

Logwin: Continued improvement in earnings in the first half of 2011

- **Sales: 659.4 million euros / Operating income: 12.6 million euros**
- **Positive net earnings: 3.6 million euros**
- **Refinancing of corporate bond complete**

Grevenmacher (Luxembourg) - The Logwin Group generated sales of 659.4 million euros in the first six months of 2011 (2010: 649.5 million euros). Compared to the previous year, it was able to increase operating earnings (EBIT) to 12.6 million euros (2010: 10.1 million euros). At the end of the half year the EBIT margin climbed to 1.9 % (2010: 1.6 %). The Logwin Group ended the first six months with net result of 3.6 million euros (2010: -3.4 million euros).

Berndt-Michael Winter, Chairman of the Executive Committee (CEO) of Logwin AG comments, "Logwin performed soundly in a challenging market environment. Air + Ocean equaled last year's sales despite very low sea freight rates. The price of diesel, which has risen by 13.5 per cent since June 2010, and noticeably lower freight capacities resulted in a significant increase in transportation costs at Solutions. We have responded with a number of measures to protect profitability."

The business segment **Solutions** generated sales of 351.2 million euros in the first half of 2011, increasing sales over the previous year slightly by 3.4 % (2010: 339.7 million euros). Transport and Retail Networks in particular achieved significantly higher levels of sales while contract logistics activities remained by and large stable. However, rising freight rates impacted earnings in the first six months of the year. At 2.9 million euros, operating income (EBIT) was below the figure for the previous year (2010: 3.5 million euros). The figure for the comparative period in 2010, however, included proceeds of 0.7 million euros from the sale of fringe activities.

Sales at the business segment **Air + Ocean** amounted to 308.4 million euros, almost equaling the level for the same period of the previous year (2010: 309.5 million euros). Although a distinct increase in volumes was achieved in air freight, sea freight volumes largely remained at the same level as last year while freight rates declined. Operating income (EBIT) increased in the first six months of 2011 by 2.5 million euros over the previous year to 12.4 million euros (2010: 9.9 million euros). The improvement in earnings was mainly due to growth at business units Europe Middle East and Far East Asia.

Logwin AG's equity ratio climbed to 37.1 % (December 31, 2010: 32.6 %). The increased volume of business and seasonal effects compared with the previous year resulted in a significant increase in working capital in the first six months. Net cash flow was -16.6 million euros. Cash flow from financing activities at -24.0 million euros primarily reflects payment flows connected with the refinancing of the corporate bond.

Refinancing completed

In the first half of 2011 Logwin AG redeemed the outstanding volume of the corporate bond of 65.0 million euros issued in 2004. Refinancing could be performed successfully in the reporting period with existing liquid funds, through the first-time use of the existing factoring line and by taking out a long-term bank loan.

The Half-Year Financial Report 2011 of the Logwin Group is available on the Internet under:
www.logwin-logistics.com

About Logwin AG

As an external partner, Logwin AG, Grevenmacher (Luxembourg), develops a comprehensive range of logistics and service solutions for trade and industry. In 2010, the group generated sales of 1.4 billion euros and currently employs approximately 5,600 staff. Logwin operates in all main markets worldwide and has over 250 locations across all 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).

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Key Figures January 1 – June 30, 2011

Group	<i>in thousand €</i>	2011	2010
Net Sales		659,362	649,547
<i>Change to 2010</i>		1.5 %	
Operating Income (EBIT)		12,628	10,089
<i>Margin</i>		1.9 %	1.6 %
Net Result		3,636	-3,350
Operating Cash Flows		-19,047	-9,376
Net Cash Flows		-16,554	628

Business Segments	<i>in thousand €</i>	2011	2010
Solutions			
Net Sales		351,167	339,739
<i>Change to 2010</i>		3.4 %	
Operating Income (EBIT)		2,889	3,484
<i>Margin</i>		0.8 %	1.0 %
Air + Ocean			
Net Sales		308,445	309,515
<i>Change to 2010</i>		-0.3 %	
Operating Income (EBIT)		12,401	9,870
<i>Margin</i>		4.0 %	3.2 %

	Jun. 30, 2011	Dec. 31, 2010
Equity Ratio	37.1 %	32.6 %
Net Financial Debt (<i>in thousand €</i>)	24,444	28,098
Number of Employees	5,821	5,686

The Half-Year Financial Report 2011 is published in both English and German. The English version is a translation from the German original, which is authoritative.