

Quarterly Financial Report 2011

Logwin AG



 **LOGWIN**

Your Logistics.

Key Figures January 1 – March 31, 2011

Group	<i>in thousand €</i>	2011	2010
Net Sales		336,280	320,709
<i>Change to 2010</i>		4.9 %	
Operating Income (EBIT)		8,396	7,426
<i>Margin</i>		2.5 %	2.3 %
Net Result		3,412	151
Operating Cash Flows		-10,509	-1,297
Net Cash Flows		-10,025	-3,969

Business Segments	<i>in thousand €</i>	2011	2010
Solutions			
Net Sales		180,677	175,125
<i>Change to 2010</i>		3.2 %	
Operating Income (EBIT)		4,194	4,351
<i>Margin</i>		2.3 %	2.5 %
Air + Ocean			
Net Sales		155,666	145,536
<i>Change to 2010</i>		7.0 %	
Operating Income (EBIT)		5,878	4,835
<i>Margin</i>		3.8 %	3.3 %

	March 31, 2011	Dec. 31, 2010
Equity Ratio	33.1 %	32.6 %
Net Financial Debt (<i>in thousand €</i>)	40,699	28,098
Number of Employees	5,772	5,686

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

Group Interim Management Report

Business Development

The German economy benefited from the expanding global economy in the first quarter. The repercussions of the tight budgetary situation in a number of EU states, the increase in oil price and its negative consequences for price levels as well as the continuing impacts from the financial and banking crisis all had a limiting effect. The European Central Bank increased interest rates on April 7, 2011, as a countermeasure to the emerging signs of inflation. The logistics and transportation sector profited from economic growth development particularly in the Asian region, where manufacturing and trade experienced a significant upswing.

The Logwin Group's positive economic performance continued in the first quarter of 2011. As in 2010, activities in the business segment Solutions with customers in industry-related fields, in particular – General Cargo, automotive and chemicals – benefited from the underlying positive mood in the first quarter 2011. Sales performance in Logwin's special networks Media was also pleasing. At the business segment Air + Ocean it was primarily the business units Europe Middle East, Far East Asia and South East Asia that reported sales growth.

Logwin has so far not experienced and as of today is not expecting any major negative effects resulting from the earthquake and tsunami catastrophe in Japan on March 11, 2011.

Earnings Position

Logwin Group The Logwin Group generated total net sales of 336.3 million euros in the first quarter of 2011. This represents an increase of 4.9 % in comparison with the respective previous year's value (2010: 320.7 million euros). There was significant sales growth at the business segment Air + Ocean despite decreasing freight rates. In the business segment Solutions, sales also increased slightly over the previous year's level. This growth was achieved in the area of new customer projects as well as in an expansion of business with existing customers.

The gross profit of 28.9 million euros for the first quarter of 2011 was 6.7 % above that for the first quarter of 2010 (27.1 million euros). Despite the growth in sales, total selling and administrative costs remained largely constant compared with 2010. The balance for other operating expenses and income amounted to -0.1 million euros (2010: 0.7 million euros). Operating income (EBIT) in the first three months of 2011 was 8.4 million euros and thus 13.1 % higher than the figure of 7.4 million euros for the previous year. The EBIT margin increased from 2.3 % in the previous year to 2.5 %.

The significantly improved net financial result of -2.6 million euros is due to the lower interest charge resulting from the part redemption of the corporate bond in December 2010 (2010: -3.7 million euros). Income tax charges increased from -1.9 million euros in 2010 to -2.4 million euros in 2011 mainly as a result of the improvement in earnings before taxes.

The negative effect on earnings reported in the previous year for discontinued business operations are no longer incurred in the current business year as a result of the disposals completed in 2010. Overall, a positive net result of 3.4 million euros was generated in the first quarter of 2011 (2010: 0.2 million euros).

Solutions The business segment Solutions generated sales of 180.7 million euros in the first three months (2010: 175.1 million euros). Specialist network solutions, operating within Transport and Retail Networks, reported moderately positive growth, with Media specialist networks and the General Cargo division showing positive signs. Contract logistics activities showed stable growth, benefiting in particular from the positive performance of industry-related customers. However, contract logistics continues to be characterized by a high level of competition so that it was for example not always possible to pass on the full cost of higher fuel and freight prices. Special items relating to the restructuring of two subsidiaries in Poland and Turkey also impacted the result. In total, the business segment Solutions achieved operating income (EBIT) of 4.2 million euros in the reporting period and was therefore able to almost equal its result for the previous year of 4.4 million euros, an amount which included positive special items from the sale of non-core activities (+0.7 million euros). The operating margin was 2.3 % (2010: 2.5 %). New companies were founded in Serbia and Bulgaria in the first quarter of 2011 in order to continue to expand contract logistics activities in particular at an international level.

Air + Ocean Rates in the first quarter of 2011 fell significantly owing to increasing freight capacities, particularly in sea freight, despite continued positive growth in demand compared with the same period last year. Nevertheless, the business segment Air + Ocean was able to continue its positive sales performance of 2010, generating sales of 155.7 million euros (2010: 145.5 million euros). This positive development was seen in almost all regions, with the Chinese New Year having a pronounced seasonal effect on business growth at the end of the reporting period. Operating income (EBIT) in the first quarter amounted to 5.9 million euros, which represents an improvement in earnings of 1.1 million euros over the previous year (2010: 4.8 million euros). The rise came largely from the largest business units Europe Middle East and Far East Asia. The business segment Air + Ocean achieved a pleasing operating margin of 3.8 %, which was above the level of the previous year (2010: 3.3 %).

Financial and Net Asset Position

Despite the positive growth in earnings, the first quarter of 2011 saw a cash outflow from operating activities of -10.5 million euros (2010: -1.3 million euros). This development can be explained by seasonal factors, in particular as a result of the increased business volume compared with the previous year and the associated increase in working capital.

Cash flow from investment activities amounted to 0.5 million euros (2010: -2.7 million euros). Besides payments made for investments, which largely maintained the same level as last year, this sum includes payments received for the sale of assets categorized in the annual financial report as “available for sale”. There was a total net cash flow of -10.0 million euros. In the first quarter of 2011 cash flows from financing activities amounted to -1.4 million euros (2010: -2.0 million euros).

As of March 31, 2011, the Logwin Group reported a balance sheet total of 508.0 million euros compared with 512.1 million euros at the end of last year.

Non-current assets amount to 251.8 million euros compared with 254.8 million euros at the end of 2010. The most significant item here is recognized goodwill of 153.2 million euros (December 31, 2010: 153.4 million euros). This position also includes property, plant and equipment of 74.4 million euros (2010: 75.3 million euros), other intangible assets of 7.0 million euros and deferred tax assets of 14.4 million euros. Current assets of the Logwin Group total 256.2 million euros (December 31, 2010: 257.3 million euros). The largest items here are trade accounts receivable with a value of 172.3 million euros (December 31, 2010: 160.9 million euros) and cash and cash equivalents of 55.2 million euros (2009: 67.5 million euros).

As of March 31, 2011, shareholders' equity of the Logwin Group totaled 168.2 million euros compared with 167.0 million euros at the end of 2010. The equity ratio was thus 33.1 % (December 31, 2010: 32.6 %).

Non-current liabilities were 116.3 million euros (December 31, 2010: 118.3 million euros). Current liabilities amounted to 223.5 million euros as of March 31, 2011 (December 31 2010: 226.8 million euros). The major portion of these consisted of trade accounts payable of 147.3 million euros (December 31, 2010: 157.8 million euros).

Employees

As of March 31, 2011, the Logwin Group employed 5,772 staff compared with 5,686 as of December 31, 2010. This represents an increase of 86 employees.

Report on the Stock and Corporate Bond of Logwin AG

Logwin share A total of 1.6 million Logwin AG shares were traded on all German stock exchanges in the reporting period. This represented a trading volume of 2.2 million euros. The price of the Logwin share climbed slightly between the beginning and end of the reporting period to close in Xetra trading at a price of 1.49 euros.

However, the significance of this share price development is limited due to the low volumes traded.

Key figures for the Logwin share

		March 31, 2011	March 31, 2010
Closing price (Xetra)	in euros	1.49	1.30
High / Low 52 weeks	in euros	1.63 / 0.95	1.35 / 0.86
Total number of shares	in units	146,257,596	111,474,987
Market capitalization	in million euros	217.9	144.9

Performance of the corporate bond After reaching a high of 104.87 on February 1, 2011, the corporate bond closed on March 31, 2011, at 103.00, the same level as at the end of last year .

Corporate rating The rating by Standard & Poor's for the Logwin Group remains unchanged in the first quarter of 2011. Standard & Poor's places the Logwin Group in the rating category "B" and the corporate bond in the rating category "B-". In February 2011 Moody's Investors Service raised the corporate family rating for the Logwin Group from "B3" to "B2", giving a continuing stable outlook. The probability of default rating changed from "B3" to "B1". Since then the rating for the corporate bond has been "B3" (previously "Caa2").

Other Reporting

Annual General Meeting The Annual General Meeting of Logwin AG was held in Luxembourg on April 13, 2011. The individual agenda items can be viewed in the notification to all shareholders on the Logwin website under: www.logwin-logistics.com/investors.

Investigations by Austrian Federal Competition Authorities As referred in the 2010 annual financial report, the Austrian Federal Competition Authorities submitted petitions at the end of February 2010 to the Vienna Higher Regional Court (Oberlandesgericht), in its function as a cartel court, against more than 40 Austrian logistics companies, including three companies belonging to the Logwin Group, for alleged infringements of Austrian and European antitrust legislation. The Federal Competition Authorities have applied for fines to be imposed in an unspecified amount. In various statements the Logwin Group and the other forwarding companies have contested the arguments of the Federal Competition Authorities with regard to both their representation of the facts and to their legal opinion. Nevertheless, the Federal Competition Authorities continue to hold their legal opinion, in particular with regard to European law. According to information obtained so far, the Logwin Group does not share the legal opinion of

the Austrian Federal Competition Authorities. In its judgment dated February 22, 2011, the Vienna Higher Regional Court (Oberlandesgericht) rejected in the first instance claims brought by the Austrian Federal Competition Authorities against members of the so-called forwarding agents' conference (Speditionssammelkonferenz – SSK). The Austrian Federal Competition Authorities and the Austrian Federal Competition Attorney have lodged an appeal with the Austrian Supreme Court against the decision in the first instance. Since the Logwin Group, based on the legal opinions it has obtained, does not assume that a fine will actually be imposed and since it is not possible to make a reliable estimate of the possible impact this would have, no provision has been made in this report and no estimate has been made of a possible contingent liability. Should a fine still be imposed, it could have considerable negative effects on the Logwin Group's net asset and financial position.

Claim for payment of import sales tax As described in detail in the 2010 annual financial report, Logwin Road + Rail Austria GmbH was served with a claim from the Austrian customs authorities in April 2010 demanding payment of import sales tax of around 16 million euros in duties for customs clearance that the company had performed with joint and several liability on behalf of customers in the period between December 2005 and March 2006. The exemption from import sales tax granted at that time was now revoked since the consignee of the goods was allegedly a participant in a missing trader (sales tax carousel) fraud. The company, which remained part of the Logwin Group after the sale of the Road + Rail activities, lodged an appeal against the decision. The customs authorities did not grant the appeal lodged by Logwin, which is why legal steps against the claim will be pursued further. Moreover, the company has an insurer's preliminary confirmation of cover. Against this background, no provision and no contingent liability have been made in these financial statements to cover this matter. This could have considerable negative consequences on the Logwin Group's net asset and financial position if the legal steps prove unsuccessful and the insurer fails to provide (sufficient) cover despite the preliminary confirmation of cover.

Outlook

The Logwin Group assumes that growth in business volumes and hence in sales seen in the first quarter of 2011 will continue through the current year. The Logwin Group is focusing on continuing to raise the level of profitability achieved in the 2010 financial year. The objective of increasing group earnings compared with the previous year will result from a reduced interest burden and the disappearance of costs arising from the sold business operations as well as from improved performance at the two business segments Solutions and Air + Ocean.

The business segment Air + Ocean assumes that freight volumes will continue to increase in line with the market. The performance of the business segment Solutions will be characterized by a systematic expansion of profitable business with new customers combined with continuing development of business with existing customers.

Interim Consolidated Financial Statements

Statement of Income

January 1 - March 31,	<i>in thousand €</i>	2011	2010
Net sales		336,280	320,709
Cost of sales		-307,346	-293,602
Gross profit		28,934	27,107
Selling costs		-6,746	-5,676
General and administrative costs		-13,735	-14,750
Other income		1,927	2,232
Other expenses		-1,984	-1,487
Operating income (EBIT)		8,396	7,426
Finance income		233	176
Finance expenses		-2,835	-3,901
Earnings of continuing business operations before income taxes		5,794	3,701
Income taxes		-2,382	-1,850
Earnings of continuing business operations after income taxes		3,412	1,851
Earnings of discontinued business operations after income taxes		-	-1,700
thereof income taxes		-	-95
Net result		3,412	151
Attributable to:			
Equity holders of Logwin AG		3,211	103
Non-controlling interest		201	48

January 1 - March 31	<i>in €</i>	2011	2010
Earnings per share – basic and fully diluted:			
Income (loss) of continuing business operations attributable to the equity holders of Logwin AG		0.02	0.02
Income (loss) of discontinued business operations attributable to the equity holders of Logwin AG		-	-0.02
Income (loss) attributable to the equity holders of Logwin AG		0.02	0.00
Weighted average number of shares outstanding		146,257,596	111,474,987

The accompanying notes are an integral part of these Interim Consolidated Financial Statements.

Statement of Comprehensive Income

January 1 - March 31,	<i>in thousand €</i>	2011	2010
Net result		3,412	151
Unrealized profit/loss on securities, available-for-sale		-4	18
Unrealized profit on commodity forwards		-	94
Neutral effects from change in fair value reserve		-4	112
Actuarial gains and losses		-	106
Deferred income taxes		-	-
Neutral effects from actuarial gains and losses from pensions and other long-term obligations		-	106
Unrealized losses/profit		-2,151	1,587
Neutral effects from change in translation reserve		-2,151	1,587
Other comprehensive income		-2,155	1,805
Total comprehensive income		1,257	1,956
Attributable to:			
Equity holders of Logwin AG		1,056	1,908
Non-controlling interest		201	48

The accompanying notes are an integral part of these Interim Consolidated Financial Statements.

Statement of Cash Flows

January 1 - March 31,	<i>in thousand €</i>	2011	2010
Earnings before income taxes		5,794	3,701
Financing result		2,602	3,725
Operating income (EBIT)		8,396	7,426
Adjustments to reconcile net result to operating cash flows:			
Depreciation and amortization		3,030	3,447
Result from disposal of assets		-216	-14
Other, net		-1,729	-1,204
Income taxes paid		-610	2,436
Interest expenses paid		-570	-543
Changes in working capital, cash effective:			
Change in receivable, cash effective		-16,904	-29,769
Change in payable, cash effective		-2,474	25,159
Change in inventory, cash effective		568	-101
Operating cash flows of continuing business operations		-10,509	6,837
Operating cash flows of discontinued business operations		-	-8,134
Capital expenditures		-1,863	-1,631
Proceeds from disposal of consolidated companies and other business units		300	-
Proceeds from disposals of non-current assets		2,456	368
Payments for acquisitions of subsidiaries, net cash acquired		-310	-
Other changes in investing activities		-99	39
Investing cash flows of continuing business operations		484	-1,224
Investing cash flows of discontinued business operations		-	-1,448
Net cash flows of continuing business operations		-10,025	5,613
Net cash flows of discontinued business operations		-	-9,582
Net cash flows		-10,025	-3,969
Repayment in finance lease liabilities		-556	-536
Repayment in financial liabilities		-792	-235
Other cash flows from financing activities		-46	-
Financing cash flows of continuing business operations		-1,394	-771
Financing cash flows of discontinued business operations		-	-1,264
Effects of exchange rate changes on cash		-925	947
Changes in cash and cash equivalents		-12,344	-5,057
Cash and cash equivalents at beginning of year		67,499	64,563
Change		-12,344	-5,057
Cash and cash equivalents at end of period		55,155	59,506

The accompanying notes are an integral part of these Interim Consolidated Financial Statements.

Balance Sheet

Assets	<i>in thousand €</i>	March 31, 2011	Dec. 31, 2010
Goodwill		153,185	153,389
Other intangible assets		6,972	7,728
<i>thereof software</i>		4,940	5,671
Property, plant and equipment		74,444	75,261
Financial assets		1,547	1,791
Other non-current assets		1,281	1,331
Deferred income taxes		14,352	15,315
Total non-current assets		251,781	254,815
Inventories		2,337	2,940
Trade accounts receivable		172,256	160,933
<i>thereof receivables from factoring</i>		18,881	16,735
Income tax receivables		3,377	3,805
Other receivables and current assets		23,088	20,020
Cash and cash equivalents		55,155	67,499
Assets held for sale		-	2,102
Total current assets		256,213	257,299
Total assets		507,994	512,114
Liabilities and Shareholders' Equity	<i>in thousand €</i>	March 31, 2011	Dec. 31, 2010
Ordinary shares		131,202	131,202
Group reserves		35,165	34,179
Total group equity		166,367	165,381
Non-controlling interest		1,809	1,608
Shareholders' equity		168,176	166,989
Corporate Bond		64,254	64,183
Lease obligations, long-term		19,306	20,262
Other long-term financial liabilities		5,254	5,785
Retirement and other long-term employee-related obligations		25,365	25,607
Other long-term provisions		-	103
Other long-term liabilities		1,367	1,392
Deferred income taxes		793	999
Total non-current liabilities		116,339	118,331
Trade accounts payable		147,306	157,797
Lease obligations, short-term		4,524	2,053
Other financial short-term liabilities		2,516	3,313
Short-term provisions		11,436	12,770
Tax liabilities		5,837	5,274
Other short-term liabilities		51,860	45,587
Total current liabilities		223,479	226,794
Total liabilities and shareholders' equity		507,994	512,114

The accompanying notes are an integral part of these Interim Consolidated Financial Statements.

Statement of Changes in Shareholders' Equity

	Capital and reserves attributable to the equity holders of Logwin AG					Non-controlling 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, 2010	139,344	156,047	-165,754	-3,305	126,332	1,891	128,228
Net result			103		103	48	151
Other comprehensive income				1,805	1,805	-	1,805
Total comprehensive income			103	1,805	1,908	48	1,956
Other			-819	15	-804		-804
March 31, 2010	139,344	156,047	-166,470	-1,485	127,436	1,939	129,375
January 1, 2011	131,202	103,929	-68,195	-1,555	165,381	1,608	166,989
Net result			3,211		3,211	201	3,412
Other comprehensive income				-2,155	-2,155	-	-2,155
Total comprehensive income			3,211	-2,155	1,056	201	1,257
Other		-70			-70		-70
March 31, 2011	131,202	103,859	-64,984	-3,710	166,367	1,809	168,176

The accompanying notes are an integral part of these Interim Consolidated Financial Statements.

Notes to Consolidated Interim Financial Statements as of March 31, 2011

These consolidated interim 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, 2010.

The preparation of financial statements requires management to make certain estimates and assumptions and hence accounting judgments that affect the amounts of assets and liabilities reported at the balance sheet date and costs and revenues during the reporting period. Actual amounts may differ from these estimates, leading to a risk that an adjustment to the carrying amounts of assets or liabilities might be required in subsequent reporting periods.

In addition to Logwin AG as the parent company, the scope of fully consolidated companies includes two domestic and 76 foreign companies as of March 31, 2011 (as of December 31, 2010: two domestic and 79 foreign companies).

The consolidated entities including Logwin AG have developed as follows:

	Dec. 31, 2010	Additions	Disposals	March 31, 2011
Luxembourg	3	-	-	3
Abroad	79	-	3	76
Total	82	-	3	79

The three disposals of foreign companies are due to fusion on other full consolidated companies.

The classification of segments is 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 "Consolidation" column.

The result of each segment is measured by management based on operating income. This operating income is defined as EBIT before special items such as impairment on long-lived assets or goodwill and restructuring costs, as long as they have a relevant impact on the financial condition and results of operations. As far as possible, the general administrative expenses of the holding companies have been allocated to the business segments in line with the principle of causality.

1 Basis of Accounting

2 Consolidation Scope

3 Segment Reporting

The tables below set forth segment information of the business segments for the periods ended March 31, 2011 and 2010:

January 1 - March 31, 2011	<i>in thousand €</i>	Solutions	Air + Ocean	Other	Consolidation	Group
External sales		179,338	154,884	2,058	-	336,280
Intersegment sales		1,339	782	1,360	-3,481	-
Net sales		180,677	155,666	3,418	-3,481	336,280
Operating income (EBIT)		4,194	5,878	-1,676	-	8,396
Financing result						-2,602
Income taxes						-2,382
Net result						3,412

January 1 - March 31, 2010	<i>in thousand €</i>	Solutions	Air + Ocean	Other	Consolidation	Group
External sales		174,025	144,631	2,053	-	320,709
Intersegment sales		1,100	905	1,010	-3,015	-
Net sales		175,125	145,536	3,063	-3,015	320,709
Operating income (EBIT)		4,351	4,835	-1,760	-	7,426
Financing result						-3,725
Income taxes						-1,850
Net result						151

4 Contingent Liabilities

In the first three months of 2011 there were no material changes in contingent liabilities in respect of bank and other guarantees, letters of comfort, assessments and other matters arising in the ordinary course of business. It can be unchanged assumed that no material liabilities will arise herefrom.

As referred in the Annual Financial Report 2010 the Austrian Federal Competition Authorities submitted petitions to the Vienna Higher Regional court (Oberlandesgericht) against more than 40 Austrian logistics companies, including three companies belonging to the Logwin Group, for alleged infringements of Austrian and European antitrust legislation at the end of February 2010. The Federal Competition Authorities have applied for fines to be imposed in an unspecified amount. In various statements the Logwin Group and the other forwarding companies have contested the arguments of the Federal Competition Authorities with regard to both their representation of the facts and to their legal opinion. Nevertheless, the Federal Competition Authorities continue to hold their legal opinion, in particular with regard to European law. According to information obtained so far, the Logwin Group does not share the legal opinion of the Austrian Federal Competition Authorities. In its judgement dated February 22, 2011, the Vienna Higher Regional court (Oberlandesgericht) rejected in the first instance claims brought by the Austrian Federal Competition Authorities against members of the so-called forwarding agents' conference (Speditionssammelkonferenz - SSK). The Federal Competition Authorities and the Bundeskartellanwalt lodged an appeal against the decision of the court of first instance with the Supreme Court. Since the Logwin Group, based on the legal opinions it has obtained, does not assume that a fine will actually be imposed and

since it is not possible to make a reliable estimate of the possible impact this would have on the present financial statements, no provision has been made and no estimate has been made of a possible contingent liability. Should a fine still be imposed, it could have considerable negative effects on the Logwin Group's net asset and financial position.

Logwin Road + Rail Austria GmbH was served with a claim from the Austrian customs authorities in April 2010 – please refer to the Annual Financial Report 2010 –demanding payment of import sales tax of around 16 million euros in duties for customs clearance that the company had performed with joint and several liability on behalf of customers in the period between December 2005 and March 2006. The exemption from import sales tax granted at that time was now revoked since the consignee of the goods was allegedly a participant in a missing trader (sales tax carousel) fraud. The company, which remained part of the Logwin Group after the sale of the Road + Rail activities, lodged an appeal against the decision. The customs authorities did not grant the appeal lodged by Logwin, which is why legal steps against the claim will be pursued further. Moreover, the company has an insurer's preliminary confirmation of cover. Against this background, no provision and no contingent liability have been made in these financial statements to cover this matter. This could have considerable negative consequences on the Logwin Group's net asset and financial position if the legal steps prove unsuccessful and the insurer fails to provide (sufficient) cover despite its preliminary confirmation of cover.

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.

5 External Review

There were no significant events between March 31, 2011, and the preparation of the Consolidated Financial Statements by the Board of Directors of Logwin AG.

6 Subsequent Events

