and how we are differentiating us from our competitors. Ladies and gentlemen, the first months as Logwin Group confirm my opinion that with Logwin we created a brand that convinces our customers, builds trust, and advances our business activities.

### **Headwinds: Economic downturn and Diesel price**

Unfortunately, the current headwinds make it harder for us to stay on course. On the one hand, we see an economic downturn, not only in Germany but almost everywhere in the world. On the other hand, Diesel prices are escalating and – similar to any other logistics company – leave their traces in our income statement. You will surely understand that these developments are especially frustrating for us, since we have to face these adverse factors at a time, when we are trying to put all our horsepower on the road. Of course, these factors force us to work hard and – this refers to the current year – to be a bit more patient.

As a logistics company we feel the effects of the slow economy in the current transport volumes of our customers. The fashion industry sells much fewer goods than expected; meaning the demand for transport services in our business unit Fashion is declining. Apart from the textile and the consumer goods industries it is well known that – because of the sluggish economy – the demand in the automotive industry is currently also weak, which has a direct effect on logistics companies. Especially regarding profits, current new business can only partly compensate for it.

In Asia too, the economy is taking a clear downturn. There are additional imponderabilities because of the erosion of freight rates and potential restrictions around the Olympic Games. Of course, we have observed these developments closely for some time now and we are prepared for possible consequences.

The increase of Diesel prices in recent weeks and months had a direct impact on the profitability of our transport services. And it is cold comfort that not only we but also our competitors are affected by this development. In the second quarter alone, Diesel prices for bulk buyers have risen by more than 10 percent – year-on-year even by more than 30 percent! You can imagine what that means for a company that needs approximately 14 million liters of truck Diesel per year. In order to stay profitable, we have to pass on cost increases to our customers. No doubt about it. Therefore, our sales team has been working at full stretch to find a solution that is acceptable to both sides. The fairest solution seems to be the so-called ‘Diesel Floater’ that we are increasingly agreeing or have agreed with our customers.

But frankly speaking: not all contracts – in particular the long-term ones – allow us to pass on these costs so easily, fully and immediately. This affects mainly our business segment Solutions that mostly concludes long-term contracts with the customers. This is of course generally desirable. But if these long-term contracts do not contain explicit price formula to compensate for cost increases, the impacts of such an exceptional situation are especially serious in units with a strong focus on special transport networks. The new rapid increases after the tangible rises last year require a certain response time, before we can pass on the cost increases everywhere. Simultaneously, we realized that the sales measures in key account management – and I mean relationship management in the most narrow sense – has not fully taken effect yet at Solutions. However, with the help of intensified sales activities we will increase revenue and profitability of Solutions again and solve these issues proactively.

But the unexpectedly high increases of energy costs not only affect us but also our customers directly: on the one hand, the high costs for fuel and fuel oil make it difficult for our customers to render their services efficiently. On the other hand, the final customers are visibly losing purchasing power. I do not need to explain what that means for us: lower demand of our customers equals fewer logistics services for us.

Nevertheless, ladies and gentlemen, even if it is harder for us to stay on course, our expectations for the development of the Logwin Group remain high. We are convinced that the reorganization and the common brand Logwin have prepared us to weather the current storm.

Both together create the foundation for a lastingly successful logistics company. My confidence is also based on the commitment of our employees. They have been continuously driving integration in our group, and they fulfill the value proposition of our brand day after day. Of course it is unfortunate and also annoying that we have to face such strong headwinds in the phase of our new launch. But we all know that one can also sail against the wind.

### **Changes in the Executive Committee and the Board of Directors**

Ladies and gentlemen, I would also like to take the opportunity to address very current news. As stated in our press release, Klaus Hrazdira, COO of the business segment Solutions, asked for termination of his contract. The Board of Directors met this wish with regret.

As of today, August 6, 2008, Mr. Hrazdira resigned from the Board of Directors and the Executive Committee of Logwin AG at his own request and by mutual consent. The Board of Directors and the Executive Committee would like to thank Mr. Hrazdira for his work in the last years and wish him all the best for his future.

From now on, in my function as CEO, I will personally assume responsibility for the business segment Solutions. The Board of Directors and the Executive Committee came to the conclusion that this solution is sensible and effective. We expect that this decision will lead to an even closer dovetailing of the tasks in the Executive Committee and a dynamic advancement of the integration processes. The assignment of responsibilities to four members in the Executive Committee is therefore a permanent measure – in the sense of a more efficient, integrating, and successful corporate management.

Thank you very much for your attention. I now hand over to Dr. Wagner, who will explain the figures and the main developments in detail.