

## **Logwin: result impacted by exceptional impairments at business segment Solutions**

- **Sales: 1,324.6 million euros / Operating income (EBITA) before valuation effects: 16.2 million euros**
- **Good sales and earnings position at business segment Air + Ocean**
- **Impairment of goodwill at business segment Solutions amounting to 71.5 million euros**
- **Balance sheet for the first time with positive net liquidity of 7.2 million euros**

**Grevenmacher (Luxembourg)** - The Logwin Group generated total sales of 1,324.6 million euros in the 2012 financial year, which was thus slightly below the figure for the previous year (2011: 1,334.9 million euros). At 16.2 million euros, operating income (EBITA) before valuation effects in the reporting period was 5.4 million euros below the figure for last year (2011: 21.6 million euros).

At the end of the second quarter of 2012 an impairment test for the business segment Solutions had made it necessary to write down 53.0 million euros. Due to the events that occurred in the fourth quarter of 2012 and came to the Group's attention in the first few weeks of the 2013 financial year - especially the reassessment of certain business activities - the goodwill allocated to the business segment Solutions was again tested for impairment as of December 31, 2012. This resulted in an additional impairment of 18.5 million euros.

The Logwin Group achieved an overall net result for the reporting period of -68.6 million euros. At 7.1 million euros, the net result for the reporting period adjusted for the impairment of goodwill was at the same level as last year.

Systematic working capital management resulted in net cash flow amounting to 20.5 million euros, which was thus at the same level as last year. The financial stability of the Logwin Group is also evidenced by the first-time positive net liquidity of 7.2 million euros (2011: -11.7 million euros).

Berndt-Michael Winter, Chairman of the Executive Committee (CEO) of Logwin AG comments, "Despite the necessary impairments we still have our sights firmly set on a realistic, customary level of profitability for Solutions. In 2013 we will continue to pursue the measures introduced aimed at achieving profitability for the segment. Air + Ocean also operates in a challenging environment but is able to hold its ground successfully thanks to its excellent quality."

The business segment **Solutions** generated sales of 692.0 million euros in 2012 (2011: 717.0 million euros). In addition to the disposal of individual locations, the decline in sales was caused by lower volumes in the areas of Media and Retail Logistics of the functional unit Transport and Retail Networks. The regions Central and Eastern Europe in the functional unit Logistics and Warehousing showed positive developments in terms of volumes. The operating result (EBITA) of the business segment Solutions before valuation effects, at -2.2 million euros, was significantly below the value for the previous year (2011: 3.5 million euros) and was substantially impacted by strong competitive and price pressures, high fuel and transportation costs as well as by costs for extending its network and start-up costs for new business. Furthermore, there were negative effects from one-off charges incurred in the course of implementing necessary organisational changes aimed at cutting structural costs and increasing the profitability of the business segment.

The business segment **Air + Ocean** generated sales of 633.2 million euros in the 2012 financial year (2011: 618.4 million euros). The strongest growth came from the business units South East Asia and Far East Asia. In contrast, the largest business unit, Europe Middle East, is slightly below the level of sales of the previous year. While the business segment Air + Ocean reported a strong increase in sea freight volumes in 2012, the volume transported by air freight was somewhat below that of the previous year. Freight rate developments continued to be marked by a high level of volatility in 2012. Air + Ocean continued to expand its regional presence in 2012, in particular as a result of new locations in the growth markets of China and India. The operating result amounted to 25.3 million euros in the reporting year (2011: 24.9 million euros).

**Outlook**

Assuming a slight improvement in overall economic conditions, the Logwin Group is planning moderate growth in business volumes and consequently in sales for the 2013 financial year and is aiming overall for an increase in its consolidated operating result and in profitability. It is intended to achieve this in particular by improving the earnings situation of the business segment Solutions. Despite a continuing difficult competitive environment, the business segment Air + Ocean assumes that sea and air freight prices will remain relatively stable and that sales will climb on the back of increasing volumes.

The Logwin Group will continue with its investment activity whilst pursuing a profitability- and liquidity-oriented business policy and will continue to focus on active working capital management with the aim of maintaining net cash flow in 2013 at the same level as the reporting period.

The 2012 financial report of the Logwin Group is available on the Internet at:  
[www.logwin-logistics.com](http://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 2012, the group generated sales of 1.3 billion euros and currently employs approximately 5,500 staff. Logwin operates in all main markets worldwide and has over 250 locations across six 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](http://www.logwin-logistics.com)****Mara Hancker**

Public Relations

Phone: +352 719690-1354

Fax: +352 719690-1359

[pr-info@logwin-logistics.com](mailto:pr-info@logwin-logistics.com)**Dr. Karl-Heinz Kramer**

Investor Relations

Phone: +352 719690-1112

Fax: +352 719690-1359

[ir-info@logwin-logistics.com](mailto:ir-info@logwin-logistics.com)