Logwin AG

Interim Financial Report

as of 30 June 2016

LOGWIN

Your Logistics

LOGWIN

Key Figures 1 January – 30 June 2016

Earnings position *In thousand EUR*	**2016**	2015
Revenues		
Group	479,220	532,027
Change on 2015	*-9.9 %*	
Air + Ocean	296,523	340,610
Change on 2015	*-12.9 %*	
Solutions	184,123	190,467
Change on 2015	*-3.3 %*	
Operating result (EBITA)		
Group	17,035	16,946
Margin	*3.6 %*	*3.2 %*
Air + Ocean	17,898	17,312
Margin	*6.0 %*	*5.1 %*
Solutions	2,403	2,468
Margin	*1.3 %*	*1.3 %*
Net result		
Group	12,408	11,617

Financial position *In thousand EUR*	**2016**	2015
Operating cash flows	-8,054	-15,357
Net cash flows	-12,525	-12,831

Net asset position	**30 June 2016**	31 Dec 2015
Equity ratio	33.5 %	31.6 %
Net liquidity *(in thousand EUR)*	62,887	77,288

	30 June 2016	31 Dec 2015
Number of employees	4,134	4,157

The interim financial report as of 30 June 2016 is published in English and German. The English version is a translation from the German original, which is authoritative.

Group Interim Management Report

Overall conditions

Global economy The global economy developed in line with the prior year during the first half year 2016. The underlying momentum continues to be limited. The moderate upswing in advanced economies was supported by the moderately perceptible effects of the expansionary monetary policy of the central banks. Positive side effects from the relatively low oil prices gradually tapered off. By contrast, emerging economies were able to benefit from the increase in commodity prices. At the same time, there are increasing signs that economic expansion in China has picked up again.

German economy and logistics industry The German economy continued its moderate economic uptrend in the first half of 2016. In addition to the continued expansion of consumer spending, investments also developed positively. This development is supported, among others, by the increase in employment and a wage increases which are contributing to the increase in purchasing power of private households. The German logistics industry showed restrained development in the first half-year 2016 and was affected by the very intense competitive situation

Competition and market In 2016, the logistics business is characterized by the challenging market and competitive environment in the relevant areas.

Air and ocean freight carriers continue to struggle with overcapacities in their markets along with a relatively restrained market growth compared to the previously experienced longer term growth trends. In the global shipping market, market participants respond to the challenges by global alliances and cooperation agreements which aim to better respond to demand and capacity developments. A significant market shakeout is expected by market participants in the near future.
In the air freight market, many airlines are responding by reviewing their range of services, while new providers continue to grow in volumes and market share.
The high availability of transport capacity on both of these transportation modes and in all key relations reduced barriers to market entry, particularly for smaller competitors, and thus exacerbated competition in the freight environment.

Development of the Logwin Group

The Logwin Group managed to maintain a steady earnings performance in a market and competitive environment which continues to be highly challenging. Despite a reduction in revenues, the Logwin Group succeeded in finishing the first half year of 2016 with earnings slightly above the prior-year level. While revenues declined very slightly in the Solutions business segment, the Air + Ocean business segment – despite a positive volume development – was markedly below the prior year's figure owing to lower freight rates and negative currency effects.

The Air + Ocean business segment continued its favourable volume development in the first half-year 2016. It succeeded in increasing both air and ocean freight volumes against the backdrop of a slow overall market environment. As part of the expansion of the European network, a subsidiary in Slovakia has been established in the second quarter.

In addition to the restrained launch of new business in the Solutions business segment, the continued challenging market and competitive environment was characteristic for the business performance in the course of 2016. By contrast, owing to the efficiency improvement measures implemented in prior periods, the Group managed to increase its overall profitability.

Earnings position

Revenues The Logwin Group generated revenues of EUR 479.2m in the first six months of 2016, which was markedly below prior-year's figure of EUR 532.0m. This decline in revenues is particularly due to the Air + Ocean business segment and is mainly attributable to the decline in freight rates relative to the prior year.

Air + Ocean
The Air + Ocean business segment generated revenues of EUR 296.5m in the first six months of 2016 (prior year: EUR 340.6m). Despite a stagnating air freight and ocean freight market an increase in freight volume in both areas has been achieved. By contrast, low freight rates adversely affected revenues in the first six months of the year. In addition, foreign currency effects had a negative impact on revenues performance of the segment in comparison to the prior year.

Solutions
The revenues of the Solutions business segment amounted to EUR 184.1m in the first six months of 2016. The decline in revenues of -3.3% year on year is attributable to continued price and competitive pressure. Moreover, revenue recognition changed as part of new concepts for existing business, thus also contributing to the decline in revenues. The volume development for the majority of existing business was satisfactory, given the current market environment.

Gross margin and gross profit In the first six months of 2016, the gross margin of Logwin Group increased from 7.9% in the prior-year period to 9.2%. Despite declining revenues, gross profit increased from EUR 42.1m in 2015 to EUR 44.0m.

Selling, general and administrative costs In the first two quarters of 2016 selling expenses of EUR 14.4m were below the prior year's figure of EUR 14.7m. The deviation was mainly due to foreign exchange translation effects. In addition, administrative costs of EUR 14.7m in the prior year have been reduced to EUR 14.1m.

EBITA The Operating result (EBITA) of the Logwin Group of EUR 17.0m was slightly above the prior year's level of EUR 16.9m. The slight decline in the Solutions business segment has been offset by an improvement in results for the Air + Ocean business segment. The Group's operating margin climbed from 3.2% in the comparable period of 2015 to 3.6% in the first half of 2016.

Air + Ocean
The operating result of the Air + Ocean business segment of EUR 17.9m in the first six months of 2016 exceeded results in the prior-year period by EUR 0.6m (prior year: EUR 17.3m). Despite negative foreign currency effects, the improvement in results has been achieved due to the successful handling of existing business and new business added during the period.

Solutions
The Solutions business segment generated EBITA of EUR 2.4m in the first six months of 2016 (prior year: EUR 2.5m). In the prior year, EBITA was positively affected by a one-off effect arising from the sale of business activities. Adjusting for this one-off effect, EBITA rose markedly. This was due to the partly very favorable volume development for existing customers along with the measures taken to reduce operating costs. Increased expenses arising from the launch of new business had an offsetting effect in the reporting period.

Financial result and income taxes Financial result at EUR -0.8m for the first two quarters of 2016, showed a marked improvement over the prior year (prior year: EUR -1.2m). Income tax expenses of EUR -3.8m in the first half of 2016 were slightly below the expenses of EUR -4.1m in the same period of the prior year.

Net result for the period The Logwin Group generated a net result of EUR 12.4m in the first six months of 2016, marking an increase of EUR 0.8m over the prior-year figure (prior year: EUR 11.6m).

Financial position

Operating cash flows The Logwin Group's cash flows from operating activities amounted to EUR -8.1m in the first half of the year and exceeded the prior year's figure clearly by EUR 7.3m (prior year: EUR -15.4m). The increase over the prior year has been achieved through the continued rigorous working capital management.

Investing cash flows Cash flows from investing activities of the Logwin Group of EUR -4.5m in the first two quarters of 2016 were by EUR -7.0m below the prior year's cash flow (prior year: EUR 2.5m). Prior-year cash flow had been positively influenced by proceeds from the sale of consolidated subsidiaries and other business operations totaling EUR 5.7m. The difference relative to the prior year also results from increased investment in IT infrastructure as well as capital expenditures at various logistics sites.

Net cash flow The Logwin Group generated a total net cash flow of EUR -12.5m in the first two quarters of the current year, up on the prior-year cash flow of EUR -12.8m.

Financing cash flows Cash flows from financing activities amounted to EUR -2.1m in the first half of 2016 (prior year: EUR -5.8m). This mainly includes cash outflows for the repayment of liabilities from finance leases amounting to EUR -0.8m, distributions to non-controlling interests of EUR -0.6m as well as payments for acquisitions of own shares of EUR -0.4m.

Net asset position

Total assets The Logwin Group had almost unchanged total assets of EUR 363.2m as of 30 June 2016 (31 December 2015: EUR 362.5m), whereby both non-current assets of EUR 122.1m (31 December 2015: EUR 122.2m) as well as current assets of EUR 241.1m (31 December 2015: EUR 240.3m) remained stable. As of 30 June 2016, current assets in particular comprised of trade accounts receivable of EUR 135.6m (31 December 2015: EUR 126.9m).

Cash and net liquidity Cash and cash equivalents of the Logwin Group amounted to EUR 77.9m as of 30 June 2016 (31 December 2015: EUR 92.7m). The Net liquidity remained at a high level at EUR 62.9m (31 December 2015: EUR 77.3m).

Liabilities Non-current liabilities increased from EUR 48.3m as of 31 December 2015, to EUR 52.4m as of the end of the first half of 2016. This was the result of an interest-related adjustment of provisions for pensions and similar obligations. Current liabilities amounted to EUR 189.0m as of the reporting date (31 December 2015: EUR 199.7m) and mainly include declining trade accounts payable of EUR 135.0m (31 December 2015: EUR 146.3m).

Equity The Logwin Group's equity increased from EUR 114.5m as of 31 December 2015 to EUR 121.7m in the first half of 2016 due to the positive net result for the period. Actuarial losses owing to interest-rate related increases in pension provisions and, to a less extent, losses arising from currency translation of foreign subsidiaries had an opposing effect on equity of EUR -4.2m. As of 30 June 2016, the equity ratio amounted to 33.5%, above the ratio of 31.6% disclosed at the end of 2015.

Treasury shares The Board of Directors of Logwin AG decided on 29 February 2016, to start a new share buyback program. The share buyback program has been based on the authorization of the Annual General Meeting held on 8 April 2015. As of 30 June 2016, Logwin AG held a total of 2,010,258 shares (31 December 2015: 1,813,545) at an acquisition cost of EUR 3.4m (31 December 2015: EUR 3.0m).

Employees

The Logwin Group employed 4,134 people worldwide as of 30 June 2016 (31 December 2015: 4,157). The number of employees in the Solutions business segment decreased by 46 compared to the end of 2015. By contrast, headcount in the Air + Ocean business segment increased by 55 in the first six months of 2016.

Risks

There were no developments subject to reporting obligations in respect of the remission procedure for back payment of import VAT for customs clearances which Logwin Road + Rail Austria GmbH performed with joint and several liability on behalf of customers, who are alleged to have been part of a missing trader (VAT Carousel) fraud. The proceedings are expected to continue in the second half of 2016. Independent of the application for full remission of payments plus interest, a confirmation of cover by the insurer in charge of the loss adjustment continues to exist. As of the reporting date, a remission of the payment obligation is considered to be rather likely. We refer to the annual financial report 2015 for further information.

In the first half of 2016, the Logwin Group's risk exposure has remained largely unchanged compared with the disclosures in the annual financial report 2015. We therefore refer to the 2015 risk report for further details on current and potential risks.

2016 General Meeting

The Annual General Meeting of Logwin AG took place in Luxembourg on 13 April 2016. In addition to the approval of the 2015 financial statements, the proposals by the Board of Directors have been adopted by the Annual General Meeting with a large majority. Details can be found under www.logwin-logistics.com/investors/annual-general-meeting.html.

Outlook

General conditions Based on the developments year-to-date, the Logwin Group expects a stable global economic development. German economy should also develop steadily in the coming months.

Revenue expectations Assuming a stable global economic development and stable exchange rates, the Logwin Group expects moderate growth in volumes for the 2016 financial year. The Air + Ocean business segment will not achieve the revenues level of the prior year owing to freight rate developments. Revenues in the Solutions business segment should continue to develop steadily over the course of the year.

Earnings expectations In light of the current challenges affecting the market and competitive environment the Logwin Group is striving for a moderate increase in the Group result for the year 2016.

Consolidated Interim Financial Statements

Income Statement

1 January - 30 June *In thousand EUR*	6 Months		2nd Quarter	
	2016	**2015**	**2016**	**2015**
Revenues	479,220	532,027	233,274	257,594
Cost of sales	-435,189	-489,886	-212,590	-237,650
Gross profit	**44,031**	**42,141**	**20,684**	**19,944**
Selling costs	-14,383	-14,704	-6,738	-7,377
General and administrative costs	-14,095	-14,737	-7,353	-7,022
Other operating income	4,578	7,748	3,186	2,157
Other operating expenses	-3,096	-3,502	-1,764	-1,042
Operating Result (EBITA)	**17,035**	**16,946**	**8,015**	**6,660**
Finance income	192	122	116	61
Finance expenses	-1,005	-1,365	-511	-713
Net result before income taxes	**16,222**	**15,703**	**7,620**	**6,008**
Income taxes	-3,814	-4,086	-1,744	-1,242
Net result	**12,408**	**11,617**	**5,876**	**4,766**
Attributable to:				
Shareholders of Logwin AG	12,226	11,432	5,773	4,673
Non-controlling interests	182	185	103	93
Earnings per share - basic and diluted (in EUR):				
Net result attributable to the shareholders of Logwin AG	**0.08**	**0.08**	**0.04**	**0.03**
Weighted average number of shares outstanding	144,354,564	145,009,868	144,280,935	144,583,466

Statement of Comprehensive Income

1 January - 30 June *In thousand EUR*	2016	2015
Net result	**12,408**	**11,617**
Unrealized gains of securities, available-for-sale	2	5
Losses / gains on currency translation of foreign operations	-768	3,909
Other comprehensive income that may be reclassified into profit or loss in future periods	**-766**	**3,914**
Remeasurement of the net defined benefit liability	-4,272	1,568
Deferred tax from remeasurement of the net defined benefit liability	822	-310
Other comprehensive income that will not be reclassified into profit or loss in future periods	**-3,450**	**1,258**
Other comprehensive income	**-4,216**	**5,172**
Total comprehensive income	**8,192**	**16,789**
Attributable to:		
Shareholders of Logwin AG	8,035	16,604
Non-controlling interests	157	185

Statement of Cash Flows

1 January - 30 June *In thousand EUR*	2016	2015
Net result before income taxes	16,222	15,703
Financial result	813	1,243
Net result before interest and income taxes	17,035	16,946
Reconciliation adjustments to operating cash flows:		
Depreciation and amortization	3,945	3,789
Result from disposal of non-current assets	-598	-3,842
Other	-1,193	-1,291
Income taxes paid	-3,365	-3,464
Interest paid	-645	-901
Interest received	192	122
Changes in working capital, cash eggective:		
Change in receivables	-15,996	-14,257
Change in payables	-7,494	-12,169
Change in inventories	65	-290
Operating cash flows	**-8,054**	**-15,357**
Capital expenditures in PP&E and other intangible assets	-4,680	-3,485
Proceeds from disposals of consolidated subsidiaries and other business operations, net of cash and cash equivalents	189	5,685
Proceeds from disposal of non-current assets	114	342
Other cash flows from investing activities	-94	-16
Investing cash flows	**- 4,471**	**2,526**
Net cash flows	**-12,525**	**-12,831**
Repayment of current loans and borrowings	-257	-443
Payment of liabilities from leases	-840	-659
Payment for aquisitions of outstanding non-controlling interests	-	-2,120
Distribution to non-controlling interests	-607	-280
Payments for acquisitions of own shares	-392	-2,285
Financing cash flows	**-2,096**	**-5,787**
Effects of exchange rate changes on cash and cash equivalents	-112	1,643
Change in cash and cash equivalents	**-14,733**	**-16,975**
Cash and cash equivalents at the beginning of the year	92,661	66,959
Change	-14,733	-16,975
Cash and cash equivalents at the end of the period	**77,928**	**49,984**

Balance Sheet

Assets *In thousand EUR*	30 Jun 2016	31 Dec 2015
Goodwill	66,821	66,821
Other intangible assets	3,091	3,852
Property, plant and equiment	35,598	35,185
Investments	809	729
Deferred tax assets	14,363	14,165
Other non-current assets	1,383	1,399
Total non-current assets	**122,065**	**122,151**
Inventories	2,574	2,638
Trade accounts receivable	135,555	126,936
Income tax receivables	1,159	924
Other receivables and current assets	23,902	17,164
Cash and cash equivalents	77,928	92,661
Total current assets	**241,118**	**240,323**
Total assets	**363,183**	**362,474**

Liabilities *in thousand EUR*	30 Jun 2016	31 Dec 2015
Share capital	131,202	131,202
Group reserves	-6,712	-14,747
Treasury shares	-3,418	-3,026
Equity attributable to the shareholders of Logwin AG	**121,072**	**113,429**
Non-controlling interests	654	1,104
Shareholders' equity	**121,726**	**114,533**
Non-current liabilities from leases	13,050	13,058
Pensions provisions and similar obligations	35,587	31,907
Other non-current provisions	3,384	3,271
Deferred tax liabilities	46	48
Other non-current liabilities	359	4
Total non-current liabilities	**52,426**	**48,288**
Trade accounts payable	135,004	146,297
Current liabilities from leases	1,524	1,583
Current loans and borrowings	466	732
Current provisions	7,026	7,188
Income tax liabilities	2,865	2,746
Other current liabilities	42,146	41,107
Total current liabilities	**189,031**	**199,653**
Total liabilities and shareholders' equity	**363,183**	**362,474**

Statement of Changes in Equity

In thousand EUR	Equity attributable to the		
	Share capital	Additional paid-in capital	Retained earnings
1 January 2015	**131,202**	**57,131**	**-88,196**
Net result			11,432
Other comprehensive income			1,258
Total comprehensive income			**12,690**
Distributions			
Compensation of additional paid-in capital and net losses		-8,959	8,959
Acquisition of outstanding non-controlling interests			-970
Acquisition of own shares			
30 June 2015	**131,202**	**48,172**	**-67,517**
1 January 2016	**131,202**	**48,172**	**-64,223**
Net result			12,226
Other comprehensive income			-3,450
Total comprehensive income			**8,776**
Distributions			
Acquisition of own shares			
30 June 2016	**131,202**	**48,172**	**-55,447**

The accompanying notes are an integral part of these consolidated interim financial statements.

shareholders of Logwin AG					
Accumulated other comprehensive income					
Available-for-sale reserve	Currency translation reserve	Treasury shares	**Total**	Non-controlling interests	**Total share-holders' equity**
-28	**-57**	**-88**	**99,964**	**2,096**	**102,060**
			11,432	185	11,617
5	3,909		5,172		5,172
5	**3,909**		**16,604**	**185**	**16,789**
			-	-280	-280
			-		-
			-970	-1,150	-2,120
		-2,285	-2,285		-2,285
-23	**3,852**	**-2,373**	**113,313**	**851**	**114,164**
-36	**1,340**	**-3,026**	**113,429**	**1,104**	**114,533**
			12,226	182	12,408
2	-743		-4,191	-25	-4,216
2	**-743**		**8,035**	**157**	**8,192**
			-	-607	-607
		-392	-392		-392
-34	**597**	**-3,418**	**121,072**	**654**	**121,726**

Notes to the Consolidated Interim Financial Statements as of 30 June 2016

1 Basis of accounting

These consolidated interim financial statements have been prepared in accordance with International Reporting Standards (IFRS), as adopted by the European Union. 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 statements of Logwin AG as of 31 December 2015, except for those disclosed in note 3 „New accounting provisions".

The consolidated interim financial statements have been approved by the Audit Committee of Logwin AG on 28 July 2016.

2 Consolidation scope

In addition to Logwin AG as the parent company, the fully consolidated subsidiaries include two domestic and 56 foreign companies as of 30 June 2016 (31 December 2015: two domestic and 56 foreign companies).

The consolidated entities including Logwin AG have developed as follows:

	31 Dec 2015	Additions	Disposals	30 Jun 2016
Luxembourg	3	-	-	3
Germany	14	-	-	14
Other countries	42	1	1	42
Total	**59**	**1**	**1**	**59**

The disposal concerns the deconsolidation of Logwin Solutions Italy S.r.l.i.L. with effect from 1 January 2016. The addition relates to one newly established entity in Slovakia allocated to the Air + Ocean business segment.

3 New accounting provisions

The International Accounting Standards Board (IASB) and the IFRS Interpretations Committee (IFRS IC) have published new accounting provisions in recent years. The table below contains the new standards and interpretations that had to be adopted for the first time for financial year 2016:

Standard/interpretation			Mandatory adoption (in the EU) for the annual period beginning on or after	Endorsement
Amendment	IAS 1	Disclosure Initiative	1 January 2016	Yes
Amendment	IAS 16 IAS 38	Clarification of Acceptable Methods of Depreciation and Amortization	1 January 2016	Yes
Amendment	IAS 16 IAS 41	Agriculture: Bearer Plants	1 January 2016	Yes
Amendment	IAS 19	Defined Benefit Plans: Employee Contributions	1 February 2015	Yes
Amendment	IAS 27	Equity Method in Separate Financial Statements	1 January 2016	Yes
Amendment	IFRS 10 IFRS 12 IAS 28	Investment Entities: Applying the Consolidation Exception	1 January 2016	No
Amendment	IFRS 11	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016	Yes
New Standard	IFRS 14	Regulatory Deferral Accounts	1 January 2016	No
Amendment	Various	Annual Improvements to IFRSs 2010 to 2012	1 February 2015	Yes
Amendment	Various	Annual Improvements to IFRSs 2012 to 2014	1 January 2016	Yes

The new regulations listed below are not relevant to the Logwin Group and do not therefore have an effect on the net assets, financial situation and earnings position of the Group.

- Amendment to IAS 16 and IAS 41 - Agriculture: Bearer Plants
- Amendment to IAS 27 - Equity Method in Separate Financial Statements
- Amendment to IFRS 10, IFRS 12 and IAS 28 - Investment Entities: Applying the Consolidation Exception
- IFRS 14 - Regulatory Deferral Accounts

Unless the amended standards were generally applicable for the Logwin Group, first-time adoption of the other provisions mentioned did not have any effects on the consolidated interim financial statements of Logwin AG.

4 Segment reporting

The classification of segments has been made according to the business segments of the Logwin Group. The segment structure reflects the current organizational and management structure of the Logwin Group. This means that reporting is in line with the requirements of IFRS 8.

Transactions between the segments are made at “arm’s length,” identical with transactions with third parties. The information on the business segments is reported after consolidation of intrasegment transactions. Transactions between the segments are eliminated in the column “Consolidation.”

The tables below set forth segment information of the business segments.

1 January - 30 June 2016 *In thousand EUR*	Air + Ocean	Solutions	Other	Consolidation	Group
External revenues	295,453	182,950	817	–	479,220
Intrasegment revenues	1,070	1,173	1,589	-3,832	-
Revenues	**296,523**	**184,123**	**2,406**	**-3,832**	**479,220**
Operating result (EBITA)	**17,898**	**2,403**	**-3,266**	**-**	**17,035**
Financial result					-813
Income taxes					-3,814
Net result					**12,408**

1 January - 30 June 2015 *In thousand EUR*	Air + Ocean	Solutions	Other	Consolidation	Group
External revenues	339,840	189,741	2,446	–	532,027
Intrasegment revenues	770	726	1,940	-3,436	-
Revenues	**340,610**	**190,467**	**4,386**	**-3,436**	**532,027**
Operating result (EBITA)	**17,312**	**2,468**	**-2,834**	**-**	**16,946**
Financial result					-1,243
Income taxes					-4,086
Net result					**11,617**

5 Additional information on financial instruments

The following table shows the fair values of derivative financial instruments and material non-current financial instruments whose fair value could be reliably determined as of 30 June 2016 and 31 December 2015:

	Fair Value	
In thousand EUR	30 Jun 2016	31 Dec 2015
Available-for-sale financial assets	680	593
Derivative financial instruments from currency hedges		
with positive market value	637	648
with negative market value	-936	-1,218
Non-current liabilities from leases*	-13,939	-13,689

* The carrying amounts are stated in the balance sheet on page 11.

Available-for-sale financial assets are reported as investments in the balance sheet. Derivative financial instruments from currency hedges are presented under other receivables and current assets or other current liabilities. We refer to the annual financial report 2015 for disclosure regarding the methods and assumptions used to determine the fair value of financial instruments.

6 Contingent liabilities and lawsuits

In the first six month there were no material changes in contingent liabilities in respect of bank and other guarantees, letters of comfort and other liabilities incurred in the ordinary course of business. It can be unchanged assumed that no significant obligations will arise from this.

There were no developments subject to reporting obligations in respect of the remission procedure for back payment of import VAT for customs clearances which Logwin Road + Rail Austria GmbH performed with joint and several liability on behalf of customers, who are alleged to have been part of a missing trader (VAT Carousel) fraud. The proceedings are expected to continue in the second half of 2016. Independent of the application for full remission of payments plus interest, a confirmation of cover by the insurer in charge of the loss adjustment continues to exist. As of the reporting date, a remission of the payment obligation is considered to be rather likely. We refer to the annual financial report 2015 for further information.

7 Related party transactions

Entities and persons are regarded as related parties if one party has the ability to control the other party or has an interest in the entity that gives it significant influence over the entity, if the party is an associate or if the party is a member of the key personnel of the entity or its parent.

In financial years 2016 and 2015, the Logwin Group rendered or received services to or from certain associated and affiliated non-consolidated companies as part of its ordinary operations. Furthermore, there were supply and service relationships with the parent company DELTON AG and its subsidiaries.

In thousand EUR	Associated and affiliated, not consolidated companies		DELTON AG and its subsidiaries	
1 January - 30 June	**2016**	**2015**	**2016**	**2015**
Services provided	13	-	204	123
Services received	170	111	255	293
	30 Jun 2016	**31 Dec 2015**	**30 Jun 2016**	**31 Dec 2015**
Receivables	276	6	32	-
Payables	7	64	105	98

The sole shareholder of DELTON AG, Mr. Stefan Quandt, is a shareholder in and Deputy Chairman of the Supervisory Board of BMW AG, Munich. He is a related party of BMW AG as defined by IAS 24 “Related Party Disclosures.”

In the first six months of 2016, the Logwin Group’s revenues from companies of the BMW Group amounted to EUR 11,710k (prior year: EUR 10,985k). Receivables from BMW Group amounted to EUR 2,486k as of 30 June 2016 (31 December 2015: EUR 2,476k).

In addition, Logwin Group companies procured vehicles from the BMW Group, by leasing. The resulted expenses for the Logwin Group for the first half-year of 2016 amounted to EUR 694k (prior year: EUR 870k). Liabilities to the BMW Group amounted to EUR 7k as of 30 June 2016 (31 December 2015: EUR 7k).

Furthermore, there were transactions between the Logwin Group and members of its Board of Directors. In the first six months of 2016, these resulted in expenses for the Logwin Group in an amount of EUR 42k (prior year: EUR 32k).

All transactions with related parties were conducted under standard market conditions at “arm’s length.”

8 External review

The consolidated interim financial statements were neither audited according to articles 69 and 340 of the Luxembourg law dated 10 August 1915 with all following changes, nor limited reviewed by an auditor.

9 Events after the reporting period

No significant events occurred after the reporting period.

Responsibility statement

"To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the interim management report of the group includes a fair review of the development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the group for the remaining months of the financial year."

Dr. Antonius Wagner	Sebastian Esser
(Chairman of the Board of Directors)	(Member of the Board of Directors)